The ROYAL MARSDEN

NHS Foundation Trust

Annual Report and Accounts 2017/18

At The Royal Marsden, we deal with cancer every day – so we understand how valuable life is. And when people entrust their lives to us, they have the right to demand the very best. That's why the pursuit of excellence lies at the heart of everything we do.

Life demands excellence

Front cover photo
Vinidh Paleri, Consultant Head and Neck Surgeon with the da Vinci surgical robot in the operating theatre, in Chelsea.

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1. Performance report

The Royal Marsden opened its doors in 1851 as the world's first hospital dedicated to cancer diagnosis, treatment, research and education. While this remains our core purpose, the nature and extent of our work has evolved in all of these areas as set out in our Annual Report 2017/18 and as our Chairman and Chief Executive summarise in their statement below.

Looking to the future, our ambitions and objectives are set out across our core and cross-cutting themes in our Five Year Strategic Plan 2018/19-2023/24, which is available on the Trust website. In developing and implementing this strategy, we must consider the economically challenging environment in which we operate; finding ways to maximise the benefits to our patients through efficient and innovative means. We also recognise that in order to achieve our goals we must continue to work collaboratively with providers and partners across services and research, and particularly through Cancer Alliances such as RM Partners.

As our Five Year Strategic Plan sets out, The Royal Marsden endeavours to lead as a centre of excellence in cancer research, treatment and care on a national and international scale.

Overview of performance

Chairman and Chief Executive joint statement

As one of the leading cancer centres in the world, with a track record of developing new and better ways of diagnosing and treating cancer, The Royal Marsden contributes to improved outcomes for patients globally.

Over the past year, The Royal Marsden has continued this work. We have maintained our strong track record of performance on all quality, financial and service standards to ensure patients receive the best quality of care and leading-edge treatment.

We were ranked within the top four trusts in the country in the Care Quality Commission (CQC) Adult Inpatient Survey. Patients reported their overall experience as 9 out of 10 and rated us particularly well in areas including patients trusting what doctors and nurses had to say and whether their questions were answered.

In this year's National Cancer Patient Experience Survey we scored 8.9 out of 10 for the overall care patients received at The Royal Marsden and 93 per cent of patients surveyed said they were always treated with dignity and respect while they were in hospital, above the national average score of 88 per cent.

Hearing comments about the quality of our staff and service is always uplifting and demonstrates the exceptional standard of care staff of The Royal Marsden offer to our patients and their families.

This year, we were inspected by the European accreditation body (JACIE) for bone and marrow transplantation. Inspectors remarked it was the "best nursing programme we have ever seen" and praised the standard of professionalism, expertise and warmth of the staff they met during the inspection.

We also received the Society of Radiographers Imaging Services Accreditation Scheme (ISAS) accreditation for the first time, and are one of only a small number of Trusts nationally to achieve this.

Our work as a translational and clinical research centre continues to be vital in ensuring we can make a difference to the effective diagnosis and treatment of patients and improve survival rates.

As an NIHR Biomedical Research Centre, we are committed to using the latest technology to develop smarter, kinder treatments for both adult and paediatric patients and achieving optimal scale and transformation of care through strengthening and developing academic research and commercial collaborations.

Over the past year we have been working with The Institute of Cancer Research (ICR), the Francis Crick Institute and Imperial College London, collaborating on research fundamental to improving the lives of cancer patients at The Royal Marsden, throughout the UK and beyond.

As a specialist provider, The Royal Marsden has a responsibility to innovate and ensure that it can act as a test bed of best practice for the NHS. The Trust has a history of trialling new technology, from pioneering intensity-modulated radiotherapy (IMRT) techniques to installing the UK's first magnetic resonance linear accelerator (MR Linac) machine, for which The Royal Marsden is part of an international consortium alongside six other centres globally.

The Royal Marsden has also developed the largest and most comprehensive programme of robotic surgery in the UK, with procedures encompassing the majority of tumour types, and a robotic surgical fellowship to train the robotic surgeons of the future.

The Trust is the host and founder of RM Partners, one of 19 Cancer Alliances tasked with trialling and rolling out new models of care and reducing variation in outcomes. The Royal Marsden and RM Partners are pioneering new models of care, rapidly translating clinical research into clinical practice. Its focus is on reducing variation in outcomes and transforming early diagnosis to improve cancer survival.

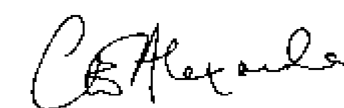
The programme has already been awarded £20 million of the first wave of national transformation funding over the next two years to invest in innovative diagnostic pathways and leading edge technology to improve diagnostics and outcomes, and we intend to build on the momentum gained through this collaboration by continuing to support RM Partners, implementing best practice across south west and west London for the benefit of all patients to optimise care in order to reduce variation in outcomes.

An early example of this is the prostate pathway. RM Partners has designed and implemented a new Rapid Access Prostate Imaging and Diagnosis (RAPID) pathway for suspected prostate cancers. This pathway has been successfully launched in three hospitals and has already received an overwhelmingly positive response from patients, as well as improving operational performance.

Our performance is a reflection of the skills and culture of the workforce at The Royal Marsden, who work to a set of values developed to reflect what staff do every day. These demonstrate the commitment to excellence in everything staff do and provide a strong foundation for the delivery of the very best patient care, service delivery and life-saving research.

We would like to thank the staff of The Royal Marsden for their exceptional commitment and professionalism, which ensures The Royal Marsden can continue its work as a world-leading cancer centre.

Cally Palmer CBE
Chief Executive
24 May 2018



Charles Alexander
Chairman
24 May 2018

Summary of achievements

Research and innovation

Leading experts from The Royal Marsden and the ICR presented at the European Society for Medical Oncology (ESMO) 2017 Congress in Madrid. The ESMO Congress is the most influential annual meeting for oncology professionals in Europe, with more than 23,000 delegates from around the world attending.

Two of the event's most high-profile stories showed significant progress in both immunotherapy and targeted therapy research for patients with advanced melanoma. The trial results were published simultaneously in the prestigious New England Journal of Medicine. The CheckMate 238 trial showed that nivolumab improves relapse-free survival compared with ipilimumab in high-risk melanoma patients.

At present, these immunotherapy drugs are approved for treating advanced melanoma, but neither is approved in the UK for use as adjuvant therapies. Results from the COMBI-AD trial showed that the combination of the targeted drugs dabrafenib and trametinib significantly reduce the risk of recurrence in patients with high-risk stage-3 melanoma who have the *BRAF V600* gene mutation, which is found in 40 per cent of melanoma patients.

In late 2017, two breakthrough drugs were approved for NHS use in patients with advanced breast cancer following clinical trials led by Professor Nicholas Turner at The Royal Marsden and the ICR. Palbociclib and ribociclib, which are used in combination with an aromatase inhibitor to block the production of the hormone oestrogen, have been shown to slow down advanced breast cancer for at least 10 months, potentially delaying the need for chemotherapy.

The work of the Paediatric Drug Development team was recognised this year at the British Medical Journal Awards, where they were highly commended in the Cancer Care category for enabling growing numbers of paediatric patients to go on early-phase clinical trials in the Oak Centre for Children and Young People. The number of Phase I and II drug trials available for children and adolescents has increased from just seven in 2009 to 23 in 2016, with 19 open to recruitment this year. This work not only benefits patients at The Royal Marsden, but also children with cancer across the UK.

In molecular diagnostics, The Royal Marsden recently purchased a NovaSeq and will now have the capability to provide somatic genetic testing for the north and west London regions in addition to being able to support the future requirements of private care as well as research and development in this area.

As a lead partner in the 100,000 Genomes Project, which aims to define the blueprint to provide genetic testing in multi-tumour types across the NHS, The Royal Marsden has benefited greatly from the current DNA sequencing machines, the MiSeq and the NextSeq. However, these limit the number of patients that can be sequenced – at maximum capacity, it can screen approximately 100 genes in 20 patients simultaneously, and results can take up to two weeks to be received. The new Novaseq machine has the ability to test thousands of genes in many more patients simultaneously, providing the opportunity for more accurate diagnosis and outcome predictions for patients.

Treatment and care

Dedicated support

The Acute Oncology Service (AOS) is designed for patients who require unplanned support in managing the complications of their cancer or the side effects of treatments such as chemotherapy, radiotherapy and immunotherapy.

Following the successful pilot of the AOS in Chelsea, the same model was rolled out in Sutton in August 2016. Since then, the service has been providing real benefit to our patients, improving their treatment and care.

As consultant-led inpatient care for admissions, the service operates the Clinical Assessment Unit (CAU) and supports The Royal Marsden Macmillan Hotline (RMMH), which is available 24 hours a day, seven days a week for all our patients, as well as overseeing the inpatient handover process.

Key aims include reducing oncology-related A&E attendances, having a consultant review of all non-elective patients within 24 hours of admission (Mon-Fri), improving the care of acutely unwell patients and enabling supported discharge earlier.

Over the first 12 months, CAU referral numbers doubled in Sutton and they now regularly see over 100 patients per month, with fewer clinic patients going to local A&Es and fewer unwell patients attending Royal Marsden clinics. In a recent Royal Marsden survey, 100 per cent of our junior doctors felt acute inpatient care had improved due to the Acute Oncology Service, and 80 per cent felt the service had aided earlier discharge.

The RMMH, which was launched in October 2016, also contributes to helping The Royal Marsden understand and manage demand appropriately.

A dedicated telephone advice service, the hotline provides specialist advice on the management of side effects and complications of cancer and its treatment, as well as access to other information and signposting services. By providing a single point of access for patients feeling unwell at home, consistent clinical assessment, and advice at the first point of contact, it has helped to avoid unnecessary admissions.

The Royal Marsden made significant progress this year in implementing the seven-day services clinical standards, including putting in place a joint clinical/medical oncology weekend rota to improve consultant-level presence at weekends and further development of the Acute Oncology Service. The Trust exceeded the national 2018 target during an audit in September and carried out an end of year national audit, highlighting that the Trust had already achieved the 2020 target.

Care, closer to home

Key to successful cancer treatment and care now, and in the future, is the development of new systems of care so that patients can be treated closer to home and on an outpatient and day-care basis wherever possible.

The Royal Marsden has built on the success of previous collaborative ventures by establishing and hosting a powerful Cancer Alliance, RM Partners. This enables a whole pathway approach to delivering world class cancer outcomes for its population and provides many opportunities for The Royal Marsden.

It is already evident that working together across organisational boundaries can improve the patient pathway and reduce variation across geographies, bringing operational efficiencies to all providers as well as improved outcomes for patients.

Within the last year, we also launched our Mobile Chemotherapy Unit (MCU) as part of the Trust's 'closer to home' strategy, which aims to deliver treatments closer to patients' homes, reducing their travel times and the stress of visiting hospital.

By early 2021, it is projected that the MCU and our homecare service will save 2,500 hospital visits and more than 15,000 miles travelled by patients. The state-of-the-art mobile unit has been made possible by Hope for Tomorrow, The Royal Marsden and The Royal Marsden Cancer Charity, which is funding two drivers. They are responsible for driving the MCU, as well as checking patients in, providing refreshments and ensuring the service runs smoothly.

In winter 2017, The Royal Marsden launched its homecare service to provide cancer treatment in patients' own homes. As more people are diagnosed with cancer and treatments become more effective, the number of patients on low-risk chemotherapy and long-term supportive therapies is rising. For many, treatment can be given safely at home, relieving pressure on our Medical Day Units and improving access to treatment.

The service involves dedicated nurses from The Royal Marsden Community Services delivering injectable treatments – such as supportive and hormone therapies – to locally based eligible patients who would normally attend the Medical Day Unit in Sutton. Patients benefit from the convenience of being treated at home, plus reduced hospital visits, waiting times and costs of travel and parking.

Modernising infrastructure

Rise of the machines

For more than a decade, The Royal Marsden has been performing robot-assisted surgical procedures for patients with a variety of tumour types including urological, gynaecological, head and neck, gastrointestinal and colorectal cancer. After revolutionising the way we treat patients, The Royal Marsden's robotic surgery programme now tackles more cancer types than ever before and has the largest and most comprehensive programme of robotic surgery for cancer in the UK, with two da Vinci robots, both funded by generous supporters of The Royal Marsden Cancer Charity.

The Royal Marsden is the only centre to perform 'free flaps' surgery for head and neck cancers, with Professor Vinidh Paleri, who joined The Royal Marsden in autumn 2017, one of the few surgeons in the UK with expertise in transoral robotic surgery for head and neck cancers. Professor Paleri has pioneered a new robotic technique to remove throat cancers that recur following previous treatment and was the first surgeon in the UK to perform robotic free flaps reconstructions.

We are also the only centre in the UK offering robotic oesophagectomies, with Consultant Upper GI/Oesophagogastric Surgeon Mr Asif Chaudry establishing the first independent programme for robotic oesophageal cancer surgery. The team is now leading further development in this area with colleagues internationally as well as industry partners, to help a larger number of patients achieve a cancer-free future with a minimally invasive approach, using leading-edge technology.

The da Vinci Xi's dual console also enables The Royal Marsden to run the UK's first cross-speciality robotic fellowship programme. Funded by The Royal Marsden Cancer Charity, the programme trains surgeons from other Trusts across the country so that patients throughout the UK can benefit from robotic surgery. The dual console allows consultants to supervise trainees during live surgery, at no risk to the patient.

The Royal Marsden has also been pioneering new technology in breast cancers, as the first centre in the UK to use a new technology to improve the experience of patients undergoing breast surgery.

Two of our leading consultant breast surgeons, Miss Jenny Rusby and Miss Katherine Krupa, use a new technology called the Magseed, a marker that is placed into the patient to help guide surgeons during a breast lumpectomy for impalpable breast cancer. It is just 5mm long – smaller than a grain of rice – taking the surgeon directly to the tumour during the procedure.

The aim of using Magseed is to improve the patient experience. As patients can have the marker inserted a few days in advance, it reduces their time in hospital and the number of procedures they need on the day of surgery. We hope that in the future, we can also use Magseed to mark the tumour and any lymph nodes prior to neoadjuvant treatment.

High-tech treatment

The Royal Marsden's Radiotherapy Department was recently rated outstanding and has a track record of world-class research. It has been at the forefront of major radiotherapy research breakthroughs, and innovative treatment that has significantly advanced radiotherapy practice and resulted in nationally recognised standards of care.

Having pioneered modern techniques such as IMRT, stereotactic body radiotherapy (SBRT) and image-guided radiotherapy (IGRT), The Royal Marsden is a world leader in the advancement of practice and pioneering research. The Trust now offers these techniques as standard provision.

In late 2017, the latest radiotherapy technology installed at The Royal Marsden, the MR Linac, reached another milestone on its journey to becoming fully operational. The Royal Marsden, together with its academic partner, the ICR, was the first centre in the UK to install the MR Linac and will be one of only seven centres in the world to use the technology.

The machine combines two technologies, an MRI scanner and a linear accelerator, to precisely locate tumours, tailor the shape of X-ray beams in real time and accurately deliver doses of radiotherapy to moving tumours.

Before the MR Linac can be used to treat cancer patients, healthy volunteers are scanned to test the imaging system. Ross Lydall, the Evening Standard's Health Editor and Chief News Correspondent, was the first volunteer to be scanned on the machine as part of The Royal Marsden and the ICR's PRIMER study, which is assessing the visibility and value of the MR imagery.

Researchers will use the scans to optimise the quality of the images and determine the best ways of using the imaging capabilities of the MR Linac. This in turn will help design and plan treatments in the future.

The MR Linac was funded by a £10 million grant from the Medical Research Council, with additional support from The Royal Marsden Cancer Charity and the ICR. Physicists at The Royal Marsden and the ICR have been developing the technology for several years as part of an international consortium initiated and co-ordinated by Elekta, which makes the MR Linac, and MR partner Philips.

The Royal Marsden is also focusing on the development of networks of non-surgical clinical oncology services, which are anticipated to reduce variation and allow access for patients with rare cancers to get the best radiotherapy in specialist centres. The vast majority of radiotherapy would be delivered in hospitals close to patients' homes. The Royal Marsden's proposed network would include radiotherapy centres at Imperial College Healthcare NHS Trust, Royal Surrey County Hospital NHS Foundation Trust and Sussex University Hospitals NHS Trust.

Financial sustainability and best value

So-called 'biosimilar drugs' could herald a new generation of drugs for cancer – and many other conditions – which could save the NHS tens of millions of pounds, without compromising clinical impact for patients.

The Royal Marsden's Chief Pharmacist, Jatinder Harchowal, is leading a groundbreaking project – on behalf of RM Partners – to increase the uptake of biosimilars across Cancer Alliances. The Royal Marsden was the first UK trust to switch to biosimilar rituximab, an important drug for blood cancers, including lymphoma. It is estimated that national uptake of biosimilar rituximab alone could save the NHS between £80 million and £100 million per year.

Biosimilars are copies of biological drugs, made up of monoclonal antibodies, which can be applied to all cancer drugs with this original structure (i.e. any drug ending in 'mab'). Patents are starting to run out on the first wave of 'mab' drugs, and when they do, biosimilars can be introduced. Crucially, biosimilars are much cheaper to produce compared to the original drug, yet they have the same clinical benefit for patients.

Biosimilar uptake around the country had previously been poor, as many clinicians did not understand or trust them. As a result of the RM Partners programme, uptake of biosimilar rituximab has now reached 80 per cent nationally.

Biosimilars are a key element of NHS England's National Cancer Strategy to develop new models of care for cancer. The NHS Cancer Vanguard was set up in 2015 and is a partnership between RM Partners, Greater Manchester Cancer Vanguard Innovation and UCLH Cancer Collaborative.

High scores across the board

The Royal Marsden is one of the best places in England to receive care, according to two patient surveys. In the CQC's annual Adult Inpatient Survey, which looks at the experiences of adult patients in all NHS trusts, The Royal Marsden was ranked within the top four trusts in England. The hospital had consistently high scores from more than 680 inpatients who completed the survey in September 2016, with the overall patient experience rated 9 out of 10. And in the National Cancer Patient Experience Survey, which monitors the progress made on cancer care nationally, The Royal Marsden was ranked among the top three most-improved providers out of 148 NHS trusts. The Trust scored an outstanding 8.9 out of 10 for the overall rating and above the national average in 30 of the survey questions.

The Royal Marsden scored well in the annual Patient Led Assessment of the Care Environment (PLACE) inspections. Inspectors, comprising staff from our facilities and nursing departments, patient inspectors from the Patient and Carer Advisory Group, our Governors, Healthwatch and The Friends of The Royal Marsden, assessed the Chelsea and Sutton hospitals. The Trust scored above the national average in four categories: cleanliness; food and hydration; the privacy, dignity and wellbeing of patients; and the condition, appearance and maintenance of the environment. The catering service in Sutton scored nearly 10 percentage points higher than the national average.

Risk

The continued delivery of a high-quality service requires the identification, management and reduction of events or activities that could compromise the safety of patients, staff, visitors and any other persons. The Trust is proud that it is among the highest performing trusts in the 2017 Staff Survey, for staff feeling they are treated fairly when they report an incident or near miss.

The systematic identification, analysis and control of risks is a key organisational responsibility. A culture of ownership and responsibility for risk management and patient safety is fostered throughout the organisation and all managers and clinicians undertake risk management as one of their fundamental duties. This is achieved through an environment of openness and trust: where mistakes, adverse incidents and near misses are identified quickly and dealt with in a positive and responsive way. The submission of timely and accurate information to assess risk is promoted throughout the organisation and it is recognised that fear of disciplinary action may deter staff from reporting an incident.

Risk management aims to achieve the optimum balance between quality care, treatment and rehabilitation of patients and the provision of services that are safe by making maximum use of available resources and identifying prioritised risk control action plans. Risk reduction will be achieved through a continuous cycle of the identification, assessment, control, monitoring and review of risk, via our risk registers and other assurance mechanisms.

The Board Assurance Framework

The purpose of the Board Assurance Framework (BAF) is to provide the Trust Board with assurances when considered alongside the Trust's risk management processes, the Annual Governance Statement and the programme of internal audit (NHS 2015). The Board reviews the BAF on a quarterly basis, which includes the strategic objectives for the Trust that have been identified from the four key themes in the Strategic Plan 2014/15 and refreshed for 2018/19:

1. Research and innovation – the management and delivery of world-class research and maintenance of top research performance while strengthening the Trust's working relationship with its academic partners
2. Treatment and care – the design and delivery of efficient, integrated pathways for cancer care, which ensure quality is maintained and supports the development of a successful surgical strategy
3. Modernising infrastructure – planning ahead and investing in the Trust's Sutton and Chelsea hospitals to ensure the Trust continues to deliver a sustainable service and is in a position to invest in IT, infrastructure and major equipment and
4. Financial sustainability and best value – the successful delivery of the Trust's Private Care Strategy while maintaining fair NHS tariff pricing and controlling the Trust's temporary staffing expenditure.

For 2017/18, the following risks were identified and monitored.

- Failure to deliver the Trust's Research Strategy effectively. The organisation recognises the need to make better use of available resources and improve research efficiencies. During 2016/17 the joint Royal Marsden and ICR Research Strategy was launched called "Making the Discoveries; Our Strategy to Defeat Cancer", the strategy covers the next five years, with a focus on, translational research, taking research rapidly from the laboratory to the clinic for the benefit of patients. In 2016 The Royal Marsden secured NIHR BRC funding for the next five years, from April 2017. If the new grant was reduced; however, the risk will be mitigated by a programme of research prioritisation and efficiencies alongside seeking alternative sources of funding to ensure The Royal Marsden retains its leading edge in cancer research. Performance against the strategy is monitored weekly by the Clinical Research Executive Team and monthly through the BRC Steering and Clinical Unit Research Leads committees. Key deliverables in 2017/18 have been the establishment of new research themes within the NIHR BRC, including the digital strategy for clinical research.
- Risk of reduced clinical and operational sustainability – systems leadership: The Trust is part of the south west London Sustainability and Transformation Planning (STP) footprint. The Royal Marsden has also promoted working across boundaries by launching RM Partners, which aims to improve survival, quality, safety and patient experience across both north west and south west London STPs (covering a population of 3.9 million). The focus is on rolling out innovative new services that will improve early diagnosis, patient outcomes for lung, colorectal and prostate cancer, which are the three tumour groups in which outcomes are poorer than other international comparators. RM Partners has been successful in bidding for £10 million per year for two years of the national cancer transformation money to support these improvements. The Royal Marsden will work with partners and the south west London STP to ensure any changes in commissioning and service arrangements will benefit cancer patients.

- Failure to achieve on aspects of performance: the 62 day target. This continued to be a challenge in 2017/18 due to late referrals. The risk is being mitigated through both RM Partners and the South West London Systems Leadership Forum, where The Royal Marsden provides a leadership function to improve pathways across organisations. RM Partners has supported all partner trusts to manage capacity and demand between providers to reduce the number of breaches. Internally there is a programme of work to improve the efficiency of clinical pathways through the Transformation Board. More details on the 62 day target can be found in the Trust's Annual Quality Report.
- In common with all other London trusts there is a challenge to recruit and retain the best staff, particularly in community nursing and in critical care and theatres within the hospital. During 2017/18 the Trust has focused on recruitment and retention, and strategies to reduce reliance on temporary staff, in particular agency staff. The Trust has made some key consultant appointments to ensure sustainability of the medical workforce and the Director of Medical Education works with the Dean on actions to ensure high quality training at The Royal Marsden is delivered.
- The financial risk associated with the affordability of major equipment, estates, IT schemes and cyber risk. The Trust has prioritised investment in IT through approving the IT Strategy. All other schemes are prioritised in relation to patient safety, regulation and affordability.
- Reduced capacity due to lack of space, equipment and facilities are highlighted on the Trust's risk register; contingency plans are in place with associated proposals for new builds, additional equipment and improved accommodation.
- Failure to maintain financial sustainability. As part of the review of tariff structure the Trust has volunteered to be part of the NHS Improvement (NHSI) costing transformation programme to ensure The Royal Marsden's views are considered. The Trust has raised the need to be fairly recompensed for the activity it undertakes with commissioners and continues to raise these issues at the highest levels. During 2016/17 the Trust agreed the rebasing of its locally priced activity, which came into effect during 2017/18; the full-year impact of this will be delivered in 2018/19. In addition, the Trust constantly assesses its expenditure to ensure best value for money. Through the transformation schemes and evaluating opportunities from NHSI on the model hospital and Carter reviews, the Trust is able to further improve its efficiency.

Delivery of the Private Care Strategy is part of the Trust's plans for financial sustainability. The Trust has a fully integrated NHS and Private Care business model, ensuring all Private Care revenue is invested for the benefit of all patients. It has achieved its revenue and contribution targets for the year and has identified opportunities to expand Private Care capacity outside of its current estate to ensure longer term sustainability and support for the NHS. The Private Care service model and commercial infrastructure has been improved through additional investment. Key risks around debt and billing and accounts have been identified with action plans and Key Performance Indicators (KPI) in place to improve performance in these areas.

Statement of going concern

The Royal Marsden NHS Foundation Trust Annual Report and Accounts have been prepared on a going concern basis. Non-trading entities in the public sector are assumed to be going concerns where the continued provision of a service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents.

After making enquiries, the Board of Directors have a reasonable expectation that The Royal Marsden NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. They have not identified any material uncertainties that may cast significant doubt on the Trust's ability to continue as a going concern. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Cally Palmer CBE
Chief Executive
24 May 2018

Performance analysis

Financial summary for the year ended 31 March 2018

The Royal Marsden has been an NHS Foundation Trust for 14 years, and in a tough financial environment over the past year has achieved a record financial performance, predominantly due to accessing incentive Sustainability and Transformation Funds (STF) of £15.8 million as well as the STF in the original plan of £2.3 million, a total of £18.1 million. The financial accounts for the year 2017/18 show the Trust generated a surplus of £35.5 million. The STF funds have been ring-fenced for the capital programme into future years and are being used for the IT Strategy including the Electronic Patient Record replacement, a project estimated to cost over £40 million in capital.

The Trust continues to maintain a strong balance sheet and cash position. At 31 March 2018 the Trust held cash deposits of £47.3 million, an increase of £26.2 million from the previous year. The Trust generated £45.2 million from operational activity. The Trust invested £16.7 million in capital expenditure and made a Public Dividend Capital (PDC) dividend to the Department of Health of £3.6 million, which represented an actual dividend rate of 3.5 per cent.

The Trust completed a full valuation of the asset base in 2016/17 as per the Trust's accounting policy, which is to carry out a full inspection valuation every five years. The valuation was carried out on a Modern Equivalent Asset (MEA) basis, which considers the cost of re-providing an equivalent service on an alternative site with modern building design as opposed to the current market value of the site. In following the Trust's accounting policy, an interim valuation will be completed in the third year. Consequently, for 2017/18 the Trust has requested the valuation firm review the materiality of the market conditions since the last full valuation, which has meant there has been no change to the overall valuation of the asset base.

Efficiency

In the continued challenging economic environment, the Trust has delivered the total efficiency programme for 2017/18. This programme of efficiency has delivered improvements in order to meet NHS tariff reductions, to support the local health economy and to deliver the Trust's surplus for the year.

Financing and investment

Despite the financial challenges the Trust has continued to invest in estate and infrastructure, spending £16.7 million on buildings, equipment and IT. There was £8.4 million funded through charitable donations and £3.5 million from PDC for two new linear accelerators. The remainder of the capital programme was funded through operating surpluses, retained depreciation and free cash.

Income and expenditure

In 2017/18 the overall income was £428.3 million (£370.7 million in 2016/17). This demonstrated strong growth in operating income from both commissioner requested services as well as in Private Care. In addition, there was a large increase in the STF income of £13.2 million, as well as growth in charitable contributions and commercial trials, offset by a reduction in research income from the NIHR. The Trust exceeded its control total in 2017/18, hence the additional incentive STF.

The Trust receives the majority of its patient care income from NHS England and Clinical Commissioning Groups (CCGs). Patient referrals are centred on the Trust's hospitals in Chelsea, Sutton and Kingston, but extend from this local base to cover all of England and beyond, particularly for referrals for rare cancers.

NHS patient income is supplemented by income to provide infrastructure and support for research and development activity and from Private Care income. The margin delivered on our Private Care income remains a vital source of support for NHS services to patients.

The Health and Social Care Act 2012 (the Act) introduced a new requirement that a Trust's income from the provision of goods and services for the purposes of the health service in England must be no greater than its income from the provision of goods and services for any other purpose. The Trust has met this requirement, with 68 per cent of its income deriving from the NHS. In reaching this assessment the Trust has considered whether an exchange of goods and services has occurred, and whether income relates to activities required under the Act.

The Trust's overall operating expenditure was £389.4 million (£387.2 million in 2016/17), an increase of £2.2 million. The net increase is due to staff and drugs costs increasing for inflation and additional activity offset by a reduction in the value of impairment when compared with the previous year.

The Trust hosts RM Partners, the Cancer Alliance for North West And South West London. The income and expenditure for this is included within the Trust's accounts and equates to £8 million.

Relationships with key stakeholders

During the year the Trust has continued to develop its relationships with key stakeholders including NHS England, local CCGs, and south west London and north west London providers. The Trust's contracts with commissioners are governed by legally binding contracts as part of being a foundation trust. Over the year the Trust has delivered increased activity for NHS patients.

The Trust's relationship with the ICR to develop an academic and research partnership continues with the aim of increased collaboration and joint working on trials and research. It has been further enhanced through our relationship with Imperial College, being part of the Academic Healthcare Science Centre with Imperial College NHS Trust and the Royal Brompton and Harefield NHS Foundation Trust.

Governance

The framework from our regulators, NHSI, rates trusts from 1 (lowest risk) to 4 (highest risk). The Trust has been rated as a 1 all year, and is therefore meeting its governance arrangements covering compliance with the terms of its licence, and meeting NHS standards and targets for performance.

Quality Board Statement

The Trust Board has declared that it is satisfied with its arrangements and will continue to keep them in place for the purpose of monitoring and continually improving the quality of healthcare provided to its patients.

Anti-fraud

The Trust has an anti-fraud officer in place who proactively reviews the Trust's anti-fraud arrangements and follows up on any incidents reported. There is also a whistle-blowing procedure in place and available to all staff; all matters raised are dealt with in confidence.

Cyber-security

Cyber-security is the activity required to protect an organisation's computers, networks, software and data from unintended or unauthorised access, change or destruction via the internet or other communications systems or technologies. Effective cyber-security relies on people and management processes as well as technical controls. The Trust Board recognises that the risk of malware is on the rise and therefore the Board continues to closely monitor this risk via the Trust Risk Register and Board Assurance Framework. Furthermore, a Board seminar on cyber-security was held in February 2018. The Audit and Finance Committee receives regular reports on cyber-security and oversees the implementation of the Trust's action plan, which was developed in accordance with the National Cyber-Security Centre guidance.

Main events affecting the Trust

There have been no important events since the end of the financial year that have affected the Trust.

KPIs and measurement

The Royal Marsden has a performance monitoring framework which ensures that performance is regularly reviewed both at organisational and department level. At the most senior level, the Board of Directors and Council of Governors receive the quarterly scorecard, which includes red/amber/green-rated key performance indicators.

This report provides assurance to the Board of Directors regarding Trust performance and any mitigating actions required to remedy under-performance. Red, amber and green thresholds are set based on national standards and local strategic objectives and are signed off by the departmental directors, the Chief Operating Officer and the Director of Performance and Information.

In addition, Clinical Business Units (CBUs) review their scorecards on a monthly basis. These scorecards are more detailed than the Board scorecard and have a more operational function. They are an essential tool in maintaining the strong performance of the Trust, and with targets set at a unit level, CBUs are able to rapidly identify issues and respond appropriately. Please see page 14 for the balanced scorecard template.

The Trust also monitors feedback provided in surveys such as the National Inpatient Survey, the Friends and Family Test and the National Staff Survey to help develop new initiatives to achieve targets in sections 2, 3 and 6 of the balanced scorecard.

Balanced scorecard

A balanced Board scorecard template has been included below for reference.

1. To achieve the highest possible quality standards for our patients, exceeding their expectations, in terms of outcome, safety and experience

	Q3 Oct-Dec 2017/18	Q2 Jul-Sep 2017/18	Q1 Apr-Jun 2017/18	Q4 Jan-Mar 2016/17	Q3 Oct-Dec 2016/17
Patient safety, quality and experience					
Single Oversight Framework: level of support segment					
Quality Account indicators					
Certification against compliance: access to healthcare for people with a learning disability					
Serious incidents (excl. pressure sores)					
Complaints – % upheld					
Mortality					
Hospital Standardised Mortality Ratio (rolling 12 month – qtr in arrears – NHS patients only)					
Mortality audit (based on qtr data in arrears)					
30-day mortality post surgery					
30-day mortality post chemotherapy					
100-day HSCT mortality in previous six months (deaths related to SCT)					
100-day HSCT mortality in previous six months (all deaths)					
Medicines management					
% medicines reconciliation on admission					
Unintended omitted critical medicines					
Cancer staging					
Staging data completeness sent to Thames Cancer Registry (one qtr in arrears)					
Patient satisfaction					
Friends and Family Test (inpatient and day care)					
Friends and Family Test (outpatients)					
Waiting times for day chemotherapy (over three hours)					
Mixed sex accommodation breaches					
PP access to single rooms – Chelsea %					
PP access to single rooms – Sutton %					
National waiting times targets					
2-week wait from referral to date first seen: All cancers					
2-week wait from referral to date first seen: Systematic breast patients					
31-day wait from diagnosis to first treatment					
31-day wait for subsequent treatment: Surgery					
31-day wait for subsequent treatment: Drug treatment					
31-day wait for subsequent treatment: Radiotherapy					
62-day wait for first treatment: GP referral to treatment (reallocated)					
62-day wait for first treatment: GP referral to treatment (pre-reallocations)					
62-day wait for first treatment: Screening referral (reallocated)					
62-day wait for first treatment: Screening referral (pre-reallocations)					
18 weeks from referral to treatment: Still waiting (incomplete)					
18 weeks pathways – patients waiting > 52 wks (distinct patients across the quarter)					

2. Staff Friends and Family Test – How likely are you to recommend this organisation to friends and family... as a place to receive care or treatment?

	Q3 Oct-Dec 2017/18	Q2 Jul-Sep 2017/18	Q1 Apr-Jun 2017/18	Q4 Jan-Mar 2016/17	Q3 Oct-Dec 2016/17
Staff Friends and Family Test					
Recommend					
Not recommend					

3. NHSI community measures

	Q3 Oct-Dec 2017/18	Q2 Jul-Sep 2017/18	Q1 Apr-Jun 2017/18	Q4 Jan-Mar 2016/17	Q3 Oct-Dec 2016/17
NHSI community measures					
Community care data completeness: Referral to treatment information					
Community care data completeness: Referral information					
Community care data completeness: Activity information					

4. To improve the productivity and efficiency of the Trust in a financially sustainable manner, within an effective governance framework

		Q3 Oct-Dec 2017/18	Q2 Jul-Sep 2017/18	Q1 Apr-Jun 2017/18	Q4 Jan-Mar 2016/17	Q3 Oct-Dec 2016/17
Finance, productivity and efficiency						
NHSI financial sustainability risk rating						
NHSI use of resources risk rating						
%age variance from agency spend cap						
%age variance from agency spend cap						
Cash (£m)						
NHS activity income variance YTD (£000)						
PP activity income variance YTD (£000)						
PP debtors over 90 days (% of total PP debtors)						
Non-PP debtors over 90 days (% of total non-PP debtors)						
Achievement of efficiency programme YTD (%)						
Capital expenditure variance YTD (£000)						
Quarter in arrears						
Contractual sanctions incurred (£000)						
CQUIN %age achievement	Acute NHSE					
	Acute CCG					
	Sutton Community Services					
Productivity and asset utilisation						
Bed occupancy – Chelsea						
Bed occupancy – Sutton						
Care hours per patient day						
Theatre utilisation – Chelsea						
Theatre utilisation – Sutton						
MDU patients per chair						

5. To deliver the Trust's clinical and research strategy; to better meet the needs of patients and commissioners

		Q3 Oct-Dec 2017/18	Q2 Jul-Sep 2017/18	Q1 Apr-Jun 2017/18	Q4 Jan-Mar 2016/17	Q3 Oct-Dec 2016/17
Clinical and research strategy						
Total NHS referrals						
Total PP referrals						
Royal Marsden patients recruited to 100K Genome Project						
Efficient clinical models						
NHS average (mean) elective LoS						
NHS non-elective admissions	as %age of all NHS admissions					
Research (1 quarter in arrears)		Q3 Oct-Dec 2017/18	Q2 Jul-Sep 2017/18	Q1 Apr-Jun 2017/18	Q4 Jan-Mar 2016/17	Q3 Oct-Dec 2016/17
70-day target (for externally sponsored trials)	NIHR-adjusted figure (excluding delays attributed to sponsor/neither sponsor or Trust)					
Accrual to target (1Q arrears) – national definition	% of closed commercial interventional trials meeting contracted recruitment target (excluding trials that had no set target)					
No. of first European patients in previous 12 months						
Patients on interventional trials	as %age of first treatments					
Trials led by The Royal Marsden	as %age of all trials with Royal Marsden involvement					

6. To recruit, retain and develop a high-performing workforce to deliver high-quality care and the wider strategy of the Trust					
	Q3 Oct-Dec 2017/18	**Q2 Jul-Sep 2017/18**	**Q1 Apr-Jun 2017/18**	**Q4 Jan-Mar 2016/17**	**Q3 Oct-Dec 2016/17**
Workforce					
Workforce productivity					
Vacancy rate					
Staff turnover rate					
Sickness rate					
Quality and development					
Consultant appraisal (number with current appraisal)					
Appraisal and PDP rate					
Completed induction (new measure)					
Statutory and mandatory staff training					

Corporate social responsibility

The Trust is committed to the principles of corporate social responsibility. Social, community and human rights issues are taken into account when developing and/or reviewing Trust policies. As standard procedure, the Trust requires all authors of policies to declare any impact they may have on equality and confidentiality requirements. The Trust also requires Trust policies to be presented to a minimum of two Trust Committees for ratification purposes.

Equality and diversity

The Royal Marsden NHS Foundation Trust believes in providing equality across its services, treating people fairly, with dignity and respect, and valuing diversity both as a provider of cancer and community health services and as an employer.

Strategic responsibility for driving the equality, diversity and inclusion agenda across The Royal Marsden rests with the Equality, Diversity and Inclusion Steering Group, along with setting annual priorities and monitoring equality performance. Membership of the Steering Group is multidisciplinary across different levels and includes Executive Board members, Patient Governors and members of the Patient and Carer Advisory Group.

In January 2018 the annual Equality Report was approved by the Steering Group for publishing, along with the following areas for focus in 2018/19:

Service objectives

1. Launching DisabledGo and ensuring wide promotion both to patients, visitors and staff, and to monitor usage
2. To undertake a service evaluation assessing equity of access by gender to the Adult Psychological Support Team
3. To improve the environments within our Trust and to create dementia-friendly hospital sites.

Workforce priorities

1. To launch the Leadership Development Programmes, which incorporate sharper focus on inclusion and diversity, and the Careers Advisory Service, ensuring representative usage of these
2. Run an organisation development programme to refresh our organisation values, in order to further enhance a high-performing and positive culture within the organisation that supports staff in tackling negative behaviours
3. To launch a network for staff with disabilities and health conditions and enhance closer monitoring of reasonable adjustments.

In addition, we will support the pan-London project to improve Workforce Race Equality Standard (WRES) indicator 3 (discipline), which will be integrated into the Trust's work.

The Equality Report is published on the equality and diversity pages of the Trust's website, along with comprehensive equality information for services and employment. Equality analysis is conducted for policies, service development and organisational change, to identify any potential for inequality or discrimination and to highlight actions required to address any issues. All staff are required to attend mandatory equality and diversity training, which is refreshed every three years.

We have an Equality and Diversity Policy, which sets out the framework through which we deliver our services and provide employment. There are two staff equality networks, the Forum for Black, Asian and Minority Ethnic (BAME) staff and the Lesbian, Gay, Bisexual and Transsexual + Network (LGBT+). Both of these are run jointly with the ICR. In addition, in 2018 we are establishing a network for staff with disabilities and health conditions.

In March 2018 we published our gender pay gap findings, in line with new legislative requirements. Our median hourly gender pay gap is 10.5 per cent; further information can be found via the following link:

www.royalmarsden.nhs.uk/about-royal-marsden/equality-and-diversity/gender-pay-gap-reporting

During this year, three cohorts completed the Bands 4-6 Career Development Mentoring Scheme with 48 per cent of mentees from a BAME background (28 per cent BAME staff in bands 4-6) and nine per cent of mentees having a disability (two per cent disabled staff in bands 4-6). This is encouraging and further career development schemes will be promoted with particular encouragement to underrepresented staff groups.

