

# Annual Report and Accounts 2012-13





# **York Teaching Hospital NHS Foundation Trust**

## **Annual Report and Accounts 2012-13**

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paragraph 25(4) of the National Health Service Act  
2006



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# Introduction

## **Introduction**

### **Chairman's Statement**

Welcome to the 2012-13 Annual Report for York Teaching Hospital NHS Foundation Trust.

As expected, the year just passed has been one of the most significant in the development of this organisation. The Trust's successful acquisition of Scarborough and North-East Yorkshire Healthcare NHS Trust in July 2012 was a major milestone. However, this took place within the context of a new Health and Social Care Act, heralding a major reorganisation of the commissioning and oversight of health services, the Francis Report into Mid-Staffordshire Foundation Trust and a regime of extreme financial austerity.

As you will see described throughout the Report, the integration of York-based services with those at Scarborough and Bridlington, as well as the continued consolidation and enhancement of the community health services across the region, has dominated much of the change and focus at the Trust. This has been successful to date and the Trust has continued the achievements of recent years in delivering virtually all of its care targets and maintaining a financial operating balance.

This position gives us the ability to reinvest in a number of important capital projects and to maintain and improve the estate, which is now distributed across 10 main sites. We have now, or shortly will have, taken full ownership of all these sites, which will more readily facilitate some changes to the configuration of services, so as to provide sustainable quality care in the most appropriate locations.

We have rebalanced the Board this year to include two new Non-Executive Directors, both of whom are from the Scarborough area. I am delighted to report that the Trust was selected as the "Board of the Year" for 2012 by the NHS Leadership Academy, from more than 200 Trusts that comprise the NHS in England. This award gives external recognition to all the work we have done across the organisation to move the Trust forward, and of the fact that we have a stable management team who are committed to the long term future of the Trust.

The contribution of all staff, volunteers and Governors has been outstanding during this time of transition and challenge. The Trust benefits hugely from the dedication and commitment these individuals bring. We now have a loyal and supportive membership base across the region, and we also continue to be supported by many charitable organisations and initiatives – which provide clinical (e.g. equipment) and non-clinical (e.g. respite care) support to staff, patients and families. The Trust is indebted to these groups for this support, which complements what the NHS can provide from its own budgets.

We see the development of new collaborations as part of securing our future sustainability. This includes the new Health and Wellbeing Boards and closer relationships with some other acute NHS Trusts. We are also working more closely with our colleagues in the local Mental Health Trusts, Yorkshire Ambulance Service and the new Public Health teams.

Improved partnerships in the communities we serve will be crucial to the future of the services we offer, especially as these are likely to be increasingly delivered in the community, rather than in the major acute hospital sites.

The New Year is one of continuing challenge, austerity and transition – but we are a confident and robust organisation that seeks to stay on the front foot and strives for the best possible quality of care we can achieve, with the resources available.

I commend the rest of this report to you and hope you will recognise in it the Trust's inherent strength and extent of achievement.

A handwritten signature in black ink that reads "Alan Rose". The signature is written in a cursive style and is underlined with a single horizontal line.

**Alan Rose**  
**Chairman**  
**29 May 2013**

## Chief Executive's Statement

Since the last annual report the Trust has undergone what is probably the most extensive transformation in its history, marked by the planning and subsequent completion of our acquisition of Scarborough and North East Yorkshire Healthcare NHS Trust and the continuing integration and development of our community-based services.

We entered into the acquisition with the belief that it would bring benefits for both patients and staff, strengthening clinical services and enabling long-term financial viability, and ensuring a long-term future for hospitals in York, Scarborough and the surrounding districts.

The time and effort invested by many of our staff in preparing for the integration should be recognised, as a tremendous amount of work was done to make sure we were able to meet the rigorous criteria and gain the necessary approval and support to allow us to proceed. It is also important to recognise those staff, far greater in number, who continued to work hard to ensure both organisations continued to operate effectively and that performance and quality did not become of secondary importance to the acquisition work.

We were clear from the outset that the integration would take a number of years to complete, and it is important that we do not lose momentum now that much of the detailed work must be undertaken to integrate the two organisations.

The Trust has committed to a full review of its acute services as a matter of priority. The ultimate aim is to improve the way we deliver care for our most acutely ill patients, and by offering more services in community settings and patients' homes we can ensure only those patients who need acute care are in hospital.

This will enable the separation, as far as possible, of acute and elective capacity. The acquisition offers increased opportunity to do this, for example, looking at the potential for providing elective surgery away from the main acute sites, and a reallocation of our bedstock to better cater for the increase in elderly and medical patients. This, coupled with a clear strategy around the use of community sites, should enable us to provide the best services in the right place at the right time.

However these changes can only be effective if all parts of the system fulfil their obligations and share a commitment with us to make improvements throughout health and social care as a whole. This will involve much closer collaboration with a number of partner organisations, including the new Clinical Commissioning Groups, GPs, local authorities and other neighbouring Trusts. We have already begun to build these relationships and work in partnership, and there is a real sense of purpose and ambition to much of this work.

A key component of the acquisition was the commitment to making improvements to the infrastructure of Scarborough Hospital, and funding was secured as part of the acquisition process to enable us to do so. We have already made investment in developments on each of our sites, bringing welcome improvements. A longer-term plan is also taking shape which will help us to deliver our vision for more ambitious development on both the York and Scarborough sites, and we will be reassessing our property needs to determine how we better utilise our resources, and how this can best

be delivered in support of the Trust's priorities around acute care.