Trade Union facility time

During this year, the Trust had zero employees who were trade union officials.

At The Royal Marsden, equality, diversity, inclusion and human rights are central to the way we provide healthcare services to patients and support staff. The Trust wants to be known as an organisation that promotes equality, values and celebrates diversity, and has created an inclusive environment for receiving care and for being employed.

The organisation has seen an increase in the diversity of its workforce, with a three percentage point increase in staff from BAME backgrounds since 2015 and a one percentage point increase in staff with disabilities since 2016. During 2017/18 the Trust was a finalist for the Strengthening Diversity Award, a national healthcare HR competition, and was invited to showcase its equality achievements to other NHS providers in London. In addition, the Paediatric and Adolescent Drug Development Team were highly commended in the Cancer Care Team of the Year category at the British Medical Journal awards.

The learning disabilities buddies network was re-launched in 2017 with 17 staff being trained. Buddies consist of hospital and community services staff who have expressed a wish to support patients with learning disabilities through their healthcare journey. The Equality, Diversity and Inclusion Steering Group were trained as dementia friends.

A Cultural Food Celebration was hosted with the ICR in 2017, with over 100 people celebrating the diversity of staff along with United Nations Day and Black History Month.

Workforce Race Equality Standard

The WRES requires all NHS organisations to demonstrate how they are dealing with race equality issues in staffing areas such as recruiting and promoting staff. Since the baseline was set in 2015 there has been an improvement in three of the four staff survey findings which form part of the nine WRES metrics. The table on page 21 provides a breakdown of the 2017 WRES findings for black and minority ethnic (BME) and white staff.

2017 WRES findings

Indicator	Indicator description	Comparison of 2017 and 2016 findings	2017 compared with 2015 baseline
1	Proportion of staff in bands	Similar to 2016 findings	↔
2	Likelihood of white staff being appointed from shortlisting	Slightly worse than 2016 findings 2.42 more likely in 2017 1.91 more likely in 2016	↔
3	Likelihood of BME staff entering formal disciplinary process	Similar to 2016 findings 2.25 more likely in 2017 2.20 more likely in 2016	↔
4	Likelihood of BME staff accessing non-mandatory training and CPD	Similar to 2016 – equal outcomes for BME and white staff	↔
5	Harassment, bullying or abuse from patients (staff survey)	2017 BME 17% white 17% 2016 BME 15% white 17% 2015 BME 21% white 19%	↑
6	Harassment, bullying or abuse from staff (staff survey)	2017 BME 28% white 22% 2016 BME 24% white 21% 2015 BME 27 % white 23%	↓
7	Believes Trust provides equal opportunities for career progression or promotion (staff survey)	2017 BME 74% white 91% 2016 BME 76% white 90% 2015 BME 72% white 90%	↑
8	Experienced discrimination from manager/team/leader or colleagues (staff survey)	2017 BME 11% white 5% 2016 BME 12% white 6% 2015 BME 14% white 5%	↑
9	Percentage difference between Board voting membership and overall workforce	As the proportion of BME staff overall has increased from 26% to 28%, this finding has increased from – 26% to – 28%	↔

Over the past 12 months, to support our Equality and Diversity Strategy, we have increased membership of the forum for black, Asian and minority ethnic staff and welcomed career journey conversations and speakers to the Forum. The mediation service continues to have a positive influence on reducing conflicts in the workplace swiftly.

Actions to improve our performance

- Introduced a second review of disciplinary cases where a severe penalty could be given, to ensure decision-making is fair.

Sustainability

The Royal Marsden operates as a financially and socially responsible organisation. It recognises the need to minimise its impact on the environment in order to deliver the highest quality healthcare in the communities it serves, now and in the future.

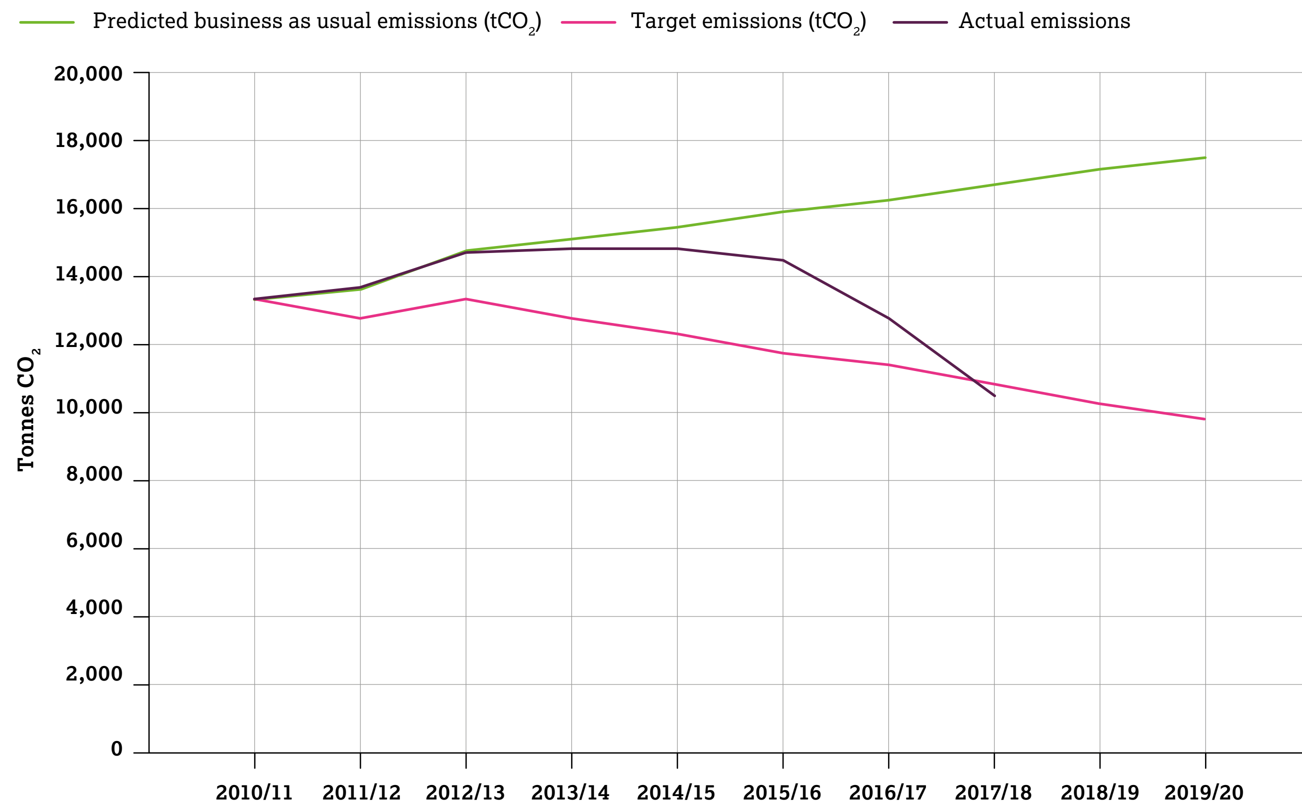
The Trust takes its responsibility as a major employer and consumer of energy and resources seriously and is committed to helping reduce the adverse effects of its operations on the wider environment.

The Trust has a Sustainable Development Management Plan, which it continues to implement and update. This ensures that it fulfils its commitment in conducting all aspects of its activities such as compliance with environmental legislation, energy and carbon management, waste management, water management, and in the design and build of any new environment with due consideration to sustainability, all whilst providing an excellent quality of patient care. The Trust's commitment to sustainable development has resulted in significant improvement in energy efficiency and utilities cost savings.

Carbon and energy management

The chart below shows the Trust's carbon reduction progress against its target Carbon Management Plan and calculated Business As Usual (BAU) trend. The Trust's carbon footprint reduced by 2,139 TCO_2 in the forecast for 2017/18 over the previous year, and saw a reduction of 5,935 TCO_2 over predicted BAU trend. The ambitious carbon reduction target was set in 2010/11 and represents a 19 per cent reduction against our 2010/11 consumption figures. This target has been achieved by improving the Combined Heat and Power (CHP) system and building services plant efficiencies and implementing energy saving measures.

Carbon progress against target



Energy and costs

In 2017/18 the Trust consumed 10.2 GWH of electricity and 43.6 GWH of gas. The electricity consumption has reduced by 16 per cent but gas consumption was up by four per cent compared to the previous year. Increased CHP operational hours and colder climate are believed to be the main contributors to the increase. Electricity consumption has reduced despite additional electrical loads which were introduced to the Sutton site in departments such as Radiopharmacy and the MR Linac (working at full operational condition).

In terms of energy costs, in 2017/18 the Trust spent £2.12 million on energy (electricity and gas); this cost is in line with previous year spending. The site energy consumption has reduced but increasing energy unit costs stopped the trend for reducing cost further. The Trust also generated an income of £200,000 for exporting electricity from the CHP system, which is an increase of £50,000 over last year. The Trust also realised some benefits from additional energy saving measures.

Energy consumption and cost

Other sustainability achievements

The Trust has been carrying out energy reduction schemes for many years in order to meet its carbon reduction plan. During 2017/18 the following additional energy and cost-saving schemes have been instigated and funded by the Trust. These include:

- LED energy-saving lighting schemes at both Chelsea and Sutton hospitals
- £450,000 improved efficiency and cost saving of the CHP plant over last year
- Upgraded ventilation systems in Bud Flanagan East, theatre one and Morgan Suite and introduction of energy-efficient fans and motors that use 30 per cent less electricity than the conventional systems
- Connection of G Block and Orchard House plant rooms to district heating system and utilising available CHP heat in the plant rooms instead of using gas-fired boilers
- Installation of PIR occupancy sensors in theatres at both sites to avoid operation of ventilation systems when the areas are not in use
- Implementation of Short Term Operating System (STOR) at both sites. The scheme will use the standby generators to generate electricity during specific hours of the year without any interruption to electrical services. The Trust will generate significant revenue for participating in this scheme.

By reducing energy consumption, current and past schemes have produced a substantial saving on energy costs, which has been, and will be, reinvested in patient care.

Renewable energy

The Trust has installed solar PV panels to some of its new buildings, which generate clean electricity to the value of £10,000 per year for use on its Sutton site.

Water

Our water consumption during 2017/18 has decreased by 3,813m^3 (four per cent – equivalent cost saving of £6,800) over the previous year. The overall water cost has reduced by three per cent (£5,852).

The Trust is a major consumer of water and has been actively trying to reduce the volume of water that it uses, whilst balancing water efficiency against the need to improve our infection control regime via increased hand washing and increased flushing in areas of low consumption, to guard against the risks of legionella contamination and other potentially harmful bacteria.

The Trust has reduced its water consumption by better leak detection on our systems and rationalisation of water tanks so that flushing due to temperature rise in the water is reduced.

Waste

Waste produced at both sites is below:

- General waste – sent for energy from waste
- Clinical waste – incinerated with energy recovery
- Bulky waste – segregated and deconstructed for recycled parts wherever possible
- Food waste composted to generate fertiliser
- Confidential waste – securely destroyed.

This is in line with the Trust's zero waste to landfill policy.

Travel and transport

Car parking capacity continues to be a challenge on the Sutton site, especially during periods of major development when some car parking spaces are temporarily decommissioned. The Trust reviews its Car Parking Policy annually to ensure that the car parking facilities are managed as efficiently and as fairly as possible, and has been proactive in developing alternative means of travelling to site.

The Trust has a longstanding and well-developed Travel Plan. The Travel Plan is reviewed annually and is in the process of being updated following a comprehensive travel plan survey conducted in September 2016. It is informed by latest good practice and guidance, travel plan surveys and the input of relevant local agencies, e.g. The London Borough of Sutton's Travel Awareness Coordinator. The Travel Plan includes a comprehensive action plan. Initiatives that have been achieved as a result of the Travel Plan include: enhancements to the staff "inter-site" and "shuttle bus" services; the staff Liftshare Scheme; promotion of "Bike to Work" and "Walk to Work" weeks; improvement of cycle storage facilities; providing "Dr Bike" sessions; free parking days for staff who routinely cycle, walk or use public transport to travel to work, installation of "real time" Transport for London local bus timetables; interest-free bike loans; and increased usage of video-conferencing to minimise travel.

The Trust has achieved the Mayor of London's third (and final) stage of the London NHS Cycling Strategy. The Trust plans to consider further initiatives such as the possibility of "park and ride".

Future direction

As of April 2018, the Trust will continue to explore and instigate measures and investment to reduce energy and utilities that it uses, and therefore reduce carbon emissions by managing its estate and activities so as to reduce impact on the environment.

* Estimated annual revenue expenditure

† All figures shown in this report are the most accurate at time of writing.

Anti-bribery and fraud policies and issues

The Trust's Business Conduct Policy is reviewed annually and approved by the Board Sub-Committee, the Audit and Finance Committee and the Executive Board and the Audit and Finance Committee. The Policy makes reference to the fact that under the Bribery Act 2010 it is an offence for an employee to accept any inducement or reward for doing, or refraining from doing, anything in his/her official capacity or corruptly showing favour or disfavour in the handling of contracts. The same policy also outlines the Trust's arrangements for dealing with breaches of its provisions, including the possibility of taking legal action to investigate and prosecute in cases where fraud, bribery and corruption has been established.

In relation to this, the Trust also has an Anti-Fraud, Bribery and Corruption Policy and Procedure. This Policy is monitored by the Audit and Finance Committee, which also receives regular reports on this issue including an annual report from the local anti-fraud specialist. No major concerns or issues relating to bribery or fraud were identified in 2017/18.

Cally Palmer CBE
Chief Executive
24 May 2018

2. Accountability report

Directors' report

The Trust is led by the Board of Directors, which has overall responsibility for the running and management of the Trust. This responsibility includes setting the overall strategy for the organisation and monitoring performance, whilst ensuring resources are efficiently and economically utilised to meet the needs of our patients and public.

In order to carry out their duties and responsibilities, Board members convene at Board meetings. The Trust Board of Directors comprises Executive Directors and Non-Executive Directors, including the Chairman.

The Executive Directors are paid employees of the Trust. They are responsible for managing the organisation on a day-to-day basis and in their capacity as members of the Board, they are also responsible for the leadership of the Trust. This managerial role distinguishes the Executive Directors from the Non-Executive Directors, who do not have a managerial role. Functions of the Trust that have not been retained as reserved by the Board or delegated to an executive committee or sub-committee are exercised on behalf of the Board by the Chief Executive who may, in turn, delegate some functions to the Executive Management Team.

The Non-Executive Directors (NEDs) are responsible for supporting and constructively challenging the Executive Directors in their decision-making as well as assisting them with the formation of the Trust's strategy. NEDs are collectively accountable with the Executive Directors for the exercise of their powers and for the overall performance of the Trust. Whilst Executive Directors are employees of the Trust under a permanent contract of employment, Non-Executive Directors are appointed for a term of three years and can only be reappointed subject to approval from the Council of Governors. The NHS Code of Governance advises that reappointment of NEDs beyond six years should be subject to rigorous review. The grounds for which a Board member may become disqualified from the Board are set out in the Trust's Constitution.

The Board of Directors also approve the Annual Report and Accounts prior to its submission to Parliament. The Annual Report and Accounts are prepared by the Directors of the Trust who confirm that this Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provides the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.

Please see a summary of our Board of Directors below. The table on page 33 shows details of their attendance at meetings of the Board and its committees during 2017/18.

Key

R
Member of Remuneration Committee

A
Member of Audit and Finance Committee

I
Member of Investment Committee

QAR
Member of Quality, Assurance and Risk Committee

ICR
Member of the Board of Trustees of The Institute of Cancer Research

Mr Charles Alexander
Chairman
R/I/QAR

Charles Alexander was appointed as Chairman in December 2016. Charles' experience at board level varies across the banking, industry and charitable sectors, including companies such as NM Rothschild, and GE Capital Europe. He is currently a Non-Executive Director of the Department of Culture, Media and Sport, and chairs The Countess of Munster Musical Trust as well as the musical charity Opera Rara. Charles Alexander currently also serves as Chairman of the Board of Trustees of The Royal Marsden Cancer Charity.

Executive Directors

Miss Cally Palmer CBE
Chief Executive
I/QAR/ICR

Cally Palmer became Chief Executive of The Royal Marsden in 1998. She is also a Trustee of The Institute of Cancer Research (ICR) and a Trustee of The Royal Marsden Cancer Charity. She holds an MSc in Management from the London Business School, which she gained with distinction in 1995, and is a member of the Institute of Health Services Management. Cally was awarded a CBE in 2006 for her contribution to the NHS. Cally was appointed as National Cancer Director for NHS England in 2015, and holds this position alongside her role as Chief Executive of The Royal Marsden.

Dr Liz Bishop
Chief Operating Officer/Deputy Chief Executive
QAR

Dr Liz Bishop joined The Royal Marsden in January 2010 as Divisional Nurse Director. Before taking on the role of Chief Operating Officer and Senior Information Risk Owner for the Trust, she spent a period of time as Divisional Director for Cancer Services and also interim Chief Nurse. Liz completed her BSc in Nursing in Scotland in 1986, and her MSc and Doctorate at Surrey University in 2004 and 2009 respectively. She has worked in a variety of clinical settings – from surgery to haemato-oncology – in several acute trusts in London, including six years in The Royal Marsden's Bud Flanagan Unit. Prior to re-joining The Royal Marsden she was at Guy's and St Thomas' NHS Foundation Trust for five years as a Nurse Consultant, Head of Nursing and General Manager for Oncology. In July 2016, Liz was appointed Deputy Chief Executive to allow Cally Palmer to undertake her role as National Cancer Director.

Mr Eamonn Sullivan
Chief Nurse
A/QAR

Mr Eamonn Sullivan was appointed to the role of Chief Nurse at The Royal Marsden NHS Foundation Trust in January 2017. Previously he was Deputy Chief Nurse at University College London Hospitals and Deputy Chief Nurse at Guy's and St Thomas' NHS Foundation Trust, where he has also held positions as Head of Performance for Clinical Services and Head of Nursing for Surgery. Eamonn has an MSc in Health Service Development (Critical Care) from King's College London, he is a Florence Nightingale Leadership Scholar, and has served in Iraq and Afghanistan in the Army Medical Services Reserves.

Mr Marcus Thorman
Chief Financial Officer
A/I/QAR

Marcus Thorman joined The Royal Marsden as Chief Financial Officer in January 2015 from Imperial College Healthcare NHS Trust. Since joining the NHS through the graduate financial management training scheme, he has worked in several provider trusts, including mental health and community, acute, teaching and specialist. Marcus has been involved in merging two trusts, PFI schemes and running a financial shared service for a number of NHS organisations. At Kettering General Hospital, he was Deputy Director of Finance before taking on his first role as a Finance Director, overseeing the process for delivering foundation trust status in 2008. During his time at Imperial College Healthcare NHS Trust, he led the finance team in delivering one of the largest financial turnarounds in the NHS, taking the Trust from a planned deficit to a surplus in two financial years. For seven months he was acting Chief Financial Officer while a new Chief Executive was being appointed.

Dr Nicholas van As
Medical Director
QAR

Dr Nicholas van As was appointed Medical Director in January 2016. He has been a Consultant Clinical Oncologist in the Urology Unit at The Royal Marsden since 2004 and is the hospital's Clinical Lead for stereotactic body radiotherapy (SBRT) and CyberKnife. Dr van As is also Co-Chair of the UK SBRT Consortium and the National Clinical Lead for NHS England's Commissioning through Evaluation Programme for SBRT. His main research interests are in stereotactic and image-guided radiotherapy, risk prediction in early prostate cancer, and functional MRI, and he has published numerous papers on these subjects and delivered presentations at meetings globally. He is the Chief Investigator for the PACE trial – an international, randomised controlled trial comparing SBRT to image-guided radiotherapy (IGRT) and surgery for treating prostate cancer.

Non-Executive Directors

Mr Ian Farmer*
A/R

Ian Farmer joined The Royal Marsden as a Non-Executive Director and Chair of the Audit and Finance Committee on 1 April 2014. Ian is a chartered accountant and former Chief Executive Officer of Lonmin Plc, the world's third largest Platinum Group Metals (PGM) mining company. Ian is also a Non-Executive Director of VTTI Energy Partners.

Professor Dame Janet Husband*
A/QAR

Professor Dame Janet Husband joined The Royal Marsden as a Non-Executive Director on 1 June 2014. Janet was a Consultant Radiologist and Professor of Diagnostic Radiology at The Royal Marsden and the ICR, as well as former Medical Director of the Trust from 2003 to 2006. Janet became the first female President of the Royal College of Radiologists in 2004. Having been appointed Officer of the Order of the British Empire (OBE) in 2002, Janet was appointed Dame Commander of the Order of the British Empire (DBE) in 2007. Also in 2007, she was awarded the title of Emeritus Professor of Radiology by the ICR. In 2010, Janet was appointed Chair of the National Cancer Research Institute and has held a number of non-executive appointments in healthcare, as well as a six-year service as the Specially Appointed Commissioner to The Royal Hospital in Chelsea.

Professor Paul Workman FRS
QAR/ICR

Professor Paul Workman joined The Royal Marsden as a non-independent Non-Executive Director on 1 July 2014 in his capacity as CEO for the ICR. Paul is also the Head of its Division of Cancer Therapeutics, Harrap Professor of Pharmacology and Therapeutic and Director of the Cancer Research UK Cancer Therapeutics Unit.

Mr Richard Turnor*
(served until 31 December 2017)
R/A/QAR

Richard Turnor joined The Royal Marsden as a Non-Executive Director on 1 January 2009. He was a partner with the international law firm Allen & Overy LLP from 1985 to 2009, where he headed the Commercial Trust and Partnership Group. In 2010, he established Maurice Turnor Gardner LLP, an independent firm practicing in association with Allen & Overy, from which he continues to advise professional firms and fund managers on structuring and constitutional issues, including international structure, disputes, mergers, de-mergers and governance issues.

Dame Nancy Hallett*
(served until 30 June 2017)
A/QAR/Senior Independent Director

Dame Nancy Hallett joined The Royal Marsden as a Non-Executive Director on 1 April 2013. She was Chief Executive of Homerton University Hospital NHS Foundation Trust until 2012 and, prior to this, the Executive Director of Service Development and Executive Director of Nursing and Patient Services. Nancy undertook her Masters in Health Management at the City University in 1998. She was appointed OBE in 2004 and DBE in 2013.

Mr Mark Aedy*
(appointed April 2016)
R/A/I/Senior Independent Director

Mark Aedy joined The Royal Marsden as a Non-Executive Director in April 2016. He has over 35 years' experience in the financial services sector, building and managing investment banking franchises in the UK and internationally. At present he is a Managing Director and the Head of EMEA and Asia Investment Banking at Moelis & Company, a global independent investment bank, and is on its management committee. Mark has extensive committee membership experience, which he gained at Bank of America Merrill Lynch serving on the Global Corporate and Investment Banking Executive Committee, and at Merrill Lynch, where he was Head of Investment Banking, EMEA. He is a Trustee of the HALO Trust.

Ms Heather Lawrence OBE*
(appointed 1 July 2017)
A/QAR

Heather Lawrence is an accomplished former Chief Executive with a track record of service quality improvement. Her last Chief Executive position was at Chelsea and Westminster NHS Foundation Trust from 2000 to 2012. Since 2012, she has held a number of NED positions and currently serves as Non-Executive Chair of the London Ambulance Service, with the task of steering the Trust out of special measures. She is a nurse by background and has an impressive track record of success in both her Executive and NED roles. Ms Lawrence brings her patient-focused clinical expertise to the role of the Non-Executive Director.

Professor Martin Elliott*
(appointed 1 November 2017)
QAR

Professor Elliott is a Paediatric Cardiothoracic Surgeon who has spent the majority of his career at Great Ormond Street Hospital, where he held several clinical leadership positions including Co-Medical Director from 2010 to 2015. He also holds a Chair in Paediatric Cardiothoracic Surgery at University College London, and is the 37th Professor of Physic at Gresham College. He is an established clinical leader with a strong understanding of the particular challenges and opportunities facing specialist Trusts. As Co-Medical Director, Professor Elliott led on quality and safety, digital technology and clinical strategy development.

A copy of the Director's register of interests is available on the Trust website via the following link:

www.royalmarsden.nhs.uk/about-royal-marsden/how-we-run-ourselves

* The Non-Executive Directors which the Board considers to be independent.

Committees of the Board

The Audit and Finance Committee

The Audit and Finance Committee is a formally constituted committee of the Board and is chaired by Non-Executive Director Ian Farmer. The membership of the Committee consists of Non-Executive Directors. Senior management are invited to attend meetings when necessary. Representatives from the Trust's internal auditors and counter fraud specialists KPMG LLP and external auditors Deloitte LLP attend, as well as the Chief Financial Officer and Chief Nurse.

The Audit and Finance Committee meets four times a year in order to discharge its responsibilities. A key purpose of this committee is to assure itself that relevant risks, particularly financial risks, are appropriately identified and managed through a robust system of internal control established within the Trust. At each meeting, the Committee reviews the financial position of the Trust, the efficiency programme, the capital plan, and the working capital and cash position as well as key assumptions within those areas. Areas of risk and significant financial impact are also presented to the Committee for review, including the annual planning process and the Financial Plan for recommendation for Board approval. Other topics reviewed this year include cyber-security, Vanguard funding for 2016/17, and an RM Partners and IT Strategy update.

During the year the Committee received papers from the Trust's internal auditors KPMG LLP reporting on the findings of the 2017/18 Internal Audit Plan. This plan is prepared with Trust senior management and approved by the Audit and Finance Committee. The reports in 2017/18 covered a number of areas such as access and activity data, community services, safeguarding, bloodhound, theatres, IT infrastructure and strategy and cyber-security, and financial control and financial management. Recommendations are fed back to management then monitored and progress reported in future Audit and Finance Committee meetings. The Head of Internal Audit Opinion confirmed that significant assurance can be given with minor improvements on the overall adequacy and effectiveness of the Foundation Trust's framework of governance, risk management and control.

The Trust's external auditors, Deloitte LLP, presented their findings from their external audit of the Trust's Annual Report and Accounts and Quality Accounts. The external audit process includes an ongoing assessment of internal and external factors affecting the Trust, including reviewing the Trust's performance compared to other NHS Trusts. In 2017/18 the Trust was issued an unmodified audit opinion for its annual accounts, with no reference to any matters in respect of the Trust's arrangements to secure economy, efficiency and effectiveness in the use of resources. The Trust also received a limited assurance opinion on the Quality Accounts for 2017/18. In addition, Deloitte LLP also provides regular progress reports on sector developments to the Audit and Finance Committee.

The Trust conducted a rigorous tender process in 2014 regarding the appointment of the Trust's external auditors. Three bids were submitted in the tender process, all of which were evaluated and scored by relevant members of staff and Governors of the Trust. A detailed outline of the process was presented by the Chair of the Audit and Finance Committee to the Council of Governors with a recommendation for appointment. At their meeting on 10 December 2014, the Council of Governors approved the reappointment of external auditors Deloitte LLP commencing from the 2015/16 financial year for a three-year term, with an option to extend for a further two years. The value of external audit services, including the quality account, in 2017/18 is £76,300 with no non-audit services being provided. The Committee approved a new Non-Audit Services Policy for Engagement with External Auditors in May 2017. The services received by the external auditors are reviewed on an annual basis within the self-assessment carried out by members of the Committee with any issues discussed with Deloitte.

In November 2017, the Committee considered the matter of the re-appointment of KPMG LLP as the Trust's internal auditor and counter fraud specialist, and having assessed their performance to date, agreed to extend the current contract with KPMG LLP for a further two years, after which point a full tender process will be conducted for the provision of these services.

The Quality, Assurance and Risk Committee

The Quality, Assurance and Risk Committee (QAR) supports the Trust Board in developing an integrated approach to governance by ensuring robust systems are in place to monitor achievements against objectives. The Committee focuses on all non-financial risks such as patient safety, emergency planning, compliance with national and international regulation, health and safety and research and clinical integrated governance. Each quarter, the members of QAR meet staff from various divisions to gain a better understanding of key issues and priorities in that particular field.

QAR also reviews patient experience through monitoring the monthly and annual Quality Account as well as carefully reviewing complaints and claims. The Committee also oversees the Trust's clinical governance and risk management arrangements by reviewing clinical audit findings, serious incident reports, and health and safety reports while ensuring that action plans are implemented and monitored in a timely manner. In addition, QAR reviews the Trust's Board Assurance Framework, Risk Register, Quality Accounts and Integrated Governance Monitoring Report at each meeting.

Remuneration Committee

The Remuneration Committee is responsible for reviewing and making decisions on the remuneration package for all members of the Leadership Team, taking into account comparative market data, ensuring salaries are competitive, represent value for money and that the reputation of the Trust is well managed. The Chairman, Senior Independent Director and Nominated Non-Executive Directors are members of the Committee and review the terms of reference to agree a pay framework for the Trust's senior management team. Disclosure of the remuneration paid to Board Directors is provided in the Trust's accounts.

Nominations Committee

The Council of Governors is responsible for the appointment and re-appointment of Non-Executive Directors and receives a recommendation on such matters from the Nominations Committee.

Membership of the Nominations Committee comprises Chairman and Senior Independent Director and four elected Governors. Those attending meetings of the Nominations Committee may vary according to the business of the meeting, e.g. a Non-Executive Director would not be present when his/her reappointment is under review.

In accordance with its terms of reference, the Nominations Committee manages the process of identification and reappointment of Non-Executive Directors (NED), determines and advises on NED levels of remuneration and time commitment, and ensures appropriate and timely succession planning for NEDs. The Nominations Committee will also function on the reappointment requests of Non-Executive Directors by reviewing their performance and contribution to the Board of Directors. In cases of NED appointments or reappointments, the Nominations Committee submits its recommendations to the Council of Governors for approval. To assist the Committee with its search and selection of Non-Executive Director candidates, the Committee appoints external search providers and also uses external advertising.

A term of office for Non-Executive Directors is three years unless the Director resigns or is removed by the Council of Governors during the term. The removal of a Non-Executive Director requires the approval of three-quarters of members of the Council of Governors. In accordance with corporate governance standards, details for disqualification from holding office of a Director can be found in the Trust's Constitution. Directors and Governors are also required to declare their interests on an annual basis, as well as confirm that they meet the fit and proper person's condition as set out in Regulation 5 of the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014.

Performance evaluation of the Board of Directors, its Committees and its Directors

The Trust Board is satisfied that it has the sufficient skills, knowledge and experience to fulfil its statutory duties and meet the business needs of the Trust.

In June 2017, the healthcare regulator NHS Improvement issued updated guidance for NHS Foundation Trusts on leadership and governance using the Well-Led Framework. The guidance is issued on a "comply or explain" basis and encourages organisations to consider developmental reviews or equivalent activities approximately every three years. In response to the new guidance and as part of general good practice, the Trust Board agreed that it would continue with its annual self-assessment process but that this should be conducted in line with the Well-Led Framework.

The Board self-assessment tool includes use of rating indicators and questions for each Board member which relate to the "Key Lines of Enquiry" as per the regulatory guidance. For example, under "Leadership, capacity and capability", Board members must score and comment on the mix of skills, experience, knowledge and diversity on the Trust Board. The assessment also considers other important areas such as the Board's effectiveness in its system of internal controls. The Trust Secretary collates all responses, while considering other supporting evidence, and develops an action plan with the Chairman to identify agreed objectives for the Board in 2018/19. The Chairman also conducts annual appraisals of the Non-Executive Directors to support this process, with the Chief Executive conducting annual appraisals of the Executive Directors.

This approach is also aligned with the Trust Board committees, the Audit and Finance Committee and the Quality, Assurance and Risk Committee, who undertake a similar evaluation exercise in addition to reviewing their "terms of reference", to ensure these remain fit for purpose.

In addition to the Board's consideration and due regard to the Well-Led Framework, members of the Trust's Leadership Team will also complete a self-assessment tool that relates to the 'Key Lines of Enquiry' under the Well-Led Framework. As with the Board process, an action plan will be developed that outlines the ways in which it can be more effective.

The Nominations Committee reviews the balance of the Board in terms of its skills, knowledge and experience. This discussion formed the basis of the search and selection process in finding two new Non-Executive Directors to join the Trust's Board of Directors in 2017/18. The Chairman's appraisal was completed in December 2017 and was led by the Senior Independent Director. In cases of NED reappointment requests, the Nominations Committee reviews the performance of the Non-Executive Director prior to confirming its recommendation to the Council of Governors regarding their reappointment. The Chairman is also available to discuss with the NEDs Board effectiveness and any training and development that may be required on an individual and/or collective basis.

The Trust's Non-Executive Directors regularly attend the Council of Governors and gain an understanding of the views of Governors and members of the Trust. A membership report is also presented at these meetings.

Terms of office and attendance at meetings of the Board of Directors and its Committees in 2017/18

Name	Role	Meetings attended (at 31 March 2018)	Term of office	End of current term
Board of Directors				
Charles Alexander	Chairman	7 / 8	1st	30 November 2019
Ian Farmer	Non-Executive Director	7 / 8	1st	31 March 2020
Dame Nancy Hallett	Senior Independent Director (served until 30 June 2017)	1 / 2	2nd	31 March 2019
Professor Dame Janet Husband	Non-Executive Director (served until 31 May 2017)	7 / 8	1st	31 May 2017
Richard Turnor	Non-Executive Director (served until 31 December 2017)	6 / 6	3rd	31 December 2017
Mark Aedy	Non-Executive Director/Senior Independent Director (appointed 1 July 2017)	7 / 8	1st	30 April 2019
Professor Paul Workman	Non-Executive Director	5 / 8	1st	29 June 2020
Heather Lawrence OBE	Non-Executive Director (appointed 1 July 2017)	6 / 6	1st	30 June 2020
Professor Martin Elliott	Non-Executive Director (appointed 1 November 2017)	3 / 3	1st	31 October 2020
Cally Palmer CBE	Chief Executive	8 / 8		
Dr Liz Bishop	Chief Operating Officer/Deputy Chief Executive	7 / 8		
Eamonn Sullivan	Chief Nurse	8 / 8		
Dr Nicholas van As	Medical Director	8 / 8		
Marcus Thorman	Chief Financial Officer	8 / 8		
Audit and Finance Committee				
Ian Farmer	Chairman of Committee/Non-Executive Director	4 /4		
Professor Dame Janet Husband	Non-Executive Director	3 / 4		
Richard Turnor	Non-Executive Director (served until 31 December 2017)	3 / 3		
Dame Nancy Hallett	Senior Independent Director (served until 30 June 2017)	0 / 2		
Mark Aedy	Non-Executive Director	3 / 4		
Heather Lawrence OBE	Non-Executive Director (appointed 1 July 2017)	2 / 2		
Remuneration Committee				
Charles Alexander	Chairman of the Trust	1/1		
Ian Farmer	Non-Executive Director	1 /1		
Richard Turnor	Non-Executive Director (served until 31 December 2017)	1 /1		
Mark Aedy	Non-Executive Director/Senior Independent Director	1 / 1		
Cally Palmer CBE	Chief Executive	1 / 1		
Nominations Committee				
Charles Alexander	Chairman of the Trust	2 / 2		
Quality, Assurance and Risk Committee				
Professor Dame Janet Husband	Chairman of Committee/Non-Executive Director	4 / 4		
Eamonn Sullivan	Chief Nurse	4 / 4		
Dr Nicholas van As	Medical Director	4 / 4		
Charles Alexander	Chairman of the Trust	4 / 4		
Cally Palmer CBE	Chief Executive	4 / 4		
Richard Turnor	Non-Executive Director (served until 31 December 2017)	2 / 3		
Dr Liz Bishop	Chief Operating Officer/Deputy Chief Executive	3 / 4		
Marcus Thorman	Chief Financial Officer	3 / 4		
Heather Lawrence OBE	Non-Executive Director (appointed 1 July 2017)	2 / 3		
Professor Martin Elliott	Non-Executive Director (appointed 1 November 2017)	2 / 2		

Principal activities

The Trust's principal activity is the provision of healthcare services to patients. The 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. The primary source of other income is from Private Care. This provides surpluses that contribute to the Trust's capital programme and investment into the NHS.

Business review

The Trust's activities are reviewed in:

- The Chairman's and Chief Executive's statement on page 2
- The Financial Summary on page 11.

In addition to this, other information relevant to the Trust's activities is set out in the other sections of this document. Quality Governance is addressed in the Annual Quality Account and Annual Governance Statement of this document.

Post balance sheet events

There have been no significant events since the balance sheet date that have had a material impact on the Trust.

Political and charitable donations

The Royal Marsden has not made any political or charitable donations this year or in previous years.

Public sector payment policy

The Trust aims to pay its non-NHS trade creditors in accordance with the CBI prompt payment code and government accounting rules. The target is to pay non-NHS trade creditors within 30 days of receipt of goods or a valid invoice (whichever is the later) unless other payment terms have been agreed with the supplier. The Trust also aims to pay local community suppliers within ten days. The Trust has paid no interest under the late payment of commercial debts act in 2017/18.

Invoice Payment Performance

The Trust adopts a Better Payment Practice Code where we aim to pay 95 per cent of invoices within the agreed terms, unless there is a dispute. In 2017/18 there were 72,219 (2016/17: 85,799) invoices due to be paid within a 30-day period, of which 62,698 (2016/17: 71,913) were paid within target. Of those that weren't paid within target, interest of £4.87 (2016/17: £0) was paid during the year.

	2017/18	
	Total number of cases	Total value of cases
	Number	£000s
NHS payables		
Total bills paid in the year	2,593	17,545
Total bills paid within target	1,583	13,404
Percentage of bills paid within target	61%	76%
Non-NHS payables		
Total bills paid in the year	77,025	213,422
Total bills paid within target	67,608	178,237
Percentage of bills paid within target	88%	84%

	2016/17	
	Total number of cases	Total value of cases
	Number	£000s
NHS payables		
Total bills paid in the year	2,095	10,143
Total bills paid within target	1,502	8,064
Percentage of bills paid within target	72%	80%
Non-NHS payables		
Total bills paid in the year	83,704	218,439
Total bills paid within target	70,411	174,067
Percentage of bills paid within target	84%	80%

Disclosure of information to auditors

To the best of each Directors' knowledge, there is no relevant audit information of which the auditors are unaware. Each Director has taken all the steps a Director ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of such information.

Auditors

The Trust's appointed external auditors are Deloitte LLP. The auditors provide audit services comprising carrying out the statutory audit of the Trust's annual accounts and the use of resources work, as mandated by Monitor and the National Audit Office, and a review of the Quality Accounts. The cost of these services in 2017/18 was £76,300 (2016/17: £85,427), exclusive of VAT.

Cost allocation and charging requirements

The Trust has complied with the cost allocation and charging requirement set out in HM Treasury and Office of Public Sector Information guidance.

Accounting for pension and other retirement benefits

The accounting policies for pensions and other retirement benefits are set out in Note 1.3 in the Annual Accounts.

Quality Governance Reporting Statement

The NHS defines quality care as that which is:

- Safe
- Effective and
- With positive patient experience.

It is important to focus on all three aspects in order to deliver a high quality of care to our patients and ensure required standards are met. Within this Annual Report and Accounts, our Annual Quality Account, Annual Governance Statement and Board Assurance Framework explains in further detail the Trust's Quality Governance Framework, which helps us ensure our care meets the best possible standard.

The Trust has a formal governance structure in place to monitor its Quality Governance Framework, but, at the most senior level, the Board of Directors and Council of Governors receive the Trust Quality Accounts at every meeting, which reports on Trust performance against national and local targets for that year under each of the three categories listed above. Furthermore, the Board has a sub-committee, the Quality, Assurance and Risk (QAR) Committee, which is a fundamental part of our Quality Governance Framework. This committee focuses on the Trust's performance with regard to quality and safety issues and managing clinical risks. It reviews the feedback, complaints, claims and incidents.

Our Quality Governance Framework operates in a culture that looks to make continuous improvements to our services for the benefit of our patients and apply best practice while managing any risks to the quality of care we provide.

Our Annual Quality Report includes details of our objectives to improve patient care, safety, experience and effectiveness, as well as our performance measures and assurances across these areas.

Further detail about how we monitor against CQC can be found in the Annual Governance Statement from page 59 onwards.

Remuneration report

The Royal Marsden NHS Foundation Trust's remuneration report describes how the Trust applies the principles of good corporate governance in relation to Directors' remuneration, as required by the Companies Act 2006, Regulation 11 and Schedule 8 of the Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 and the NHS Foundation Trust Code of Governance.

The remuneration report comprises:

– Annual statement on remuneration

– Very senior managers' pay principles

– Annual report on remuneration.