These extensive changes are taking place against a backdrop of reorganisation throughout the whole of the health service and indeed the wider public sector, and this will continue to influence our agenda.

We will continue to play our part in this work to ensure we have a say in any changes affecting our services, and we remain committed to the principles underpinning the acquisition, which are to develop safe, sustainable services where patients need them.

The scale and pace of change we have witnessed makes it all the more satisfying to be able to report successes in overall performance.

We were able to deliver on our efficiency targets, and as you will read in this report the Trust balanced its books for the year. However, the financial pressures facing the organisation will continue, and we have an extremely demanding efficiency programme to achieve for 2013/14.

Becoming a single Trust offers greater protection in the challenging financial environment by providing the opportunity for more and better resources, which neither organisation would have enjoyed if we remained as separate entities, and this will help to face the difficult financial environment that lies ahead.

I am also really proud to see that we have continued to perform at a high level and maintain our focus on our top priorities of quality and safety, with significant progress on healthcare acquired infections and work on the deteriorating patient. Our patients continue to give positive feedback of their experiences in all of our hospitals.

These are all positive achievements for which our staff should take full credit. This is only possible, and will only continue, if we instil a shared sense of purpose and common values within the organisation.

The final report on the Mid Staffordshire NHS Foundation Trust Public Inquiry was published in February 2013, and whilst I am confident that the events described throughout this inquiry do not reflect the day-to-day standard of care we provide, the sobering patient and staff stories documented at Mid Staffs are an extreme example of what can happen when staff stop focussing on getting the basics right, and stop treating patients with care, compassion and respect.

As we move forward we must continue to focus on the theme of putting patients first, listening to their concerns, and maintaining high professional standards. This is an area of utmost priority for our organisation and is at the centre of our values as a Trust.

I fully recognise that this can be a challenge, particularly when the Trust is under immense pressure. During these times it is all the more important that we reward our staff and recognise their contribution, and it is fantastic to be able to report that hundreds of nominations have been received during the year for our monthly star award and annual celebration of achievement awards.

I am privileged to be Chief Executive of this organisation, and to work with all our staff on delivering the best care possible for the people of North Yorkshire. There are, as ever, many challenges to be addressed, and this is the nature of the services we provide. We must be ambitious about how we deliver them and the facilities we work out

of, so that we can continue to provide services that deserve the confidence of our patients and their families.

A handwritten signature in black ink, appearing to read "Dinklage". The signature is fluid and cursive, with the first letter being a large, stylized 'D'.

**Chief Executive**  
**29 May 2013**

# Strategy

**2012/13**

## **Strategic approach**

In 2012/13 the Trust's strategic direction comprised four key drivers (the four strategic frames) designed to ensure there was a focus on the Trust's Mission of "being trusted to provide safe, effective healthcare for the communities we serve". These strategic 'frames' provided a focus for the Trust's emerging priorities and objectives, and assist in communication to staff, patients and other stakeholders. They were:

- Improving quality and safety
- Create a culture of continuous improvement
- Develop and enable strong partnerships
- Improving our facilities and protecting the environment

## **Performance against corporate objectives**

### **Improve quality and safety**

#### Shared Haemodialysis Care (SHC) - a partnership programme between patients and dialysis staff

Haemodialysis is a life sustaining treatment administered traditionally by professionals in a healthcare environment. Efficiency in delivering this treatment has been maximised over the years by staff being in complete control resulting in disempowering of patients. However a small group of patients (< 10% of patients receiving haemodialysis) have their treatment at home. They are independent, have control of their care and have better outcomes. We decided that the majority of patients dialysing in our centres should have the opportunity to become active participants in their care if they wish to do so.

SHC is an example of active participation of patients in their own care as a result of:

- A change in the culture of dialysis staff from being providers of care to being educators
- Providing patients tools (patient handbook) and a supportive environment to learn about their condition and its treatment
- Patients making the decision of whether they want to take part in their care and having the freedom to participate in as little or as much of their care as they choose
- The Trust supporting this culture shift and making this vision a reality for independent patients by planning (and providing) for self care dialysis units in Harrogate, York and Selby.

Below is a letter the Trust received from a patient benefiting from the service.

*"Shared Haemodialysis Care is radically improving health outcomes for kidney patients in Yorkshire and the Humber. Thanks to an innovative project developed in conjunction with patients from across our region and sponsored by The Health Foundation and NHS Kidney Care, 90% of 1800 patients are now actively participating in their own*

*haemodialysis treatment.*

*When first faced with the knowledge that I myself required dialysis treatment I willingly relinquished my independence and became fully reliant on the expertise of renal consultants and dialysis specialist nurses.*

*The buzz of Shared Haemodialysis Care on the unit encouraged greater engagement with nurses and support staff and once better informed I realised I could take on more responsibility for my care. Being careful with my diet had a positive effect on my blood results, not only demonstrating the influence I could have on my own health but also giving me an improved sense of well-being. As my confidence developed, my husband and I then prepared for home haemodialysis and a few months later with all I had gained from taking part in Shared Haemodialysis Care, was able to leave the hospital setting and continue my dialysis treatment at home.*

*Shared Haemodialysis Care is changing the culture of dialysis treatment across Yorkshire and the Humber Region. My hope is that this care model will not only continue to grow but will actually spread across the whole of Britain.”*

### Home Oxygen Therapy Service

In October 2012, in partnership with North Yorkshire and York PCT, the Trust developed a home oxygen therapy service which is run by the Scarborough Respiratory Nursing team. The purpose of the service is to assess patients with Chronic Obstructive Pulmonary Disease (COPD) within their own homes in order to understand their oxygen requirements and tailor their treatments accordingly. This has enabled patients that often have very distressing symptoms to be seen within the comfort of their own home and avoid the trauma of having to travel to the hospital for their assessments.