Annual statement on remuneration

The Remuneration Committee is a sub-committee of the Board and is chaired by Mark Aedy, Non-Executive Director, with core membership comprising the Chairman and two Non-Executive Directors, Ian Farmer and Richard Turnor, whose term ended in December 2017. Two meetings were held during the financial year. The Chief Executive attends meetings in an advisory capacity and the Director of Workforce attends as and when required. Attendance of core members is shown below:

Remuneration Committee membership and attendance

Name	Meeting attendance
Charles Alexander	2/2
Mark Aedy	2/2
Richard Turnor	1/2*
Ian Farmer	2/2

* Richard Turnor left the Trust in December 2017, prior to the second meeting of the Remuneration Committee

The Remuneration Committee makes decisions regarding pay for Executive Directors. The Committee is also responsible for determining, on behalf of the Board, the broad policy for remuneration of the Trust's very senior managers. A summary report regarding the Remuneration Committee's business was presented to the Board of Directors in September 2017.

Senior managers' remuneration policy

In the financial year 2017/18, the Remuneration Committee decided to award a one per cent cost of living increase consistent with wider NHS pay awards. The Committee also reviewed the remuneration arrangements of Leadership Team posts that were due a three-year review in line with the pay principles for very senior managers. The Committee received a report on the latest developments with pay and pensions in the NHS including a briefing on gender pay reporting.

Very senior managers' pay principles

The Royal Marsden is committed to the overarching principles of value for money and high performance. The Trust must attract and retain a high-calibre senior management team and workforce in order to ensure it maintains its excellent standards of clinical outcomes and patient care, functions efficiently and is well positioned to deliver the business strategy. As a Foundation Trust, the Remuneration Committee has the freedom to determine the appropriate remuneration level for very senior managers. In reaching its decisions the Committee considers the responsibilities and requirements of the role, time in the role, marketability of the individual, benchmarking data from within the NHS or relevant sector, the external economic environment, NHS guidance and the performance of the Trust.

Where the salary of an Executive Director is above £150,000, the Committee takes into consideration all these factors to satisfy itself that the remuneration is reasonable and appropriate.

In 2017/18 the Trust reviewed a set of pay principles originally agreed in 2015/16 and are as follows:

1. Straightforward approach
   The Trust's approach to pay will be simple, easily understood and will stand up to scrutiny. Appointment to the Trust's Leadership Team will be on a fixed salary, which will be all-inclusive.
2. Focus on base pay
   While the focus is on base pay, the total remuneration package, including the value of pension benefits, will be considered, in particular versus the private sector. Pension-related benefits accrued under the NHS Pension Scheme are the only non-cash element of very senior managers' remuneration packages.
3. Focus on market rate
   The Trust will ensure that salaries are competitive and appropriate in order to attract and retain individuals with the right skills and expertise. Salaries will be formally reviewed every three years, recognising that a review does not necessarily mean that salaries will be raised. Reviews may be deferred depending on performance and/or organisational context.
4. Focus on performance
   Performance of the Trust's Leadership Team will be managed through clear objective-setting, which will be aligned with the Trust's strategic priorities and regular performance reviews.
5. Individual performance
   Pay will reflect the continuing value and sustained contribution of each individual Director. While there is no current system for bonus payments, with the exception of one post, there is an option to withhold pay increases otherwise deemed appropriate if any aspect of a senior manager's performance has been sub-optimal.
6. Fairness
   The Trust's pay system for the Leadership Team will be reviewed at regular periods to ensure that its delivery is equitable, avoids discrimination, takes proper account of pay relativities across the Trust and complies with legislative requirements e.g. gender pay reporting.
7. Sustainability
   It is essential that the Trust's pay arrangements are affordable and sustainable, representing value for money to the Trust based on both corporate and individual very senior manager performance.

Components of remuneration for Executive Directors

The table below describes the component elements of the remuneration package for Executive Directors.

Component	Applicable to	Description
Fixed salary that is inclusive of London weighting and on-call	Executive Directors (except Medical Director whose base salary is determined by NHS consultant terms and conditions)	Agreed on appointment and reviewed in line with pay principles
NHS pension	Executive Directors	Individuals have the right to opt out of the NHS Pension Scheme
Clinical Excellence Awards	Medical Director	Part of national terms and conditions for consultants
Management allowance	Medical Director	Part of national terms and conditions for consultants
Medical on-call	Medical Director	Part of national terms and conditions for consultants

The tables setting out the salaries and pension entitlements of the Executive Directors for 2017/18 can be found in the Annual Accounts section. The Royal Marsden does not operate a performance bonus scheme for Executive Directors. No compensation for early termination was paid during 2017/18, no early terminations are expected and no provisions are required accordingly. There were no benefits in kind or non-cash elements of remuneration paid in the year.

Executive Directors are employed on a permanent contract basis. Required notice periods are 12 weeks, except for the Chief Executive whose notice period stands at six months. The service contract date as an Executive Director is shown below:

Cally Palmer Chief Executive	June 1998
Dr Liz Bishop Chief Operating Officer/Deputy Chief Executive	July 2013
Eamonn Sullivan Chief Nurse	January 2017
Marcus Thorman Chief Financial Officer	January 2015
Dr Nicholas van As Medical Director	January 2016 (four year appointment to 2020)

The Trust's strategic objectives and business planning processes inform the objectives of the Executive Directors. Their performance is monitored throughout the year and assessed formally through an annual appraisal.

Non-Executive Directors' remuneration

The Non-Executive Directors are not employees of the Trust. They receive no benefits or entitlements other than fees and are not entitled to any termination payments. The Trust does not make any contribution to the pensions arrangements of Non-Executive Directors.

Terms of office

The terms of office for Non-Executive Directors at the Trust are managed in accordance with the NHS Code of Governance. The Trust's Constitution mandates that the removal of the Chairman or another Non-Executive Director requires the approval of three-quarters of the members of the Council of Governors.

Two new Non-Executive Directors, Heather Lawrence OBE and Professor Martin Elliott, were appointed by the Council of Governors and commenced their terms of office from 1 July and 1 November 2017 respectively.

Former Senior Independent Director, Dame Nancy Hallett, completed her second term on 30 June 2017, and Non-Executive Director, Richard Turnor, completed his third term of office on 31 December 2017.

Senior manager	Title	Start of office	Term of office	End of current term
Charles Alexander	Chairman	1 December 2016	1st	30 November 2019
Ian Farmer	Non-Executive Director	1 April 2014	1st	31 March 2020
Dame Nancy Hallett	Senior Independent Director	1 April 2013	2nd	30 June 2017
Professor Dame Janet Husband	Non-Executive Director	1 June 2014	1st	31 May 2017
Richard Turnor	Non-Executive Director	1 January 2009	3rd	31 December 2017
Professor Paul Workman	Non-Executive Director	1 July 2014	1st	29 June 2020
Mark Aedy	Senior Independent Director	18 April 2017	1st	17 April 2020
Heather Lawrence OBE	Non-Executive Director	1 July 2017	1st	1 September 2020
Professor Martin Elliott	Non-Executive Director	1 November 2017	1st	30 October 2020

Expenses

In 2017/18 there were 12 Board Directors, including five Executive Directors, and 23 Governors. The aggregate amount of expenses paid to Directors was:

£1,058 to Executive Directors	£0 to Non-Executive Directors	£2,003 to Governors

A statement on how pay and conditions of service are determined by the Remuneration Committee is set out in the very senior managers pay principles section of the Remuneration Report. A statement on payment for loss of office is set out in the section on components of remuneration of Executive Directors.

Annual report on remuneration

Median pay

The Trust is required to disclose the relationship between the remuneration of the highest-paid Director in the Trust and the median remuneration of the Trust's workforce. The mid-point of the banded remuneration of the highest-paid Director in the Trust in the financial year 2017/18 was £257,500 (2016/17: £257,500). This was seven (2016/17: 7.1) times the median remuneration of the workforce, which was £36,793 (2016/17: £36,362). The median has been calculated to include inner London weighting, as the highest-paid Director is London-based.

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Salary and pension entitlements of senior managers

A. Remuneration (Information subject to audit)

Name	Title	Salary and fees	Taxable benefits	Annual performance-related bonus	Long-term performance-related bonus	Pension-related benefits	Total
		(bands of £5,000)	Total to nearest £100	(bands of £5,000)	(bands of £5,000)	(bands of £2,500)	(bands of £5,000)
		£000	£000	£000	£000	£000	£000
2017/18							
C Alexander	Chairman	50-55	–	–	–	–	50-55
Dame N Hallett	Non-Executive Director (to 30/06/2017)	0-5	–	–	–	–	0-5
R Turnor	Non-Executive Director (to 31/12/2017)	10-15	–	–	–	–	10-15
I Farmer	Non-Executive Director	20-25	–	–	–	–	20-25
Prof P Workman	Non-Executive Director	–	–	–	–	–	–
Prof Dame J Husband	Non-Executive Director	15-20	–	–	–	–	15-20
M Aedy	Non-Executive Director	15-20	–	–	–	–	15-20
Prof M Elliot	Non-Executive Director (from 01/11/2017)	5-10	–	–	–	–	5-10
H Lawrence OBE	Non-Executive Director (from 01/07/2017)	10-15	–	–	–	–	10-15
C Palmer CBE	Chief Executive	225-230	–	–	–	27.5-30	255-260
M Thorman	Chief Financial Officer	185-190	–	–	–	25-27.5	210-215
Dr N Van As	Medical Director	170-175	–	–	–	17.5-20	190-195
E Sullivan	Chief Nurse	120-125	–	–	–	15-17.5	135-140
Dr E Bishop	Chief Operating Officer	160-165	–	–	–	22.5-25	180-185
2016/17							
C Alexander	Chairman (from 01/12/2016)	15-20	–	–	–	–	15-20
R.I. Molson	Chairman (to 31/11/2016)	25-30					25-30
Dame N Hallett	Non-Executive Director	20-25	–	–	–	–	20-25
R Turnor	Non-Executive Director	15-20	–	–	–	–	15-20
I Farmer	Non-Executive Director	20-25	–	–	–	–	20-25
Prof P Workman	Non-Executive Director	–	–	–	–	–	–
Prof Dame J Husband	Non-Executive Director	15-20	–	–	–	–	15-20
M Aedy	Non-Executive Director (from 18/04/2016)	10-15	–	–	–	–	10-15
C Palmer CBE	Chief Executive	225-230	–	–	–	27.5-30	255-260
M Thorman	Chief Financial Officer	175-180	–	–	–	25-27.5	200-205
Dr N van As	Medical Director	165-170	–	–	–	15-17.5	185-190
E Sullivan	Chief Nurse (from 23/01/2017)	20-25	–	–	–	2.5-5	25-30
Dr S Dolan	Chief Nurse (to 03/10/2016)	71-75				10-12.5	80-85
Dr E Bishop	Chief Operating Officer	155-160	–	–	–	22.5-25	180-185

The Trust is required to disclose the element of a Directors' remuneration that relates to their clinical role. Clinical earnings for Dr N van As were £130-135,000 (2016/17 £125-130,000).

B. Pension Benefits

Name	Title	Real increase in pension at age 60 (bands of £2,500)	Real increase in pension lump sum at aged 60 (bands of £2,500)	Total accrued pension at age 60 at 31 March 2018 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2018 (bands of £5,000)	Cash equivalent transfer value at 1 April 2017	Real increase in cash equivalent transfer value	Cash equivalent transfer value at 31 March 2018	Employer's contribution to stakeholder pension
		£000	£000	£000	£000	£000	£000	£000	£000
2017/18									
C Palmer CBE	Chief Executive	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M Thorman	Chief Financial Officer	0-2.5	0-2.5	35-40	115-120	582	24	607	n/a
Dr N van As	Medical Director	5-7.5	7.5-10	30-35	45-50	306	98	404	n/a
E Sullivan	Chief Nurse	2.5-5	12.5-15	30-35	90-95	410	84	494	n/a
Dr E Bishop	Chief Operating Officer	2.5-5	7.5-10	50-55	150-155	924	106	1,031	n/a
2016/17									
C Palmer CBE	Chief Executive	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
M Thorman	Chief Financial Officer	0-2.5	0-2.5	35-40	115-120	560	22	582	n/a
Dr N van As	Medical Director	0-2.5	0-2.5	25-30	35-40	295	11	306	n/a
E Sullivan	Chief Nurse (from 23/01/17)	2.5-5	7.5-10	25-30	75-80	355	55	410	n/a
Dr S Dolan	Chief Nurse (to 03/10/17)	0-2.5	5-7.5	50-55	160-165	1,115	79	1,194	n/a
Dr E Bishop	Chief Operating Officer	2.5-5	12.5-15	45-50	145-150	816	108	924	n/a

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 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.

Cally Palmer CBE
Chief Executive
24 May 2018

Staff report

	Permanently employed	Other	2017/18 total	2016/17 total
	£000	£000	£000	£000
Salaries and wages	161,097	9,243	**170,340**	160,360
Social security costs	16,731	859	**17,590**	16,578
Employer contributions to NHS Pensions Agency and NEST	19,482	661	**20,143**	18,952
Agency staff	–	6,400	**6,400**	7,761
	197,310	**17,163**	**214,473**	203,651

Staff numbers analysis

Average numbers employed during the year have been calculated on the basis of staff employed in April 2017 and in March 2018.

The breakdown by staff group is detailed below.

	Permanently employed number	Temporary and contract staff number	2017/18 total number	2016/17 total number
Medical and dental	398	23	**420**	397
Administration and estates	1,111	92	**1,204**	1,130
Healthcare assistants and other support staff	330	105	**435**	369
Nursing, midwifery and health visiting staff	1,040	79	**1,119**	1,147
Scientific, therapeutic and technical staff	681	26	**707**	693
Healthcare science staff	197	4	**201**	193
	3,757	**329**	**4,086**	3,929

The Trust engaged 85 full-time equivalent as agency and 244 bank workers. The breakdown of the permanent and fixed-term workforce by gender is as follows.

Directors / Senior manager / Employee	Female	Male	Grand Total
Executive Director	2	3	**5**
Leadership Team	7	7	**14**
Employees	3,350	882	**4232**
Grand total	**3,359**	**893**	**4252**

Education and training

The training and education objectives of The Royal Marsden are set out in the Trust's Multi-Professional Education Strategy (2016 – 2021), Building Educational Excellence. The Trust's vision is that through excellence in education The Royal Marsden will continue to achieve excellence in patient care, service delivery and research across its cancer and community services. Given its position as a tertiary centre, the Trust wants to be recognised as a leader in multi-professional oncology education and training, and maintain its reputation as a best-in-class employer.

Refreshed in 2017, Building Educational Excellence sets out five key objectives that support the Trust's strategic priorities:

- Ensure staff have the skills for safe, effective and compassionate care
- Pioneer the delivery of the new multi-professional workforce aligned to new models of cancer care, community care and precision medicine
- Enable robust values-based Royal Marsden leadership and management at all levels
- Grow the Trust's national market share and develop its international role as a leading supplier of multi-professional education
- Continuously develop the research awareness and capability of the workforce.

As part of the organisation's commitment to education, 771 staff were given financial support and study leave to undertake a range of education pathways and training courses, including 32 staff supported to undertake MScs and PhDs.

Additionally, the Trust held its first Excellence in Education conference, which showcased opportunities for staff. A number of new leadership development programmes, including one in partnership with trusts across the Academic Health Science Centre (AHSC), were also launched.

The Trust achieved 90 per cent compliance for mandatory training in March 2018.

The Royal Marsden School

The Royal Marsden School remains one of the UK's leading providers of cancer education.

The School offers a range of education for all staff in the Trust, but especially for nurses and Allied Health Professionals. The majority of courses on offer are focused on cancer, but the School also provides role development for Clinical Nurse Specialists, community nurse development and communication skills for all staff (including Health Care Support Workers).

Degrees and formal academic awards are validated by the School's academic partner, the University of East Anglia.

In 2017 the School was validated to deliver the Foundation Degree in Health and Social Care with the new Nursing Associate Pathway and became one of the national pilot sites, with 19 participants starting on the Nursing Associate Programme.

The School has consistently met 100 per cent of Health Education England's quality contract performance and monitoring requirements.

Workforce Strategy

The Trust's workforce strategy 2016-19 Aspiring to Excellence provides a robust framework for the Trust to lead the way in responding to the challenging national and local workforce agenda.

The strategic workforce vision is "to attract, retain and develop the brightest and best people locally, nationally and internationally through our reputation for excellence in patient care, research and education, and for our commitment to health, wellbeing and experience of staff". The strategy sets out six core priorities: recruitment, health and wellbeing, culture and engagement, retention, workforce transformation, and operational excellence. The key driver behind the retention priority is "to retain and develop a highly skilled and flexible workforce to meet the needs of our patients and health system".

Significant progress was made against the strategy including expansion of apprenticeships, implementation of the junior doctor contract and a 35 per cent agency reduction.

Workforce performance

There were improvements in the workforce metrics, with the Trust achieving compliance targets for appraisals (90 per cent) and statutory and mandatory training (90 per cent) at the end of the financial year.

The Trust also achieved 86 per cent for local induction and the target was increased from 80 per cent to 85 per cent after it was consistently exceeded.

Recruitment and retention

Recruitment and retention continues to be a challenge for the NHS, particularly in London, which has more than 10,000 nurse vacancies (17 per cent vacancy factor). Workforce supply remains one the Trust's top workforce priorities. Though The Royal Marsden's recruitment and retention figures are enviable, for many trusts across London, vacancy rates for nurses as well as hard-to-fill areas such as histopathology and radiology, have a significant impact for the Trust.

In response, the Trust launched Project 225 in April 2017. This initiative aimed to recruit 225 nurses in 2017/18 and, following a concerted effort, the Trust exceeded the target and recruited 250, which reduced the nursing vacancy rate from 15.1 per cent in April 2017 to 11.1 per cent in March 2018 and the overall Trust's vacancy rate from 11.2 per cent to 9.1 per cent.

During 2017/18 we also focused on retention. The Trust carried out a retention review involving in-depth interviews, large-scale staff engagement events and data analysis, to enable the development of a strategic workforce retention strategy. The outcome of this analysis informed a successful application to The Royal Marsden Cancer Charity for a workforce grant to support retention initiatives. The four areas of focus and resulting work streams are:

1. Culture and behaviours
2. Appreciation and reward
3. Career planning and development
4. Reducing red tape

These projects aim to enable staff to have an outstanding experience each day at work.

The Trust also launched a new Royal Marsden Welcome and On-Boarding Programme and a new Preceptorship Framework particularly aimed at improving the retention of staff with less than three years' service through an enhanced induction and on-boarding experience.

Sickness absence rate

Average full-time employee (FTE)	3,724
Adjusted FTE days lost to Cabinet Office definitions	25,490
Average sick days per FTE	6.8

Disability policy

The Royal Marsden is a Level 2 Disability Confident Employer and displays the logo confirming this in its recruitment. The Trust continues to support a guaranteed interview scheme to make sure that full and fair consideration is given to applications from candidates with disabilities. The Managing Absence policies ensure that when staff become disabled in the course of employment, the Trust takes active steps and makes reasonable adjustments to enable staff to remain employed. All of our people management policies apply equally to staff with and without disabilities. The organisation is launching a network for staff with disabilities and health conditions to hear about the experiences of staff and improve their experience at work.

The Royal Marsden has a duty to make reasonable adjustments to remove barriers that prevent disabled persons from fully participating in work. During this year it has made various adjustments for applicants and existing staff which include supporting staff with visual difficulties to participate in training, changing working patterns, undertaking workstation assessments and making changes to computer equipment.

From analysis, the percentage of disabled staff that accessed mandatory and non-mandatory training and study leave funding this year was broadly in line with the proportion of disabled staff across The Royal Marsden. Also the number of disabled applicants who were appointed from shortlisted applicants was proportionate.

In September, the Trust launched a programme of Wellbeing Workshops in Chelsea, including a focus on stress, confidence and relaxation. On World Mental Health Day, the Staff Support Team visited staff across the Trust to share tips and information on improving mental health. Through a partnership with DisabledGo, the Trust will be providing online disability and access guides for patients and visitors to enhance their experience of using its services.

Engaging staff

It is widely recognised that engaged and well-motivated staff are key to delivering high-quality care to patients. The Royal Marsden recognises the importance and value of having an engaged workforce and there are well-established mechanisms in place to encourage staff engagement and involvement. These include:

Schwartz Rounds
Schwartz Rounds are a forum for staff from all backgrounds and levels to come together once a month to explore the psychological impact of their job role. Research has shown that they have a positive impact on individuals, relationships with patients and colleagues and the extent to which staff feel cared for.

Approximately 900 staff attended a Schwartz Round over the past year. The topics covered included coping with the unexpected, breaking boundaries and experiencing a complaint. Attendees evaluated all the sessions positively. Schwartz Rounds continue to allow staff across every area of the Trust to get together and reflect on the challenges and dilemmas that they have faced while caring for patients. Staff have recognised in their feedback how attending the Rounds have made them feel more involved and part of the wider organisation.

Staff open meeting
Led by the Chief Executive and members of the Leadership Team, regular staff open meetings continued in 2017/18 to enable two-way communication with staff about key strategic issues facing the Trust. These meetings allow the Leadership Team to share updates and actions around Trust performance and encourage engagement in how this could be further improved.

In 2017, the meetings were used as an opportunity to engage staff in the refresh of the Trust's Five Year Strategic Plan. Staff were able to review the four core themes and supporting themes and contribute new ideas.

Leadership rounds
Members of the Leadership Team are committed to increasing visibility across the organisation and use informal walk-rounds to different parts of the Trust to engage staff and listen to feedback.

Weekly bulletins and quarterly briefings
To ensure key messages are communicated to all members of the Trust a weekly bulletin is circulated highlighting events, news and celebrations. In addition, members of the Leadership Team send out regular briefings to share key messages with staff across the organisation.

Clinical Tuesdays
Each Tuesday the Chief Nurse and a team of senior nurses go "back on the floor", meaning they work in clinical areas to support staff and enable a two-way dialogue about quality improvements, using a newly-introduced ward accreditation system.

Above and Beyond
The Above and Beyond Scheme was launched in 2016 and includes an instant recognition and quarterly award programme. To date there have been 233 individuals or teams that have been recognised through the scheme.

Long Service Awards
The Long Service Awards were overhauled in 2016 and extended to recognise a wider group of staff. In 2017/18, 155 staff were recognised and, based on anecdotal and survey data, this revised scheme has been extremely well received.

Staff Achievement Awards Ceremony
The annual Staff Achievement Awards Ceremony was attended by more than 1,000 staff in 2017. Over 150 nominations were received for the six awards.

Partnership working
The Trust has an active Trust Consultative Committee that is a forum for management and staff-side colleagues to work in partnership. The Trust also has an Employment Partnership Group that meets quarterly. Both of these groups enable the Trust to consult employees and their representatives to ensure appropriate involvement in changes across the organisation.

Health and Wellbeing Day

In 2017/18 the Trust launched its new health and wellbeing campaign Because You Matter, to support staff to "Feel good, Be healthy and Live well". As part of the campaign the Trust extended its health and wellbeing offer and increased communication and visibility of activities.

The introduction of wellbeing events across the hospital and community sites provided opportunities for staff to improve their health and gain more knowledge of staff benefits and available discounts. New wellbeing workshops and financial education seminars were also introduced. Throughout the year more than 600 staff attended health and wellbeing events.

Engaging junior doctors

The Director of Medical Education has worked with management and clinical colleagues to improve the engagement of junior medical staff by running a number of internal feedback surveys and working with them to identify solutions to issues related to education, recruitment and the working environment.

This year, the Trust launched a new leadership development programme, the Paired Learning Programme, to engage junior doctors in leading quality improvements.

To ensure smooth transition to the new national junior doctor terms and conditions, an implementation group has been created in partnership with junior doctors and their trade union representatives. A Guardian of Safe Working was appointed to support junior doctors to raise concerns about safe ways of working.

Freedom to Speak Up Champion

Following the appointment of the Freedom to Speak Up Guardian, a network of Champions were appointed to support staff to speak up about any concerns they might have about patient services or workforce matters. There is now a Freedom to Speak Up Champion for each division.

The role supports and works in line with the Trust's arrangements for its whistleblowing policy, ensuring that the individual raising the concern has the correct information about the policy and procedure, and feels supported throughout the process.

Counter fraud

As part of our drive to encourage staff to raise concerns, the Trust has policies and procedures in place to support staff to raise concerns about fraud, potential fraud or any misconduct of a similar nature.

Listening to our staff

National Staff Survey: 2017 results

The Trust carried out a full census and 54 per cent of staff responded, which was higher than 2016 (48 per cent). There was significant improvement in the results, with 81 per cent of the findings above average compared to 56 per cent last year. This demonstrates that the progress made over the past three years continues to be sustained.

Our top scores

	Survey score 2017	Survey score 2016	Survey score 2015	Survey score 2014	Average (median) for acute specialist trusts	**Trust score – below /above average**
Fairness and effectiveness of procedures for reporting errors, near misses and incidents	4.03	4.00	3.96	No comparable data	3.80	Above average
Effective use of patient/service user feedback	4.00	3.95	3.98	3.84	3.83	Above average
Recognition and value of staff by managers and the organisation	3.69	3.65	3.63	No comparable data	3.53	Above average
Percentage of staff reporting good communication between senior management and staff	48%	42%	No comparable data	No comparable data	34%	Above average
Effective team working	3.92	3.87	3.89	No comparable data	3.78	Above average

Our bottom scores

	Survey score 2017	Survey score 2016	Survey score 2015	Survey score 2014	Average (median) for acute specialist trusts	**Trust score – below /above average**
Percentage of staff working extra hours	76%	78%	79%	77%	75%	Below average
Percentage of staff appraised in past 12 months	88%	87%	No comparable data	No comparable data	88%	average
Percentage of staff experiencing discrimination at work in past 12 months	9%	10%	No comparable data	No comparable data	9%	average
Percentage of staff/colleagues reporting recent experience of bullying or abuse	48%	47%	46%	39%	47%	average
Percentage of staff believing that the organisation provides equal opportunities for career progression	88%	87%	87%	86%	88%	average

The Royal Marsden was ranked first in the country for its performance for upper quartile scores by Acute UK University Hospitals (AUKUH) hospital group. There were nine findings in 2017 where the Trust achieved the highest (best) score in the country compared with other acute specialist hospitals. The findings reflect focus on patient safety and responsiveness to user feedback. The nine indicators are:

- Quality of non-mandatory training, learning or development
- Fairness and effectiveness of procedures for reporting errors, near misses and indicators
- Staff recommendation of the organisation as a place to work or receive treatment
- Effective use of patient or service user feedback
- Effective team working
- Percentage of staff reporting good communication between senior management and staff
- Percentage of staff experiencing physical violence from staff in past 12 months
- Recognition and value of staff by managers and the organisation
- Percentage of staff able to contribute to improvements.

The results have been shared with the Executive Board and will be shared with the Trust Board. The priorities for action have been agreed using the core themes from the Workforce Strategy as the framework. The Workforce and Education Committee has the responsibility of monitoring implementation of agreed actions. The Equality, Diversity and Inclusion Committee has reviewed findings for the Workforce Race Equality Indicators, which have shown improvement this year, and agreed the workforce objectives for 2018.

Expenditure on consultancy

Consultancy expenditure for the year 2017/18 was £1.08 million (£1.02 million in 2016/17).

Exit packages

The table below summarises exit packages for the year 2017/18.

Exit packages for the year 2017/18

Exit package cost	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
< £10,000	2	6	8
	(2)	(10)	(12)
£10,000-£25,000	4	1	5
	(2)	(2)	(4)
£25,001-£50,000	-	-	-
	(2)	(1)	(3)
£50,001-£100,000	-	-	-
	(-)	(-)	(-)
Total number of exit packages by type	6	7	13
Total resource cost (£000)	71	29	99

Prior year comparatives are provided in brackets.

Exit packages: non-compulsory departure payments	Agreements	Total Value of Agreements
	number	£000
Contractual payments in lieu of notice	7	29
Non-contractual payments requiring HMT approval	–	–
Total	7	29

As per the requirement of the Annual Reporting Manual, the seven other departures in the year have been analysed into their component parts. There were no non-contractual payments made in the year.

Off-payroll engagements

Table 1: For all 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	0
Of which...	
No. that have existed for less than one year at time of reporting	0
No. that have existed for between one and two years at time of reporting	0
No. that have existed for between two and three years at time of reporting	0
No. that have existed for between three and four years at time of reporting	0
No. that have existed for four or more years at time of reporting	0

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

Table 2: For all 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	0
No. of the above which include contractual clauses giving the trust the right to request assurance in relation to income tax and National Insurance obligations	0
No. for whom assurance has been requested	0
Of which...	
No. for whom assurance has been received	0
No. for whom assurance has not been received	0
No. that have been terminated as a result of assurance not being received	0

Table 3: For any off-payroll engagements of Board members, and/or, senior officials with significant financial responsibility, between 1 April 2017 and 31 March 2018

No. of off-payroll engagements of Board members, and/or, senior officials with significant financial responsibility, during the financial year	0
No. of individuals that have been deemed 'Board members and/or senior officials with significant financial responsibility' during the financial year. This figure should include both off-payroll and on-payroll engagements	14

Occupational Health

The Occupational Health Department (OHD) exists to ensure the health, safety and wellbeing of all Trust employees.

The OHD has maintained the Safe Effective Quality Occupational Health Service (SEQOHS) accreditation over the past year. The SEQOHS accreditation is an evidence-based assessment of a set of standards to drive continuous improvement in the quality of services provided to clients.

The OHD continues to works closely with other teams within the hospital, including staff support services, Infection Prevention and Control and Risk Management. Working alongside the Human Resources Department enables managers to obtain support and information to manage both short- and long-term sickness absence.

- 9,715 appointments were made in this financial year delivering a service to both Royal Marsden staff and to staff from other organisations to whom a service is provided
- The seasonal influenza vaccination programme is offered to all staff to protect patients, staff and their families. In 2017/18, the Trust achieved the highest rate of compliance at 73 per cent
- The Trust achieved significant improvements in the Staff Survey metrics related to health and wellbeing, following the launch of the Because You Matter campaign
- Monthly health promotion topics are displayed on notice boards and on the staff intranet for easy access to events and to encourage staff to take steps to improve their health
- Formal one-to-one counselling and support services continue to be available to all staff on request via OHD and staff support services
- Attendance management referrals are one of the core activities undertaken by the OHD. Case conferences are encouraged to support managers in attendance management and to enable successful rehabilitation back into the workplace
- Self-referral for sickness absence is available for staff who are concerned about their personal attendance
- Fast-track physiotherapy is provided for staff for appropriate effective intervention for musculoskeletal conditions promoting an early return to work with effective rehabilitation programmes to facilitate resumption of full work activity
- Travel vaccines are provided for all staff travelling abroad. Travel vaccines are offered to the wider community at competitive rates.

The OHD remains an important resource available to all staff in maintaining health and wellbeing at work and it aims to continue to develop the service in line with the Trust's future strategy.

Members and Governors

Our Members

As a Foundation Trust, The Royal Marsden has members that are made up of its patients and carers, public and staff. Membership is divided into the following constituencies:

Patient and carer membership

The patient constituency is subdivided into the following geographical areas:

- Kensington and Chelsea
- Sutton and Merton
- Elsewhere in London
- Elsewhere in England.

Anyone living in these areas that has been a patient at the Trust within the past five years can become a member of the relevant patient sub-constituency. There is also a carer sub-constituency, which is open to individuals who care for current patients of the hospital or who have cared for a former patient of the hospital within the past five years.

Public membership

The public constituency comprises individuals who live within the following three geographical areas:

- Royal Borough of Kensington and Chelsea
- London Boroughs of Sutton and Merton
- Elsewhere in England.

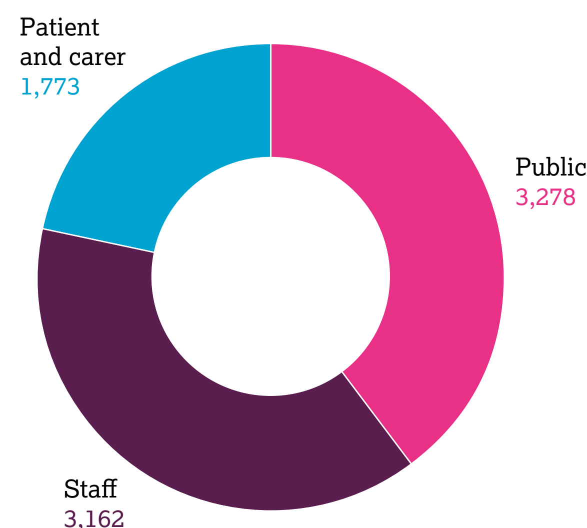
Staff membership

The staff constituency comprises individuals who are employed by the Trust, hold an honorary contract with the Trust or our academic partner the ICR. The constituency is divided into four staff groups:

- Corporate and support services
- Clinical professionals
- Doctors
- Nurses.

Membership overview

As of 31 March 2018, the Trust had 8,213 members, comprising:



Membership recruitment and engagement

The Trust has a Membership and Communications Group, which is a working group of the Council of Governors and is tasked with the responsibility of reviewing and progressing membership recruitment and engagement activities. This Group consists of a majority of Governors, one of which shares the responsibility of Co-Chair with the Head of PR and Communications. The Governor Co-Chair reports on the Group's progress at the Council of Governor meetings, of which several Board members also attend. A membership report is also provided to the Board of Directors on an annual basis to keep Board members informed on progress in this area.

Membership recruitment

Some of the member recruitment activities and initiatives undertaken in 2017/18 include:

- Personalised welcome letters sent from the Chief Executive and Medical Director to new patients at the point of registration inviting them to become a member
- Membership leaflets displayed in the main receptions of the two hospitals
- Membership application forms handed to patients when collecting their prescriptions from the onsite pharmacy
- Details about membership are noted within the Patient Information booklet
- "Member get member": encouraging existing members to invite others to become a member
- Membership link added to the homepage of Trust website
- Governors visiting local schools to promote the work of the Trust among young adults, while encouraging them to become members
- Engaging with the Trust's volunteers and registering new volunteers as public members as well as promoting membership on their information leaflets.

Membership engagement

The Trust has two levels of membership to differentiate the level of involvement a member wishes to have and to help manage resources more efficiently. Member engagement activities undertaken over the past year include:

- All members receive a copy of the quarterly RM magazine, which promotes the work of the Trust, the Council of Governors, Board of Directors and membership
- In 2017 a dedicated email address was introduced (governors@rmh.nhs.uk) to enable members to email their governor representative
- Three member events were held in 2017/18 (two in Chelsea and one in Sutton) as part of membership engagement; during the event held in November, members were invited to vote on the Trust's quality priorities for 2018/19
- The Annual General Meeting held in September 2017, which included presentations on "The Royal Marsden: a centre of nursing excellence" from Eamonn Sullivan, Chief Nurse followed by a presentation titled "The Royal Marsden: Leaders in groundbreaking research" from Dr Naureen Starling, Consultant Medical Oncologist and Associate Director of Clinical Research, and Dr Sanjay Popat, Consultant Medical Oncologist
- Invitation to participate in surveys and focus groups, for example: The Royal Marsden Cancer Charity focus groups, Patient Representative Groups for the NIHR Biomedical Research Centre, and as participants in the Trust PLACE Audit.

How do I become a member?

Anyone aged 16 years old or over who lives in England can become a member of The Royal Marsden NHS Foundation Trust.

There are several ways in which a person can sign up to become a member, for example, picking up a form in the hospital or via the Trust website:

www.royalmarsden.nhs.uk/getting-involved/foundation-trust-membership/become-member

All membership enquiries should be directed to the Corporate Governance Team using the following details:

Post
Corporate Governance
The Royal Marsden NHS Foundation Trust
Fulham Road
London
SW3 6JJ

Email
trust.foundation@rmh.nhs.uk

Telephone
020 7808 2844/020 7811 8558

Members of the public can also contact the Corporate Governance team to request a copy of the Register of Governors' and Board of Directors Interests or visit our website where this information is published.

Our Council of Governors

Once an individual becomes a member of The Royal Marsden NHS Foundation Trust, they have the option to vote for, or stand to become, a Governor of the Trust to represent members' views on the Council of Governors. Stakeholders such as CCGs and Local Authorities are also represented on the Council of Governors.

The Council of Governors has a number of statutory and regulatory responsibilities that are reflected in the Trust's Constitution. These include, but are not limited to, the appointment or removal of Non-Executive Directors, the appointment or removal of the Trust's external auditor, and receiving the Trust's Annual Report and Accounts as well as the auditor's report on this. The Health and Social Care Act 2012 introduced the following two legal duties: to hold Non-Executive Directors to account for their performance of the Board; and to represent the interests of the members of the Trust and public in their role. Governors are able to canvass the opinion of the members through the Council of Governors meetings and working groups. Members are free to raise any concerns or submit any questions to their Governor and are reminded of this throughout the year in Trust communications.

Governors are invited to have one-to-one feedback sessions with the Trust Secretary to discuss their individual development needs. A collective evaluation of the performance of the Council of Governors was also carried out in March 2018.

Composition of the Council of Governors

As previously noted, the Trust has various constituencies for its members i.e. patients, public and staff. Members vote for their Governors and therefore Governors represent those members under their constituency. The table on page 55 illustrates this.

As of 31 March 2018, there were 23 seats on the Council of Governors comprising 17 elected Governors (Patient and Carer, Public and Staff Governors) and six appointed stakeholder and partner Governors. The table on page 55 shows details of the Governors, their terms of office and attendance at meetings of the Council of Governors and the Annual General Meeting in 2017/18.

Governor Dr Peter Lewins was appointed as the Lead Governor of the Council of Governors in June 2016 for a term of two years. The Lead Governor acts as a two-way conduit between NHS Improvement (NHSI) and the Council of Governors in specific circumstances where it may not be appropriate to communicate through the normal channels. The main circumstances where NHSI will contact a Lead Governor is if there are concerns as to Board leadership or if the appointment of a Chairman or other Board member may not have complied with the Trust's Constitution or may be inappropriate.

Election to the Council of Governors

All Governors hold terms of office for a period of three years and are eligible for re-election or re-appointment to serve a maximum of nine years.

The Electoral Reform Services manage the provision of the elections for the Trust in accordance with the Model Rules for Elections. Two elections were held during 2017/18.

Governors terms of office and attendance at meetings 2017/18

Governor	Constituency/Organisation	Term of office	End of current term	Meetings attended Total meetings = 4
Patient and Carer Governors				
Maggie Harkness	Kensington and Chelsea, and Sutton and Merton	Second	May 2019	2
Armine Afrikian	Kensington and Chelsea, and Sutton and Merton	First	May 2019	2
Colin Peel	Kensington and Chelsea, and Sutton and Merton	Second	July 2019	4
Fiona Stewart	Elsewhere in London	Second	May 2019	4
Dr Peter Lewins *	Elsewhere in London	Second	May 2019	3
Dr Andrew Pearson	Elsewhere in England	First	May 2019	4
Simon Spevack	Elsewhere in England	Second	May 2019	4
Lesley-Ann Gooden	Carer	Third	May 2019	2
Duncan Campbell	Carer	Second	May 2019	4
Public Governors				
Dr Carol Joseph	Kensington and Chelsea	Third	July 2020	4
Tim Howlett	Sutton and Merton	First	May 2019	4
Ann Curtis	Elsewhere in England	Completed third term on 31 December 2017		3
Bernadette Knight	Elsewhere in England	First	Resigned September 2016	0/1
Staff Governors				
Hardev Sagoo	Corporate and support services	Second	May 2020	4
Rachel Nabawanuka	Clinical professionals	First	May 2019	1
Dr Jayne Wood	Doctor	First	Aug 2019	4
Mo Carruthers	Nurse	Second	Aug 2019	3
Nominated Governors				
Dr Charmaine Griffiths	The Institute of Cancer Research	First	Feb 2019	4
Cllr. Robert Freeman	Local Authority: Borough of Kensington and Chelsea	Third	July 2020	4
Anne Croudass	Cancer Research UK (charity)	First	March 2018	4
Chris Elliott	Sutton Clinical Commissioning Group	Second	Feb 2019	0
Cllr Simon Wales	Local Authority: London Borough Sutton and Merton	First	Sep 2020	2/3
Dr Philip Mackney	West London Clinical Commissioning Group	Two	Feb 2019	0

* Lead Governor

Governor's expenses

The Trust's expenses policy ensures that Governors are appropriately reimbursed for reasonable expenses incurred in the course of carrying out their duties. For the year ending 31 March 2018, the total amount claimed by Governors was £2,003.