### Oxygen Alert Cards

Some patients with chronic obstructive pulmonary disease (COPD) including chronic bronchitis and emphysema or other long-term chest conditions can become sensitive to medium or high doses of oxygen. This does not happen to everyone with these conditions, only a small number, therefore if oxygen is needed by these patients; it is given in a controlled way and monitored carefully. Oxygen alert cards can avoid hypercapnic respiratory failure by alerting healthcare professionals that patients are sensitive to oxygen. It acts in the same way as a diabetic warning bracelet.

Scarborough Hospital started to issue alert cards to at risk COPD patients in January 2013.

### Eye Department way finding

After a long period of time and a lot of work, the eye department is soon to have its new way finding system put in place.

The Deputy Directorate Manager led the group responsible for developing an improved design and system of way finding on the ground floor of the eye department. The aim was to make negotiating the department easier for all patients, with special consideration for the visually impaired people.

The people involved have included the patients on the Patient Partnership Group, and

key members of staff. We received feedback on the appropriate locations for placing the signs.

The system is based on bright colours and distinctive letters to distinguish the different areas. The colours themselves were selected by patients for their contrasting qualities; the letters are the same we currently use (A, B, C, D).

Each area will have an 'accent wall' - one that is painted in the relevant colour for the area, on which a large metal letter will be fixed to denote the area as you approach.

The letters guiding people to the different areas will be in a circle of the relevant colour with the letter in white in the middle and a coloured arrow. We have carefully selected where these need to be positioned, many of these signs will be in the same place as existing way finding signs, but there will be more used. They will look more professional than the laminated signs that we currently.

### ThinkGlucose

This year the diabetes team has continued to drive forward the ThinkGlucose initiative which aims to improve the care of people with diabetes in hospitals improving safety, patient experience and efficiency. Many people from various departments have worked together to introduce innovative practices that are already having measurable effects on glucose monitoring, insulin prescribing, staff education and patient comfort.

The project has received strong backing from clinical staff and the executive team. Through a series of productive meetings the diabetes team have advanced plans for working more closely with those delivering community based diabetes care. In the year ahead, we expect this to result in initiatives that will improve the quality of care experienced by more than 12,000 local people with the condition. This year we have also begun the process of working more closely with our colleagues at Scarborough Hospital. Plans are in place to share best practice in the areas of community care and patient education.

### Hospital food

At the end of 2010/11, a market testing exercise was undertaken and the York Hospital in house catering team which included dietetics and finance were successful in winning the bid to provide catering services to patients and staff.

Some of the patient service improvements that are being made are

- Meals produced on site in a refurbished central production unit
- Modified ward kitchens refitted to enable the heating up of patient's hot meals at ward level
- Introduction of an a la carte style menu, offering a wide range of dishes on a daily basis

### *The new patient menu*

In York Hospital, good nutrition and hydration is considered integral to the successful recovery of patients. This starts with a patient focussed menu.

This new patient focussed menu will be introduced when the refurbishment work is complete.

## *Flexibility*

- The flexible capacity of the menu meets the therapeutic and cultural needs of patients
- Its flexibility makes it a very patient centred menu
- The new menu will provide the flexibility to change menu dishes quarterly to coincide with fresh, seasonal foods and trends.
- A la carte modified texture menus
- A la carte gluten free menus
- Halal, Kosher and other individual diets are provided to meet the patient's individual requirements.

The flexibility of the menu also enables patients to choose:

- The type of meal they wish to eat i.e. main or snack meal
- The combination of foods they wish to eat

The programme of upgrading the ward kitchens is now complete. The upgrade has allowed the regeneration of patient meals to take place at ward level, improving the quality and temperature of food when served to the patient. This in turn will lead to improved patient satisfaction

The remaining work to refurbish the main food production area (Central Production Unit) and staff restaurant will be completed by autumn of this year.

Working together, we are committed to providing a quality, flexible and sustainable service which will provide a patient centred catering service that meets the needs of all patients, staff and visitors

## Patient Led Assessments of the Care Environment - PLACE

In January 2012, the Prime Minister announced that the existing Patient Environment Action Team (PEAT) programme would be replaced by a new patient-led inspection programme.

The new programme will be known as PLACE (Patient-Led Assessment of the Care Environment).

The term 'Patient Led' does not imply that patients will be charged with delivering the process but it will require that they are involved in all aspects of the design and delivery of the replacement inspection programme.

A pilot of the new process was planned and York Teaching Hospital NHS Foundation Trust's application to take part in the pilot was successful.

The pilot was undertaken in October 2012 on the York Hospital site with results fed back to The Health and Social Care Information Centre (HSCIC).

Several training sessions have been delivered to patient assessors and Governors to ensure that they are fully prepared for the commencement of the assessments; a requirement is that the inspection teams have at least 50% of patient representation.