Linking the Council of Governors to the Board of Directors

It is important that the Council of Governors and Board of Directors work together for the benefit of patients and the local community. There are several ways in which the two bodies achieve this.

The Chairman of the Board of Directors is also the Chair of the Council of Governors. The Executive Directors and Non-Executive Directors regularly attend the Council of Governors meetings. Governors are invited to attend public Board of Directors meetings, where they can observe first-hand the Board in business and, in particular, the performance of Non-Executive Directors.

The Council of Governors also receive an annual report regarding the work of the Board sub-committees, the Audit and Finance Committee and the Quality, Assurance and Risk Committee. This report is presented by the Chairs of the committees (who are also Non-Executive Directors) and highlights the committee's main business and risks for the year specified.

In situations where any conflict arises between the Board of Directors and the Council of Governors, the Trust's internal dispute resolution procedure shall be adhered to, which notes that the decision of the Chairman shall be final. However, there may be circumstances where the Chairman feels unable to decide owing to a conflict of interest. In such situations, the Chairman will initiate an independent review to investigate and make recommendations. Normally this will be achieved by inviting the Senior Independent Director to conduct the review and the choice of the individual will be agreed by both the Board of Directors and the Council of Governors.

Statement of Compliance with the NHS Foundation Trust Code of Governance

The Royal Marsden 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.

NHS Improvement's Single Oversight Framework

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

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

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

Segmentation

As at 31 March 2018, the Trust has been placed in segment 1. Current segmentation information for NHS trusts and foundation trusts is published on the NHSI website.

Finance and use of resources

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

Area	Metric	Q1 score 2017/18	Q2 score 2017/18	Q3 score 2017/18	Q4 score 2017/18
Financial sustainability	Capital service cover rating	1	1	1	1
	Liquidity rating	1	1	1	1
Financial efficiency	I&E margin rating	1	1	1	1
Financial control	Distance from financial plan	1	1	1	1
	Agency rating	1	1	1	1
Overall scoring		1	1	1	1

Statement of Accounting Officer's responsibility

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 NHSI.

NHSI, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions, which require The Royal Marsden 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 The Royal Marsden NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

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

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

The Accounting Officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS Foundation Trust and to enable him/her to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS Foundation Trust and hence for taking reasonable steps for the 68 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.

Cally Palmer CBE
Chief Executive
24 May 2018

Annual Governance Statement

1. Scope of responsibility

As Accounting Officer*, I have responsibility for maintaining a sound system of internal control to support the achievement of The Royal Marsden NHS Foundation Trust's policies, aims and objectives, while 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 Royal Marsden 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 reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of The Royal Marsden NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Royal Marsden NHS Foundation Trust for the year ended 31 March 2018 and up to the date of approval of the annual reports and accounts.

3. Capacity to handle risk

As Accounting Officer I have overall accountability for risk management in the Trust. I have delegated responsibility for the coordination of risk management systems and processes to the Chief Nurse, who discharges this responsibility through the Risk Management and Quality Assurance teams. These teams lead on the Care Quality Commission (CQC), the Trust risk register, and incident reporting management system.

The Board of Directors play an important role in terms of the organisation's capacity to manage risk. They provide overall leadership and commitment to establishing effective risk-management systems across the organisation. The Chair of the QAR Committee is a Non-Executive Director with senior health service experience. Membership comprises Non-Executive Directors (including the Trust Chairman) and Executive Directors (including the CEO, Chief Nurse, Chief Operating Officer, Chief Financial Officer and Medical Director). As a sub-committee of the Board, the Committee is responsible for approving the clinical management of risk and monitoring the implementation of risk management arrangements within the NHS Foundation Trust. This Committee works alongside the Audit and Finance Committee to help manage risk, which as another sub-committee of the Board, contributes independently to the Board's overall process for ensuring that an effective internal financial control system is maintained. This Committee is chaired by a Non-Executive Director with financial experience and qualification, and membership includes other Non-Executive Directors.

Risk management is firmly embedded in the activity of the organisation, and operational responsibility for risk identification and control is delegated to individual Directors and Senior Managers who have functional responsibility within their areas of management.

Risk management training is provided to every member of staff at induction and is part of the annual mandatory training programme. The Head of Risk Management is responsible for providing advice and expertise to all staff. Specific ongoing training is determined through the appraisal and personal development planning process at an individual level and by training needs analysis against key-risk areas at a strategic level.

*Marcus Thorman, Chief Financial Officer

Guidance for staff is provided through training programmes and information is available in the Risk Management Policy. This is supported by the Accident/Incident and Patient Safety Incident Reporting Policy Including Serious Incidents Requiring Investigation, which supports a learning culture within the organisation. Any incident of any severity including a near miss is reported on the Trust-wide Datix system. Significant incidents require a panel review and the results of the root-cause analysis, including best practice recommendations, are fed back through all the relevant clinical bodies in the Trust to commissioners via the Clinical Quality Review Group, and internally from the Board Quality, Assurance and Risk Committee through the Clinical Advisory Group, the Nursing, Rehabilitation and Radiography Committee, the Matrons, Sisters and Staff Nurses Forums and Junior Doctors forums. All policies relating to risk management are easily accessible and available to staff on the hospital intranet policy section with supporting information available under the risk management department section.

4. The Risk and Control Framework

Oversight of effective risk management by the Board of Directors is underpinned by four interlocking systems of control:

- Organisational risk management
- Board assurance framework
- Internal and external audit and
- The Annual Governance Statement.

Organisational risk management

The systematic identification, analysis and control of risks are a key organisational responsibility. A culture of ownership and responsibility for risk management/patient safety is fostered throughout the organisation and all managers and clinicians undertake risk management as one of their fundamental duties.

The Risk Management Policy has been approved by the Board and the Quality, Assurance and Risk Committee. It defines the process for the systematic identification and control of risks. It clearly defines accountability structures, roles and responsibilities. The policy details the process for risk identification and evaluation using a standardised risk assessment matrix and sets out the levels of authority for the management of identified risk. During 2017/18 there were no “Never Events” at the Trust. The policy has been disseminated throughout the Trust and communicated to key stakeholders.

The Trust’s procedures for reporting and investigating accidents, non-clinical incidents, near misses and patient safety incidents aim to support active learning and to ensure that the lessons learnt from these events are embedded into the organisation’s culture and practices. Learning from incidents is an essential part of integrated governance and risk management within the Trust and also a requirement of the Accident/Incident and Patient Safety Incident Reporting Policy Including Serious Incidents Requiring Investigation.

Risk management and incident reporting processes identify risks of all levels of severity throughout the organisation. These processes feed into the divisional risk registers, which are reviewed on an on-going basis. Risks that score above 12 are included on the Trust risk register, which is reviewed quarterly at QAR and reported to the Board of Directors.

Current high-level risks that score 16 or above, in line with many trusts nationally, are those that reflect the challenging national financial climate and requirement to upgrade information technology across the NHS:

- Financial sustainability – failure to maintain financial stability due to the challenging financial environment
- Information technology – threat of cyber-attack or other major system failure.

Examples of risks that score above 12 are again common within most NHS organisations, and include:

- Increased demand for services, placing pressure on space and capacity to deliver care
- Achieving key national targets – such as the 62-day national cancer waiting times target
- Information technology/cyber-security management.

Example of risk controls (Financial Sustainability Risk) – there is a business plan in place which is monitored by the Performance Review Group, Audit and Finance Committee (AFC) and Trust Board. This is underpinned by the Private Care growth strategy, strong financial controls and the efficiency programme as part of the 2017/18 plan. Strategic and transformational options are being considered and developed to achieve financial sustainability. This includes the Trust developing the Cancer Alliance to assist the two STPs in south west and north west London.

The above risk and those that score above 12 have associated high-level action plans, which are updated quarterly with the risk scores being adjusted as the level of risk is reduced. These risks are reviewed quarterly at QAR and are reported to the Board of Directors.

Given that the majority of long-waiting patients have pathway delays prior to their referral to The Royal Marsden, the Trust manages these risks by close working with both RM Partners and the South West London Leadership Forum, where a shared work programme is in place to address the causes of poor performance. The Trust’s own action plan is monitored at the monthly Performance Group, chaired by the Director of Performance and Information, and progress is reported directly to the Board on a monthly basis.

The Trust is involved, through Borough Resilience Forums and Regional Emergency Planning Network Groups, in extensive multi-agency risk reduction and emergency planning work. This is in accordance with the Civil Contingencies Act and against the National, Regional and Borough Risk Registers. Risk assessments have been carried out against emergency preparedness and civil contingency requirements. The Trust provides assurance to NHS England on its resilience procedures and has maintained accreditation against ISO 22301 for its Business Continuity Management System.

Integrated Governance and Risk Management Committee

Integrated Governance and Risk Management Committee (IGRM) is co-chaired by the Chief Nurse, and the Medical Director has the delegated responsibility for oversight and monitoring of all aspects of quality and risk, including review of serious incidents, NICE guidance compliance and policy/guideline approval, emergency planning and research governance.

The Board-level QAR Committee oversees and monitors the performance of the IGRM. QAR is responsible for ensuring that effective arrangements are in place for the oversight and monitoring of all aspects of clinical quality and safety, including identifying potential risks to the quality of clinical care. Every quarter, frontline clinical staff report to QAR and describe the positive aspects of the Trust’s research, education and care and also areas that require improvement.

The AFC oversees the financial risk and provides confidence in the objectivity and fairness of financial reporting, providing assurance about the adequacy of internal controls, the safeguarding of assets and in reducing the risk of illegal or improper acts. AFC also reinforces the importance, independence and effectiveness of internal and external audits. Internal Audit (KPMG) works closely with this committee and provides assurance on the systems of control operating within the Trust.

The Board Assurance Framework

The Board Assurance Framework (BAF) identifies the Trust’s strategic objectives, key risks to achieving the objectives, and the controls and assurance mechanisms in place to mitigate the risks.

The Trust reviewed and updated the BAF in 2017 and monitors the assurances it receives against the Framework and reviews progress on the action plans drawn up to close the gaps in both controls and assurance.

Internal audit and anti-fraud activities

The results of internal audit reviews are reported to the AFC, which oversees the action required, addressing any system weaknesses. Procedures are in place to monitor the implementation of control improvements and to undertake follow-up reviews when required. An internal audit action recommendation tracking system is in place, which records progress in implementing the recommendations by management. Management’s progress in implementing corrective action following internal audit recommendations is reported to the AFC, and the Executive Board also receives reports on high and medium issues. The anti-fraud programme is led by the Chief Financial Officer with support from KPMG and monitored by the AFC.

Patient and Public Involvement (PPI)

The Trust is committed to having an effective structure for patient and public involvement at all levels within the organisation, and as an NHS Foundation Trust this is provided with strategic direction by the Council of Governors.

The Trust has undertaken further work in 2017/18 regarding patient and public involvement (PPI) following the launch of a PPI Strategy, with progress being monitored by a PPI Steering Group with both research and service user involvement. There is also a PPI Steering Group that contributes to the direction of the research portfolio and research design.

The Chief Nurse chairs the Patient Experience Strategy Group to manage patient experience across the Trust. Terms of reference have been agreed and Governors and representatives from the Patient and Carer Advisory Group are working alongside Trust staff from a range of areas in the Trust.

There is strong patient representation on the NIHR Biomedical Research Centre Steering Committee and there is a governance framework set out for PPI in research outlining the processes and structure of PPI. A mapping exercise has been undertaken to demonstrate PPI activity and how all groups interact and function, and where overlap occurs. The Trust Integrated Governance and Risk Management Committee has at least two patient/carer representatives on it as core members. The Patient and Carer Advisory Group acts as a focus for all local patient involvement initiatives, often working alongside the Governors. The Governors and frontline staff also lead a Patient Experience and Quality Account group, which scrutinises the Quality Account and all key performance and quality metrics in the Trust.

Quality and safety

The Trust was inspected by the CQC in April 2016, and in January 2017 received an overall rating of "good" as a provider of services, with "outstanding" for "caring", and overall for the Trust's Chelsea site. The Sutton site was rated as "good" overall. Several areas also received a rating of "outstanding" including radiotherapy, chemotherapy and critical care. The required action plan was completed and signed off by CQC in October 2017. As part of the CQC's new ongoing monitoring process, a CQC Inspector meets every quarter with the Chief Nurse, Chief Operating Officer and the Medical Director.

To ensure that the Trust's Board, Council of Governors, commissioners, Leadership Team and front line staff regularly review performance against the CQC's fundamental standards in order to comply with the regulations of the Health and Safety Act 2008 (Regulated Activities) Regulations (2014), the Trust publishes a portfolio of quality and performance documents:

- Annual Quality Account
- Monthly Quality Account
- Quarterly Integrated Governance Monitoring Report.

The Integrated Governance Monitoring Report includes details on compliance with the CQC's fundamental standards and is grouped using the five key questions:

- Is care safe?
- Is care effective?
- Are staff caring?
- Are staff responsive to people's needs?
- Are staff well led?

In line with the recommendations from the National Quality Board, the Trust published its nurse staffing levels from June 2014 to demonstrate safe staffing levels. The Board sees the staffing levels monthly in the Quality Account.

The Trust is fully compliant with the registration requirements of the CQC.

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the scheme are in accordance with the scheme rules, and that member pension scheme records are accurately updated in accordance with the timescales detailed in the regulations.

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

The Trust has undertaken risk 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. Review of economy, efficiency and effectiveness of the use of resources

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control to ensure that resources are used economically, efficiently and effectively.

The Trust has established arrangements for managing its financial and other resources, which demonstrate that value for money is being managed and achieved.

The annual budget setting process and plan for 2017/18 was approved by the Board of Directors and communicated to all managers in the organisation. The plan was to deliver a revenue surplus in 2017/18 and have an on-going plan to improve organisational efficiency. The Chief Financial Officer and team have worked closely with divisional and corporate managers throughout the year to ensure the plan was delivered. The Trust over-achieved on this plan to deliver a surplus of £34 million after excluding the impairment and donated asset income and expenditure. Included within this surplus the Trust received Sustainability and Transformation Funding of £18.7 million, of which £2.3 million was core and £16.4 million was incentive funding. The Board has overseen the financial and operational performance of the Trust throughout the year.

The AFC reviews performance against the financial plan and efficiency programme on a regular basis. Internal Audit undertakes audits each year which they report to AFC which include the review of efficiency and use of resources across a range of expenditure types. In addition to financially related audits, the internal audit programme covers governance and risk issues.

The Performance Review Group chaired by the Chief Operating Officer meets monthly and reviews the financial performance of each division, including the delivery of the efficiency programme. A Transformation Board was established in 2015 to manage a programme of strategic initiatives designed to improve the patient experience and organisational efficiency.

During the year the Trust has also:

- Reviewed key processes to improve the efficiency and productivity of services, such as reviewing theatre utilisation and planning
- Developed new models of service delivery to maximise quality of service and value for money, such as The Royal Marsden Macmillan Hotline
- Worked on several initiatives with shared services with other NHS Foundation Trusts across a range of clinical and non-clinical functions. A key example of this is re-procurement of Soft FM Services in collaboration with Chelsea and Westminster NHS Foundation Trust and the Royal Brompton and Harefield NHS Foundation Trust
- Further developed its benchmarking capability and the evidence to be able to demonstrate differences between services and organisations.

6. Information Governance

The Royal Marsden achieved 88 per cent in their final IG Toolkit score for March 2017, with all requirements scored at level 2 or above and therefore deemed compliant.

The Royal Marsden has not had any enforcement notice or undertakings within the last financial year; there have been no major incidents to report in Information Governance.

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 issued guidance to NHS Foundation Trusts on the form and content of annual Quality Reports, which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

The Board of Directors of The Royal Marsden NHS Foundation Trust is assured that the Quality Report presents a balanced view and that there are appropriate controls in place to ensure the accuracy of data. The Quality Report is discussed throughout the year at monthly Board of Director meetings and at the Quality, Assurance and Risk Sub-Committee with input from a wide range of stakeholders including:

- The NHS Foundation Trust Board of Directors
- The Council of Governors
- The Executive Board
- Clinical Advisory Group
- The Patient and Carer Advisory Group
- Frontline staff/Staff Open Meetings
- The Trust Consultative Committee
- Local Healthwatch
- Local and specialist commissioners
- Health and Wellbeing Boards.

All the improvement priorities since 2009/10 have been identified and endorsed by members of the stakeholder groups (above). Members of the stakeholder groups have also reviewed progress on achievements over the past two years and ensured that the Trust has realistic but stretching improvement targets. Since 2012/13, local commissioners have been invited to review and add their critique and support to targets for The Royal Marsden Community Services.

Every year the Trust holds patient and public involvement events, which include members of Healthwatch, social services, the public and patients to discuss and advise on priorities for inclusion in the Quality Account. The data presented in the Quality Account is generated by either the Information Team or external bodies such as the Health Protection Agency who are independent of the operational and clinical teams in the Trust.

Finally, the Trust's external auditors undertook sample data testing of Referral to Treatment within 18 weeks (incomplete pathways), cancer treatments started within 62 days of urgent GP referral and outpatient clinic waiting times.

8. Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by the work of internal auditors, clinical auditors and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the 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, Audit and Finance Committee, and Quality, Assurance and Risk Committee, and Integrated Governance and Risk Committee, and ensure continuous improvement of the system is in place.

The Board Assurance Framework provides me with evidence that the effectiveness of controls to manage strategic risks to the organisation and that achieving its principal objectives have been reviewed and monitored.

My review is also informed by:

- Assessment of financial reports submitted to NHS Improvement, the Independent Regulator of NHS Foundation Trusts
- The Board Development Framework and review of its performance in light of the "Well-Led" guidance issued by NHS Improvement
- Opinions and reports made by external auditors
- Opinions and reports made by internal auditors
- Opinions and reports made by clinical auditors
- Achievement of the Customer Service Excellence standard
- Announced CQC Inspections
- NHS London Annual Emergency planning assurance process
- ISO 9001 compliance for radiotherapy and chemotherapy
- Clinical Pathology Accreditation (CPA) held for designated pathology services
- UKAS Imaging Services Accreditation Scheme new in November 2017 for Radiology Imaging Services
- Quarterly Integrated Governance monitoring reports
- Infection Control Annual Report
- Clinical audit reports and action plans
- Investigation reports and action plans following serious and significant incidents
- Departmental and clinical risk assessments and action plans
- Results of the national patient surveys
- Results of the national staff survey.

The process that has been applied in maintaining and reviewing the effectiveness of the system of internal control has been reviewed by:

- The Board of Directors; through consideration of key objectives and the management of principal risks to those objectives within the Board Assurance Framework
- The Integrated Governance and Risk Management Committee; by reviewing all policies relating to governance and risk management and monitoring the implementation of arrangements within the Trust
- The Audit and Finance Committee; by reviewing and monitoring the opinions and reports provided by both internal and external audit
- The Quality, Assurance and Risk Management Committee; by implementing and reviewing clinical governance and risk management arrangements and receiving reports from all operational risk committees
- External assessments of services.

9. Conclusion

As Accounting Officer and based on the review process detailed above, I am assured that there are no significant internal control issues.

Cally Palmer CBE
Chief Executive
24 May 2018

Marcus Thorman
Chief Financial Officer
24 May 2018

3. Annual Quality Account

What is a quality account?

Part 1

Statement on quality from the Chief Executive

Part 2

Performance against 2017/18 quality priorities and our quality priorities for 2018/19

Priority 1 Reduction in healthcare associated infections (MRSA bacteraemia and Clostridium difficile infections): applies to hospital and community services

Priority 2 Reduction in the rate of incidents resulting in severe harm or death: applies to hospital and community services

Priority 3 Percentage of admitted patients risk-assessed for venous thromboembolism: applies to hospital

Priority 4 Avoidance of emergency re-admissions to hospital within 28 days of discharge: applies to hospital

Priority 5 Reduction in attributable community-acquired category 3 and 4 pressure ulcers: applies to community services and hospital inpatients

Priority 6 Reduction in harm from sepsis by increasing the number of patients screened for sepsis and to give antibiotics within one hour of patients being diagnosed with sepsis: applies to hospital inpatients and inpatients going to the Clinical Assessment Unit (CAU)

Priority 7a Ensuring that we are responding to inpatients' personal needs: applies to hospital

Priority 7b Use the Friends and Family Test question for clients receiving community care: applies to community services

Priority 8 To increase the percentage of staff who would recommend The Royal Marsden to friends or family needing care: applies to hospital and community services

Priority 9a Reduction in chemotherapy waiting times and improvement in patient experience related to waiting times: applies to hospital

Priority 9b Reduction in waiting times in outpatient clinics and improve patient experiences related to waiting: applies to hospital

Priority 10a Increase the number of looked-after children having health assessments completed within the statutory timescale and to increase the number of looked-after children receiving a leaving-care summary by the time they leave: applies to children's community services

Priority 10b Reduction in the waiting times for musculoskeletal patients and improve waiting times: applies to community services

– Statements of assurance from the Board

– Reviewing progress of the quality improvements in 2017/18 and choosing the new priorities for 2018/19

– Reporting against core indicators

Part 3

Other information

Review of quality performance (previous year's performance)

Appendices

Appendix 1
Statements from key stakeholders

Appendix 2
Statement of Trust Director's responsibilities for the Quality Account

Appendix 3
Quality indicators where national data is available from the Health and Social Care Information Centre

Appendix 4
Our values

Appendix 5
Sign Up to Safety: Patient Safety Improvement Plans

Appendix 6
Independent Auditor's Assurance Report

Appendix 7
Glossary

What is a quality account?

All NHS hospitals or trusts have to publish their annual financial accounts. Since 2009, as part of the drive across the NHS to be open and honest about the quality of services provided to the public, all NHS hospitals have had to publish a quality account.

You can also find information on the quality of services across NHS organisations by viewing the quality accounts on the NHS Choices website at www.nhs.uk.

The purpose of this Quality Account is to:

1. Summarise our performance and improvements against the quality priorities and objectives we set ourselves for 2017/18 and
2. Set out our quality priorities and objectives for 2018/19.

To begin with, we will give details of how we performed in 2017/18 against the quality priorities and objectives we set ourselves under the categories of:

Safe care
Effective care
Patient experience

Where we have not met the priorities and objectives we set ourselves, we will explain why, and set out the plans we have to make sure improvements are made in the future.

Secondly, we will set out our quality priorities and objectives for 2018/19, under these same categories. We will explain how we decided upon these priorities and objectives, and how we will aim to achieve these and measure performance.

Quality accounts are useful for our Board, who are responsible for the quality of our services, as they can use them in their role of assessing and leading the Trust. We encourage frontline staff to use quality accounts both to compare their performance with other trusts and also to help improve their own service.

For patients, carers and the public, this quality account should be easy to read and understand. It should highlight important areas of safety and effective care being provided in a caring and compassionate way, and also show how we are concentrating on improvements we can make to patient care and experience.

It is important to remember that some aspects of this quality account are compulsory. They are about significant areas, and are usually presented as numbers in a table. If there are any areas of the quality account that are difficult to read or understand, or you have any questions, please contact us through the Patient Advice and Liaison Service (PALS) by phoning 0800 783 7176, or visit our website at www.royalmarsden.nhs.uk.

This quality account is divided into three sections:

Part 1	Introduction to The Royal Marsden NHS Foundation Trust and a statement on quality from the Chief Executive (CE)
Part 2	Performance against 2017/18 quality priorities and our quality priorities for 2018/19
	Reviewing progress of the quality improvements in 2017/18 and choosing the new priorities for 2018/19
	Statements of assurance from the Board
	Reporting against core indicators
Part 3	Other information

Part 1

Introduction to The Royal Marsden NHS Foundation Trust and a statement on quality from the Chief Executive

The quality of care patients and their families receive, and their experiences, are central to all that we do. The Royal Marsden is the largest cancer centre in Europe and, in association with The Institute of Cancer Research (ICR), is responsible for the largest cancer research programme in the UK.

Our commitment to meeting the challenges of continuing to provide quality care and experience within a cost-effective framework underpins the following four corporate objectives for 2017/18:

1. Improve patient safety and clinical effectiveness
2. Improve patient experience
3. Deliver excellence in teaching and research
4. Ensure financial and environmental sustainability.

Our commitment to improving quality is demonstrated by the following achievements in the year from 1 April 2017 to 31 March 2018.

Care Quality Commission inspection

The Care Quality Commission (CQC) carried out a routine inspection in April 2016. The final report from this inspection was published in January 2017. We worked hard and completed the actions required following the CQC report to demonstrate improvements for the three regulations. The action plan was closed in October 2017. As part of CQC's new monitoring schedule, the inspector meets junior and senior staff from a range of areas, visiting a different site each quarter.

Equality and diversity

At The Royal Marsden, equality, diversity, inclusion and human rights are central to the way we provide healthcare services to our patients and support our staff. We want to be known as an organisation that promotes equality and provides an inclusive environment for care and employment where diversity is valued.

During 2017/18, we commissioned DisabledGo, funded by The Royal Marsden Cancer Charity, to develop online access guides and best-practice recommendations to support our patients and visitors. We will launch DisabledGo in April 2018. We relaunched the Learning Disabilities buddy network to support our patients who have a learning disability, and the Equality, Diversity and Inclusion Steering Group members were trained as dementia friends. We trialled a cultural-awareness training programme to support staff to provide the best services that are culturally inclusive for our patients from the Middle East.

We were a finalist for the Strengthening Diversity award in a national human resources competition. During this year we strengthened our joint staff networks for black, Asian and minority-ethnic (BAME) staff and lesbian, gay, bisexual and transsexual (LGBT+) staff, with increasing membership for both. We celebrated the diversity of our staff by holding a cultural food celebration event for 100 people in October 2017, and marking United Nations Day and Black History Month.

Customer Service Excellence

The Customer Service Excellence standard tests, in depth, those areas that research has shown are a priority for customers, with particular focus on delivery, speed of delivery, information, professionalism and staff attitude. Each year, we are assessed against a third of the standard. The latest assessment was held in March 2018 over one day, when the assessor visited the Chelsea site. The assessment showed we are fully meeting all elements of the standard except one, which we are meeting in part.

Food and nutrition

The Royal Marsden has been recognised for the food it serves to patients, staff and visitors by achieving two 'Food for Life' awards from the Soil Association. We have achieved the Silver award for patient catering services and the Bronze award for the staff and visitor catering areas.

The Chelsea and Sutton hospital sites serve hundreds of meals to patients, visitors and staff each day. The awards recognise the fact that the Catering Department uses fresh ingredients and is dedicated to serving ethical, sustainable food that meets nutritional guidelines.

We have adopted the CQUIN framework on NHS staff health and wellbeing to support the improvement of our food environment. Putting the CQUIN into practice is a balance between meeting the nutritional needs of staff and visitors and being able to provide the higher protein and energy choices that some patients need. In line with this, we have agreed with commissioners the following targets for the end of the year. We are on track to meet these targets.

- 70 per cent of drinks stocked are sugar-free (less than 5g of sugar per 100ml)
- 60 per cent of confectionery does not contain more than 250 kcals
- 50 per cent of sandwiches contain less than 400 kcals.

Research excellence

We continue to have a strong reputation within cancer-care research. We have been awarded three research grants, totalling £400,000.

- Macmillan Cancer Support has funded a study co-designing a virtual-reality intervention (this is used as a distraction to prevent side effects such as nausea, vomiting and pain) for people having cancer treatment.
- Remedi has funded a study to trial a sexual difficulties assessment tool.
- Global Challenge Research Fund has given an award to introduce a recovery package for women in Africa with breast cancer.

Also, Macmillan has funded a London trial co-ordinator, which we host.

Alongside this, we have been awarded two D'Arzi fellows, part-funded by The Royal Marsden Cancer Charity – one to co-design therapy services to help patient recovery, and the other within tissue viability (care and management of the skin to prevent pressure sores).

The Experimental Cancer Medicine Centres (ECMC) and Cancer Research UK have chosen examples of our patient and public involvement work in the Drug Development Unit to showcase best practice for their nationwide centres. We continue to have a strong presence at national and international conferences, and publish widely in journals reviewed by our peers. We are trialling two chief nurse fellowships, which will pay for the award winners (one year full time or two year's part time) to develop their CVs, portfolios and perhaps some foundation work on building a strong National Institute for Health Research Clinical Doctoral Fellowship Application.

JACIE inspection

The Joint Accreditation Committee of the International Society for Cellular Therapy (ISCT) and the European Group for Blood and Marrow Transplantation (EBMT) (known as JACIE) promotes high-quality patient care and laboratory performance in stem-cell collection, processing and transplant centres through voluntary accreditation.

The Royal Marsden received full JACIE accreditation in 2009 as a facility for transplanting, collecting and processing stem cells. The Royal Marsden offers a full service, with cells being transplanted to patients with a range of blood-based cancers. Patients may have their own cells transplanted or may receive cells from a suitable donor taken from either blood or bone marrow. The Royal Marsden offers this treatment to both adults and children. In 2017, the stem-cell transplant service carried out 217 transplants and underwent a full JACIE inspection in November 2017. We received the report from the inspection team in February 2018. The report recognised improvements since the previous inspection, with a number of aspects of the service being highly praised. The inspection team did identify a number of areas for further improvements, which we are now addressing, but reported "The overall impression given was of an excellent transplant service with highly motivated and dedicated staff committed to providing high-quality care".

United Kingdom Accreditation Service (UKAS) Imaging Services accreditation

On 21 and 22 November 2017, UKAS inspected The Royal Marsden imaging services, radiology and nuclear medicine services against the ISAS Standard V3.0, 2017. We were recommended for accreditation after completing 11 actions and these were submitted to UKAS by 20 February 2018, to allow full accreditation status. We had very positive praise and feedback from the inspectors about our high-quality services. We are one of 23 trusts in UK to have achieved this accreditation.

The standard is the product of a rigorous development process and review, and represents the judgements of panels of radiographers, radiologists and patients who have seen it created and revised. It reflects wide consultation and valuable comments and suggestions from professional colleagues and relevant UK government agencies and regulatory bodies. The standard is designed to:

- be patient focused
- cover the functions and systems of a whole diagnostic imaging and interventional radiology service and
- deliver and support improvements in quality.

The standard is published by the Joint Accreditation Scheme Committee of the College of Radiographers and The Royal College of Radiologists. We are signed up to a four-year contract. During the contract we must submit web-based evidence to UKAS each year.

The Royal Marsden and its Board has tried to take all reasonable steps to make sure the information in this quality account is accurate. On behalf of the Board of The Royal Marsden NHS Foundation Trust (the Trust) I can confirm that, as far as I know and believe, the information in this quality account is accurate.

Cally Palmer CBE
Chief Executive
24 May 2018

Part 2

Performance against 2017/18 quality priorities and our quality priorities for 2018/19

Introduction

The quality priorities and targets for 2017/18 are shown in the table below. The priorities and targets in **blue** were mandatory in 2017/18 (that is, we had to include them following the guidance from NHS Improvement) and the priorities and targets in **black** are the ones we have set ourselves. Our performance against the targets is summarised in the table below. Table 1 also shows which quality priorities we have set ourselves for 2018/19.

Table 1: Quality priorities and targets for 2017/18 and 2018/19

Category		Quality priority	Target for 2017/18	Performance for the year from April 2017 to March 2018	Target set for April 2018 to March 2019
Safe care	1	To reduce the number of cases of healthcare-related infections (MRSA, Clostridium difficile and gram negative bacterial infections). Applies to hospital inpatient beds at The Royal Marsden and patients of Sutton Community Healthcare Services.	a. For there to be less than one case of MRSA infection per year. b. For there to be fewer than 31 cases of C. difficile infection due to a 'lapse in care'.	a. Achieved b. Achieved (Information provided by the Trust.)	a. For there to be less than one case of MRSA infection per year. b. For there to be fewer than 31 cases of C. difficile infection due to a 'lapse in care'. c. For the Trust to implement a joint gram negative bacterial infection Quality Improvement Project with The Christie NHS Foundation Trust in Manchester.
Safe care	2	To maintain or increase the number of patient-safety incidents and near misses that are reported, reducing the percentage of incidents that have resulted in severe harm or death. (A 'near miss' is when an event had the potential to harm the patient and the staff prevented it from happening.) (A patient-safety incident is an incident that could have harmed or did harm a patient.)	For the rate of reported patient-safety incidents that have caused severe harm or death to be below 0.06 per 1,000 bed days. (A bed day is when a patient is in hospital overnight. It is measured in a large number to spot trends.) (In 2016/17 the rate of severe harm or death from incidents per 1000 bed days was 0.033 for hospital and 0.0 for community.) Applies to hospital inpatient beds at The Royal Marsden and Sutton Community Healthcare Services.	Achieved (Information provided by the Trust.)	For the rate of reported patient-safety incidents that have caused severe harm or death to be below 0.06 per 1,000 bed days. (In 2017/18 the rate of severe harm or deaths from incidents per 1,000 bed days was 0 for hospital and 0 for community.) Applies to hospital inpatient beds at The Royal Marsden and Sutton Community Healthcare Services.
Safe care	3	To maintain the percentage of admitted patients assessed for the risk of venous thromboembolism (getting a blood clot in a vein).	a. For the percentage of patients who have been assessed to stay above 95%. b. Of those patients assessed as high risk, appropriate treatment is started. c. Reassess 70% of patients within 24 hours.	a. Achieved (Information provided by the Trust.) b. Partially achieved c. Not achieved	a. For the percentage of patients who have been assessed to stay above 95%. b. Of those patients assessed as high risk, appropriate treatment is started.
Effective care	4	To reduce the incidence of emergency readmissions to hospital within 28 days of patients being discharged.	For the number of avoidable readmissions to be below 0.2%.	Not achieved (0.21%). (Information provided by the Trust.)	For the number of avoidable readmissions to be below 0.2%.
Effective care	5	To reduce the incidence of category-3 pressure sores and category-4 pressure sores developing in patients while they are receiving community care and hospital care. 2017/18 – applies to Sutton Community Healthcare Services, and The Royal Marsden inpatients.	a. For the percentage of category-3 and category-4 pressure sores arising in patients receiving community care and hospital care to be less than 0.15%. b. For 90% of category-3 and category-4 pressure sores, both already existing and developing while receiving community care or hospital care, to have healed or improved to category 1 (redness of intact skin, which does not fade when pressed) or category 2 (partial-thickness skin loss or blister) within three months.	a. Achieved – community services Achieved – hospital (Information provided by the Trust) b. Achieved – community services Achieved – hospital (Information provided by the Trust)	a. For the percentage of category-3 and category-4 pressure sores arising in patients receiving community care and hospital care to be less than 0.15%. b. For 90% of category-3 and category-4 pressure sores, both already existing and developing while receiving community care or hospital care, to have healed or improved to category 1 (redness of intact skin, which does not fade when pressed) or category 2 (partial-thickness skin loss or blister) within three months.

Category		Quality priority	Target for 2017/18	Performance for the year from April 2017 to March 2018	Target set for April 2018 to March 2019
Effective care	6	To reduce harm from sepsis: a. To increase the number of patients screened for sepsis. b. To give antibiotics within one hour of patients being diagnosed with sepsis. Applies to hospital inpatients and patients going to the Clinical Assessment Unit (CAU).	a. For more than 90% of patients who meet the local criteria for suspected sepsis to be screened for sepsis. b. For more than 90% of patients to be given antibiotics within one hour of sepsis being diagnosed. c. New from July 2017. For more than 90% of patients to receive an antibiotic review between 24 and 72 hours after starting the antibiotic.	a. Achieved b. Achieved c. Achieved	CQUIN for 2018/19 is agreed in principle to be a continuation of 2017/18 CQUIN for CAU, with roll-out to inpatient wards across the year.
Patient experience	7	a. To make sure that we are responding to inpatients' personal needs. b. To continue using the Friends and Family Test question for patients receiving community care. (The Friends and Family Test question asks people who use NHS services whether they would recommend the services to others.)	a. For our Friends and Family Test score for hospital inpatients to be more than 95%. b. For our Friends and Family Test score for community services to be more than 95%.	a. Achieved b. Achieved (Information was gathered from a patient survey and published nationally by NHS England)	a. For our Friends and Family Test score for hospital inpatients to be more than 95%. b. For our Friends and Family Test score for community services to be more than 95%.
Patient experience	8	To increase the percentage of staff who would recommend The Royal Marsden to friends or family needing care.	For more than 95% of surveyed staff to say that they would recommend The Royal Marsden.	Achieved (Information was gathered from a staff survey and published nationally by NHS England)	For more than 95% of surveyed staff to say that they would recommend The Royal Marsden.
Patient experience	9	a. To reduce waiting times at chemotherapy appointments and improve patients' experiences relating to waiting times. b. To reduce waiting times in outpatient clinics and improve patient experiences relating to waiting times.	a. For 80% of patients attending chemotherapy appointments to wait no longer than one hour to start their treatment. b. For no more than 6% of patients to have to wait more than one hour.	a. Achieved b. Achieved (Information provided by the Trust)	a. For 90% of patients to receive chemotherapy on time. b. For no more than 5% of patients to have to wait more than one hour.
Community services	10a	To increase the number of looked-after children having health assessments completed within the statutory timescale. To increase the number of looked-after children receiving a leaving-care summary by the time they leave care. (Children who have been in local-authority care must leave that care before their 18th birthday. A leaving-care summary is provided before they leave.) Applies to children's community services.	a. For 100% of all looked-after children to have a health assessment completed by a nurse or health visitor: every year for children over five; and every six months for children aged two to five. b. For 100% of all looked-after children receiving a leaving-care summary to have it completed by a nurse before they leave care (on or before their 18th birthday).	a. Not achieved (Information provided by the Trust.) b. Achieved	Does not apply for 2018/19.
Community services	10b	To reduce waiting times for musculoskeletal patients and improve waiting times. Applies to community services. **2018/19 wording** To reduce waiting times for patients who are referred to the musculoskeletal service. Applies to community services.	For 80% of patients to be satisfied with the time they wait for a first appointment at the Assess and Treat clinic.	Achieved (Information provided by the Trust.)	Maintain a waiting time of 20 days or less for 80% of patients.
New for 2018/19		To reduce waiting times for patients who are referred to the podiatry service. Applies to community services.	Does not apply for 2017/18.	Does not apply for 2017/18.	Maintain a waiting time of 20 days or less for 80% of patients.

The next section gives more detail of the quality priorities, the progress we made in meeting the targets set for 2017/18, how we will improve our performance, and how our performance will be monitored and measured.

Priority 1

To reduce the number of cases of healthcare-related infections – MRSA infection and C. difficile infection.

This applies to patients at The Royal Marsden and patients of Sutton Community Healthcare Services.

Targets

1. For there to be less than one case of meticillin-resistant staphylococcus aureus (MRSA) infection per year.
2. For there to be fewer than 31 cases of C. difficile infection caused by a failure in care per 100,000 bed days. (A bed day is when a patient is in hospital overnight. It is measured in a large number to spot trends.)
3. There is now a new requirement for reporting E.coli, Klebsiella sp. and Pseudomonas aeruginosa bacteremias on the Health Care Acquired Infections Data Capture System (HCAI DCS). This is an online system managed by Public Health England to monitor infections. These are all gram-negative bacteria and numbers of cases have been rising across the UK for some years. Gram-negative bacteria are often more resistant to antibiotics. These infections are often associated with urinary-tract infection, urinary catheterisation, dehydration (especially in the elderly), biliary sepsis (an infection such as cellutitis) and gut translocation (in patients receiving chemotherapy). These organisms are also increasingly prone to show antimicrobial resistance, making them difficult to treat. The UK Department of Health, through NHS Improvement, has issued an ambition to see a 50 per cent reduction in these gram-negative blood-stream infections by March 2021, starting with a 10 per cent reduction of E.coli bacteraemia in this financial year.

"We are collaborating with colleagues across the Trust to look at novel ways to impact on the rates of E.coli bacteraemia. We are also extending outside the Trust to meet with colleagues from The Christie and University College London Hospitals to ensure we get a consistent approach to E.coli in the oncology population."

Pat Cattini
Deputy Director, Infection Prevention and Control

What we did in 2017/18

- We carried out monthly audits to check that we are continuing to keep to screening policies for MRSA and Carbapenemase-producing Enterobacteriaceae (CPE) and using antibiotics correctly.
- We carried out regular audits of the patient environment and of clinical practices, along with monthly audits of commodes and hand hygiene, to monitor standards and identify any areas for improvement.
- We developed the antimicrobial ward round to bring education and focus on what antibiotics are being used.
- We actively encouraged the need for an antimicrobial review every 72 hours, using the review stickers.
- We developed further online training for medical staff to cover the basics of preventing infection.
- We improved our monitoring and understanding of gram-negative organisms such as E.coli.
- We are in discussions with The Christie and NHS Improvement (NHSI) to get better understanding of the challenges of E.coli in oncology at a national level.

How we performed in 2017/18

- We achieved the first target with no cases of (MRSA) infection this year.
- We achieved the second target. There have been four cases of C. difficile (to be confirmed in May). There were 52 cases of C. difficile arising more than three days after patients were admitted to hospital. Cases to the end of January have been reviewed by the commissioner and there were two lapses in care related to not collecting the stool (faeces) sample in good time.
- We achieved the third target of 10 per cent reduction of hospitial attributable cases for the year. There were a total of 62 cases, with 37 occurring 48 hours after the patient was admitted to the hospital.
- Our Infection Prevention Control team have noted a reduction in E.coli bacteraemia since 2014. This may be due to use of ciprofloxacin prophylaxis in patients with neutropenic sepsis or the introduction, in late 2015, of the film dressings for vascular access devices.
- We achieved the sepsis CQUIN and the FLU CQUIN.

Actions to improve our performance

- Performing monthly audits to make sure MRSA and CPE screening is carried out where necessary.
- Continuing to use high-level disinfection with hydrogen peroxide vapour (HPV) after patients who had healthcare-related infections are discharged, to minimise the risk to new patients.
- Regularly reviewing policies and publishing them on our intranet.

How improvements will be measured and monitored

- Ward staff will carry out audits for hand hygiene, MRSA and CPE screening and environmental audits, and pass the results to staff.
- All C. difficile infection that is identified in specimens will be reviewed with the clinical team, before being passed to the CQC as required.
- We will carry out "root-cause analysis" for MRSA bacteraemia or any infections where there is concern. (This means that we will review the notes of patients with infections to uncover ways to improve care for future patients.)
- We will carry out a clinical review of all E.coli bacteraemia cases.
- Data relating to infections will be reviewed at team meetings and the Infection Prevention and Control Committee.

Priority 2

To maintain or increase the number of reported patient-safety incidents and near misses, while reducing the rate and percentage of patient-safety incidents resulting in severe harm or death.

A patient-safety incident is an incident which could have harmed or did harm a patient. This applies to patients at The Royal Marsden and patients of Sutton Community Healthcare Services.

Target

For the rate of reported patient-safety incidents that have caused severe harm or death to be below 0.06 per 1,000 bed days. (In 2016/17 the rate of severe harm or death from incidents per 1,000 bed days was 0.033 for hospital and 0 for community.)

"All members of staff have a responsibility for risk management/patient safety and a commitment to identifying and minimising risks. This is achieved through an environment of openness and trust: where mistakes, adverse incidents and near misses are identified quickly and dealt with in a positive and responsive way."

Chris Lafferty
Risk Management

What we did in 2017/18

- All staff who reported an incident received individual feedback once we received details of the incident and the outcome of the investigation.
- Incident reports on significant events were passed to the Integrated Governance and Risk Management (IGRM) Committee and then used widely across the Trust to help with learning.
- Examples of incidents were shared during training.
- We reported all patient-safety incidents that we were responsible for to the National Reporting and Learning Service (NRLS).

How we performed in 2017/18

- We have achieved our target for both the hospital and community services with a rate of 0 per cent for this year (April 2017 to March 2018).

Comparison with national figures

The NRLS reports that for the period from 1 April 2017 to 30 September 2017, there were no incidents resulting in severe harm or death. A further four out of the 17 acute specialist trusts reported results in line with ours. This was the latest information available when this document was produced.

Actions to improve our performance

Keeping to regulation 20 – The Duty of Candour

This is a regulation to make sure that we are open and honest about care and treatment. Under regulation 20, if there is a patient-safety incident that is graded moderate harm or above, we must follow a set process. You can find full details on the website at www.cqc.org.uk/content/regulation-20-duty-candour.

Our Being Open and Duty of Candour Policy incorporates the requirements of the Duty of Candour. To make sure that we are open and honest about incidents that fall under regulation 20, the Risk Management Team review every reported incident that is graded moderate harm and above. The review starts on either the day that the incident is reported, or the next working day. If the incident is confirmed as being correctly graded as moderate harm or above, the Risk Management team works with the relevant clinical staff to make sure the patient is told about the incident, and that an appropriate apology is given within 10 days of the incident being reported on the incident reporting system.

The patient is kept informed of our investigation. If a report is being produced, the patient is asked if they would like to receive a copy of it. The Risk Management team follow up to make sure that the report is sent to the patient along with an offer to meet them to go through the findings.

The Duty of Candour process is monitored every six months by an audit, and the results are given to the IGRM Committee, the Quality, Assurance and Risk (QAR) Committee, and the Trust Board Committee.

The audits have identified that the area that requires improvement is making sure that the patient and their relatives receive a copy of the final report if they would like one. In order to address this, the Risk Management Team are taking on more responsibility in the final part of the process.

Priority 3

To maintain the percentage of admitted patients assessed for the risk of venous thromboembolism (getting a blood clot in a vein).

Targets

For the percentage of patients who have been assessed to remain above 95 per cent. Of those patients assessed as high risk, appropriate treatment is started. Reassess 70 per cent of patients within 24 hours.

"The initiative to request a patient signature at the end of the VTE risk assessment has been useful to support compliance with understanding and preventative care."

Ann Duncan
Matron

Venous thromboembolism (VTE) is a single term for both deep-vein thrombosis (DVT) and pulmonary embolism (PE). A deep-vein thrombosis is a blood clot that forms in a deep vein (usually in the leg). If a clot breaks off and travels to the arteries of the lung, it causes a pulmonary embolism, which can be life-threatening. VTE can be avoided by giving preventative treatment (for example, prophylaxis) to patients at risk. Patients with cancer are at greater risk of developing VTE, therefore this continues to be a safety priority for us.

Our VTE Steering Board is now well established, and VTE risk assessments are carried out for all appropriate patients. All planned inpatients are sent information leaflets before their appointment to tell them what they can do to help prevent clots forming, how to recognise the signs and symptoms of clots, and what to do if they develop any of these signs and symptoms. There are also posters and information leaflets available throughout the hospital, and from our Patient Advice and Liaison Service (PALS).

The VTE risk assessment may be carried out using either the patient's drug chart or by using the electronic clinical documentation system.

What we did in 2017/18

- We had patient representatives on the VTE Steering Board.
- We completed an audit called "Snapshot survey of verbal and written information on blood clot prevention".
- We reduced the size of the "Blood Clot Alert – Recognise the Signs and Reduce the Risks" leaflet after receiving feedback suggesting that it is wallet-sized.
- We switched to using anti-embolic stockings (AES) as a result of an up-to-date review.
- We trialled a new AES product.
- We developed a new VTE Care Plan for patients to sign off.

How we performed in 2017/18

- We achieved the target of 95 per cent success in making sure all of our patients are appropriately assessed for the risk of developing VTE. An average of 96.38 per cent of patients were appropriately assessed from April 2017 to March 2018.
- 72 per cent of patients who were assessed as high risk started on appropriate treatment.
- We did not achieve the target of 70 per cent of patients having a reassessment within 24 hours. From January to March 2018, only 27 per cent of patients had a reassessment.

Actions to improve our performance

- Making sure there are VTE posters in all clinical areas.
- Developing the use of handheld tablets in the Medical Day Unit to show the patient-safety film "Blood Clots and You". We will put this into practice in 2018/19.
- Auditing the delivery and understanding of information surrounding VTE checks, and monitoring VTE care plans on all wards.
- Making sure there is training for Harm Free Care Champions, as well as for staff on mandatory training.
- Where relevant, making sure we follow the NICE guidelines (NG89) published in March 2018.
- Making sure VTE risk is part of the chemotherapy care bundle (a set of measures that, when carried out together, reduces the risk of a patient developing a blood clot).

How improvements will be measured and monitored

- The VTE Steering Board will continue to monitor VTE incidents, assessments and prevention procedures. Performance will also be monitored at the Trust's Steering Board and through the monthly Board scorecard. The scorecard is reviewed at each Trust Board meeting and contains, among other items, the number of patients assessed for risks associated with VTE.
- We will continue to monitor our performance in raising awareness of VTE and VTE care plans.
- Inpatient wards now include VTE assessments as part of their daily safety huddles. This raises awareness and makes sure there is extra focus, which will help to reduce the risk of harm.
- We will look at using our incident-reporting system (Datix) to record and assess incidents related to VTE.
- Pharmacy staff will support the review of VTE risk assessments by medical staff at the time a patient is admitted to hospital.
- We will review the number of hospital-acquired thromboses and take action if needed to make sure the correct treatment is in place.

Priority 4

To reduce the incidence of emergency readmissions to hospital within 28 days of patients being discharged.

Target

For the number of avoidable readmissions to be below 0.2 per cent.

"National information regarding emergency readmission is not robust due to multiple factors; not every readmission is the result of a poorly managed discharge. It is also possible that changes in the way that hospitals treat some patients, for example through increased use of frailty units and ambulatory care units, may have contributed to the rise in readmission figures nationally. Understanding reasons for readmission may be more helpful to get a better understanding of how we can avoid some readmissions for patients."

Lara Roskelly
Divisional Nurse Director, Cancer Services

Since 2012/13, quality accounts should show the percentage of patients of all ages and sexes who were readmitted within 28 days of being discharged, and the national average. See Appendix 3 for more details about the national average. It is important to note that some readmissions will include patients who are admitted because of the side effects of treatment, so it may be difficult to explain any differences between us and other NHS trusts.

How we performed in 2017/18

Table 2 shows the number and percentage of patients who were readmitted within 28 days from April 2013 to March 2017. Readmissions have stayed below 0.4 per cent of all admissions since April 2012. Some emergency readmissions are an unavoidable consequence of the original treatment. However, some could be avoided by making sure that patients receive:

– the best possible treatment according to their needs and

– careful planning and support for caring for themselves when they leave hospital.

We have not met the target of avoidable admissions to be below 0.2 per cent. Our average percentage of avoidable admissions from April 2017 to March 2018 is 0.21 per cent.

Table 2: Number of patients who were readmitted within 28 days from 1 April 2017 to 31 March 2018

Month	Number of patients readmitted within 28 days	Percentage of patients readmitted within 28 days
April 2017	12	0.29%
May 2017	7	0.15%
June 2017	12	0.25%
July 2017	10	0.23%
August 2017	14	0.29%
September 2017	7	0.15%
October 2017	16	0.33%
November 2017	8	0.16%
December 2017	12	0.28%
January 2018	12	0.23%
February 2018	7	0.15%
March 2018	1	0.02%
Total	118	0.21%

Actions to improve our performance

– Introducing the acute oncology out-of-hours admission prioritisation guide, and updating the access policy.

– Any unplanned inpatient admission is reviewed by the Acute Oncology Service (AOS) team, and this includes a review by a consultant within 14 hours of admission.

– Using the national scoring system to identify patients at risk of developing sepsis, the AOS team will bring patients back as day cases to review.

– Putting telephone triage into practice to reduce patient anxiety.

Priority 5

To reduce the incidence of category-3 pressure sores (full-thickness skin loss) and category-4 pressure sores (full-thickness tissue loss) developing in patients while they are receiving community care or hospital care.

Applies to patients of Sutton Community Healthcare Services and inpatients of The Royal Marsden.

Targets

1. For the percentage of category-3 and category-4 pressure sores arising in patients receiving community care or hospital care to be less than 0.15 per cent.
2. For 90 per cent of category-3 and category-4 pressure sores, both already existing and developing while receiving community care or hospital care, to have healed within three months.

"The implementation of the developed pressure ulcer prevention, assessment and management of care bundle has really supported improvements to practice in both the identification of patients at risk of developing pressure ulcers, and the management of patients with a pressure ulcer admitted to community services caseload and acquired whilst under our care."

Patricia Thompson
Carshalton Integrated Locality Manager

This remains a challenging but important priority for community and hospital services, and we continue to focus upon the prevention and management of pressure sores for the benefit of patients.

What we did in 2017/18

Community services

- Community nursing staff continued to carry out risk assessments on their first visit to patients to support early identification of patients at risk of developing pressure ulcers.
- Community nursing have improved the way they report incidents of patients being admitted to the community services with pressure sores.
- We developed and put into practice the "pressure-ulcer care bundle", which makes sure community services follow a standardised approach to identifying, managing and preventing pressure sores. Along with providing training to staff before this is rolled out across community nursing services, we have held drop-in sessions to make sure all nursing staff feel confident using the care bundle.
- Through working with a Vanguard Care Home Commissioning Team, we developed a Safeguarding Vulnerable Adults staff resource handy pack, which included advice on identifying pressure ulcers and the process for reporting these.

The hospital

- The hospital has secured the funding for a Clinical Nurse Specialist to specialise in tissue viability (aspects of skin care and preventing pressure sores).
- The hospital has appointed a Tissue Viability Darzi Fellow. This is a prestigious 12-month programme that aims to review and manage risk factors relating to tissue viability in patients with cancer.
- We published a revised list of medicines that can be prescribed for caring for wounds.
- We provided all ward areas with a clinical camera to help them record details of pressure sores accurately and in good time, especially out of hours.
- We created a pressure ulcer multidisciplinary team working group, to identify and encourage further quality improvements in preventing and managing pressure sores.
- We created a new patient information leaflet on pressure ulcers specifically for The Royal Marsden, and this is ready for approval.

How we performed in 2017/18

- We met our first target of having less than 0.15 per cent of patients developing category-3 and category-4 pressure sores that were attributed to us while under the care of community services.
- From April 2017 to March 2018, 0.05 per cent of patients developed category-3 and category-4 pressure sores that were attributed to us while under the care of community services.
- 100 per cent of category-3 and category-4 pressure sores improved to at least category 2 within three months of being diagnosed.
- In the hospital, we had one category-4 pressure sore and two category-3 sores. This is rare, but we have learnt from these incidents and made changes to tissue-viability services, education and medical devices.
- From April 2017 to March 2018, less than 0.01 per cent of patients developed category-3 and category-4 pressure sores that were attributed to us while under the care of the hospital.
- We met our second target and those patients with category-3 pressure sores have healed, and the category-4 pressure sore continues to improve, but is complicated by the patient's underlying medical condition.

Actions to improve our performance

Community services

- Community services continue to support care agencies and care homes in providing training and sharing best practice.
- We continue to make sure the "pressure-ulcer care bundle" is fully used across the community nursing service to support best practice in identifying and managing pressure sores.
- We continue to ensure we make full use of quality and safety boards, including the safety huddles (where nursing staff highlight key messages of the day), and share the results of monthly audits of the key areas of priority and details of improvements that are needed to practice areas.

The hospital

- We will carry out an audit of the quality of our work to prevent and manage pressure ulcers, and share the results with staff.
- We will develop a new pressure-ulcer staff e-learning module.
- We will develop a new equipment-selection guide for staff.
- We will provide positive communications to patients about pressure ulcers through Radio Marsden.

How improvements will be measured and monitored

All diagnoses of suspected category-3 and category-4 pressure sores will be reviewed and confirmed by a community tissue viability nurse. They will then be investigated through a root-cause analysis and the findings will be presented at planned two-weekly pressure-sore panel meetings. This will identify root causes, whether or not the pressure sore was avoidable and, once a pressure sore has been identified, guide improvements that need to be made within practice.

The community nursing service will continue to monitor whether we are keeping to the "pressure-ulcer care bundle", through both the senior nurses' clinical days and the yearly audit programme, which includes auditing the monthly rolling audit of the five harms and areas of high priority to support the full yearly audit programme.

Priority 6

To reduce harm from sepsis: a) to increase the number of patients screened for sepsis. b) to give antibiotics within one hour of patients being diagnosed with sepsis. c) to make sure patients receive an antibiotic review between 24 and 72 hours.

Applies to hospital inpatients going to the Clinical Assessment Unit (CAU).

Targets

a) For more than 90 per cent of patients who meet the local criteria for suspecting sepsis to be screened for sepsis. b) For more than 90 per cent of patients to be given antibiotics within one hour of sepsis being diagnosed. c) For more than 90 per cent of patients to receive an antibiotic review between 24 hours and 72 hours after starting the antibiotic.

"We are constantly aiming to improve the prevention, early identification and rapid treatment of sepsis in order to support patients with cancer, who are especially vulnerable to infections. Sepsis is one of the three Royal Marsden priorities of the national 'Sign up to Safety' programme."

Dr Vimal Grover
Consultant in Critical Care and Anaesthesia, and Sepsis Lead for The Royal Marsden

Patients with cancer are at risk of developing infections. Preventing sepsis, together with identifying and treating cases early, can improve outcomes for patients. Minimising harm associated with sepsis is one of our priorities, and we joined the national "Sign up to Safety" programme in 2015 (see Appendix 5).

What we did in 2017/18

- In the 2017/18 contract, The Royal Marsden agreed with the Clinical Commissioning Groups (CCG) commissioners to put into practice the "Reducing the impact of serious infections (antimicrobial resistance and sepsis)" CQUIN.
- We agreed to dedicate quarter 1 of 2017/18 to setting up the audit, focusing on patients at the CAU. The CQUIN elements which apply to The Royal Marsden are:
  - identifying cases of sepsis in emergency departments and acute inpatient settings as soon as possible
  - treating sepsis in emergency departments and acute inpatient settings as soon as possible and
  - carrying out antibiotic reviews for patients with sepsis.
- In line with the milestones we agreed with CCG commissioners, The Royal Marsden set up the audit and a process for identifying and treating sepsis, which was approved by our Clinical Audit Committee on 21 June 2017.

How we performed in 2017/18

- Initially the audit focused on non-elective patients at the CAU, but we are looking at rolling this out across the Trust.
- We developed a form to collect the time stamps needed for the first two CQUIN goals relating to screening and the first dose of antibiotics given through a blood vessel (intravenous).
- We are using the NHS England audit tool to support the third goal relating to a review of antibiotics (between 24 hours and 72 hours) for patients who are admitted to hospital.
- The audit started on 1 July 2017, with a baseline audit completed during July to September 2017. We agreed with commissioners to aim to reach 90 per cent in all three indicators by the end of March 2018.
- We set up a monthly programme board, which will include medical, nursing, audit, pharmacy and performance colleagues. The programme board pushes forward the CQUIN and is responsible for monitoring performance against the indicators.
- We have added fields to existing forms relating to clinical documents, and we are currently testing these before going live with them. The 2018/19 CQUIN is still under negotiation but is expected to involve rolling out the CQUIN to inpatient areas.

Identifying cases of sepsis in emergency departments and acute inpatient settings as soon as possible

We put in place the sepsis audit in the CAU in July 2017. The audit results from the non-elective patients in quarter 4 (January to March 2018) and are as follows.

- 96.9 per cent of people who met the criteria for screening were screened.
- 90 per cent received intravenous antibiotics within an hour of arriving at the unit. One hundred per cent of patients received an antibiotic review within 72 hours.

Actions to improve our performance

- We will continue to make sure the audit form is used within CAU, and look to incorporate it into the electronic patient record (EPR).
- We will continue to ask CAU staff to use the day-case form to record observations to allow this information to be automatically passed on to other staff who need it.
- We will start a weekly review of audit results.
- We will further reinforce the use of the audit form in CAU to make sure there are enough time stamps available.
- We will look into introducing a non-neutropenic sepsis Patient Group Direction (PGD) as well as the existing neutropenic sepsis PGD.
- The CQUIN guidance states that the clock starts at the time of diagnosis and treatment should be started at the time of diagnosis. Currently, we are using a patient's arrival at the hospital as the starting point. It is important to improve the accuracy of the way we record the time sepsis is diagnosed or suspected.
- We will continue with work to include the audit form in the EPR.

How improvements will be measured and monitored

We will measure and monitor improvements through the monthly sepsis CQUIN programme board, which includes representatives from all the main departments and staff groups.

Priority 7a

To make sure that we are responding to inpatients' personal needs.

Target

For our Friends and Family Test score for hospital inpatients recommending our hospital to be more than 95 per cent.

"The Friends and Family Test is a fantastic source of feedback. It not only allows improvements to be implemented where necessary but also ensures that the Trust maintains its high standards. It is a great resource for staff morale, which is so incredibly important for tailoring the needs of our patients. And it provides informative suggestions from service users. All round, it is an interesting and very worthwhile highlight and is most definitely proving itself effective as time goes on."

Lesley-Ann Gooden
Patient Information Administrative Support Officer
Friends and Family Test Co-ordinator, Governor representative

The Friends and Family Test was introduced by the Prime Minister on 25 May 2012. Under this test, all NHS patients are asked whether they would recommend a particular healthcare setting to their friends and family. The results of this test are used to improve the experience of patients, and to highlight priority areas for action.

The question asked is: *"How likely are you to recommend this service to friends and family if they require similar care or treatment?"*

The patients then choose their answer from the following:

– Extremely likely

– Likely

– Neither likely nor unlikely

– Unlikely

– Extremely unlikely

– Don't know.

What we did in 2017/18

– Posters about the Friends and Family Test are displayed around the Trust buildings, and there are collection boxes for responses outside all wards and in outpatient and day-care areas.

– We ask all patients to fill in the Friends and Family Test form and put it into a collection box. Once a week the forms are collected, and an external company processes the feedback and returns this to us.

– Along with our partner trusts in RM Partners, we standardised the questions patients are asked.

How we performed in 2017/18

– NHS England displays the information that has been collected each month for 170 providers of NHS-funded services for inpatients and independent-sector providers for inpatients, outpatients, community services, dental, ambulance, accident and emergency (A&E), maternity, mental-health and GP services. There is information about the Friends and Family Test on the website at www.england.nhs.uk/statistics/statistical-work-areas/friends-and-family-test/friends-and-family-test-data/.

– We achieved our target with an average across the year of 97 per cent of inpatients saying that they would recommend us. This is higher than the national average of 96 per cent.

– We have achieved our target with an average across the year of 96 per cent of outpatients saying that they would recommend us. This is higher than the national average of 94 per cent.

Actions to improve our performance

– Continuing to use the Friends and Family Test question to get feedback from patients on how we can improve our services.

– Continuing to work with staff who are in contact with patients to increase the response rate for the Friends and Family Test.

– Continuing to communicate results to Trust staff, patients, relatives and carers at meetings, and publicly displaying results on wards' notice boards and our website.

– Analysing the comments received to identify key areas for improvement.

– Developing local and Trustwide improvement plans for identified areas of concern.

How improvements will be measured and monitored

Results will continue to be passed to the ward sisters and matrons each month, and we will take action following any comments for improvements. The results will continue to be included in our monthly quality account to the Board. The results are also reviewed by the Patient Experience Strategy Group, chaired by the Chief Nurse.

Priority 7b

To continue using the Friends and Family Test question for patients receiving community care.

Target

For our Friends and Family Test score for clients receiving community services recommending our services to be more than 95 per cent.

"The feedback we receive from the patient surveys can be really motivating for staff. To see how much a patient appreciated the staff's work and the difference it can make to an individual's life is a reward for all the hard work that has gone into treating the patient. The positive feedback to show that an individual or team are doing a good job can increase job satisfaction for all those involved. The feedback also acts as a great measure of whether we are working according to the Trust's value of being compassionate towards our patients and putting their needs first. It can highlight the need for changes in a service to make it a better experience for the patient."

Carly Dalton
Community Specialist Learning Disability Dietitian

What we did in 2017/18

- We continued to routinely ask patients receiving community services the Friends and Family Test question as part of our patient experience surveys.
- Since 1 April 2016, Community Services has used the same service provider as The Royal Marsden to gather feedback. This has streamlined the process of gathering, reviewing and acting on feedback.
- We have gathered feedback through paper surveys (written and picture, and easy-read forms), online surveys, and an app on mobile devices.
- Patient Champions in each service have shared monthly feedback with their teams, and encouraged staff to ask patients for feedback throughout the year.

How we performed in 2017/18

Friends and Family Test

We met the overall target set for 2017/18 in response to the question *"How likely are you to recommend this service to friends and family if they needed similar care or treatment?"*. During the year from April 2017 to March 2018, we received feedback from 1,898 patients in total, an average of 98 per cent of whom would recommend our services to friends and family.

Some examples of patient feedback comments are as follows.

Children's occupational therapy
"The staff were extremely helpful and worked well with my son. In just three weeks of attending he has learnt a lot and become more confident."

Health visiting
"The suggestions given were practical and reassuring. Very welcoming environment. All concerns well addressed without being rushed. Engaging with my child."

Community nursing
"I have been looked after by a dedicated team all at times to suit me, can't be improved."

Actions to improve our performance

- Including the feedback from patients in the weekly newsletter that is produced by the Divisional Director.
- Service managers and patient champions in each team monitoring patient feedback each month to their clinical area at team meetings.
- Teams discussing feedback that highlights possible improvements and taking appropriate action.

How improvements will be measured and monitored

- Survey results will be reported back to the CCG (via the Clinical Quality Review Group) every three months.
- Feedback will be provided to all services through divisional and service-led team meetings.
- Service managers are to report on "You said, We did" actions at monthly internal performance meetings.

Priority 8

To increase the percentage of staff who would recommend The Royal Marsden to friends or family needing care.

Target

For more than 95 per cent of surveyed staff to say that they would recommend The Royal Marsden.

The quotes below are samples from the anonymous comments staff provided.

"Every single member of staff is dedicated and passionate about providing the very best care to all patients."

"I feel that the treatment at The Royal Marsden is probably the best in the world, the treatment provided is up to date. In my opinion the staff are very caring (all staff), I have also had this fed back to me from visitors and patients, they make comments like, everyone is so caring and friendly, not just the nurses and Drs but the admin staff, cleaning and catering staff."

Each year during October to December, we carry out the National Staff Survey, and this provides us with a wider range of information about what we do well and what we need to improve on. The survey asks staff how strongly they agree with the statement: *"If a friend or relative needed treatment, I would be happy with the standard of care provided by this trust."* In 2017/18, 96 per cent of staff either agreed or strongly agreed with the statement.

What we did in 2017/18

Over the past 12 months, in response to the previous year's survey, we expanded our health and wellbeing programmes and introduced a range of other initiatives, including a Career Mentoring Scheme. We also created a new welcome and on-boarding programme for new members of staff, and increased career development opportunities to prevent losing staff if this can be avoided.

- We introduced a new welcome and on-boarding programme, including a refreshed induction process, to make sure new members of staff receive a warm welcome to the Trust.
- We launched career-development, mentoring and coaching schemes for staff looking to learn new skills and develop their careers within the Trust.
- We expanded our health and wellbeing programmes to include events relating to winter wellbeing and financial wellbeing.
- We put in place the Leadership Forum and new management-training programmes.
- We increased the number of listening events for staff by introducing "In your shoes" – a programme that focuses on exploring the behaviours that lead to good days at work.
- We introduced a new joiners and leavers survey to gather information about the experience of staff and how we can improve this.

How we performed in 2017/18

Friends and Family Test

Three times a year, we ask staff to respond to the Friends and Family Test question: *"How likely are you to recommend this organisation to friends and family if they needed care and treatment"*. In all three surveys, over 95 per cent of staff said that they would recommend us, meaning that this target has been met.

The number of staff responding to the Friends and Family Test during 2017/18 was similar to 2016/17. There were 553 responses during January to March 2018, compared with 555 responses during January to March 2017. The survey for July to September 2017 focused on identifying ways to develop our leaders, and so was only circulated to the Leadership Team. The staff response rate was good. This survey is not carried out in October to December 2017 as it coincides with the National NHS Staff Survey.

Workforce Race Equality Standard

The Workforce Race Equality Standard (WRES) requires all NHS organisations to demonstrate how they are dealing with race-equality issues in staffing areas such as recruiting, and promoting staff. There has been a reduction in the percentage of staff experiencing discrimination at work. Table 3 on page 96 provides a breakdown of four of the WRES measures from the results of the yearly staff survey.

Table 3: Staff survey results

Key finding	Ethnic group	Royal Marsden result			Average for acute specialist trusts
		2017	2016	2015	
Percentage experiencing harassment, bullying or abuse from patients, relatives or the public in the past 12 months	White	**18% (268)**	17% (230)	17% (223)	21%
	BME	**14% (74)**	17%	15%	18%
Percentage experiencing harassment, bullying or abuse from staff in the past 12 months	White	**20% (298)**	22% (298)	21% (275)	24%
	BME	**24% (126)**	28% (110)	24% (92)	28%
Percentage believing we provide equal opportunities for career progression or promotion	White	**92% (1369)**	91% (1233)	90% (1178)	89%
	BME	**78% (410)**	78% (307)	76% (292)	75%
Percentage who have personally experienced discrimination at work from a manager, team leader or other colleagues in the past 12 months	White	**4% (60)**	5% (68)	5% (65)	5%
	BME	**9% (47)**	11% (43)	12% (46)	14%

During the last year, we introduced the Forum for Black, Asian and Minority Ethnic (BAME) staff and hosted a Cultural Food Celebration Event, which over 100 people attended. Three groups of staff started a Career Development Mentoring Scheme for staff bands 4 to 6. This scheme was open to all staff, but we wanted to encourage staff from BAME groups as data suggested this staff group is under-represented at higher grades. It is positive that the scheme has been so well received and that 48 per cent of people receiving mentoring come from a BAME background, compared with the percentage of staff in bands 4 to 6 who come from a BAME background (28 per cent).

Actions to improve our performance

- We will share the results of the staff survey with managers and staff.
- We will create an overarching development plan with the Workforce and Education Committee following the results of the staff survey.
- We will launch the Outstanding Care; Outstanding Culture project.
- We will launch the Leadership Development Programme, which focuses on inclusion and diversity, and the Careers Advisory Service, and will make sure staff use these.
- We will develop an Organisation Development Programme to refresh our organisational values and define behaviours associated with these. The aim of the programme is to further develop a high-performing, positive and inclusive culture.

How improvements will be measured and monitored

- Results from the Friends and Family Test and the annual staff survey will be analysed and reviewed by the Workforce and Education Committee and a set of targeted actions will be agreed to support continuous improvement and increase the number of staff responding.
- Results from the starters and leavers survey and progression data will be analysed to identify areas for continuous improvement.
- All action plans will be regularly reviewed by the Workforce and Education Committee to chart progress.

Priority 9a

To reduce waiting times at chemotherapy appointments and improve patients' experiences relating to waiting times.

Target

For 80 per cent of patients to be satisfied with the length of time they had to wait to start their treatment.

"We have noted an improvement in communication both externally and within our own teams. Staff are positively engaged in the QI work and huddles – they provide positive suggestions for improvement and are able to discuss difficult days openly as a team. Staff are proud of their input into the improved systemic anti-cancer treatment turnarounds."

Kulpna Daya
Chief Technician, Pharmacy Department

To understand and improve chemotherapy waiting times, it is important to analyse the reasons behind delayed treatment times as there are many factors involved.

What we did in 2017/18

- The pharmacy aseptic unit made and issued pre-made chemotherapy for patients on a daily basis.
- We set up a new quality-improvement project group in October 2017 to understand what causes delays in ordering chemotherapy for patients, with a view to testing new ways of working and reviewing how these would affect waiting times.
- We used a new daily tool to highlight data on chemotherapy turnaround times and causes of delay. We then reviewed these and reported them to the Chief Pharmacist.
- We introduced daily multidisciplinary huddles at each site to identify causes of delays and to help us learn from successful ways of working.

How we performed in 2017/18

Analysis has found a number of factors that contribute to delays, including late confirmation of prescribing chemotherapy and unrealistic or late scheduling of appointment times.

There was sustained improvement in performance at Sutton from November 2017 to February 2018. February 2018 saw the greatest improvement in performance since the start of the quality-improvement project.

Performance at Chelsea has been stable, but staffing pressures and increased workload continue to challenge us.

We have achieved the target and the Friends and Family Test scores were consistent from November 2017 to February 2018. The scores for satisfaction were 4.86 out of 5 (Sutton) and 4.91 out of 5 (Chelsea).

Actions to improve our performance

- We found that a significant number of delays to delivering chemotherapy on time were due to being late ordering the medication, and changes to prescriptions before they arrived in the Pharmacy Department.
- Despite the Pharmacy Department making sure they made chemotherapy in good time before a patient was due, there were still delays that were caused by factors outside the Pharmacy Department.
- Highlighting the awareness of this new project group across the Trust, and working with the day units and ward areas, has helped improve the scheduling for patients, and this has reduced delays.

How improvements will be measured and monitored

We have set up a new transformation project group to cover the chemotherapy pathway from prescribing to scheduling and administering chemotherapy. This will be led from nursing, pharmacy and medical teams, and will aim to make quality improvements across the system, gather feedback from patients and improve the patient experience and waiting times.

The new Consultant Nurse and Consultant Pharmacist will lead and monitor this through the Quality Assurance in Chemotherapy Services Committee.

Priority 9b

To reduce waiting times in outpatient clinics and improve patients' experiences relating to waiting times.

Target

For no more than 6 per cent of patients to have to wait more than one hour.

"As a department we understand that a patient's first appointment with us is a scary and emotional time for them. Being a friendly, helpful face when they arrive is of upmost importance, it relaxes and comforts the patients. Clear direction and information through their outpatient appointment lets the patient know that we are the first point of contact and able to help with any queries."

Joanne Thompson
Deputy Administration Manager, Sutton Outpatients and Rapid Diagnostic Assessment Centre

Within our Outpatients Departments we aim to have excellent communication with our patients to make sure that they have a positive experience, particularly at their first appointment.

What we did in 2017/18

- Matron carried out observations of clinics and waiting areas twice a week to continuously identify where we could make efficiencies in staffing to improve waiting times.
- We introduced a monthly report to identify how we can make better use of time in our clinics.
- We increased the number of phlebotomy chairs in Sutton to improve patient flow so that patients don't have to wait so long to have blood taken.
- We produced a film for outpatients through a paired learning project, to provide patients with information about what to expect as an outpatient at the hospital.
- We started multi-professional authorisation clinics. This is where both nurses and pharmacists can see patients at certain times, rather than patients having to wait to see a doctor.
- We completed a review of the information we give to patients in letters about what happens at a first appointment and at a follow-up outpatient appointment.
- We introduced a quality and safety board for Outpatients Departments to improve transparency for patients.
- In March 2018, we opened a dedicated phlebotomy room (where blood samples are taken from patients) at the Rapid Diagnostic Assessment Centre (RDAC) Chelsea.
- In Sutton Outpatients, we used volunteers to help deal with any queries or redirect patients who were waiting in the queue for reception.

How we performed in 2017/18

Table 4 shows that we achieved our target of less than 6 per cent of patients waiting more than one hour for treatment from April 2017 to March 2018. Across the year, the average was 3 per cent. The number or patients waiting for more than one hour has been consistently at 3 per cent or less since September 2017.

March 2018 saw 74 per cent of patients seen within 15 minutes, which is a 6 per cent improvement on the same period last year.

Table 4: Chelsea and Sutton waiting times from April 2017 to March 2018

	Waiting time			
	Less than 15 minutes	Less than 30 minutes	30 to 60 minutes	More than one hour
April 2017	64%	19%	13%	4%
May 2017	66%	19%	12%	3%
June 2017	65%	18%	13%	4%
July 2017	65%	19%	12%	3%
August 2017	66%	18%	12%	5%
September 2017	70%	17%	10%	3%
October 2017	74%	16%	8%	2%
November 2017	75%	14%	9%	2%
December 2017	73%	16%	9%	2%
January 2018	72%	15%	10%	3%
February 2018	73%	16%	8%	3%
March 2018	74%	15%	8%	3%

Actions to improve our performance

- We will put into practice the actions identified to improve the way all clinics are used, including reducing the time allocated for underused clinics, changing room allocations depending on clinic volumes, and identifying options for clinics that are consistently overused.
- We are planning to further increase the number of clinic co-ordinators within clinics.
- We are planning to run a nurse-led breast injection clinic in Chelsea.
- We will introduce a PICC and Port Room for Chelsea Outpatients.
- We will review the opening times in Chelsea.
- We will set up extra clinics to make sure patients have access to appointments within two weeks of referral.

How improvements will be measured and monitored

- We will continue to monitor progress at monthly Outpatients Department meetings, including:
  - clinic waiting times
  - patient safety incidents and
  - Friends and Family Test responses and action plans.
- We will review and influence how we use clinics through the Outpatient Transformation project to make the best overall use of the Outpatient Departments and RDAC units.

Priority 10a

To increase the number of looked-after children having health assessments completed within the statutory timescale. To increase the number of looked-after children receiving a leaving-care summary by the time they leave care.

(Applies to children's community services only.)

Target

a) For 100 per cent of all looked-after children to have a health assessment completed by a nurse or a health visitor:
   - every year for children over five years of age and
   - every six months for children aged two to five.

b) For 100 per cent of all looked-after children receiving a leaving-care summary to have it completed by a nurse before they leave care (on or before their 18th birthday).

"We recognise that children often enter the care system with a poorer level of physical and mental health than their peers and this often persists into their longer term outcomes. We are committed to delivering improvements for this vulnerable group."

Claire Shiels
Service Manager

What we did in 2017/18

- We recruited a new part-time member of staff to the team.
- We booked appointments in advance to allow time for rescheduling if there were cancellations.
- We made sure the health visiting and school nursing service were aware of timescales for assessments.
- We arranged service level agreements and sent the paperwork to out-of-borough placements two months before the assessment due date.
- We separated the looked-after children service from the safeguarding service to make better use of management resources.
- We improved our tracking and reporting systems to identify areas where we need to take action to improve our performance.

How we performed in 2017/18

Target 1

- We met the target for completing review health assessments in between 50 per cent and 100 per cent of cases.
- The failure to meet the required target is caused by a number of factors, such as:
  - receiving the paperwork from the borough late
  - young people cancelling their appointments or failing to attend
  - the assessments being sent to other areas to complete
  - staff annual leave
  - sickness in The Royal Marsden Looked After Children's Service and
  - an increase in the number of looked-after children.
- If we do not include some of the above factors which are outside of our control (such as reviews sent to other areas), our average performance has been 72.5 per cent.

Target 2

- During April 2017 to March 2018, we met our target for completing leaving-care summaries for 100 per cent of young people leaving care.

Actions to improve our performance

- We will continue with the actions we started during April 2017 to March 2018.
- We will continue to recruit for the remaining vacancies.
- We will complete a training programme for school nurses and health visitors.
- If we identify any quality issues, we will take these further with out-of-borough services.
- We will fully put in place the tracking and reporting system to target actions within services and in partnership with other services.
- We will maintain our record for carrying out leaving-care summaries.

How improvements will be measured and monitored

We monitor our progress with assessments each week in the Looked After Children team meeting, and allocate assessments to appropriate staff members. We also report information monthly to the designated nurse at Sutton CCG, and monitor our progress through the quarterly Looked After Children Health strategy meetings chaired by Sutton CCG. Our current poor performance in meeting key performance indicators is also monitored on our risk register.

Priority 10b

To reduce waiting times for musculoskeletal patients and improve waiting times.

(Applies to adult community services only.)

Target

For 80 per cent of patients to be satisfied with the time they wait for a first appointment at the assess and treat clinic.

"We pride ourselves in having a short waiting time to access the musculoskeletal service. This means we can provide the best advice speedily that can reduce chronicity and encourage long-term self management."

Matthew Parkinson
Physiotherapy Team Lead, Community Services

What we did in 2017/18

At the end of 2016 we reviewed the Musculoskeletal and Outpatient Physiotherapy service. We had a growing waiting list and needed to introduce a new model of working in April 2017.

We combined the Physiotherapy service and an established Musculoskeletal service to provide patients with a first contact assessment and treatment within the key performance indicator target of 10 working days for priority patients and 20 working days for routine patients.

The clinics were staffed by an average of two physiotherapy assistants (PTAs), 13 physiotherapists, two advanced physiotherapist practitioners, a consultant physiotherapist and four administrative staff.

We provided 160 new patient appointments twice a week to meet demand.

Introducing the model allowed us to reduce waiting times. However, to be sustainable, increase the choice of appointment days, and reduce the waiting times within the clinic in October and November 2017, we changed the format of the clinic to 4.5 hours over four days, with 90 patients per clinic. Also, within the clinic we added 18 fast-track slots, which are booked appointments for acute patients and patients who have had surgery.

We have reviewed the improved waiting times (see Table 5) within the clinics, and the new format for the clinics compares well against the old format in terms of patient waiting times, with the vast majority of patients seen within an hour of their appointment time. This has increased from around half of all patients being seen within an hour of their appointment time to three quarters. Less than 1 per cent of patients wait over two hours, compared with 3 per cent under the old format. We are continuing to monitor this and manage it with a combination of adjusting staff numbers when necessary, numbers of patients and managing the key performance indicator.

Table 5: Waiting times within the clinic

How long before patients are seen	New format	Old format
Within an hour of their appointment time	76.17%	53%
Within one to two hours of their appointment time	23.08%	43%
Over two hours after their appointment time	0.75%	3%

How we performed in 2017/18

The waiting times for a first appointment with the Adult Musculoskeletal service has shown great improvement during April 2017 to March 2018 (see Table 6 on page 106).