The assessment period runs from 8 April to 21 June 2013 with the publication of the preliminary results in July 2013, final results publication is scheduled for September 2013. Scoring will be reported in four separate domains – cleanliness, food, privacy and dignity and general maintenance/décor.

All areas will have where necessary action plans that set out how the Trust expects to improve their services before the next assessment. The Trust will be required to publish their results on the Trust website.

### Learning from patient feedback

We aim to ensure we are making best use of all the patient experience information we have by sharing it with the staff who are best placed to understand what matters most to their patients, who can translate the learning into practice and make a difference to patient experience in their area.

Guidance and individual training is provided by the Patient Experience team for all staff who undertake complaint investigations. The team also deliver more general patient experience training as part of the Junior Doctors Trust induction.

The Lead Nurse delivers training focussing on patient experience, professional values and compassionate care for new staff nurses and health care assistants as part of the Trust's induction programme.

Bespoke training has been delivered for individual wards in response to patient feedback.

A session is delivered on the 'It's My Ward Clinical Leadership Programme', which incorporates building complaint and compliment feedback into everyday practice.

The Patient Experience team also contribute to the Trust's values based recruitment.

### 15 Step Challenge

We are working with our Trust governors in our 15 Step Challenge. We want to understand patients' and carers' first impressions of our ward areas. Do they build trust and confidence in the care provided? What could be improved? What is working well and we should do more of?

The 15 Step Challenge is a toolkit to help staff, patients and others to work together to identify improvements that can be made to enhance the patient experience. The governors visit the ward and take note of their first impressions. The idea is to see the ward through a patient's eyes. The governors then record their impressions and these are subsequently shared with the ward team. Feedback focuses on good practice to share, and areas for improvement.

## Volunteers

The Trust has continued its structured programme around the recruitment and deployment of volunteers across the Trust and in line with our objective the Trust has now increased the number of dining companions to 30, working across 14 inpatient wards, helping to improve the patient experience. In recognition of this work, the Trust won the Healthcare People Management Association (HPMA) Innovation in Human Resources (HR) award in 2012.

## Recruitment of Healthcare Assistants

In March 2010, a values based recruitment project was introduced to review the way in which Health Care Assistants (HCAs) were recruited to the Trust. This process focuses on values and motives rather than experience and qualifications. The system is being introduced in Scarborough, so that there is a whole organisational approach to recruitment. The project has seen an increased number in appointable candidates at Scarborough. This has enabled more candidates who are not offered posts, but who are appointable, to join the Nurse Bank. This project won a HSJ award in November 2012.

The Workforce Performance Improvement Meetings have been rolled out to the Community and Scarborough Directorates and we have also seen an increase of 25% in the number of appraisals that have been completed in the last 6 months.

## Medicines Management

During the year the medicines management team have been taking steps to improve the discharge process. Actions taken include tightening procedures to ensure the correct medicines are given out on discharge and development of an all day discharge team that has improved turnaround times. An electronic discharge checklist to be used by nursing staff has been developed and successfully piloted. The checklist ensures that key aspects of the patients' care have been considered prior to transfer.

Steps have been taken to ensure that critical medicines e.g. antibiotics, Parkinson's medicines are available when required by patients. Stock holdings have been updated and wards have been issued with information regarding locations of medicines so they are aware of the process to follow out of hours.

A policy to allow patients to administer their own medications has been approved and is to be introduced over the next year.

The team have been working with the Think Glucose Team to improve access to insulin and improve prescribing across the organisation.

An agreed process has been put in place to improve patient access to certain painkillers on the wards; this has shown to increase patient satisfaction.

A new dedicated clinical trial dispensing area and investment at Scarborough site has improved access for patients.

A standardised prescription chart has been rolled out across the whole organisation with built in patient safety measures.

Several schemes have been developed in order to improve patient choice including the

provision of certain medicines e.g. chemotherapy, in the patient's home and the introduction of new drugs that reduce the number of visits the patient has to make to hospital.

### Simulated learning developments

The Hull and York Medical School (HYMS) clinical skills programme has significantly changed over the last year. Many skills have been brought forward in the curriculum to allow the students extra time to perfect fundamental skills. A “simulation safe” element is now embedded whereby the students are initially taught the skills and are then timetabled to return and undertake a simulated assessment in the laboratory setting before practicing the skills in the clinical areas under supervision.

The simulation mannequin SimMan 3G has proved to be a valuable teaching resource for the year 5 students. In conjunction with the HYMS clinical skills team, Dr Colin Jones facilitates regular sessions focusing on medical emergencies and Dr Jonathan Dille provides sessions focusing on the deteriorating patient. Additionally HYMS year 3 cardiology students, supported by Dr Alex Simms, use SimMan 3G to facilitate their learning.

A clinical skills and simulation training group has been set up as a focus for the different types and levels of training activity already occurring within York and Scarborough. In the future this will be pivotal in developing new multidisciplinary training, for the full spectrum of clinical trainees from undergraduate through to senior postgraduate, internal and external.

### Clinical Development team

The Clinical Development team has been supporting the development of skills across the whole Trust. A detailed training needs analysis was undertaken for community based staff to identify where to target training interventions. This has resulted in a plan to offer place based training for community based staff increasing their access to clinical skills training.