There was an increase in the waiting times in October to November 2017 due to managing the changeover to the four half-day clinics, balancing the follow-up appointments and a sharp increase in the number of referrals. We were expecting this increase in waiting times and had included it in a plan for December to reduce the waiting time.

Table 6: Number of days waiting for a musculoskeletal appointment

	Days waiting for first appointment
January 2017	48
February	33
March	28
April	21
May	19
June	17
July	15
August	19
September	20
October	25
November	23
December	16
January 2018	8
February	8
March	14

12 per cent of patients completed the Friends and Family Test, and 99 per cent of these were likely or extremely likely to recommend the service.

At the end of March, we asked 100 patients if they were satisfied with the time they had to wait for a first appointment. (We asked 50 random patients at the assess and treat clinics at both St Helier and Jubilee Health Centre.) The results confirm that 90 per cent of the patients were satisfied with the length of wait. For the patients who were not satisfied, the average wait was two weeks.

Actions to improve our performance

- We will continue to train and educate the team to reduce waiting times within the clinic.
- We will continue to maintain our current capacity for accepting new patients (80 patients per clinic as long as we have enough staff for this).

How improvements will be measured and monitored

- We will continue to measure patient satisfaction using the results of the Friends and Family Test.
- We will continue to monitor waiting times to make sure they are within our target of 20 days. We will anticipate possible periods of increased demand and adjust the number of available appointments to meet this demand and maintain the target.
- We will continue to monitor the numbers in the clinic to match the number of patients with the number of members of staff, as staffing is likely to change over the next few months.
- We will continue to supervise clinicians to provide advice on assessment techniques to improve efficiencies within the clinic.
- We will continue to provide an exercise sheet as well as increase the use of the pre-assessment questionnaire.

Reviewing progress of the quality improvements in 2017/18 and choosing the new priorities for 2018/19

In January 2018, NHS England published the Quality Accounts: Reporting Arrangements for 2016/17. We chose to include the mandatory (must-do) set of quality indicators for requirements for 2016/17. Some of the indicators are not relevant to us (for example, ambulance response times), so we have not included them.

In February 2018, NHS Improvement issued “Detailed requirements for quality reports 2017/18”. They also issued “Detailed requirements for external assurance for quality reports for Foundation Trusts 2017/18” as from 2011/12, all Acute Trusts must have their quality accounts checked by external auditors. We also felt it was important to consult with our members and council of governors to incorporate their views about ‘quality’ into the quality account.

The process for agreeing the quality priorities for 2018/19 was as follows.

August 2017

Held a Patient Experience and Quality Account meeting to review progress in quarter 1 (1 April 2017 to 30 June 2017) against our priorities for 2017/18.

October 2017

Sent out an online survey to Foundation Trust members to choose quality priorities for 2018/19.

November 2017

Held an event for Foundation Trust members on 10 November 2017 to carry out a survey and vote on quality priorities for 2018/19.

December 2017

Held a Patient Experience and Quality Account meeting to review progress in quarter 2 (1 July 2017 to 31 September 2017) against our priorities for 2017/18.

Held a Council of Governors meeting to review the results of previous surveys and voting on quality priorities for 2018/19. Council of Governors chose a quality priority for 2018/19.

January 2018

The Nursing, Radiography and Rehabilitation Advisory Committee considered which quality priority to select for 2018/19.

February 2018

Held a Patient Experience and Quality Account meeting to review progress during quarter 3 (1 October 2017 to 31 December 2017) against our priorities for 2017/18.

March 2018

Drafted the final version of the quality accounts. External stakeholders were given the opportunity to review the draft over a 30-day period. The draft was reviewed by the Integrated Governance and Risk Management Committee and the Trust Consultative Committee.

April 2018

Stakeholders returned comments and statements are included in Appendix 1.

Held a Patient Experience and Quality Account meeting to review progress during quarter 4 (1 January 2018 to 31 March 2018) against our priorities for 2017/18.

Draft reviewed by the Trust Board Committee and quality priorities for 2018/19 agreed.

Plain English Campaign reviewed draft.

May 2018

Approved at the Finance and Audit Committee as delegated by the Board. Final annual quality account included as part of the Trust’s annual report and sent to NHSI.

June 2018

Final annual quality account published with Plain English Campaign’s Crystal Mark. Annual quality account published on the NHS Choices website and the Trust’s website.

Statements of assurance from the Board

Review of services

During 2017/18, we provided or subcontracted comprehensive cancer services and community services.

We have reviewed all the information we have on the quality of care provided by all our relevant health services.

The income generated by the health services reviewed in 2017/18 is equal to the total income generated from providing relevant health services in 2017/18.

The information provided in Part 3 of this quality account covers the three aspects of quality – patient safety, clinical effectiveness and patient experience.

Seven day services

Over 2017/18, we have made significant progress in putting into practice the seven-day clinical standards, including:

- Introducing a joint clinical and medical oncology weekend rota to have more consultants on duty at weekends
- Improving handover arrangements by using electronic handover (where handover is available online) and improving the way we categorise patients
- Further developing our Acute Oncology service and
- Improving our document system by developing a form on our clinical documentation system.

Audit results from September showed we beat the target for 2017/18, with 68 per cent of emergency admissions having a consultant review within 14 hours (69 per cent on weekdays and 60 per cent at weekends). We are currently carrying out the end-of-year national audit, which shows we have made further improvements taking us beyond the 2020 target of 90 per cent of emergency admissions having a consultant review within 14 hours.

Learning from deaths

During 2017/18, we wrote a policy that outlined how we would make sure that all deaths in the hospital would be reviewed and how we would share learning across the Trust. The policy was approved at the Trust's Board meeting and at the Integrated Governance and Risk Management Committee in September 2017. Table 7 shows the numbers of patients who died during April 2017 to March 2018.

Table 7: Numbers of patients who died and number of case record reviews and investigations

	Number of patients who died at The Royal Marsden	Number of cases where a record review or an investigation was completed	Number of cases where a record review and an investigation was completed
April to June 2017	56	56	0
July to September 2017	69	69	7
October to December 2017	45	45	6
January to March 2018	60	60	10
Total	**230**	**230**	**23**

From April 2017 to March 2018, 230 case record reviews and 23 investigations have been carried out in relation to all of the deaths shown in Table 7. We use the Royal College of Physician's suggested framework "Structured Judgement Review" (SJR) to carry out investigations.

In 23 cases, we carried out both a case record review and an investigation (as shown in Table 7). The number of deaths in each quarter for which a case record review or an investigation was carried out is shown in Table 7.

There were no patient deaths during April 2017 to March 2018 that were judged to be more likely than not due to problems in the care provided to the patient. This is shown for each quarter in Table 8.

Table 8: Number of patients who died due to a problem in care at The Royal Marsden

(The process for this new review was put into place after August 2017.)

	Number of patients who died at The Royal Marsden	Number of deaths due to a problem in care provided	Percentage of deaths due to a problem in care provided (see note below)
April to June 2017	56	Not measured	Not measured
July to September 2017	69	0	0
October to December 2017	45	0	0
January to March 2018	60	0	0
Total	**230**	**0**	**0**

Note: The percentages have been estimated using the Royal College of Physician's SJR to carry out the investigation.

Actions and learning from case record reviews and investigations of deaths.

- We have reminded the Acute Oncology Service to make referrals as soon as possible to the Palliative Care team.
- When a patient is admitted for longer than first planned, their care should involve regular communication with their family members about their progress.
- We need to act on worsening National Early Warning Score (NEWS) and take this to the next level of responsibility through the Situation Background Assessment and Recommendation (SBAR) tool to the Critical Care Unit (CCU) Outreach, and involve the CCU registrar at an early stage if the Outreach team is concerned.
- All deaths will continue to be audited and reviewed by a palliative care consultant and a critical care consultant each quarter.
- We will review all reported incidents related to the patients in the months before their death as part of the SJR process.
- Any complaints or concerns raised by families relating to patient deaths in the six months following the death of a patient will be used to trigger an SJR if one has not already been carried out.
- A death within 24 hours of admission at the Chelsea site should be referred to the coroner.
- Doctors have been told that any conversations about the death with senior medical staff and family members should be recorded in the patient's records.
- Patients who require close nursing supervision should have the reasons for this explained to their family.
- Patients who have intracranial lesions (inside the skull) are at risk of sudden deterioration due to changes in intracranial pressure (inside the skull).

Impact of the actions: We take seriously the learning provided from reviewing all patient deaths and, while it is too early this year, we hope to see an improvement in the next year once we have put the identified actions into practice.

There were no case record reviews or investigations carried out during April 2017 to March 2018 that related to deaths before April 2017. This means there were no deaths before April 2017 that were judged to be more likely than not to have been due to problems in the care provided to the patients and a revised estimate of the number of deaths before April 2017 does not apply.

None of the patient deaths during April 2017 to March 2018 are judged to be more likely than not to have been due to problems in the care provided to the patients. This number was estimated using the SJR framework, as suggested by the Royal College of Physicians (See Table 8).

Taking part in clinical audits

At The Royal Marsden we undertake many clinical audits for quality improvement. We take part in all the national cancer audits that apply to our organisation. This allows us to compare ourselves against other hospitals in England and sometimes across the world. We also have a comprehensive programme of local clinical audits which clinical staff, including consultants, junior doctors, nurses and allied health professionals, regularly carry out to improve local areas of care.

During April 2017 to March 2018, 21 national clinical audits and five national confidential enquiries covered relevant health services that The Royal Marsden provides.

National clinical audit and confidential enquiries

National confidential enquiries are "inspections" that are carried out nationally to investigate areas of care where there may have been problems, or where the patients may be particularly vulnerable. All hospitals are asked to take part in them so that all care across England can be monitored.

During April 2017 to March 2018, The Royal Marsden registered or took part in all 21 (100 per cent) of the national clinical audits and all national confidential enquiries which we were eligible to take part in (Table 15). At The Royal Marsden, we cannot carry out many of the national audits carried out by other hospitals because we only have patients with cancer.

The national clinical audits and national confidential enquiries that The Royal Marsden took part in, and which we collected data for (for the period April 2017 to March 2018) are listed below, alongside the number of cases included in each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry (Tables 9 and 11).

Table 9: National clinical audits The Royal Marsden took part in during 2017/18

No	Name of national clinical audit or clinical outcome review programme	Cases submitted, expressed as a percentage of the number of registered cases required
1	National Oesophago-Gastric Cancer (NAOGC) Audit	100% (65 cases)
2	National Bowel Cancer Audit (NBOCAP)	100% (79 cases)
3	National Lung Cancer Audit (NCLA)	100% (data is now taken directly from the monthly cancer outcomes and services dataset upload).
4	National Emergency Laparotomy Patient (NELA) Audit Year 3	100% (18 cases)
5	National Prostate Cancer (NPCA)	100% (573 cases)
6	Intensive Care National Audit and Research Centre (ICNARC) Case Mix Programme (CMP)	100% (1,418 cases)
7	Sentinel Stroke National Audit Programme (SSNAP)	100% (45 cases)
8	National Audit Intermediate Care (NAIC)	100% (not available)
9	National Head and Neck Cancer Audit (DAHNO/HANA)	100% (15 cases)
10	National Comparative Audit of Blood Transfusion: 2017 Repeat Audit of Patient Blood Management in Adults undergoing, elective, scheduled surgery	100% (17 cases)
11	The British Association of Urological Surgeons (BAUS) Nephrectomy Audit 2017	100% (90 cases)
12	BAUS Radical Prostatectomy Audit 2017	100% (265 cases)
13	BAUS Total Cystectomy Audit 2017	100% (59 cases)
14	Learning Disabilities Mortality Review Programme (LeDeR)	Registered to take part. Three staff trained. No eligible cases.
15	The Royal College of Physicians Fall and Fragility Fracture Audit Programme (FFFAP): Physiotherapy 'hip sprint' (Community Services)	100% (12 cases)
16	Breast Cancer in Older Patients (NABCOP)	Organisational questionnaire
17	Cancer in Children, Teens and Adults (NCEPOD)	100% (25 cases)
18	Chronic Neurodisability (NCEPOD)	Organisational questionnaire submitted
19	Acute Heart Failure (NCEPOD)	Data-collection stage (study still open)
20	Perioperative Diabetes (NCEPOD)	Data-collection stage (study still open)
21	Pulmonary Embolism	Data-collection stage (study still open)

The Royal Marsden reviewed the reports of 14 national clinical audits from April 2017 to March 2018. Where appropriate, The Royal Marsden will take the following actions to improve the quality of healthcare provided.

Table 10: National clinical audits reports published and actions taken

No	National clinical audit reports published in 2017/18	Description of actions
1	Sentinel Stroke National Audit Programme (SSNAP)	Report reviewed in community services. We have completed an action plan.
2	National Comparative Audit of Blood Transfusion: 2016 Audit of Red Cell and Platelet Transfusion in Adult Haematology patients	Report reviewed by the Blood Transfusion Committee. Results within expected range. Local standard operating procedure reviewed against national recommendations.
3	National Comparative Audit of Blood Transfusion: 2016 Repeat Audit of Patient Blood Management in Adults undergoing elective, scheduled surgery	Recommendations reviewed and discussed at surgical audit group. No action required.
4	Breast Cancer in Older Patients (NABCOP) Annual 2017 Report	Breast multidisciplinary team reviewed the report and monitored an action plan.
5	National Oesophago-Gastric Cancer Audit	Report presented to the Clinical Audit Committee and shared with Audit Leads for Surgery and Radiotherapy. No action required. National report presented to the Surgical and Anaesthetic Educational Meeting. National Clinical Audit Benchmarking (NCAB) snapshot audit data compared against national benchmarks reviewed at the Senior Surgeons and Anaesthetist Committee (SSAC).
6	National Bowel Cancer Audit Annual Report 2017	NCAB snapshot audit data compared against national benchmarks reviewed at the SSAC. Within expected range against national benchmarks. Report presented to Clinical Audit Committee and shared with surgeons. No action required.
7	National Lung Cancer Audit Report	Annual report and NCAB snapshot audit data compared against national benchmarks reviewed by the Lung team. Note: tertiary provider, NLCA audit standards may not apply.
8	Third NELA Patient Audit 2017 Report	Annual report reviewed at Surgical Audit Group. Performance levels against standards are high. Standard for the assessment by Elderly Medicine Specialist being reviewed by the Surgical Audit Group. Annual and quarterly NELA reports for quality improvement will continue to be reviewed at the bi-monthly surgical audit group meetings.
9	BAUS Analysis of Nephrectomy audit data	Surgeons to reflect on the findings. Within expected range against national benchmarks.
10	BAUS Analysis of Radical Prostatectomy data	Surgeons to reflect on the findings. Within expected range against national benchmarks.
11	BAUS Analysis of Total Cystectomy data	Surgeons to reflect on the findings. Within expected range against national benchmarks.
12	National Prostate Cancer (NPCA)	Urologists to reflect on the findings. Within expected range against national benchmarks. No action required.
13	The Royal College of Physicians Fall and Fragility Fracture Audit Programme (FFFAP): Physiotherapy 'hip sprint' report 2017 (Community Services)	Report reviewed by the Community Services team. No action required.
14	National Audit Intermediate Care (NAIC) (Community Services)	Report reviewed by the Community Services team. No action required.

In 2017/18, The Royal Marsden reviewed the report of one national confidential enquiries report. The Royal Marsden intends to take the following actions to continue to improve the quality of healthcare provided.

Table 11: National confidential enquiries reports published and actions taken

No	National Confidential Enquiry into Patient Outcome and Death (NCEPOD) studies	Description of local actions taken after receiving the report
1	Inspiring Change Acute Non-Invasive Ventilation	Shared with the Surgical Audit Group for learning. The Local NCEPOD reporter presented the recommendations of the report to the Integrated Governance and Risk Management Committee.

Between April 2017 and March 2018, the reports of 75 local clinical audits, quality-improvement projects and local action plans were reviewed by The Royal Marsden's Clinical Audit Committee. Some examples of audits completed between April 2017 and December 2017, and the actions taken to improve the quality of healthcare provided, are shown in Table 12.

If you need more information about the local audits, please contact the Quality Assurance department on 020 7808 2702 or email QualityAssurance@rmh.nhs.uk

Table 12: Local audits reviewed and examples of some of the actions we plan to take

Name of local audit	How did the clinical audit help patients and staff?
Audit of outcome following breast surgery patients contact with The Royal Marsden MacMillan Hotline (RMMH)	Form developed to help staff. Post-breast surgery frequently asked questions developed.
Audit of whether the use of sub-cutaneous (under the skin) alfentanil outside the Critical Care Unit (CCU) setting is in line with local guidelines	Induction of junior doctors revised to include specific guidance on prescribing alfentanil. Pharmacy now check the dose conversion involved, check that there is a record of the discussion with the pain or palliative care team, and that a senior team member has checked any dose conversion calculations as recorded on the electronic patient record (EPR).
Audit of non-diagnostic specimen from ultrasound guided aspiration of thyroid nodules, lymph nodes and superficial lesions	Audit findings are fed back to the clinical unit as well as the cytology and surgical leads to improve awareness. Two new consultants appointed in September 2017 since the audit started.
The use of intravenous nurse-controlled analgesia (NCA) and patient-controlled analgesia (PCA) for children and teenagers experiencing pain as a side effect of treatment and disease	Nursing education programme to develop ward-based nursing teaching with a practice nurse educator regarding the use of NCA and PCA. Develop case-based learning for junior doctors relating to decision-making on the use of NCA and PCA. Results presented at the Clinical Quality Forum to improve staff awareness and understanding.
Nasopharyngeal cancer in children and adolescents at The Royal Marsden	Toxicities documented and managed more proactively. Radiologically inserted gastrostomy (RIG) or percutaneous endoscopic gastrostomy (PEG) considered early in the treatment pathway. Better post-treatment recovery package laid out, outlining treatment summary, radiation dose to critical structure and possible late toxicities (poisons) or side effect.
Audit of the support and advice provided by Sutton Community Health Services to help mothers continue to breastfeed	Raised awareness about how to help mothers through a local newsletter for staff. Offer all mothers an appointment at a health-promotion workshop on 'starting solids' at the six- to eight-week check. Include information into staff training day and assess staff knowledge and skills during yearly staff assessments.

Taking part in clinical research

The Royal Marsden and the ICR form the largest centre for cancer research in Europe. This is important because it means that our patients and our staff are always aware of the latest research in treatments, medicines and therapies that make such a big difference to outcomes and patients' experiences of care. If you would like to find out more about our research work, visit our website at www.royalmarsden.nhs.uk.

From April 2017 to March 2018, we recruited 3,983 patients as part of 286 different clinical studies in research approved by a research ethics committee. Overall, we are taking part in 548 clinical studies.

Table 13: Number of patients taking part in clinical research studies

Year	Number of patients	Number of clinical studies
2017/18	3,983	548
2016/17	4,239	542
2015/16	5,453	312

Revalidation of doctors

This year (April 2017 to March 2018), there were nine doctors due for revalidation (the process of making sure that doctors, except trainees, can stay registered), we made eight (89 per cent) positive recommendations for revalidation, and there was one (11 per cent) valid deferral due to the doctor only recently joining the Trust.

At the end of March 2018, 98.10 per cent of eligible doctors (98.51 per cent of consultants) were recorded as having completed an appraisal in the last 12 months. An annual report on appraisal and revalidation was presented in June 2017, with a clear action plan to increase the number of doctors with a valid appraisal and reduce the number of deferrals to the GMC.

We also have processes in place to support and improve our compliance and governance arrangements. We will complete an internal audit this financial year, and we report our appraisal rates to NHS England each quarter.

Commissioning for Quality and Innovation

Commissioning for Quality and Innovation (CQUIN) is a mechanism for commissioners to reward quality by linking a proportion of our income (2 to 2.5 per cent in 2017/18) to our success in meeting quality-improvement goals.

The provisional total payment if we achieve the quality improvement and innovation goals is £3,210,159.

The total payment we received for the CQUIN in 2016/17 was £2,887,134.

CQUIN goals for 2017/18 have been agreed with commissioners in the following subject areas for cancer specialist services and for community services. Further details of the agreed goals for April 2017 to March 2018, and for the following 12-month period, are available on the website at www.england.nhs.uk/nhs-standard-contract/cquin/cquin-17-19/. However, please note we worked with commissioners to tailor the CQUINs for the Trust.

NHS England Acute CQUIN schemes

From April 2017 to March 2018, we achieved all milestones for the following:

- Enhanced supportive care access for advanced cancer patients
- Nationally standardised dose banding for adult intravenous systemic anti-cancer treatment
- Making the most effective use of hospital medicines
- Submitting data to Stereotactic Radiosurgery and Radiotherapy (SRS/T) Services dataset
- Sustainability and Transformation Plan
- Clinical Utilisation Review (CUR) – please note the continuation of this scheme is under negotiation.

CCG CQUIN schemes

From April 2017 to March 2018, we achieved all milestones for the following:

- NHS staff health and wellbeing
- Reducing the effect of serious infections (antimicrobial resistance and sepsis)
- E-referrals
- Sustainability and Transformation Plan
- Risk reserve.

Community Services

From April 2017 to March 2018, we achieved all milestones for the following:

- NHS staff health and wellbeing
- Improving the assessment of wounds
- Personalised care and support planning.

Commissioner confirmation of achievement

Acute NHS England (NHSE)

NHS England has confirmed 100 per cent achievement for quarter 1 and quarter 2 2017/18 milestones. We are waiting for final confirmation of achievement of quarter 3 and 4 milestones.

Acute Clinical Commissioning Group (CCG)

Sutton CCG has confirmed 100 per cent achievement for quarter 1, quarter 2 and quarter 3 2017/18 milestones. We are waiting for final confirmation of achievement of quarter 4 milestones.

Community services

Sutton CCG has confirmed 100 per cent achievement for quarter 1, quarter 2 and quarter 3 2017/18 milestones. We are waiting for final confirmation of achievement of quarter 4 milestones.

What others say about The Royal Marsden

Registration with the Care Quality Commission

The Royal Marsden NHS Foundation Trust (the Trust) must be registered with the Care Quality Commission (CGC). Their current registration status is “registered with no conditions”.

To date, the CQC has not taken enforcement action against the Trust during 2017/18.

To date, The Royal Marsden has not been involved in any of the CQC’s special reviews or investigations during 2017/18.

Care Quality Commission ratings

We received the inspection report in January 2017 and, following the Quality Summit, we developed an action plan. The actions were completed and agreed by the CQC in October 2017. Our services have not been inspected from April 2017 to March 2018. The CQC inspector meets each quarter as part of the CQC’s new inspection and monitoring plan. During these visits, the inspector will visit some clinical areas, meet with junior and senior staff in focus groups, and meet with senior managers in the trust.

Quality of information

Good quality information is very important for effectively providing the best patient care.

During 2017/18 the Trust sent all mandated commissioning datasets as required (these datasets are included in national databases, which contain details of all admissions, outpatient appointments and Accident and Emergency care at NHS hospitals in England). The percentage of the Trust’s records published in the statistics, and which included the patient’s valid NHS number, was 99.95 per cent for admissions, 99.94 per cent for outpatient appointments, and none for A&E care (The Royal Marsden does not have an A&E). The percentage of records that included the valid General Medical Practice Code for the patient’s GP practice was 99.8 per cent for admissions and 99.8 per cent for outpatient appointments and none for A&E care. See Table 14 for more information.

Table 14: Percentage of complete records provided

Details included		Admissions – inpatient and day case	Outpatient appointments
Patient’s NHS number	2015/16	99.9%	99.9%
	2016/17	99.94%	99.93%
	2017/18 – first quarter	99.91%	99.93%
	2017/18 – second quarter	99.95%	99.93%
	2017/18 – third quarter	99.98%	99.94%
	2017/18 – fourth quarter	99.98%	99.96%
	2017/18	**99.95%**	**99.94%**
Patient’s GP practice	2015/16	99.8%	99.8%
	2016/17	99.7%	99.7%
	2017/18 – first quarter	99.72%	99.76%
	2017/18 – second quarter	99.79%	99.74%
	2017/18 – third quarter	99.84%	99.78%
	2017/18 – fourth quarter	99.87%	99.79%
	2017/18	**99.80%**	**99.75%**

Although the quality of information is very good, the Trust aims for continual improvement. The Trust performs the following actions to improve the quality of information.

– A dedicated data-quality team is responsible for running routine checks and reports to identify mistakes and inconsistencies.

– Monthly communications throughout the Trust promote the importance of accurate information and data collection for all trust staff.

– Trustwide audits of the quality of key information points are conducted once a year.

Information Governance Toolkit attainment levels

The Information Governance Toolkit is a legal framework under which NHS organisations must assess themselves against Department of Health policies and standards. The Trust's Information Governance Toolkit assessment for 2017/18 provided a final score of 88 per cent for version 14.1, with all requirements scored at level 2 or above and so rated 'satisfactory (green)'. The Information Governance Toolkit is available on the Health and Social Care Information Centre (HSCIC) website (www.igt.hscic.gov.uk/).

Information governance incidents

A number of fines have recently been issued to other NHS organisations for breaking the Data Protection Act 1998. The amounts of these fines have varied from £70,000 to £400,000 and have all been issued because personal information was released in some way or another. We reported one level-two incident to the Information Commissioner's Office (ICO) in September 2017. After investigation, the ICO decided to take no action as they felt the incident did not meet the criteria for formal enforcement action. They felt that the incident had been contained and that the people involved were unlikely to suffer significant harm as a result of this incident. To date, The Royal Marsden has not had to pay a fine.

Payment by Results clinical coding error rate

Clinical coding is translating the medical terminology written by clinicians into a coded format for statistical, clinical and financial purposes. Clinical coding describes a patient's complaint, diagnosis, treatment and reason for getting medical attention. We were not subject to the Payment by Results clinical coding audit during 2017/18.

Table 15: Clinical coding

Coding accuracy	2014/15 (figures taken from the Information Governance Clinical Coding Audit in January 2015)	2015/16 (figures taken from the Information Governance Clinical Coding Audit in January 2016)	2016/17 (figures taken from the Information Governance Clinical Coding Audit signed off in February 2017)	**2017/18 (figures taken from the Information Governance Clinical Coding Audit signed off in February 2018)**
Primary diagnosis correct	94%	95%	90.5%	**91.5%**
Primary procedure-code correct	93%	95.5%	95.5%	**96%**
Secondary diagnosis correct	92.3%	96.4%	93.25%	**95.8%**
Secondary procedure-code correct	90.3%	90.4%	92.25%	**93.2%**

Reporting against core indicators

Please see Appendix 3 for the quality indicators where national information is available from the Health and Social Care Information Centre.

Part 3

Other information

Please see Part 2 of this report for an overview of the quality of care offered by the Trust.

Review of quality performance (previous year's performance)

Table 16: National targets

Cancer waiting times targets	National target – 2016/17	Performance – quarter 1 2017/18	Performance – quarter 2 2017/18	Performance – quarter 3 2017/18	Performance – quarter 4 2017/18	**Overall performance 2017/18**
All urgent GP referrals seen within 14 days	93%	97.38%	96.95%	96.81%	93.02%	**95.95%**
All referrals for breast symptoms seen within 14 days	93%	93.61%	95.71%	96.07%	93.47%	**94.49%**
Treatment within 31 days of decision to go ahead for first treatment	96%	98.12%	98%	97.40%	97.26%	**97.55%**
Subsequent surgical treatment started within 31 days of decision to go ahead with surgery	94%	97.05%	95.73%	95.58%	94.65%	**95.83%**
Subsequent drug treatment started within 31 days of decision to go ahead with drug treatment	98%	98.98%	98.92%	98.82%	98.57%	**98.84%**
Subsequent radiotherapy treatment started within 31 days of decision to go ahead with radiotherapy treatment	94%	94.65%	95.87%	95.76%	95.51%	**95.42%**
Treatment started within 62 days of urgent GP referrals (Reallocated position shown in brackets)	85%	76.22% (85.6%)	75.53% (86.9%)	71.70% (82.6%)	75.70% (87.9%)	**74.77% (85.7%)**
Treatment started within 62 days of recall date for urgent screening-centre referrals (Reallocated position shown in brackets)	90%	89.55% (91.25%)	92.96% (89.57%)	87.84% (87.95%)	81.18% (80.65%)	**87.58% (87.09%)**

(Note: The reallocated position adjusts the Trust's figure for late referrals of patients to the Trust.)

Time from referral to start of treatment – patients should start treatment within 18 weeks of referral.

Complex rules and guidance apply to how performance against these targets is measured and reported. As a specialist provider, receiving referrals from other trusts, a key issue is reporting progression for patients who were first referred to other providers.

The "incomplete pathways" measure in Table 17 represents the proportion of patients at the end of the reporting period who are still waiting for treatment and have waited for less than 18 weeks since their initial referral.

Table 17: Referral time to treatment

	Overall 2015/16	Overall 2016/17	Quarter 1 2017/18	Quarter 2 2017/18	Quarter 3 2017/18	Quarter 4 2017/18	**Overall 2017/18**	National target 2017/18
Referral time to treatment (RTT), incomplete pathways	95.2%	96.34%	96.5%	96.9%	96.4%	96.7%	**96.6%**	92%

This is the only NHS waiting-time standard that is reported while the patient is still waiting. For this reason, it creates unique challenges in making sure the most up-to-date information is reported accurately each month. We rely on receiving information rapidly from external sources to assess whether the patient is on an 18-week pathway (18 weeks of treatment) and to determine the start date of the pathway.

In order to tackle the challenges above, we calculated a revised figure for the RTT standard. This was in order to assess the size of the changes that are made to the information during the 18-week pathway. The revised figure showed that the materiality was negligible (approximately 0.15 per cent).

Table 18: Access targets

	Percentage of operations cancelled by the Trust at the last minute	Percentage of cancelled operations not subsequently performed within one month
2015/16	0.5%	0.04%
2016/17	0.4%	0%
Quarter 1 of 2017/18	0.4%	0%
Quarter 2 of 2017/18	0.1%	0%
Quarter 3 of 2017/18	0.2%	0%
Quarter 4 of 2017/18	0.3%	0%
Overall for 2017/18	**0.3%**	**0%**

Outpatient waiting times

The number of outpatients attending appointments has increased by between 2 per cent and 5 per cent a year over the past five years. See Table 19 for the numbers for the year from 1 April 2015 to 31 March 2018. Despite an increasing number of patients, the length of time patients wait has been maintained.

Table 19: Outpatient waiting times – number of patients seen and time waited

Period or quarter	Patients seen within 30 minutes	Patients seen after 30 minutes but within one hour	Patients seen after one hour	Grand total
Total 2015/16	133,995 (82.4%)	18,744 (11.5%)	9,788 (6%)	162,527
Total 2016/17	139,224 (83.6%)	17,846 (10.7%)	9,390 (5.6%)	166,460
Quarter 1 2017/18	34,872 (83.5%)	4,692 (11.2%)	2,177 (5.2%)	41,741
Quarter 2 2017/18	35,668 (83.9%)	4,583 (10.8%)	2,245 (5.3%)	42,496
Quarter 3 2017/18	37,527 (87.3%)	3,598 (8.4%)	1,852 (4.3%)	42,977
Quarter 4 2017/18	37,757 (86.3%)	3,785 (8.7%)	2,213 (5.1%)	43,755
Total 2017/18	**145,824 (85.3%)**	**16,658 (9.7%)**	**8,487 (5%)**	**170,969**

Cally Palmer CBE
Chief Executive
24 May 2018

Plain English Campaign's Crystal Mark does not apply to this Appendix 1

Appendix 1

Statements from key stakeholders

NHS England (Specialised Commissioning (London))
(received 3 May 2018)

NHSE 23 April 2018
Royal Marsden Quality Account

Statement from NHS England for The Royal Marsden NHS Foundation Trust Quality Account 2017/18

NHS England would like to thank The Royal Marsden NHS Trust for the opportunity to review and provide a statement response to their 2017/18 Quality Account. As part of our assurance processes, we have reviewed the Quality Account and the Trust's approach to quality improvement. We can confirm that as far as it can be ascertained, it complies with the national requirements for such a report. We are satisfied with its clarity and accuracy (as far as it is based on the information available to NHS England).

Firstly, we congratulate the Trust on its achievements over the past year. The Trust's commitment to proactive and responsible focus on quality is evident. There is strong leadership and commitment around the Trust's quality corporate objectives, and good "buy-in" by staff at all levels of the organisation, which supports the progress made. This is evidenced by:

- The Trust demonstrating quality improvements following the CQC routine inspection in April 2016
- The Trust's active promotion of equality and diversity, ensuring an inclusive environment for care and employment, and
- Achievements in 2017 of two Food for Life awards from the Soil Association in respect of their healthy, ethical and sustainable food options.

The Trust has achieved good progress against both the mandatory and self-selected quality priorities. Of particular note is the collaborative work around infection prevention and control. This includes regular audits, the introduction of antimicrobial ward rounds and the development of additional on-line training covering the basics of preventing infection for medical staff. There is a proactive infection control environment within the Trust and there is clear commitment by the Trust to ensure the profile remains high, including the continuation of universal decolonisation of patients having surgery.

There is evidence of sound patient safety and risk management, including good levels of reporting of incidents across acute and community pathways, the auditing of the Duty of Candour process and applied learning. There is effective work around VTE risk assessments being carried out for appropriate patients and the development of a new VTE Care Plan. Others areas of best practice include:

- implementing telephone triage to reduce patient anxiety
- continued work around the early identification of patients at risk
- effective management of pressure sores
- focus on the prevention, early identification and rapid treatment of sepsis
- the high profile of the Friends and Family Test, and
- emphasis on improving chemotherapy and outpatient waiting times.

The Trust has highlighted a number of areas for improvement and presented comprehensive plans to take these forward. The Trust has also recognised the higher risk of Escherichia coli infection within cancer service and, along with colleagues at The Christie NHS Foundation Trust, is trying to further work on reducing incidents. There is also a challenge in respect of e-prescribing for the paediatric population, and the Trust is working with NHSE in trying to address issues. The Trust continues to show good leadership in driving forward improvement in care and services.

We support the priorities that have been identified for 2018/19 and remain committed to working with the Trust in an open and collaborative way to ensure patients at The Royal Marsden continue to receive the best quality care and clinical outcomes.

Gwen Kennedy
Director of Nursing, NHS England
on behalf of NHS England (London Region)

Sutton Clinical Commissioning Group
(received 30 April 2018)

The CCG has been working closely with the Trust during the year, gaining assurance of the delivery of safe and effective services. A range of indicators in relation to quality, safety and performance is presented and discussed at regular meetings between the Trust and CCG. The information presented within the quality accounts is consistent with information supplied to the commissioner throughout the year. We can confirm that we have no reason to believe this Quality Account is not an accurate representation of the performance of the organisation during 2017.

The Trust has had success in the implementation of the new musculoskeletal patient pathways, which has enabled patients to be treated in the right place at the right time. The Trust has shown significant improvement in performance against the waiting times targets for children's therapies. Community services have been key to the success of the Care Home Vanguard in Sutton, which has now been embedded in core services and process. Going forward, this learning will be critical in delivering the Sutton Health and Care service model for older people.

The CCG is supportive of the quality priorities for 2018/19 and will work with the Trust over the coming year to ensure all quality standards are monitored as set out in the reporting requirements of the NHS Contract. The CCG will particularly support the Trust in improving Looked After Children assessments and working as a system to reduce pressure sores. The CCG notes the continued challenge associated with workforce requirements for community services and will work with the Trust to recruit to vacant posts.

Sharron Bawden
Assistant Director of Commissioning

Overview and Scrutiny Committee
(received 5 April 2018)

Statement from Councillor Catherine Faulks (Chairman, Adult Social Care and Health Scrutiny Committee, Royal Borough of Kensington and Chelsea) on the Quality Account 2017/18

I am pleased to provide this brief statement for The Royal Marsden's Quality Account for 2017/18.

The Royal Borough of Kensington and Chelsea has an excellent working relationship with The Royal Marsden. The Quality Account gives a useful overview of the work and performance of trusts.

It can be more difficult for a scrutiny committee to scrutinise with a specialist trust, such as The Royal Marsden, because only a small proportion of The Royal Marsden's patients are from the scrutiny committee's borough.

However, having said this, we are most proud of having The Royal Marsden based in the Royal Borough.

We note that the information contained within the Quality Account is well presented – performance is included against targets, and actions to improve are clearly set out as mechanisms for measurement and monitoring.

We look forward to working more closely with colleagues at The Royal Marsden over the coming year to better understand the priorities and issues covered in the Quality Account 2017/18.

Catherine Faulks
Chairman, Adult Social Care and Health Scrutiny Committee, Royal Borough of Kensington and Chelsea

Healthwatch Kensington and Chelsea
(received 23 April 2018)

Healthwatch Central West London Response to The Royal Marsden NHS Foundation Trust Quality Accounts

We welcome the opportunity to respond to The Royal Marsden NHS Foundation Trust Quality Accounts, and to comment on the quality of the services commissioned locally to meet the health needs of local residents.

We are pleased to have worked with the Trust this year through the Patient Experience and Quality Accounts Steering group.

Our members commend The Royal Marsden NHS Foundation Trust for its achievements this year, including research excellence, sepsis prevention and treatment.

Our members commend The Royal Marsden NHS Foundation Trust for its achievements this year, including; research excellence, high standards of academic performance and receiving 'Outstanding' following the CQC inspection for the Chelsea site, Radiotherapy, Critical Care and Chemotherapy (Sutton Site).

Comments on Quality Accounts 2017/18

Presentation and Layout

Overall accessibility
We commend the Trust on its "What is a Quality Account overview" and "Introduction to The Royal Marsden NHS Foundation Trust", which provides a good background to the Quality Account. We welcome the Trust's clear use of headings and sub-headings throughout the QA.

In order to make the QA more user-friendly, the Trust should consider using a more accessible font i.e. Arial or Calibri with a minimum font size of 12 for the main body of the text. Our members would like to see an easy-read version produced and available for comment as part of the Quality Account process. There are also some inconsistencies in formatting such as use of bullet points, which may want to be reviewed.

Use of graphs and tables
Our members welcome the use of tables to highlight key information. We feel that the table used on pages 72-75 clearly presents the quality priorities and targets for the year 2017/18 and the progress the Trust has made to date. We would recommend including more up-to-date data to ensure that The Royal Marsden demonstrates it achievements across the board.

We would also recommend using some simple graphs (for example, Staff Survey results on page 96 and number of days waiting for musculoskeletal appointments on page 106) to break up the number of tables and have some other clear visuals throughout.

Quotes
We welcome the Trust's use of quotes for example patient experiences on page 76 and 104; however, there are some missing quotes from staff and inconsistencies across the Quality Account. The formatting could be reviewed to ensure that the quotes are included across the Quality Account.

Patient engagement

Friends and Family Test
We commend The Royal Marsden for achieving 97 per cent of inpatients and 96 per cent of outpatients saying that they would recommend them as part of the Friends and Family test. Our members were impressed by the variety of ways in which patient feedback has been collected, including paper surveys (both written and picture, and easy-read format), online surveys and through mobile apps.

Patient experience
We commend the Trust for organising a Patient Experience Steering Group and are grateful for having the opportunity to be involved with this.

It would be useful to find out more about the emerging themes in patient feedback and what actions will be taken following comments for improvements and how they have been incorporated into service changes.

Targets
We recommend for future patient experience targets to incorporate how the Trust performs on providing timely, correct and clear information to patients.

Conclusion

Our members commend The Royal Marsden for its ongoing commitment to patient care and engagement.

We are interested to hear of developments from the new transformation project group around the chemotherapy pathway, especially regarding patient feedback captured and how The Royal Marsden will endeavour to improve the patient journey.

The Trust may want to consider producing a short summary of the Quality Account with key points and quotes that could be advertised across the Trust's services and be available online and in an easy-read version.

We look forward to continuing to work with The Royal Marsden NHS Foundation Trust in improving the care and support of patients.

Council of Governors
(received 26 April 2018)

Statement from the Council of Governors on the Quality Account 2017/18

The Royal Marsden's Quality Account summarises the performance and improvements it has made in 2017/18 in relation to the priorities and objectives that it has set itself for the year. These priorities and targets are included under three headings: safe care, effective care and patient experience. The Chief Nurse presents results to the Council of Governors at each of their quarterly meetings and highlights the Trust's performance in relevant quality areas. One of the roles of the Patient Experience and Quality Account Group (PEQA), a working group of the Council of Governors that meets six times a year, is to review feedback from patients, including the frequent feedback surveys, and to influence the questions used in these surveys to reflect patients' interests. PEQA's other roles are to work with staff on the content and presentation of the Quality Account so that it accurately reflects the outcomes of the set priorities and to monitor improvements in the outcome of the patient experience.

Members' events also provide the opportunity for patient, public and staff members to liaise with Governors in developing and selecting the priorities for quality improvement for the following year. For example, prior to our members' event in November 2017, members were invited to complete a survey in preparation for the event and indicate what they thought the next set of priorities should be. Feedback from this survey was used for discussion at the members' event, where members once again voted for their preferred priorities in areas relating to patient safety, clinical effectiveness and patient experience. The Governors are always grateful to get views from members and non-members that help with priority planning and setting.

Governors would like to acknowledge the impressive work carried out at The Royal Marsden, where it achieved all the targets it set for 2017/18 in the safe care category. Within the effective care priorities, the proportion of patients readmitted as an emergency within 28 days of discharge met the target for some months but not all – investigations are ongoing to understand these monthly differences. Reducing harm from sepsis remains an extremely important priority for the Trust and has been carried over into the 2018/19 Quality Account to ensure that rapid, effective reviews and treatment are carried out where appropriate. We also note that a priority set for community services relating to health assessments for children in care could not be consistently achieved throughout the year due to factors outside the control of these services.

Enhancements in the presentation of data are introduced by The Royal Marsden each year to make the Quality Account more succinct, interesting and readable by the general public as well as by healthcare professionals. Governors continue to see improvements in the layout of the information, making it easier to read, and understand (in plain English). Based on their involvement and the feedback they have received from members and non-members, Governors have fully endorsed the key priorities for improvement as set out in the Quality Account for 2017/18 and fully support the priorities outlined for 2018/19.

Chair, Patient Carer and Advisory Group
(received 25 April 2018)

Members of the Patient and Carer Advisory Group have considered The Royal Marsden's Quality Account for the period 2017/18, as part of the Trust's Patient Experience and Quality Account Group, working alongside Trust Governors and staff. We are encouraged to see clear evidence of the steps taken by the Trust to improve further both the quality of care it provides and the experience of its patients, their carers and its staff in the hospital and in the community. We commend the Trust in closely monitoring its performance against its stated objectives for the year.

We are pleased to see that the quality priorities and targets to ensure safe care and to improve the patient experience have been achieved [subject to the information still awaited for priorities 3, 7 and 9 being ok]. In the hospital, we particularly welcome the continued reduction in waiting times for patients in the Trust's chemotherapy and outpatient clinics, despite an increase in the total number of patients seen. We applaud the steps taken over the year to reduce harm from sepsis and look forward to continued improvement. We note, however, that the target to limit the incidence of avoidable re-admissions to hospital within 28 days of discharge to below 0.2 per cent was narrowly missed. We are confident that the Trust will take steps to identify the reasons for this and address any issues in the coming year. In community services, it is encouraging to see the on-going improvements in waiting times for musculoskeletal patients. With regard to looked-after children, we welcome the increase in the number of leaving-care summaries (to 100 per cent) and in the number of health care assessments (although we note that the latter did not meet the Trust's target of 100 per cent due to a number of factors, some of which were outside the Trust's control).

The responses of inpatients, outpatients and community services patients to the Friends and Family Test again show overwhelming satisfaction with the treatment and care received; an average over the year of 97 per cent, 96 per cent and 96 per cent respectively would recommend the Trust to their friends and family, should they require treatment. Members of the Patient and Carer Advisory Group look forward to working with Trust staff to ensure that any free-text comments made as part of the Friends and Family Test are carefully considered and where appropriate acted upon.

Overall, the Patient and Carer Advisory Group congratulates the Trust on its Quality Account and its achievements over the year. We look forward to seeing further improvements in the experience of the Trust's patients over the coming year.

Fiona Stewart
Chair, Patient and Carer and Advisory Group at The Royal Marsden

Plain English Campaign's Crystal Mark does not apply to this Appendix 2.

Appendix 2

Statement of Trust Directors' responsibilities for the Quality Account

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 report (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 2017/18 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 March 2018
  - papers relating to quality reported to the Board over the period April 2017 to March 2018
  - feedback from commissioners dated 30 April 2018 and specialist commissioners 3 May 2018
  - feedback from governors dated 26 April 2018
  - feedback from local Healthwatch organisations dated 23 April 2018
  - feedback from Overview and Scrutiny Committee dated 5 April 2018
  - the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 19 June 2017
  - the [latest] National Patient Survey 1 June 2017
  - the [latest] National Staff Survey 6 March 2018
  - the Head of Internal Audit's annual opinion of the Trust's control environment dated 23 May 2018
  - CQC inspection report dated 19 January 2017.
- the quality report presents a balanced picture of the NHS Foundation Trust's performance over the period covered
- the performance information reported in the quality report is reliable and accurate
- there are proper internal controls over the collection and reporting of the measures of performance included in the quality report, and these controls are subject to review to confirm that they are working effectively in practice
- the data underpinning the measures of performance reported in the quality report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review and
- the quality report has been prepared in accordance with NHS Improvement's Annual Reporting Manual and supporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the quality report.

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

By order of the Board.

Charles Alexander
Chairman
24 May 2018

Cally Palmer CBE
Chief Executive
24 May 2018

Plain English Campaign's Crystal Mark does not apply to this Appendix 3.

Appendix 3

Quality Indicators where national data is available from the Health and Social Care Information Centre

Since 2012/13, NHS Foundation Trusts have been required to report performance against a core set of indicators using data made available to the Trust by the Health and Social Care Information Centre (HSCIC).

The Royal Marsden NHS Foundation Trust considers that this data is as described as taken from the HSCIC.

The Trust has taken actions to improve the percentage and so the quality of its services (see priorities for each indicator in Part 2 for further information).

Not all of the core indicators are relevant to The Royal Marsden NHS Foundation Trust, for example those relating to the ambulance response times. The tables on page 130-132 show those core indicators which are relevant and how the Trust compares against other trusts. The tables show the highest and lowest national scores. The information is the latest that is made available nationally by the HSCIC. All information provided by the Trust is validated and checked before it is reported.

The Royal Marsden NHS Foundation Trust considers that this data is as described as taken from the HSCIC.

Trust quality priority 1 (please see page 76 for more information)

Core indicator 24) The data made available to The Royal Marsden NHS Foundation Trust by the HSCIC with regard to the attributable cases of C. difficile infection reported within the Trust amongst patients aged two or over during the reporting period. The rate per 100,000 bed days of cases of C. difficile infection reported within the Trust amongst patients aged two or over during the reporting period.

Indicator 24: Rate of C. difficile infection

January 2017 to March 2017: Number of apportioned C. difficile infections	October 2016 to December 2016: Number of apportioned C. difficile infections	January 2016 to March 2016: National average apportioned C. difficile infections per provider	Comparator group	Comparator – Highest apportioned C. difficile infection rate (January 2017 to March 2017)	Comparator – Lowest apportioned C. difficile infection rate (January 2017 to March 2017)
12	10	7	All acute trusts	34	0

Although not yet published by the HSCIC, during 02712/18, the Trust has reported 52 cases of C. difficile infection.

Trust quality priority 2 (please see page 78 for more information)

Core indicator 25) The data made available to The Royal Marsden NHS Foundation Trust by the HSCIC with regard to the number, and where available, the rate of patient safety incidents reported within the Trust during the reporting period, and the number and percentage of such patient safety incidents that resulted in severe harm or death.

Indicator 25a: Patient safety incidents that resulted in severe harm or death

25b: Patient safety percentage that resulted in severe harm or death

Indicator	April 2017 to September 2017	October 2016 to March 2017	National average (April 2017 to September 2017)	Comparator group	Comparator – Highest (April 2017 to September 2017)	Comparator – Lowest (April 2017 to September 2017)
25a	0	1	3	Acute specialist	11	0
25b	0%	0.04%	0.2%	Acute specialist	1.7%	0%

Trust quality priority 3 (please see page 80 for more information)

Core indicator 23) The data made available to The Royal Marsden NHS Foundation Trust by the HSCIC with regard to the percentage of patients who were admitted to hospital and who were risk-assessed for VTE during the reporting period.

Indicator 23: Patients admitted to hospital who were risk-assessed for VTE

December 2017	November 2017	National average (December 2017)	Comparator group	Comparator – Highest (December 2017)	Comparator – Lowest (December 2017)
96.44%	96.44%	94.92%	Acute trusts	100%	71.81%

Trust quality priority 4 (please see page 82 for more information)

(more recent data not available from the HSCIC.)

Core indicator 19) The data made available to The Royal Marsden NHS Foundation Trust by the HSCIC with regard to the percentage of patients aged – i) 0-14; and ii) 15 or over, readmitted to a hospital that forms part of the Trust within 28 days of being discharged from a hospital that forms part of the Trust during the reporting period.

Indicator 19a: Patients readmitted to a hospital within 28 days of being discharged (aged 0 to 14 years old)

Indicator 19b: Patients readmitted to a hospital within 28 days of being discharged (aged 15 or over)

Indicator description	April 2011 to March 2012	April 2010 to March 2011	National average April 2011 to March 2012	Comparator group	Comparator – Highest April 2011 to March 2012	Comparator – Lowest April 2011 to March 2012
19a	Data not published nationally as small numbers may allow identification of an individual					
19b	9.47%	7.61%	11.45%	Acute specialist	14.09%	0%

Trust quality priority 7a (please see page 90 for more information)

Core indicator 20) The data made available to The Royal Marsden NHS Foundation Trust by the HSCIC with regards to the Trust's responsiveness to the personal needs of its patients during the reporting period.

Indicator 20: Responsiveness to the experience of care

Adult Inpatient Survey 2016/17	Adult Inpatient Survey 2015/16	National average April 2016/17	Comparator group	Comparator – Highest April 2016/17	Comparator – Lowest April 2016/17
85.2%	86.2%	68.1%	All trusts	85.2%	60%

Trust quality priority 7b (please see page 92 for more information)

Core indicator 21.1) Friends and family Test – Patient. The data made available to The Royal Marsden NHS Foundation Trust by the HSCIC for all acute providers of adult NHS-funded care, covering services for inpatients and patients discharged from Accident and Emergency (types 1 and 2). The Trust's score from a single-question survey, which asks patients whether they would recommend the NHS service they have received to friends and family who need similar treatment or care.

Indicator 21.1: Patient Friends and Family Test: Inpatient

January 2018	December 2017	National average (Jan 2018)	Comparator group	Comparator – Highest (Jan 2018)	Comparator – Lowest (Jan 2018)
99%	98%	96%	All NHS Trusts	100%	75%

Trust quality priority 8 (please see page 94 for more information)

Core indicator 21) The data made available to The Royal Marsden NHS Foundation Trust by the HSCIC with regard to the percentage of staff employed by, or under contract to, the Trust during the reporting period who would recommend the Trust as a provider of care to their family or friends.

Indicator 21: Staff who would strongly recommend the Trust to their family or friends

NHS Staff Survey q2 2017/18	NHS Staff Survey q1 2017/18	National average (q2 2017/18)	Comparator group	Comparator – Highest (q2 2017/18)	Comparator – Lowest (q2 2017/18)
100%	96%	80%	Acute specialist trusts	100%	46%

Indicator 12b: The percentage of patient deaths with palliative care coded at either diagnosis or specialty level

October 2016 to September 2017	October 2015 to September 2016	National average	Comparator group	Comparator – Highest	Comparator – Lowest
Trust data not published nationally for this indicator					

Appendix 4

Our values

We, The Royal Marsden, are guided by 16 values that define our:

– characteristics (what we are)
– attitudes (how we act)
– relationships (how we relate to others) and
– emotions (how we feel).

Characteristics	Attitudes
Pioneering	Determined
Aspirational	Confident
Knowledgeable	Open
Driven	Resilient
Relationships	**Emotions**
Collaborative	Compassionate
Supportive	Positive
Trusted	Calm
Personable	Proud

Over the past year we have continued to focus on a different value each month and explored how our staff adopt these values in their daily work. Below we have some quotations from staff on the values "pioneering" and "collaborative".

Pioneering

Pioneering cancer treatments make sure our patients receive the very best treatment.

Installed in 2016, the MR Linac combines two technologies – a magnetic resonance imaging (MRI) scanner and a linear accelerator (MR Linac) – to precisely locate tumours, tailor the shape of X-ray beams when needed, and accurately deliver doses of radiotherapy to moving tumours.

The MR Linac's ability to track a tumour as it moves is a "game changer", according to Professor Robert Huddart, Principle Investigator for the PRIMER study, which assessed the visibility and value of the MR imagery.

He added, "Aiming at a moving target presents a real challenge in radiotherapy because we want to hit the tumour and avoid the healthy tissue. The MR Linac has been designed to overcome this challenge. If our trials are successful, we will be able to deliver much more effective treatment for cancer patients."

Collaborative

Collaborative working is the action taken to make sure a common purpose or benefit is achieved.

Kulpna Daya, who has worked at The Royal Marsden for eight years, is Lead Technician in Pharmacy. She said: "We work with literally every professional within the hospital, including dietitians, community team, palliative care team, clinicians, nurses, healthcare assistants and operating department practitioners, as we all need to share information to provide care for the patients."

Kulpna added: "We can only ensure a patient receives the right medication at the right dose and at the right time by collaborating with all the professions involved in the patient's care, as well as the patient and their carers. By collaborating well we can ensure coordinated services are delivered by a team, which makes the patient's experience a lot smoother."

Appendix 5

Sign Up to Safety: patient safety improvement plans

We joined the national Sign Up to Safety campaign in summer 2015. The aim was to reduce avoidable harm in three distinct areas – sepsis, medication errors and pressure sores. In each area, a safety group has been established. The following sections show the aims and proposed actions relating to each area.

Patient safety improvement plans – increasing awareness, identification and treatment of sepsis and reducing death from it.

Please also refer to quality priority 6 (sepsis).

The Sepsis Safety Team have targeted a number of areas to improve. Initiatives include the following.

1. Raise awareness and educate staff, patients and carers

We have held sepsis roadshows at the Chelsea and Sutton sites to raise awareness.

2. Prevent and control infection

This includes effective management of the use of antibiotics. This concept is known as "antimicrobial stewardship". It balances the need to administer effective antimicrobial medications promptly when needed, with the need to reduce their use to prevent resistance to them from spreading (which will make them useless).

3. Identify and treat patients with sepsis as early as possible

This includes sepsis screening to increase the numbers identified in the "Golden Hour". This is the time period in which early recognition and treatment can reduce the risk of sepsis progressing and so improve outcomes. We also put into practice SBAR training. To help healthcare professionals get appropriate advice and action in good time, the SBAR tool has been introduced to provide a structure for communication between colleagues.

The four letters of SBAR indicate the Situation (problem being discussed), Background (the medical history of the patient and treatment to date), Assessment (of the patient) and Recommendation (of the person leading the discussion).

4. Deliver the sepsis-six care bundle

The 'sepsis-six' are a group of interventions that may help treat patients with sepsis. The six interventions are providing oxygen, taking blood cultures (a sample of blood sent to the microbiology laboratory to identify organisms making the patient unwell), giving antibiotics early on to fight the infection, measuring lactate (as high levels in the blood may indicate a severe infection), and measuring urine production (which generally falls as the patient becomes more unwell and increases when the patient improves). In terms of antibiotics, we aim to give antibiotics within an hour of suspected sepsis. Since we joined the Sign up to Safety campaign, we have improved our success in meeting the target. Currently, all patients who are admitted to the Critical Care Unit (CCU) with sepsis were already on antibiotics, or received them within an hour of sepsis being suspected.

5. Escalation and review

This involves a senior review of the patient (by a registrar or a consultant). Escalation involves getting help from more senior members of the team as well as increasing the amount of care for the patient, such as transferring them from the ward to the CCU.

Overall, the audit of cases admitted to the CCU shows a gradual increase in the survival of patients with sepsis, with a higher proportion of patients surviving and going home from the CCU. Some patients from the January 2018 to March 2018 audit remain in hospital at the time of writing this report, so we are still waiting for the figure for "survival to hospital discharge".

Patient-safety improvement plans – reducing harm from medication errors

Aims

To:

– improve the pharmacy-led medicines reconciliation rates on admission to 100 per cent by 2018

– reduce chemotherapy-prescribing errors by 20 per cent by 2018 and

– make sure allergies are recorded accurately for 100 per cent of patients when they are admitted.

Primary goals	Necessary actions	Progress 2017/18
Prevention: **Reduce harm by improving pharmacy-led medicines reconciliation rates**	– To tailor the medicines-safety thermometer to the medicines-safety drivers for The Royal Marsden. (For example, we change the day we collect data each month as performance nationally varies depending on the day of the week the data is collected. By changing the day each month, we get a much more accurate picture of our overall rates.)	– For 2017/18 the medicines reconciliation rate is 92%. Although this rate is good compared with the national average, it may improve as we have planned more work on this. – For 2017/18 the omitted medicine rate is less than 0.2%. We have taken steps to understand how we can target improvements to this rate by carrying out a Trustwide audit, which started in quarter 3 of 2017/18.
Reduce harm related to hypersensitivity and allergy reactions through consistent assessment and recording of patients' allergies when they are admitted	– Record details of any allergies on a patient's medication chart when they are admitted. – Make sure we are consistently recording allergies (including details of how severe these are and the date of the patient's last confirmed reaction) on the patient's medication chart, and update this information on the EPR (data collected as part of the medicines-safety thermometer).	– For 2017/18 we recorded 99% of allergies on medication charts.
Introduce and use chemotherapy e-prescribing technology to reduce the opportunity for harm from prescribing errors	– Carry out regular chemotherapy audits to monitor error rates. (However, a Trustwide audit highlighted that there was room for improvement.)	– A re-audit to assess chemotherapy prescribing errors at The Royal Marsden NHS Foundation Trust after e-chemo has been put into practice. There has been over a 42% drop in the number of errors detected from the 2011 audit cycle to the 2016 audit cycle.
Reduce harm from the incorrect medicines being prescribed, or necessary medication not being prescribed		– Plans to carry out an interventions audit in 2018/19.
Education and raising awareness: **Produce a monthly dashboard showing progress with qualitative and quantitative metrics**	– Have visible information about the medicines-safety thermometer on all wards. – Regularly send out a medication incidents summary to nursing, medical and pharmacy staff.	Monthly dashboard produced with medicines-safety thermometer data for each ward area.

Primary goals	Necessary actions	Progress 2017/18
Improve feedback given to doctors and NMPs about medication and prescribing errors	Learning from RCAs: – MDT huddles for every high-risk medication error detected when collecting information for the medicines-safety thermometer – Improved recording of near-miss prescribing errors – Introduce electronic prescribing for chemotherapy, and give prescribers feedback on common errors.	– Near-miss reporting monitored monthly and bi-monthly through executive medication safety group.

Patient-safety improvement plans – reducing harm from pressure sores

Aims

To reduce avoidable pressure sores by June 2018:

– by 100 per cent within hospitals and

– by 50 per cent within the community.

Primary goals	Necessary actions and progress in 2017/18
Identify patients with pressure sores, or at risk of pressure sores, as early as possible	– Accurate assessment of risks and related conditions – Complete the Pressure Ulcer Assessment and the Prevention and Management booklet when patients are admitted – Have visible data – ward dashboards, safety thermometer and so on – Patient stories – Hold Pressure Ulcer Panel meetings
Prevent pressure sores	– Use suitable devices – Aderma, prophylactic meplix border, heel-lift boots, mattresses and cushions – Get patients moving around out of bed as early as possible – Provide patient-education video and leaflets – Follow the recommendations of the "Stop the Pressure" campaign – Intentional rounding
Raise awareness	– Raise awareness of the extent of incidents and the effect on patients through ward meetings, nurse meetings, matron's meetings and so on – Take part in the Sign up to Safety Pressure Ulcer Strategy group – Learning from root-cause analsysis (Risk Management team feedback) – Develop a pressure-ulcer prevention strategy for in hospital and in the community – Include "Harm Free Care" as part of mandatory training – Correct identification of pressure sores and moist lesions
Reporting / review	– Community tissue viability nurses to confirm if a pressure sore is attributable and the category with 72 hours of reporting – Root-cause analysis to be completed within two weeks, followed by one week with the manager for review prior to panel – Panel reports to be completed by Divisional Nurse Directors within 48 hours – Quarterly audits to be presented to the quarterly strategy group by Community Divisional Clinical Nurse Director

Plain English Campaign's Crystal Mark does not apply to this Appendix 6.

Appendix 6

Independent auditor's assurance report

Independent auditor's report to the Council of Governors of The Royal Marsden NHS Foundation Trust on the quality report

We have been engaged by the council of governors of The Royal Marsden NHS Foundation Trust to perform an independent assurance engagement in respect of The Royal Marsden NHS Foundation Trust's quality report for the year ended 31 March 2018 (the 'Quality Report') and certain performance indicators contained therein.

This report, including the conclusion, has been prepared solely for the council of governors of The Royal Marsden NHS Foundation Trust as a body, to assist the council of governors in reporting The Royal Marsden NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 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 The Royal Marsden NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Scope and subject matter

The indicators for the year ended 31 March 2018 subject to limited assurance consist of the national priority indicators as mandated by NHS Improvement (NHSI):

– Percentage of patients receiving first definitive treatment for cancer within 62 days of an urgent GP referral for suspected cancer; and

– Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the 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 section 2.1 of the NHS Improvement 2017/18 Detailed guidance for external assurance on quality reports; and

– the indicators in the quality report identified as having been the subject of limited assurance in the quality report are not reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual' and supporting guidance and the six dimensions of data quality set out in the 'Detailed guidance for external assurance on quality reports'.

We read the quality report and consider whether it addresses the content requirements of the 'NHS foundation trust annual reporting manual' and supporting guidance, and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the quality report and consider whether it is materially inconsistent with

- board minutes for the period April 2017 to May 2018;
- papers relating to quality reported to the board over the period April 2017 to May 2018;
- feedback from the Commissioners dated 23 April 2018 and 30 April 2018 and;
- feedback from the governors dated 26 April 2018;
- feedback from local Healthwatch organisations, dated 23 April 2018;
- feedback from Overview and Scrutiny Committee, dated 5 April 2018;
- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated June 2017;
- the latest national patient survey dated 31 May 2017;
- the latest national staff survey dated 6 March 2018;
- Care Quality Commission inspection report dated 19 November 2017;
- the Head of Internal Audit's annual opinion over the trust's control environment dated 25 April 2018; and
- any other information included in our review.

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

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

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators;
- making enquiries of management;
- testing key management controls;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the 'NHS foundation trust annual reporting manual' to the categories reported in the quality report; and
- reading the documents.

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

Limitations

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

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the 'NHS foundation trust annual reporting manual' and supporting guidance.

The scope of our assurance work has not included testing of indicators other than the two selected mandated indicators, or consideration of quality governance.

Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 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 2.1 of the NHS Improvement 2017/18 Detailed guidance for external assurance on quality reports; and
- the indicators in the quality report subject to limited assurance have not been reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual' and supporting guidance.

Deloitte LLP
St Albans
25 May 2018

Appendix 7

Glossary

Bacteraemia Having bacteria in the blood.

Care Quality Commission (CQC) The independent regulator of health and adult social care services in England, including those provided by the NHS, local authorities, private companies or voluntary organisations. They also protect the interests of people detained under the Mental Health Act.

Carbapenemase-producing Enterobacteriaceae (CPE) Screening for this ‘superbug’ that is resistant to most antibiotics.

Chemotherapy Treatment with anti-cancer drugs to destroy or control cancer cells.

Clinical coding Clinical coding is the process whereby information written in the patient notes is translated into codes and entered onto hospital information systems. This usually happens after the patient has been discharged from hospital, and must be completed within strict deadlines so hospitals can receive payments for their services.

Clinical commissioning groups (CCGs) NHS organisations set up by the Health and Social Care Act 2012 to organise the delivery of NHS services in England. They took over many of the functions of primary care trusts.

Clostridium difficile infection (C. diff) Bacteria that are a significant cause of infections arising in hospital.

CNS Clinical nurse specialist.

Commissioning for Quality and Innovation (CQUIN) A payment framework that lets commissioners link a proportion of a healthcare provider’s income to the achievement of local quality-improvement goals.

Customer Service Excellence (CSE) Standard The Government's standard for customer service. This scheme replaced the Charter Mark.

Enhanced Recovery Programme A national scheme that places the patient at the centre of a multi-professional team to plan for greater partnership in care, improved quality of care and shorter lengths of stay in hospital.

EPR Electronic patient record.

Escherichia coli (E. coli) Bacteria that live in the intestines of humans and animals. Although most types are harmless, some cause sickness.

Foundation trust Foundation trusts have a significant amount of managerial and financial freedom when compared to NHS hospital trusts. They are considered to be like co-operatives, where local people, patients and staff can become members and governors and hold the trust to account.

Friends and Family Test (FFT) A simple questionnaire to get feedback about services. Patients are asked if they would recommend the services they have used and staff are asked if they would recommend the services offered at their workplace or if they would recommend it as a place to work.

Healthcare-associated infection An infection arising in a patient during the course of their treatment and care.

Healthwatch The new independent consumer champion to gather and represent the views of the public at a national and local level. Healthwatch England will work with local Healthwatch groups and has the power to recommend that the Care Quality Commission take action where there are concerns about health and social-care services.

Holistic needs assessment (HNA) A process of gathering information from the patient or carer in order to lead discussion and develop a deeper understanding of what the patient knows, understands and needs.

Information governance A process that makes sure that organisations achieve good practice relating to data protection and confidentiality.

Key performance indicators Organisations use key performance indicators to evaluate their success or the success of a particular activity.

Multidisciplinary team A team made up of healthcare professionals from different fields who work together.

Meticillin-resistant staphylococcus aureus (MRSA) Bacteria that are a significant cause of infections arising in hospital.

Meticillin-sensitive staphylococcus aureus (MSSA) Bacteria that are a significant cause of infections arising in hospital.

National Health Service Improvement (NHSI) The independent regulator of NHS foundation trusts.

National Institute for Health and Care Excellence (NICE) NICE reviews medicines, treatments and tests. It makes clinical guidelines and public-health recommendations.

PALS The Patient Advice and Liaison Service (PALS) provides information, advice and support to help patients, families and their carers. Each NHS trust has a PALS service.

Patient and Carer Advisory Group (PCAG) The Patient and Carer Advisory Group works to improve the experience of patients at The Royal Marsden. It is a self-managed group of patients, carers and members of the public who play a vital part in continually improving the care and services we provide.

Pressure ulcers Bed sores or pressure sores.

Prophylaxis A measure taken to prevent a disease or condition.

Radiotherapy The use of high-energy rays to destroy cancer cells. It may be used to cure some cancers, to reduce the chance of cancer returning, or to control symptoms.

Standardised mortality ratio An indicator of the quality of healthcare. It measures whether the death rate at a hospital is higher or lower than expected.

TTAs Discharge prescriptions – medicine ‘to take away’

Vancomycin-resistant enterococci (VRE) Bacteria that are resistant to the antibiotic vancomycin and can cause infections arising in hospitals.

Venous thromboembolism (VTE) A blood clot, typically occurring in the leg but which can form in any blood vessel.

4. The Royal Marsden Cancer Charity

Marching milestone

The Royal Marsden Cancer Charity hit a major milestone at the 2017 Marsden March, reaching the amazing total of £10 million in fundraising, just seven years after the event began.

And the 2018 event, sponsored by Banham for a fourth year, saw another 5,500 people put their best foot forward to raise even more money, helping us on our way to the next £10 million.

The impact of the money raised by The Marsden March, a 5-mile or 14-mile walk between The Royal Marsden at its Chelsea and Sutton sites, has been felt right across the hospital.

Money raised by The Marsden March has helped fund ward refurbishments, radiotherapy and imaging equipment and pioneering clinical trials across every tumour type, which have benefited cancer patients not only at The Royal Marsden but also across the UK.

The Clinical Care and Research Centre – driving progress in early diagnosis

As part of the redevelopment of our Sutton hospital, the project to build The Clinical Care and Research Centre (CCRC) is underway.

The CCRC will bring our researchers, clinicians and patients together under one roof for the first time. The state-of-the-art building will speed up the translation of world-leading research into breakthroughs in treatment and care, transforming the lives of cancer patients at The Royal Marsden and beyond.

The Charity has launched a fundraising appeal to fund the entire build costs of the CCRC. The fundraising appeal has progressed well over the past year and is ahead of schedule, thanks to the generosity of our supporters. Despite still having a long way to go, this early success has given us the confidence to expand the centre, so we can achieve even more for our patients.

The Charity has therefore decided to increase the size and scope of the CCRC and will be including within it a brand new Rapid Diagnostic Centre (RDC). We know that earlier diagnosis leads to a greater chance of patients being cured. We already run one of the biggest breast cancer diagnostic centres in the UK, and this will give us the opportunity to bring our expertise to many more cancer types.

As a result, the Charity has increased the fundraising appeal target to £70 million. Our new plans will be delivered within the original timeframe, with the CCRC opening in late 2021, but the addition of the RDC will mean we can have an even bigger impact on cancer survival throughout the UK. We are confident in our ability to deliver this new fundraising target and fundraising continues apace.

A roaring trade

Sherlock star Benedict Cumberbatch represented the Charity at the sixth annual Bloomberg Tradebook Charity Day in October last year. Benedict joined other celebrities, Bloomberg employees and clients in trading activities to raise money and awareness for worthy causes. He was accompanied by family friend, actor Siobhán Hewlett, whose mother has a rare type of non-Hodgkin lymphoma.

Siobhán said: “Without The Royal Marsden, my mum wouldn’t be here. I’m permanently amazed and overwhelmed by the impeccable level of care and love from everyone at the hospital.”

Benedict said: “At The Royal Marsden, the standards of patient care and research into the causes and possible cures for cancer are respected the world over. Whenever I have visited friends or relatives there, I’ve experienced the exemplary teams of highly skilled staff that treat their patients as people, not statistics. It’s an honour to be helping them raise funds to continue their brilliant work.”

In addition, Bloomberg employees volunteered through the company’s Best of Bloomberg programme to create “thank you” hampers for nurses, doctors and staff at The Royal Marsden.

Funding the very latest equipment

In September 2017, Charity Trustees approved over £14 million of investment into leading-edge equipment to ensure that The Royal Marsden’s patients are able to benefit from the latest imaging, sequencing and surgical technologies.

This investment is crucial to our ability to provide faster and more accurate diagnoses and improved treatments. This new equipment will also support our wide research portfolio, which endeavours to improve the survival of cancer patients everywhere.

The funding covers a second da Vinci Xi robot, which will replace the 10 year old da Vinci S system, a NovaSeq 6000 genetic sequencing machine, an MRI scanner and a CT scanner.

Robotic fellowship

In January 2015, the Charity funded the first da Vinci Xi robot for use in theatres at The Royal Marsden, thanks to a generous donation from philanthropist Don McCarthy and his children. One of its most innovative functions is to facilitate the training of surgeons in robotic surgery techniques, due to its dual console, in such a way as to provide the best possible hands-on experience whilst maximising patient safety.

The robotic surgical fellowship has also been funded by generous supporters of the Charity and, over the last year, surgical fellow Mr Ibnauf Suliman has carried out three rotations, in urology, gynae-oncology and coloproctology and completed 200 robotic surgeries. In 50 per cent of these surgeries the Fellow worked as a partial console operator using the da Vinci robot under the guidance of the lead surgeon.

Mr Suliman completed 10 urology surgeries as primary console operator, performing surgeries including robotic hysterectomies and pelvic lymph node dissection.

As part of the programme the Fellow is developing training courses, using the unique dual training console of the da Vinci Xi, to deliver an introductory session for junior surgeons and following completion of the Fellowship, he is taking up a consultant post at The Royal Free Hospital, which has recently purchased a da Vinci machine, ensuring more patients across London and the UK get access to the latest in robotic surgery.

Turning scientific breakthroughs into patient benefit

Following the three-year £9 million grant between 2014 and 2017, the Charity approved a further grant of £15 million to carry out translational and clinical research.

This grant covers a five-year period from April 2017 to March 2022 and will allow The Royal Marsden to continue to carry out the most innovative research for the benefit of patients, accelerate the implementation of the new research strategy, invest in new thematic areas in order to keep our competitive edge, and attract additional external funding.

One of the areas of funding is investment in core posts across The Royal Marsden Clinical Trials Unit, the Centre for Molecular Pathology, the Biobank and the West Wing Clinical Research Centre (WWCRC).

The impact of the posts in the West Wing is being clearly felt by patients, and staff. In summer 2017, the WWCRC had 79 clinical trials open to recruitment, and a further 63 clinical trials open in follow-up. As planned, the WWCRC has expanded the portfolio of studies to include haematological cancers, with one study having started to-date.

Feedback from patients about their experience on WWCRC has continued to be extremely positive. The Friends and Family Score averages 4.89 out of five, with 100 per cent of respondents likely to recommend WWCRC as a place for treatment.

The grant also covers the investment into allied health research at The Royal Marsden, joint National Institute for Health Research (NIHR) BRC/RMCC consultant posts and investment into strategic areas including cellular therapies and early detection.

5. Annual accounts for the year ended 31 March 2018

Foreword to the accounts The Royal Marsden NHS Foundation Trust

These accounts for the year ended 31 March 2018 have been prepared by The Royal Marsden NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 within the National Health Service Act 2006.

Cally Palmer CBE
Chief Executive Officer
24 May 2018

Independent auditor's report to the Board of Governors and Board of Directors of The Royal Marsden NHS Foundation Trust

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of The Royal Marsden NHS Foundation Trust (the 'foundation trust'):

- give a true and fair view of the state of the foundation trust's affairs as at 31 March 2018 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with the accounting policies directed by NHS Improvement – Independent Regulator of NHS Foundation Trusts; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

We have audited the financial statements which comprise:

- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Taxpayers' Equity;
- the Statement of Cash Flows and
- the related notes 1 to 25

The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies directed by NHS Improvement – Independent Regulator of NHS Foundation Trusts.

Basis for opinion

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 foundation trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Summary of our audit approach

Key audit matter	The key audit matter that we identified in the current year was NHS revenue and provisions. Last year our report included valuation of the Trust's estate as a key audit matter which is not included in our report this year (due to the Trust not having revalued its property portfolio this year).
Materiality	The materiality that we used in the current year was £8.6m which was determined on the basis of 2% of the Trust's total revenue recognised in the 2017/18 financial year.
Scoping	Audit work was performed at the Trust's head offices directly by the audit engagement team, led by the senior statutory auditor.
Significant changes in our approach	Other than the changes to key audit matter as described above, there have been no significant changes in our approach to the audit in 2017/18 compared to 2016/17.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the accounting officer's use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the accounting officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the foundation trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

NHS revenue and provisions

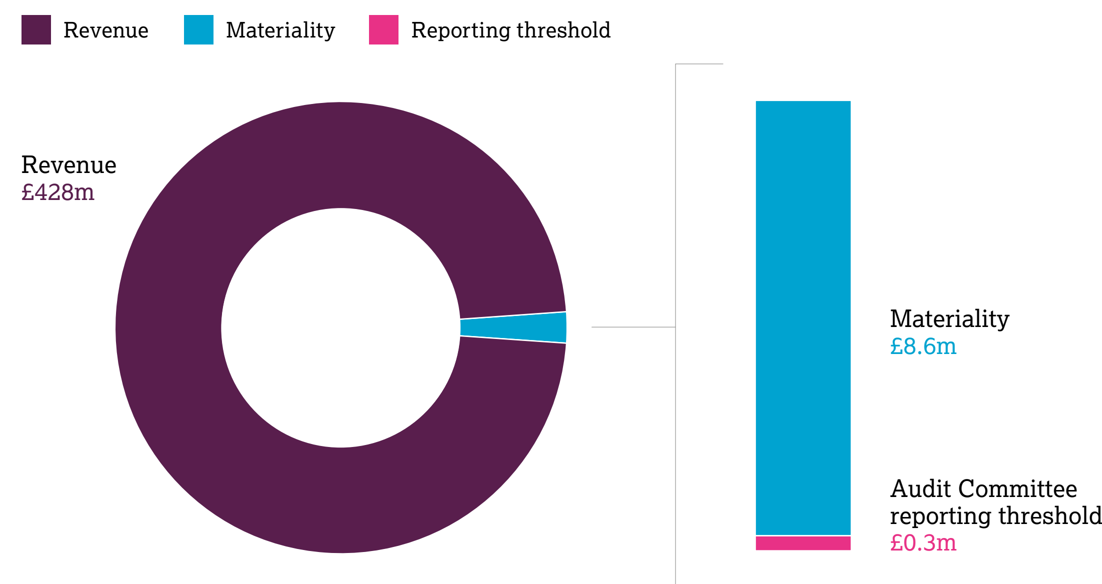
Key audit matter description	There are significant judgements in recognition of revenue from care of NHS patients and in provisioning for disputes with commissioners due to the judgemental nature of provisions for disputes, including in respect of outstanding over performance income for quarters 3 and 4. Details of the Trust's income, including £202.9m of Commissioner Requested Services and £18. 7m of Sustainability and Transformation Funding (STF), are shown in note 3.1 and note 3.3 to the financial statements. NHS debtors of £21.0m are shown in note 13.1 to the financial statements. The Trust earns revenue from a wide range of commissioners, increasing the complexity of agreeing a final year-end position.
How the scope of our audit responded to the key audit matter	We evaluated the design and implementation of controls over recognition of NHS income. We performed detailed substantive testing on a sample basis of the recoverability of unsettled revenue amounts, and evaluated the results of the agreement of balances exercise. We challenged key judgements around specific areas of dispute and actual or potential challenge from commissioners and the rationale for the accounting treatments adopted. In doing so, we considered the historical accuracy of provisions for disputes and reviewed correspondence with commissioners.
Key observations	We did not identify any material misstatements through our procedures in respect of this key audit matter, and we considered the estimates made by the Trust in respect to their recognition of NHS revenue to be within an acceptable range.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Materiality	£8.6m (2017: £7.4m)
Basis for determining materiality	2% of revenue (2017: 2% of revenue)
Rationale for the benchmark applied	Revenue was chosen as a benchmark as the Trust is a non-profit organisation, and revenue is a key measure of financial performance for users of the financial statements.



We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £300k (2017: £360k), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the entity and its environment, including internal control, and assessing the risks of material misstatement. Audit work was performed at the Trust's head offices directly by the audit engagement team, led by the senior statutory auditor.

The audit team included integrated Deloitte specialists bringing specialist skills and experience in property valuations and information technology systems. Data analytic techniques were used as part of the audit testing, in particular to support profiling of populations to identify items of audit interest.

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 respect of these matters.

Responsibilities of accounting officer

As explained more fully in the accounting officer's responsibilities statement, the accounting officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the accounting officer is responsible for assessing the foundation trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the accounting officer either intends to liquidate the foundation trust or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the National Health Service Act 2006

In our opinion:

- the parts of the Directors' Remuneration Report and Staff Report to be audited have been properly prepared in accordance with the National Health Service Act 2006; and
- the information given in the Performance Report and the Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Annual Governance Statement, use of resources, and compilation of financial statements

Under the Code of Audit Practice, we are required to report to you if, in our opinion:

- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual, is misleading, or is inconsistent with information of which we are aware from our audit;
- the NHS Foundation Trust has not made proper arrangements for securing economy, efficiency and effectiveness in its use of resources; or
- proper practices have not been observed in the compilation of the financial statements.

We are not required to consider, nor have we considered, whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in respect of these matters.

Reports in the public interest or to the regulator

Under the Code of Audit Practice, we are also required to report to you if:

- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit; or
- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006 because we have reason to believe that the foundation trust, or a director or officer of the foundation trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency.

We have nothing to report in respect of these matters.

Certificate

We certify that we have completed the audit of the accounts in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Use of our report

This report is made solely to the Board of Governors and Board of Directors ("the Boards") of The Royal Marsden NHS Foundation Trust, as a body, in accordance with paragraph 4 of Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Boards those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the foundation trust and the Boards as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Gooding, FCA
Senior statutory auditor
For and on behalf of Deloitte LLP
Statutory Auditor
St Albans, United Kingdom
25 May 2018

Statement of comprehensive income for the year ended 31 March 2018

	Note	2017/18	2016/17
		£000	£000
Operating income from patient care activities	3	**312,855**	289,555
Other operating income	3	**115,449**	81,104
Operating expenses	4	**(389,358)**	(387,235)
Operating surplus/(deficit)		**38,946**	(16,576)
Finance costs			
Finance income	7	**75**	36
Finance expense	8	**(216)**	(251)
Public Dividend Capital dividends payable		**(3,644)**	(4,488)
Net finance costs		**(3,785)**	(4,703)
Profit/(loss) on disposal of plant, property and equipment	6	**47**	(164)
Share of profit in joint venture	11	**331**	271
Surplus/(deficit) for the year		**35,539**	(21,172)
Other comprehensive (expense)/income			
Revaluation (losses) on land and buildings	10	**–**	(29,276)
Total comprehensive income/(expense) for the year		**35,539**	(50,448)

The reclassification between operating income from patient care activities and other operating income for 2016/17 relates to RM Partners income. Total income for the year 2016/17 is unchanged.