### Resuscitation team

The Resuscitation team have integrated across the organisation and have increased their provision of training to all staff groups. Over the last year they have increasingly focused on supporting staff to recognise the deteriorating patient and have contributed in training and practice guidance to ensure we have embedded the use of early identification of patients at risk. This has reduced the number of cardiac arrest calls and improved patient safety.

## **Create a culture of continuous improvement**

### Friends and Family Test

The Friends and Family Test is an opportunity to help understand and improve the patient experience, and complements what we already do in relation to finding out and acting upon, what our patients think about us.

From 1 April 2013, eligible patients have the opportunity to respond to a simple question: “How likely are you to recommend our ward/A&E department to friends and

family if they needed similar care or treatment?”

The test currently applies to all acute patients who have a stay of at least one night in hospital. People attending emergency departments but who are not admitted to hospital are also included. Patient groups that are currently excluded from the survey are maternity, paediatrics, outpatients and community services, although in time it is expected that all of these areas will become part of the test, with maternity being included from October 2013.

We have chosen to use an A5 card and an online survey. Patients are given the card on the day of discharge or at the point of discharge and can complete the card at the point of discharge or within 48 hours of leaving the hospital. Relatives or carers are able to complete the card on behalf of the patient if they are unable to do so.

“Post boxes” are available for patients to return their cards in all wards, in the main entrance at Scarborough Hospital, the main and south entrances at York Hospital and the discharge lounges on both sites.

### Introduction of Clinical Strategic Leads

As part of the acquisition process, the Board recognised that there should be a focus on maintaining strategic considerations. As a result the Trust introduced the Strategic Integration Group (SIG) and included 8 clinical strategic leads in the membership. These clinical strategic leads are senior clinicians working for the Trust who have significant experience of the NHS and expertise across specialties. The Clinical Strategic Leads are critical in sourcing and enabling a breadth of views and considerations on issues, such as, changing workforce, alternative service models, integration issues and partnership development. This helps the Executive Directors of the Trust to ensure they are developing the right services in the right way for the communities the Trust serves.

### Medical Device Equipment Coordinator

The newly formed Medical Device Training team have made improvements to the Medical Device Training Matrix. These alterations were developed because of feedback from the clinical areas. Part of the upgrade should help managers track and record their staffs training requirements more effectively. Data is currently being transferred to the new matrix and managers are being informed of the changes. Feedback on the new system so far has been favourable.

Medical Device Awareness will now be a key part of the Statutory & Mandatory training programme. This will ensure that all clinical staff understand their responsibilities, training requirements and current processes when using appropriate medical devices for their specific job role. There is also an e-learning package being developed that will be used as an alternative to face-to-face training for staff if required. An online package has also been developed for Junior Doctor Induction training, and consultant update training. This package is having further development to make it more interactive.

Infusion Device training is now part of the Band 5 induction programme ensuring new starters are adequately trained before entering the workplace. It is also a key session on the Maternity Department’s Statutory & Mandatory Training week to ensure that Midwives have the relevant updates they require in this area. There is also an e-learning package being developed which will be used as part of a blended learning

approach for staff training.

### Reward & Recognition

Through engaging and listening to staff we have developed an extensive voluntary staff benefits package. Staff can make a personal preference as to whether they utilise the benefits. The voluntary benefits package has been introduced at zero cost to the Trust. The Trust in June 2012 won the national HPMA 2012 award for its work around reward and recognition.

Linked to the acquisition of Scarborough and North East Yorkshire Healthcare NHS Trust (SNEY) work has been undertaken to introduce a similar voluntary benefits package at Scarborough and the East Coast, which was launched to staff in October 2012.

The Trust has a well developed staff recognition process which incorporates a monthly 'star' award, annual Celebration of Achievement event and a number of long service awards. The recognition processes were integrated in 2012 and introduced to Scarborough and the East Coast.

### Personal Responsibility Frameworks

In July 2012, the Trust launched a personal responsibility framework. This is intended to support staff to identify improvements and be able to action them within their own sphere of practice. We are encouraging staff to lead themselves and as such increase our responsiveness as a Trust to each other and the patients we serve. We are committed to supporting staff to feel empowered and enabled to make a difference. The personal responsibility framework gives further support for staff to identify ways to be more influential in taking responsibility for their own work and interactions with colleagues, patients and carers.

### Applied Learning and Research Annual Report 2012-13

The Applied Learning and Research (ALAR) Directorate is responsible for providing support for staff in all elements of enquiry, education and training, learning and development. The Directorate is lead by Dr Jonny Thow as Clinical Strategic Lead for education and research and Mrs Sue Holden as Director Lead. A number of teams contribute to the Directorate, all with a clear focus on enabling the organisation to have staff that are able to work in a rapidly changing NHS environment. A significant amount of work has been undertaken across the Directorate to ensure that all staff can access training, learning and organisational development support.

The Directorate has responded positively to the challenge that the increased size of the organisation brings. There has been an integration team who have led on supporting staff to develop work plans to ensure we move progressively forward with our integration agenda, at all times ensuring that we build on success. In December 2012, we undertook a corporate re-structure to align improvement interventions with the Integrated Business Plan submitted as part of our acquisition process. The development of a corporate improvement resource will allow the organisation to deploy resources to the most critical patient pathway issues and increase our efficiency and effectiveness.

The Directorate has grown and now provides business intelligence to inform strategic planning through co-ordinating all of the information regarding integration progress and

mapping this against emerging commissioning priorities and national guidance. The development of a corporate improvement team will provide assurance going forward that we focus our improvement activity in areas where there is tangible patient benefit, increased safety and efficiency as well as achieving quality outcomes.

In advance of the Francis report, the Trust identified that there was a need to focus on providing ward sisters with development and redefinition of their roles. In September 2012 following an independent listening exercise with ward sisters, matrons and clinical directors a bespoke programme of development was commenced where all ward sisters would be given the opportunity to have a shared experience and understanding of their crucial role in advocating for patients. This programme will run until July 2013. It has been reassuring to know that the recommendations identified by the Francis report were already being addressed by this developmental approach.

Following on from previous work we also launched a 'personal responsibility framework' for all staff across the organisational to understand how they personally contribute to excellent patient care. This was developed through the work of the Organisational Development and Improvement Learning team and is used to underpin all organisational development activity. Critically the framework enables staff to actively improve areas they see need improvement. This framework also underpins all of our educational programmes for all staff.

The Directorate has successfully been accredited by the quality framework for libraries and has enabled Scarborough Hospital to benefit from clinical librarian interventions.

#### Health Library and Knowledge services

The library service is now fully integrated across the whole organisation with a single management and staffing structure. This has provided several benefits;

- A joint library management system
- A selection of print journals at each library and access to a wider range of electronic journals across the whole Trust area
- Book stock has been reviewed and updated at each site
- An integrated document delivery service

To reflect the need for staff to access resources anywhere in the Trust the library is currently trialing the Ebsco discovery service. The library has named it OneSearch as it is a method of searching all of the library content plus various databases and full text journals.

The library team have been involved in a number of marketing events such as the Trust Open Day, Corporate Induction, Junior Doctor Induction and HYMS@TEN.

The Clinical Librarian team have worked successfully with a range of departments, providing the evidence base around antimicrobial and mechanical VTE prophylaxis. Initiatives to support improvement work and the New Procedures Committee are expected to develop further in the coming year. The number and complexity of literature searches has increased, more than trebling since 2010. The impact of these searches has included changing aspects of patient care, influencing service development and supporting trials in the Trust. Demand for training sessions has also increased significantly year on year and this is expected to continue with the demand from newly integrated parts of the organisation.

## Postgraduate Medical Education

Over the last twelve months the Postgraduate Team has been restructured to support the Trust merger. We have jointly worked on developing a standardised new doctor's induction and introduced a Trust local induction handbook. We worked with the Junior Doctors Forum to develop a 'Survival Guide' for new trainees and a trainee handbook for Handover and Hospital at Night. We worked together to introduce the new Foundation Year 1(FY1) four day induction which included an opportunity for FY1s to shadow outgoing colleagues, clinical skills assessments and a new course focusing on the deteriorating patient. We mapped training to the new Foundation Curriculum. A new policy was developed to ensure that all trainees had named Clinical Supervisors; multi-professional Clinical Supervision Groups were formed, which was highlighted as notable practice by the Deanery.

We were successful in bidding for additional funding to refurbish the centres, upgrade AV technologies and purchase equipment to support innovative clinical skills activity. This in part has contributed to being awarded the NHS Yorkshire and Humber Quality Assurance Standard.

We worked cooperatively to launch new training programmes including the new Regional Core Surgical Teaching Programme, the SAS Doctors programme, piloting Electronic Tools of the Trade Training (EToTT) (assessment guidance), Enhanced Appraisal for Revalidation, and rolled out Supporting Doctors in Scarborough. In response to changes in the Physicians Curriculum we will be participating in new Core Physicians Regional Programme, and the Paediatrics Simulation programme.

We have integrated new online technologies to enhance Clinical Induction and Resuscitation Training and we are developing a joint website for Postgraduate Trainees.

## Professional Standards Team

During 2012-13, the HR directorate established a Professional Standards team to manage the performance, health and conduct concerns relating to medical and dental staff to meet the requirements for GMC revalidation and strengthen assurance to the Board on the management of such complex cases.

In line with GMC requirements, all medical staff who are employed by Trust and who were due to be revalidated by the General Medical Council by 31 March 2013 have had successful recommendations to the GMC made by the Trust's Responsible Officer.

## **Develop and enable stronger partnerships**

### Health & Wellbeing

Over the past four years, the Trust's focus has been on reducing sickness absence by ensuring early intervention measures are in place to effectively manage sickness absence. The initiatives implemented have delivered excellent results and this area continues to be a focus for the Trust. In Scarborough over the last 9 months, and as a result of the introduction of the sickness management processes, there has been a reduction of 40% in the annual absence and long term sickness rates. The initiative and measures were recognised nationally in 2012 when the Trust won the Nursing Times award for Excellence in supporting staff and wellbeing.

Maintaining and improving the health and wellbeing of our staff is a key priority for the Trust. In March 2013 a new staff Health, Wellbeing and Engagement Strategy was agreed. This strategy recognises that managing staff health and wellbeing is much broader than the traditional parameters of sickness absence management. The strategy identifies that there are many factors that impact on health and wellbeing, including factors such as lifestyle choices, reward, recognition, staff engagement and the environment.

### Apprentice schemes

The Trust has continued to support the apprentice schemes and the Trust has recruited a further 20 apprentices during the last 12 months.

One of our existing apprentices, Joe Brockway, was one of the finalists for the Yorkshire & Humber Region apprentice of the Year awards. He was “highly commended” in the Estates category.