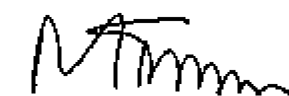
Surplus for the year pre impairment and adjustments relating to capital charitable donations	Note	2017/18	2016/17
		£000	£000
Surplus/(deficit) for the year		**35,539**	(21,172)
Donated capital income	10	**(8,367)**	(5,922)
Depreciation on donated assets		**4,630**	3,983
Impairment	4	**2,259**	28,514
(Profit)/loss on disposal	6	**(47)**	164
Surplus for the year pre loss on disposal and adjustments relating to capital charitable donations		**34,014**	5,567

Statement of financial position as at 31 March 2018

	Note	31 March 2018	31 March 2017
		£000	£000
Non-current assets			
Intangible assets	9	**2,669**	1,529
Tangible assets	10	**179,634**	181,522
Investment in Joint Venture	11	**2,428**	2,097
Total non-current assets		**184,731**	185,148
Current assets			
Inventories	12	**5,176**	4,255
Trade and other receivables	13	**92,401**	75,883
Assets held for sale	14	**29**	–
Cash and cash equivalents	17	**47,262**	21,096
Total current assets		**144,868**	101,234
Current liabilities			
Trade and other payables	15	**(59,235)**	(44,631)
Provisions	15	**(41)**	(20)
Borrowings	15	**(2,477)**	(2,477)
Deferred income and other liabilities	15	**(28,217)**	(37,088)
Tax payable	15	**(4,735)**	(4,369)
Total current liabilities		**(94,705)**	(88,585)
Non-current liabilities			
Borrowings	16	**(11,655)**	(13,632)
Total non-current liabilities		**(11,655)**	(13,632)
Total assets employed		**223,239**	184,165
Financed by taxpayers' equity			
Public Dividend Capital	SoCTE	**104,981**	101,446
Revaluation reserve	SoCTE	**8,024**	8,024
Income and expenditure reserve	SoCTE	**110,234**	74,695
Total taxpayers' equity		**223,239**	184,165

The notes on pages 153 to 183 form part of these accounts. These financial statements have been approved by the Board and authorised for issue on 24 May 2018 and signed on its behalf by

Cally Palmer CBE
Chief Executive Officer
24 May 2018



Marcus Thorman
Chief Financial Officer
24 May 2018

Statement of changes to taxpayers' equity for the year ended 31 March 2018

	Total taxpayers' equity	Public Dividend Capital	Revaluation reserve	Income and expenditure reserve
	£000	£000	£000	£000
Taxpayers' equity at 1 April 2016	**234,346**	**101,179**	**37,300**	**95,867**
Deficit for the year	(21,172)	–	–	(21,172)
Revaluation losses on property, plant and equipment	(29,276)	–	(29,276)	–
Public Dividend Capital received	267	267	–	–
Taxpayers' equity at 31 March 2017	**184,165**	**101,446**	**8,024**	**74,695**
Taxpayers' equity at 1 April 2017	**184,165**	**101,446**	**8,024**	**74,695**
Surplus for the year	35,539	–	–	35,539
Revaluation losses on property, plant and equipment	–	–	–	–
Public Dividend Capital received	3,535	3,535	–	–
Taxpayers' equity at 31 March 2018	**223,239**	**104,981**	**8,024**	**110,234**

Statement of cash flows for the year ended 31 March 2018

	Note	2017/18	2016/17
		£000	£000
Cash flows from operating activities			
Net cash generated from operations	17.1	**45,181**	21,168
Cash flows used in investing activities			
Interest received		**75**	36
Purchase of intangible assets		**(1,732)**	(1,380)
Purchase of property, plant and equipment		**(14,952)**	(16,004)
Proceeds from sale of property, plant and equipment		**106**	2
Net cash used in investing activities		**(16,503)**	(17,346)
Cash flow from financing activities			
Public Dividend Capital received		**3,535**	267
Loan received		**500**	–
Interest paid		**(219)**	(257)
Loan repaid		**(2,477)**	(2,477)
Public Dividend Capital dividends paid		**(3,851)**	(4,314)
Public Dividend Capital repaid		**–**	–
Net cash used in financing activities		**(2,512)**	(6,781)
Increase/(decrease) in cash and cash equivalents		**26,166**	(2,959)
Cash and cash equivalents at 1 April		**21,096**	24,055
Cash and cash equivalents at 31 March		**47,262**	21,096

1. Accounting Policies

NHS Improvement, in exercising the statutory functions conferred on Monitor, the health services sector regulator, 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 and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to accounts.

Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment.

Going concern

These accounts have been prepared on a going concern basis. Non-trading entities in the public sector are assumed to be going concerns where the continued provision of a service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents.

After making enquiries, the Board of Directors have a reasonable expectation that the NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. They have not identified any material uncertainties that may cast significant doubt on the Trust's ability to continue as a going concern. For this reason, they continue to adopt the going concern basis in preparing the accounts.

1.1 Consolidation

NHS Charitable Fund

The Trust is the corporate trustee to The Royal Marsden Hospital Charity (RMHC) NHS charitable fund (Charity no. 1050537). 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 assets and activities of RMHC however, were transferred to the Charity on 1 September 2011 and the Trust has determined not to consolidate RMHC on the grounds of materiality.

The Charity (Charity no. 1095197) is a registered charity and a company limited by guarantee (Company no. 04615761) with a Board of individual Trustee Directors, which has a wholly-owned subsidiary-trading company. The Charity is not an NHS linked charity and therefore does not fall within the definition of a subsidiary. As such the Charity has not been consolidated into the financial statements of the Trust.

Joint Ventures

Joint Ventures are arrangements in which the Trust has joint control with one or more other parties, and where it has the rights to the net assets of the arrangement. Joint Ventures are accounted for 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, such as share dividends, are received by the Trust from the Joint Venture.

1.2 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 contracts with commissioners in respect of healthcare services. Where income is received for a specific activity that is to be delivered in the following financial year, that income is deferred. 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.

NHS Improvement's guidance states that there should be no netting off of income and expenditure. There are a number of employees of the Trust that perform work for other organisations, who in turn reimburse the Trust for this work. The accounts show the income and expense from these arrangements under the headings 'Other income' and 'Staff costs' respectively.

An estimate of the value of partially completed patient episodes is included in Accrued Income. This estimate has been derived by assessing the patient episodes that span both sides of the year end, and estimating the unbilled value of these episodes by pro-rating the number of days spent as an inpatient pre and post year-end.

Additional contributions from central bodies (such as the Department of Health) designated as revenue contributions are recognised as revenue when received or receivable, and are separately disclosed, in accordance with the requirements of the DH GAM 2017/18.

1.3 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. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. It is not possible for the Trust to identify its share of the underlying scheme liabilities. Therefore, the scheme is accounted for as a defined contribution scheme.

Employers' pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the Trust commits itself to the retirement, regardless of the method of payment.

National Employment Savings Scheme (NEST) pension scheme

Employees of the Trust who are not eligible for the NHS Pension Scheme are automatically enrolled into NEST, a defined contribution pension scheme. The amounts charged to the income and expenditure account represent the contributions payable by the Trust during the year. Please refer to Note 5.

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Under defined contribution plans the entity's legal or constructive obligation is limited to the amount that it agrees to contribute to the fund.

1.4 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is not recognised in operating expenses where it results in the creation of non-current assets such as property, plant and equipment.

NHS Improvement's guidance states that there should be no netting off of income and expenditure. There are a number of employees of the Trust that perform work for other organisations, who in turn reimburse the Trust for this work. The accounts show the income and expense from these arrangements under the headings 'Other income' and 'Staff costs' respectively.

1.5 Property, plant and equipment

Recognition

Property, plant and equipment (PPE) is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually have 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.

Where a large asset, for example a building, includes a number of components with significantly different asset lives e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

Measurement

Valuation

All PPE assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the assets and bringing them to the location and condition necessary for them to be capable of operating in the manner intended by management.

All assets are measured subsequently at valuation.

All land and buildings are revalued every five years with an interim valuation in the third year or more frequently if it is felt that the market is subject to significant volatility.

Valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

Valuations are carried out primarily on the basis of Modern Equivalent asset value (MEV) for specialised operational property and fair value for non-specialised operational property.

Assets in the course of construction are valued at cost and are valued by professional valuers as part of the five or three-yearly valuation upon completion.

A full land and buildings valuation was last undertaken by Montagu Evans LLP as at 31 December 2016. The next full valuation is scheduled for the financial period ending 31 March 2022.

Operational equipment is valued at net current replacement cost. Equipment surplus to requirements is valued at net recoverable amount.

An item of PPE 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.

Subsequent expenditure

Subsequent expenditure relating to an item of PPE 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 future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Depreciation

Items of PPE are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

PPE which has been reclassified as "held for sale" ceases to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

Assets in the course of construction are not depreciated until the asset is brought into use.

Buildings and dwellings are depreciated on their current value over the estimated remaining life of the asset as advised by the Trust's professional valuer (3-78 years). Leaseholds are depreciated over the primary lease term.

Equipment is depreciated on cost, including historic indexation, evenly over the estimated remaining life of the asset. These are estimated as follows:

Plant and machinery	5-15 years straight line
Transport equipment	7 years straight line
Information technology	5-11 years straight line
Furniture and fittings	10 years straight line

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of "other comprehensive income" found within the Annual Accounts.

Impairments

In accordance with the Department of Health GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment arising from a loss of economic benefit or service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss are reversed. Reversals are netted off operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of "other impairments" are treated as revaluation gains.

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 12 months of the date of classification as "held for sale" and
  – The actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their "fair value less costs to sell". Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

PPE which is to be scrapped or demolished does not qualify for recognition as "held for sale" and instead is retained as an operational asset and the asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated, Government Grant and other grant-funded assets

Donated and grant-funded PPE assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant-funded assets are subsequently accounted for in the same manner as other items of PPE.

1.6 Intangible fixed assets

Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be reliably measured.

Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

– The project is technically feasible to the point of completion and will result in an intangible asset for sale or use
– The Trust intends to complete the asset and sell or use it
– The Trust has the ability to sell or use the asset
– The usefulness of the asset: How the intangible asset will generate probable future economic or service delivery benefits, e.g., the presence of a market for it or its output, or where it is to be used for internal use
– Adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset and
– The Trust can reliably measure the expenses attributable to the asset during development.

Software

Software which is integral to the operation of hardware e.g. an operating system, is capitalised as part of the relevant item of PPE. 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 PPE. 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 of 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 life in a manner consistent with the consumption of economic or service delivery benefits.

Useful economic lives reflect the total life of an asset and not the remaining life of an asset. The useful economic lives are shown in the table below:

Software licences	5 years straight line

1.7 Revenue government and other grants

Government grants are grants from Government bodies other than income from Clinical Commissioning Groups or NHS trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

1.8 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the First In, First Out (FIFO) method.

1.9 Financial Instruments and Financial Liabilities

Financial instruments are defined as contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Trust will commonly have the following financial assets and liabilities: trade debtors (but not prepayments), current asset investments, cash at bank and in hand, trade creditors (but not deferred income), finance lease obligations, loans and provisions.

Recognition

Financial assets and financial liabilities that 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 that, performance occurs i.e. 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.

Regular way purchases or sales are recognised and de-recognised, as applicable, using the trade date.

All other financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

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 risk and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification and measurement

Financial assets are classified into the following specified categories:

- financial assets "at fair value through income and expenditure" or
- "loans and receivables".

Financial liabilities are classified as either:

- financial liabilities "at fair value through income and expenditure" or
- "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.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets.

The Trust's loans and receivables comprise: cash at bank and in hand, NHS receivables, accrued income and "other receivables".

Loans and receivables are recognised initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income except for short-term receivables when the recognition of interest would be immaterial. Loans from the Department of Health are not held for trading and are measured at historic cost with any unpaid interest accrued separately.

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. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the balance sheet 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 in financial liabilities taken out to finance PPE or intangible assets is not capitalised as part of the costs of those assets.

Determination of fair value

For financial assets and financial liabilities carried at fair value, the carrying amounts are determined from quoted market prices/ independent appraisals/discounted cash flow analysis.

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 income and expenditure", are impaired. Financial assets are impaired and impairment losses are recognised if, and only 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 the Statement of Comprehensive Income and the carrying amount of the asset is reduced through the use of a bad debt provision.

Provision for impairment of receivables

The Trust provides for the impairment of its receivables based on the age and type of each debt. The percentages applied reflect an assessment of the recoverability of each class of debt. During 2016/17 the method was reviewed and the percentages amended based on historical recovery and write off levels. Provisions are charged to operating expenditure.

1.10 Cash and cash equivalents

Cash, bank and overdraft balances are recorded at the current values of these balances in the Trust's cash book. Overdrafts are disclosed within creditors. Interest earned on bank accounts and interest charged on overdrafts is recorded as, respectively, "finance income" and "finance expenses" in the periods to which they relate. Bank charges are recorded as operating expenditure in the periods to which they relate.

1.11 Leases

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the NHS Foundation Trust, the asset is recorded as PPE 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 PPE.

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.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

1.12 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

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 16.1 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk-pooling schemes under which the Trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any "excesses" payable in respect of particular claims are charged to operating expenses when the liability arises.

Other insurance

The Trust holds commercial insurance for a range of risks in excess of those covered by the non-clinical risk-pooling scheme. This includes cover for property damage and increased costs of working.

1.13 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in Note 19 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in Note 19, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

1.14 Public Dividend Capital

Public Dividend Capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the Trust, is payable as PDC dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5 per cent) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities except for:

(i) donated assets (including lottery funded assets)

(ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility and

(iii) any PDC dividend balance receivable or payable.

In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

1.15 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.

1.16 Corporation tax

Health service bodies, including Foundation Trusts are exempt from tax on their principal healthcare income.

The Trust has determined that there is no corporation tax liability due for 2017/18 (2016/17: Nil).

1.17 Foreign exchange

The functional and presentational currency of the Trust is sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

1.18 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 (Note 24) to the accounts in accordance with the requirement of HM Treasury's Financial Reporting Manual.

1.19 Critical judgements in applying accounting policies

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

1.19.1 Sources of estimation uncertainty

The key areas of estimation and judgement used in the preparation of the accounts have been disclosed within other sections of the accounting policy notes. These include provisions for impairment of receivables (Note 1.9), estimates of partially complete patient episodes (Note 1.2), provisions (Note 1.12), valuation of land and buildings (Note 1.5), and depreciation rates applied to PPE (Note 1.5).

1.20 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

The losses and special payments note, Note 20.2, is compiled directly from the losses and compensations registe, which reports on an accrual basis with the exception of provisions for future losses.

1.21 Accounting standards that have been issued but have not yet been adopted

The Department of Health GAM does not require the following standards and interpretations to be applied in 2017/18. These standards are still subject to HM Treasury financial reporting manual (FReM) adoption, with IFRS 9 and IFRS 15 being for implementation in 2018/19, and the government implementation date for IFRS 16 being 2019/20.

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 14 Regulatory deferral accounts
Not yet EU-endorsed. Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable to DHSC group bodies.

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.

IFRS 17 Insurance contracts
Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM: early adoption is 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.

Following the release of the 2018/19 Department of Health and Social Care Group Manual in May 2018, the Trust is assessing the likely impact of IFRS 9 and IFRS 15 (and the adaptations included in the GAM).

2. Segmental analysis

	2017/18	2016/17
	£000	£000
Income	**428,304**	370,659
Operating surplus/(deficit)	**38,946**	(16,576)
Total assets employed	**223,239**	184,165

The Trust has only one segment of business, which is the provision of healthcare. The segment has been identified with reference to how the Trust is organised and the way in which the chief operating decision maker (determined to be the Board of Directors) runs the Trust.

The geographical and regulatory environment and the nature of services provided are consistent across the organisation and are therefore presented in one segment. The necessary information to develop detailed income and expenditure for each product and service provided by the Trust is currently not discretely available and the cost to develop this information would be excessive.

Significant amounts of income are received from transactions with the Department of Health and Social Care and other NHS bodies. Disclosure of all material transactions with related parties is included in Note 22 to these financial statements. There are no other parties that account for more than 10 per cent of total income.

3. Operating income

3.1 Income from activities by source

	2017/18	2016/17
	£000	£000
Commissioner requested services		
Clinical Commissioning Groups and NHS England	**201,336**	190,252
Department of Health and Social Care	**44**	–
Other NHS	**1,601**	1,640
Non-commissioner requested services		
Local authorities	**5,543**	5,807
Private care	**104,331**	91,856
	312,855	289,555

The above analysis classifies income from activities arising into Commissioner Requested and Non-Commissioner Requested Services as set out in the Trust's New Provider Licence.

3.2 Analysis of income from activities by nature

	2017/18	2016/17
	£000	£000
Elective income	**51,920**	36,958
Non-elective income	**8,294**	6,273
First outpatient income	**3,503**	3,882
Follow up outpatient income	**30,368**	20,505
High-cost drugs income from commissioners (excluding pass-through costs)	**13,818**	17,661
Other types of activity income	**100,621**	112,420
Private patient income	**104,331**	91,856
	312,855	289,555

3.3 Other operating income

	2017/18	2016/17
	£000	£000
Research and development	**14,084**	18,610
Commercial trials income	**12,533**	11,101
Education and training	**9,182**	6,169
Charitable and other contributions to expenditure	**22,135**	15,780
Non-patient care services to other bodies	**7,951**	6,700
Services provided to associated charities	**2,773**	2,092
Sustainability and transformation fund income	**18,715**	5,491
Other income includes:		
Salaries and wages recharged to other organisations	**5,395**	4,210
Hosted IT services	**2,181**	1,963
Car parking	**605**	582
Catering	**1,519**	1,494
Royal Marsden partners	**9,288**	3,235
Other	**9,088**	3,677
	115,449	81,104

Other operating income for the year 2016/17 has been re-stated following a re-analysis of income allocation between classes. Total income for the year 2016/17 is unchanged.

3.4 Analysis of income from activities by type

During 2017/18, income from overseas visitors where the patient is charged directly by the Trust was £116,489 (2016/17: £189,981). Cash payments received in year relating to invoices raised in the current and prior years totalled £9,495 (2016/17: £20,457). Amounts added to the provision for impairment of receivables was £100,367 (2016/17: £237,452). Amounts written off in the year were £132,347 (2016/17: £49,526).

4. Operating expenses

4.1 Analysis of operating expenses

	2017/18	2016/17
	£000	£000
Staff costs	213,555	202,770
Executive Directors' costs	918	881
Non-Executive Directors' costs	152	128
Drug costs	69,792	65,502
Supplies and services – clinical	31,358	30,084
Supplies and services – general	7,827	6,506
Establishment	3,574	3,582
Transport	3,526	2,048
Premises	16,961	15,103
Bad debts	296	1,652
Depreciation and amortisation	15,120	13,614
Property, plant and equipment impairment	2,259	28,514
Consultancy	1,204	1,078
Audit services – statutory audit	53	67
Other services: audit-related assurance services	24	24
Internal audit and Local Counter Fraud Service	94	94
Clinical negligence	821	587
Training, courses and conferences	1,268	1,466
Patient travel	797	849
Purchase of healthcare from non-NHS bodies	5,035	4,892
Other services from NHS Foundation Trusts	3,216	706
Other services from NHS Trusts	2,030	458
Other services from other NHS bodies	626	179
Other operating expenses	8,852	6,451
	389,358	387,235

Operating expenses for the year 2016/17 have been re-stated following a re-analysis of cost allocation between expenditure classes. Total operating expenses for the year 2016/17 is unchanged. Limitation on auditor's liability for external audit work carried out for the financial year 2017/18 is £2 million.

4.2 Operating leases

Operating lease rentals include:

Operating lease expense	2017/18	2016/17
	£000	£000
Plant and machinery	234	163
Buildings	2,583	3,205
	2,817	3,368

Operating lease commitments include:

Minimum lease payments		2017/18	2016/17
		£000	£000
Future minimum lease payments due:			
Not later than one year	Buildings	2,307	1,835
	Other	123	66
Between one and five years	Buildings	920	524
	Other	96	16
After more than five years	Buildings	–	864
	Other	–	–
		3,446	3,305

4.3 Impairment of assets

	2017/18	2016/17
	£000	£000
Net impairments charged to operating surplus/deficit resulting from:		
Changes in market price	2,259	28,514
Total net impairments charged to operating surplus/deficit	2,259	28,514
Impairments charged to the revaluation reserve	–	29,276
Total net impairments	2,259	57,790

5. Employee expenses and numbers

5.1 Employee expenses

	Permanently employed	Temporary and contract staff	2017/18 total	2016/17 total
	£000	£000	**£000**	£000
Salaries and wages	161,097	9,243	**170,340**	160,360
Social security costs	16,731	859	**17,590**	16,578
Employer contributions to NHS Pensions Agency & NEST	19,482	661	**20,143**	18,952
Agency staff	–	6,400	**6,400**	7,761
	197,310	**17,163**	**214,473**	203,651

5.2 Average number of persons employed (full time equivalent)

	Permanently employed number	Temporary and contract staff number	2017/18 total number	2016/17 total number
Medical and dental	398	23	**420**	397
Administration and estates	1,109	92	**1,201**	1,130
Healthcare assistants and other support staff	330	105	**435**	369
Nursing, midwifery and health visiting staff	1,044	79	**1,123**	1,147
Scientific, therapeutic and technical staff	677	26	**704**	692
Healthcare science staff	197	4	**201**	193
	3,755	**329**	**4,084**	3,928

5.3 Median pay

The Trust is required to disclose the relationship between the remuneration of the highest-paid director in the Trust and the median remuneration of the Trust's workforce. The mid-point of the banded remuneration of the highest-paid director in the Trust in the financial year 2017/18 was £257,500 (2016/17: £257,500). This was seven (2016/17: 7.1) times the median remuneration of the workforce, which was £36,793 (2016/17: £36,362). The median has been calculated to include inner London-weighting, as the highest paid director is London-based.

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

5.4 Retirement due to ill-health

During 2017/18 there were three early retirements from the Trust agreed on the grounds of ill-health (2016/17: one). The estimated additional pension liability of this ill-health retirement will be £293,669 (2016/17: £28,994). The cost of these ill-health retirements will be borne by the NHS Business Services Authority – Pension Division.

6. Profit/(loss) on disposal of plant, property and equipment

	2017/18	2016/17
	£000	£000
Gain/(loss) on disposal of PPE	**47**	(164)
	47	(164)

7. Financing income

	2017/18	2016/17
	£000	£000
Interest receivable	**75**	36
	75	36

8. Finance expense

	2017/18	2016/17
	£000	£000
On loans from the Independent Trust Financing Facility	**(216)**	(251)
	(216)	(251)

9. Intangible assets

	Software licences
	£000
Cost at 1 April 2017	2,126
Additions purchased	1,732
Reclassifications	–
Disposals	–
Cost at 31 March 2018	**3,858**
Accumulated depreciation at 1 April 2017	(597)
Provided during the year	(592)
Reclassifications	–
Disposals	–
Depreciation at 31 March 2018	**(1,189)**
Purchased	2,527
Donated	142
Net book value at 31 March 2018	**2,669**
Cost at 1 April 2016	746
Additions purchased	1,380
Disposals	–
Cost at 31 March 2017	**2,126**
Accumulated depreciation at 1 April 2016	(332)
Provided during the year	(265)
Disposals	–
Depreciation at 31 March 2017	**(597)**
Purchased	1,342
Donated	187
Net book value at 31 March 2017	**1,529**

10. Property, plant and equipment

10.1 Property, plant and equipment (PPE) at the balance sheet date comprise the following elements:

	Land	Buildings excluding dwellings	Assets under construction	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Cost at 1 April 2017	13,365	122,938	5,515	68,552	–	17,920	2,209	230,499
Additions purchased	–	–	6,616	–	–	–	–	6,616
Additions donated	–	–	8,367	–	–	–	–	8,367
Reclassifications	–	2,976	(8,195)	4,547	–	652	20	0
Revaluation	–	–	–	–	–	–	–	–
Impairment	–	–	–	–	–	–	–	–
Transfers to assets held for sale	–	–	–	(1,581)	–	–	–	(1,581)
Disposals	–	–	–	(1,399)	–	–	–	(1,399)
Cost at 31 March 2018	**13,365**	**125,914**	**12,303**	**70,119**	**–**	**18,572**	**2,229**	**242,502**
Depreciation at 1 April 2017	–	(2,389)	–	(34,669)	–	(10,648)	(1,270)	(48,977)
Provided during the year	–	(6,704)	–	(5,125)	–	(2,482)	(218)	(14,528)
Reclassifications	–	–	–	(4)	–	4	0	(0)
Revaluation	–	–	–	–	–	–	–	–
Impairment	–	(1,432)	–	–	–	–	–	(1,432)
Transfers to assets held for sale	–	–	–	725	–	–	–	725
Disposals	–	–	–	1,343	–	–	–	1,343
Depreciation at 31 March 2018	**–**	**(10,525)**	**–**	**(37,729)**	**–**	**(13,126)**	**(1,488)**	**(62,868)**
Net book value at 31 March 2018	**13,365**	**115,389**	**12,303**	**32,390**	**–**	**5,446**	**741**	**179,634**
Cost at 1 April 2016	29,075	155,358	9,972	68,624	20	16,788	2,294	282,131
Additions purchased	–	–	10,260	–	–	–	–	10,260
Additions donated	–	–	5,922	–	–	–	–	5,922
Reclassifications	–	14,601	(20,639)	3,939	–	2,099	–	–
Revaluation	(15,710)	(18,488)	–	–	–	–	–	(34,198)
Impairment	–	(28,514)	–	–	–	–	–	(28,514)
Disposals	–	(19)	–	(4,011)	(20)	(967)	(85)	(5,102)
Cost at 31 March 2017	**13,365**	**122,938**	**5,515**	**68,552**	**–**	**17,920**	**2,209**	**230,499**
Depreciation at 1 April 2016	–	(1,872)	–	(33,235)	(20)	(9,225)	(1,137)	(45,489)
Provided during the year	–	(5,458)	–	(5,279)	–	(2,391)	(219)	(13,347)
Revaluation	–	4,922	–	–	–	–	–	4,922
Impairment	–	–	–	–	–	–	–	–
Disposals	–	19	–	3,845	20	968	85	4,937
Depreciation at 31 March 2017	**–**	**(2,389)**	**–**	**(34,669)**	**–**	**(10,648)**	**(1,270)**	**(48,977)**
Net book value at 31 March 2017	**13,365**	**120,549**	**5,515**	**33,883**	**–**	**7,271**	**939**	**181,522**

None of the land or buildings were held under finance leases or hire purchase contracts at either 31 March 2018 or 31 March 2017.

10.2 Property, plant and equipment (PPE) by funding source

	Land	Buildings excluding dwellings	Assets under construction	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Purchased	13,365	69,612	8,257	17,961	–	5,375	296	114,867
Donated	–	45,776	4,046	14,428	–	71	445	64,767
Net book value at 31 March 2018	**13,365**	**115,389**	**12,303**	**32,390**	**–**	**5,446**	**741**	**179,634**
Purchased	13,365	72,732	4,587	21,684	–	7,203	361	119,932
Donated	–	47,817	928	12,199	–	68	578	61,590
Net book value at 31 March 2017	13,365	120,549	5,515	33,883	–	7,271	939	181,522

10.3 The net book value of land and buildings comprises:

	31 March 2018	31 March 2017
	£000	£000
Freehold	128,754	133,914
	128,754	133,914

11. Investments in joint ventures

	2017/18	2016/17
	£000	£000
Value at 1 April	2,097	1,826
Acquisitions in year	–	–
Share of profit	331	271
Value at 31 March	2,428	2,097

During the year 2015/16 the Trust undertook the Joint Venture arrangement “Systems Powering Healthcare Limited” with Chelsea and Westminster NHS Foundation Trust, which manages the IT service provision for both Trusts, located at Unit 101 Harbour Yard, London, SW10 0XD. Each Trust owns 50 per cent and the company is incorporated in the UK.

12. Inventories

	2017/18	2016/17
	£000	£000
Raw materials and consumables	5,176	4,255
	5,176	4,255

13. Trade receivables and other receivables

13.1 Current

	2017/18	2016/17
	£000	£000
NHS trade receivables	21,078	21,652
Provision for impaired receivables	(6,813)	(7,404)
Prepayments	5,167	5,871
Accrued income	29,893	15,114
Other receivables	43,076	40,650
	92,401	75,883

Other receivables comprises of non-NHS and private patients receivables.

13.2 Provision for impairment of receivables

	2017/18	2016/17
	£000	£000
At 1 April	7,404	6,553
Increase in provision	296	1,652
Amount utilised	(887)	(801)
At 31 March	6,813	7,404

13.3 Analysis of impaired trade and other receivables

	2017/18	2016/17
	£000	£000
Ageing of impaired receivables		
Up to three months	745	335
In three to six months	1,320	851
Over six months	4,748	6,218
	6,813	7,404
Ageing of non-impaired receivables past their due date		
Up to three months	21,048	14,686
In three to six months	6,886	6,952
Over six months	11,275	10,068
	39,209	31,706

14. Non-current asset held for sale

	2017/18	2016/17
	£000	£000
Net book value 1 April 2017	**–**	–
Asset reclassified as available for sale	**856**	–
Revaluation	**–**	–
Impairment	**(827)**	–
Disposals	**–**	–
Net book value at 31 March 2018	**29**	–

There was an agreement to dispose of a PET scanner but the sale was not completed as at 31 March 2018.

15. Current liabilities

	2017/18	2016/17
	£000	£000
NHS payables	**8,456**	7,939
Trade and other payables	**17,490**	13,637
Provisions	**41**	20
Accruals	**33,289**	23,055
Borrowings	**2,477**	2,477
Tax payable	**4,735**	4,369
Deferred income	**18,411**	28,313
Other liabilities	**9,806**	8,775
	94,705	88,585

16. Non-current liabilities

16.1 Provisions for liabilities and charges

	Total
	£000
At 1 April 2016	**(96)**
Utilised during the year	**32**
Released to operating expenses during the year	**44**
Provided in year	**–**
At 31 March 2017	**(20)**
At 1 April 2017	**(20)**
Utilised during the year	**–**
Released to operating expenses during the year	**–**
Provided in year	**(21)**
At 31 March 2018	**(41)**
Expected timing of cash flows	
Less than one year	**(41)**
Between one and five years	**–**
	(41)

16.2 Clinical negligence

£2,100,748 is included in the provisions of the NHS Resolution at 31 March 2018 in respect of clinical negligence liabilities of the Trust (31 March 2017: £2,413,003).

16.3 Borrowings

Current	2017/18	2016/17
	£000	£000
Loans from the Independent Trust Financing Facility	**2,477**	2,477
	2,477	2,477

Non-current	2017/18	2016/17
	£000	£000
Loans from the Independent Trust Financing Facility	**11,655**	13,632
	11,655	13,632

The Trust has a fully-drawn down loan facility of £21 million from the Independent Trust Financing Facility. The principal is repayable in 17 equal instalments. This began in August 2015 and will end in August 2023. Interest is payable at a fixed rate of 1.42 per cent for the duration of the loan.

The Trust has an additional loan facility of £15 million from the Independent Trust Financing Facility, of which £500,000 was drawn down in February 2018. The principal is repayable in 15 instalments commencing February 2021 and ending February 2028. Interest is payable at a fixed rate of 0.86 per cent for the duration of the loan.

17. Notes to the cash flow statement

17.1 Reconciliation of operating surplus to net cash flow from operating activities

	2017/18	2016/17
	£000	£000
Total operating surplus	**38,946**	(16,576)
Non-cash income and expenses		
Depreciation and amortisation	**15,120**	13,614
Impairment	**2,259**	28,514
(Increase)/decrease in inventories	**(920)**	94
(Increase) in receivables	**(16,311)**	(6,650)
Increase/(decrease) in trade and other payables	**14,938**	(7,680)
(Decrease)/increase in deferred income	**(9,903)**	9,085
Increase in other liabilities	**1,031**	843
Increase/(decrease) in provisions	**21**	(76)
Net cash inflow from activities	**45,181**	21,168

17.2 Reconciliation of net cash flow to movement in net funds

	2017/18	2016/17
	£000	£000
Increase/(decrease) in cash in the period	**26,166**	(2,959)
Net funds at 1 April	**21,096**	24,055
Net funds at 31 March	**47,262**	21,096

17.3 Analysis of changes in net funds/(debt)

	At 31 March 2018	Changes in cash in year	At 1 April 2017
	£000	£000	£000
Government Banking Service cash at bank	**46,320**	25,643	20,677
Commercial cash at bank and in hand	**942**	523	419
Cash and cash equivalents	**47,262**	26,166	21,096

18. Capital commitments

Commitments under capital expenditure contracts at the balance sheet date were £1,460,175 (2016/17: £1,731,004). There is £1,047,575 (2016/17: £0) capital expenditure committed to be funded by The Royal Marsden Cancer Charity. All capital commitments relate to PPE.

19. Contingencies

There are no contingent assets or liabilities at the balance sheet date (2016/17: Nil).

20. Financial performance targets

20.1 Public Dividend Capital

The Trust is required to demonstrate that the PDC dividend paid is in line with the actual rate of 3.5 per cent of average relevant net assets. The actual dividend rate is the dividend payable figure in the Statement of Comprehensive Income, £3,643,644 (2016/17: £4,488,000), divided by the average of relevant opening and closing net assets, £104,134,059 (2016/17: £127,876,940), expressed as a percentage. This gives an actual dividend rate for 2017/18 of 3.5 per cent (2016/17: 3.5 per cent).

20.2 Losses and special payments

There were 378 cases of losses and special payments (2016/17: 327) totalling £886,145 (2016/17: £815,950). Losses and special payments are reported on an accrual basis with the exception of provisions for future losses.

There were no clinical negligence, fraud, personal injury, compensation under legal obligation or fruitless payment cases where the net payment exceeded £250,000 (2016/17: £nil).

	2017/18	2017/18	2016/17	2016/17
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses of cash due to:				
Salary overpayments	**13**	**9**	21	45
Bad debts and claims abandoned in relation to private patients	**308**	**740**	206	651
Bad debts and claims abandoned in relation to overseas visitors	**11**	**132**	9	50
Bad debts and claims abandoned in relation to “other”	**46**	**5**	89	55
	378	**886**	325	801
Special payments:				
Special severance payments	**–**	**–**	1	15
Other	**–**	**–**	1	0
	–	**–**	2	15
Total losses and special payments	**378**	**886**	327	816
Of which, cases of £250,000 or more	**–**	**–**	–	–

Included in other are non-NHS trade receivables written off during the financial year.

21. Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a. Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2018 is based on valuation data as at 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 per cent 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.

22. Related party transactions

The Trust is a public benefit corporation and has been authorised pursuant to Section 6 of the Health and Social Care (Community Health and Standards) Act 2003. The Department of Health and Social Care is the parent department.

During the year none of the Board members or members of the senior management team or parties related to them has undertaken any material transactions with the Trust.

During the year the Trust has had a significant number of material transactions with the following NHS bodies:

- NHS England
- NHS Clinical Commissioning Groups
- NHS Foundation Trusts
- NHS Trusts
- Department of Health
- Community Health Partnership
- Health Education England
- NHS Pension Scheme
- NHS Property Services
- NHS Blood and Transplant.

The Trust has also had a number of transactions with Government departments and other central and local Government bodies. These include transactions with the Royal Borough of Kensington and Chelsea and the London Borough of Sutton relating to business rates. In addition the Trust had transactions with The Royal Marsden Cancer Charity which is an independent registered charity (Charity no 1095197) and a company limited by guarantee. Up to four Board members of the Trust, including the Chairman and the Chief Executive, are Trustees of the Charity. The Trust has also had transactions with its joint venture, Systems Powering Healthcare Limited.

The Trust has entered into the following material transactions with related parties:

Income	2017/18
	£000
NHS England	161,666
NHS Sutton CCG	31,802
Royal Marsden Cancer Charity	20,855
Department of Health and Social Care	12,315
Health Education England	6,573
NHS Surrey Downs CCG	5,819
Sutton London Borough Council	5,380
NHS Croydon CCG	4,851
NHS Trafford CCG	2,684
NHS Lambeth CCG	2,413
NHS Wandsworth CCG	2,232
NHS Kingston CCG	2,075
Guy's and St Thomas' NHS Foundation Trust	2,475
NHS Richmond CCG	1,739
NHS West London (K&C & Qpp) CCG	1,735
NHS Merton CCG	1,850
NHS East Surrey CCG	1,306
St George's University Hospitals NHS Foundation Trust	1,087
NHS Central London (Westminster) CCG	1,074
	269,931

Expenditure	2017/18
	£000
NHS Pension Scheme	20,143
HM Revenue & Customs	18,401
Systems Powering Healthcare Limited	5,431
Chelsea and Westminster NHS Foundation Trust	2,424
Kingston Hospital NHS Foundation Trust	1,602
Epsom and St Helier University Hospitals NHS Trust	1,193
NHS Central London (Westminster) CCG	1,298
St George's University Hospitals NHS Foundation Trust	1,258
NHS Property Services	1,135
	52,885

Receivables	2017/18
	£000
NHS England	33,502
NHS Sutton CCG	1,480
St George's University Hospitals NHS Foundation Trust	1,204
Chelsea and Westminster NHS Foundation Trust	1,156
NHS Croydon CCG	1,008
	38,350

Payables	2017/18
	£000
HM Revenue & Customs	4,735
NHS Pension Scheme	2,938
	7,673

23. Financial instruments

IFRS 7 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 Trust does not have any complex financial instruments and does not hold or issue financial instruments for speculative trading purposes. Because of the continuing service provider relationship the Trust has with NHS England and Clinical Commissioning Groups (CCGs) and the way that NHS England and CCGs are financed, the Trust is not exposed to the degree of financial risk faced by business entities.

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. The Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

The Trust's financial instruments comprise loans, finance lease obligations, provisions, cash at bank and in hand and various items, such as trade debtors and trade creditors, that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Trust's operations.

23.1 Categories of financial instruments

	2017/18	2016/17
	£000	£000
Financial assets		
Loans and receivables (including cash)	**134,496**	91,108
Financial liabilities		
Other financial liabilities (amortised cost)	**87,908**	73,883

23.2 Fair values

	31 March 2018	31 March 2018	31 March 2017	31 March 2017
	Book value	Fair value	Book value	Fair value
	£000	£000	£000	£000
Financial liabilities				
Provision under contract	**(41)**	**(41)**	(20)	(20)

As allowed by IFRS 7, short-term trade debtors and creditors measured at amortised cost may be excluded from the above disclosure as their book values reasonably approximate their fair values.

23.3 Liquidity and interest risk tables

	Weighted av. interest rate %	Less than 1 year	Total
		£000	£000
Financial assets			
Non-interest bearing		**87,233**	**87,233**
Variable interest rate instrument	0.25%	**47,262**	**47,262**
Gross financial assets at 31 March 2018		**134,495**	**134,495**
Non-interest bearing		**70,012**	**70,012**
Variable interest rate instrument	0.25%	**21,096**	**21,096**
Gross financial assets at 31 March 2017		**91,108**	**91,108**

23.4 Credit risk

Because the majority of the Trust's revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2018 are in receivables from customers, as disclosed in the trade and other receivables note. Trade and other receivables outstanding not past due are considered recoverable and are not impaired.

24. Third party assets

The Trust held nil cash at bank and negligible cash in hand at 31 March 2018 (31 March 2017: nil) which relates to monies held by the Trust on behalf of patients.

25. Events after the reporting period

There have been no material events after the reporting period.

Life demands excellence

At The Royal Marsden, we deal with cancer every day so we understand how valuable life is. And when people entrust their lives to us, they have the right to demand the very best.

That's why the pursuit of excellence lies at the heart of everything we do. No matter what we achieve, we're always striving to do more. No matter how much we exceed expectations, we believe we can exceed them still further.

We will never stop looking for ways to improve the lives of people affected by cancer. This attitude defines us all, and is an inseparable part of the way we work. It's The Royal Marsden way.

You can visit, write to or call The Royal Marsden using the following details:

Chelsea, London

The Royal Marsden
Fulham Road
London SW3 6JJ
Tel 020 7352 8171

Sutton, Surrey

The Royal Marsden
Downs Road, Sutton
Surrey SM2 5PT
Tel 020 8642 6011

www.royalmarsden.nhs.uk

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