Working in partnership and as part of an important collaboration with the art and design projects, listed below are some examples of the work that has been completed:

- **Local Galleries** - important and very generous collaborations with local Art Galleries – New School House, Blake Gallery, Bar Lane and According to MacGee
- **Ipad Project** - working on an Arts Council bid to teach dementia patients how to use creative programmes on iPads
- **The Grand Tour** - a collaboration with York University, the Grand Tour and Science City gave the hospital two very large colourful graphics on the main corridor, one has since been donated on a permanent basis to the post graduate department
- **Station Stories** - a collaboration with the National Railway Museum
- **York Museums Trust** - and the Arts in York Hospital are entering into a more formal relationship which will enable many exciting and productive projects
- **York Stories** - as part of York 800, the City of York Council (CoYC) are running the project York Stories, collecting stories from residents of the City. In February and March 2013 the story writer Catherine Heinemeyer is working with members of staff in the hospital. This is being funded by CoYC
- **York St John University** - musicians from the university continue to support the music program in the Hospital. Collaborations with the arts faculty continue with potential art and design projects
- **University of York** - music students from the Community Music Masters course continue to support the hospital’s music programme
- **Barlby High School** - is leading collaboration with two other schools in York and Selby areas to create art work for the hospitals

### Working with the Unions and other consultative groups

The HR directorate has successfully completed a reconfiguration of staff engagement forums following integration with Scarborough. This has included the merging of consultative forums and introducing an employment policy group. The group has considered and approved 29 Human Resources policies in the last 12 months. The Trust continues to pro-actively engage with our consultative forums and has worked closely with the Unions during the integration to ensure transparency and effective relationships during this time.

## Medical Engineering

The Scarborough and York Medical Engineering teams are collaborating and moving towards working as one department. Work is underway to harmonise working practices across the Trust with the aim of extending York's ISO9001:2008 accreditation to include Scarborough. As a key step towards this the equipment management software used at York is being rolled out to Scarborough and will be operational in April 2013..

Collaboration between the main sites continues with the creation and amalgamation of the Water Safety, Environmental Safety, Electrical safety, Decontamination and Medical Gas Groups. All of our policies are being reviewed so that we have single Trust-wide policies in future.

In York our Senior Managers have also met with our York St Johns University counterparts to discuss potential savings opportunities, for example sharing services or utilising economies of scale by combining contracts. We will hear more about these in the near future.

## Organisational Development and Improvement Learning team (ODIL)

The ODIL team has actively targeted support interventions to enable greater team working and delivery of integration. A significant piece of work involved facilitating the listening exercise to support the development of 'It's My Ward'. This programme is designed specifically to support ward sisters to become more effective in their management and advocacy of patients. This will include every ward sister across the entire Trust undertaking a three module programme where they develop an evidence portfolio to support their achievement of stated competencies. A unique feature of the programme has been the involvement of governors in providing '15 steps' insights to ward sisters on how people on a first visit experience the ward environment.

In addition, ODIL have continued their collaboration with the Joseph Rowntree Foundation in developing coaching capability. This is part of a three year partnership agreement which will see both organisations sharing learning opportunities. We have also worked closely with York Council and Strensall Hospital Barracks, opening up places for shared leadership development across organisational boundaries, in keeping with our strategic aim of developing meaningful partnerships which benefit our communities.

## Hull and York Medical School (HYMS) team

2013 marks the 10th anniversary of the admission of the first cohort of medical students into the HYMS; a project that the Trust has been part of since it's inception. This significant milestone is being marked with a variety of events and charitable objectives to mark this project contributing over 700 doctors to the national workforce many of whom are working locally.

In 2012/13, the Trust has successfully delivered end of year clinical placement examinations for students in years 2, 4 and 5, teaching and assessment throughout the year incorporating the additional 'bulge' year student numbers and received good feedback on it's contributions to the HYMS project.

The year has also seen significant changes to the local HYMS senior management structure across Scarborough and York; this has been driven partly by the merger

between the two Trusts and partly to deliver a structure 'fit for purpose' going forward.

Additionally the emerging strategy of the new HYMS senior education leadership team at the medical school is also taking shape and the Trust is responding and contributing where appropriate.

The Medical School has also embarked on a full review of the curriculum across primary and secondary care which the Trust and the local General Practice community will be contributing to.

## **Improve our facilities and protect the environment**

### The Arts team

The Arts team have worked on a number of projects to improve the environment including: murals for the children's clinical rooms in the Emergency Department, the design of a colours scheme and art work for the new rooms for Cystic Fibrosis, the installation of historic stained glass pieces in the Chapel conserved by York Glaziers Trust and the redesign of the windows around the new pieces.

A number of major pieces have been installed including the large and beautiful mosaic trees created by the patients in the Renal department led by artist Lesley Seeger. These pieces include a bronze sculpture of a turkey hen by internationally renowned artist Sally Arnup installed in the Nightingale Courtyard (on a long term loan from the artist), the installation of a series of prints and decoration to the ceiling and walls of Selby Dental Unit, graphic wall art decoration in Selby physiotherapy gymnasium, the installation of sculptures and an interpretive panel creating a woodland wander path outside the Selby Hospital.

### Energy Management

2012/13 has proved to be a challenging year for energy and water management at the Trust. In July 2012, the Trust took over Scarborough and North East Yorkshire Healthcare NHS Trust. The take over involved the migration of 38 electricity supplies, 43 gas supplies and 35 water supplies. All supplies and associated supplier contracts have been transferred to the Trust and all supplier payments are up to date.

In addition, 2012/13 has been an exceptionally cold year, significantly colder than 2011/12 and significantly colder than the 20 year average.

The demands for electricity usage were also increased when an additional MRI machine was added at York Hospital.

2012/13 Energy and water costs are:

- |                    |                    |
|--------------------|--------------------|
| • Electricity      | £1.38M             |
| • Gas              | £1.07M             |
| • Water            | £257K              |
| • Carbon Emissions | 13,586 tonnes CO2e |

Note: The above information will be subject to final end of year invoice validation. Scarborough and North East Yorkshire Healthcare NHS Trust is not included.

Based on weather corrected gas usage at York Hospital, the actual consumption was 4.3% lower than predicted consumption, a reward for investment in existing control systems.

The Trust is covered by the environmental legislation Carbon Reduction Commitment – Energy Efficiency Scheme and the annual league tables covering 2011/12 were published in January 2013. The carbon emission tables show a significant improvement on 2011/12, a further reward for investment in existing controls systems.

During 2012/13, a programme of installing SMART AMR meters to all electricity and gas supplies has been rolled out and substantially completed. Together with the development of electronic data collection technologies, further contributions to energy monitoring and control are being developed.

2013/14 presents the Trust with further challenges as properties from North Yorkshire and York Primary Care Trust are adopted.

Next year energy and water costs for the Trust are predicted to be around £5.7M, including carbon emission costs under CRC. Annual carbon emissions are predicted to be around 21,000 tonnes.

### Estates

The Estates Department have made significant investment and improvements in the Trust's infrastructure, reducing the backlog maintenance. This complies with many of the Trust's core values but specifically "Improve our facilities and protect the environment ". Some projects that are currently underway and completed this year are:

- **Phase 3 of the lift replacement programme** - this project not only improves our buildings but aids patient flows and because they are more energy efficient reduces our carbon impact and utility costs
- **Upgraded Pathology Electrical Distribution Panel** - the old panel was obsolete and non compliant with current legislation and standards. Again this supports our core values i.e. Improved quality and safety and improve our facilities
- **Replaced neuroscience roof** - the flat roof was leaking and did not aid patient recovery which following its replacement has significantly improved the quality and safety of the environment
- **Upgraded the Pneumatic Tube system** -the system was running at 120% capacity and experiencing severe reliability issues. This is now operating at 40% with significantly improved speeds. Samples sent to the labs are now processed more efficiently and patient waiting times reduced
- **Replaced the medical vacuum plant** - this was regularly failing and was not compliant with current guidelines (Health Tech Memorandum HTM's)
- **Ward kitchen refurbishment** - significantly improves the ward kitchen environment has been completed during the year. These improvements improve infection control standards, the refurbishment included introducing easily cleaned surfaces, sloping cupboard tops which also inhibits high level storage and

prevents health and safety breaches, new dishwashers, fridges and waste disposal

### Facilities

Facilities are progressing well with the refurbishment of the Mallard restaurant and production kitchen. Works is to start in the very near future. This significantly improves our facilities and the environment. To read more about this refer to the Hospital Food report in the Improve our Quality and Safety section.

On 9 March 2013 York Hospital reported 365 days without hospital acquired MRSA infection. This is a credit to our staff and particularly our domestic teams. A full review of the domestic services is being carried out.

The Environment Health Department visited the Scarborough catering facilities and received a 5 star rating for the first time. This is a great achievement for our catering teams hard work and efforts.

### Security

A small team of security staff was introduced at Scarborough Hospital in December 2012. Patients and visitors are seeing the benefits of a security team being in place at the hospital and the team has already received praise from nurses and doctors who have stated the environment feels more comfortable and they are more confident with the enhanced level of security provided.

Confirmed figures for the period April 2012 to March 2013 are not yet available from North Yorkshire Police. However returns verified for December 2012 to January 2013 show the following:

- There was a 5% increase across all areas of criminal activity and violent conduct on the York Hospital site in this 12 month period compared with 2011/2012
- The activities of opportunist thieves account for the largest number of crimes recorded, with unattended handbags, coats and jackets being the most popular targets
- It should be mentioned though that even with an increase in this type of offence the number of thefts recorded this year is the second lowest number recorded in the last eight years
- Similarly the total number of crimes and incidents of violent conduct show the second lowest total in the past eight years
- Incidents involving drug dealing have been reduced by nearly half and incidents of burglary are at their lowest level in eight years
- The security and car parking patrol team have actively intervened to prevent two people from committing suicide on site.

### Post room

From January 2013 postal services at Bridlington and Scarborough Hospitals were

aligned with the York contract, enabling us to enjoy a reduced rate of postage costs which contributes to the directorate's savings plan.

## **Integration of Scarborough and North East Yorkshire Healthcare NHS Trust into York Teaching Hospital NHS Foundation Trust**

York Teaching Hospital NHS Foundation Trust entered into the acquisition of Scarborough and North East Yorkshire Healthcare NHS Trust with the belief that it would bring benefits for both staff and patients, strengthen clinical services and enable long-term financial viability, ensuring a future for hospitals in Scarborough and the surrounding districts. The acquisition was completed in July 2012.

These principles have driven the acquisition, with the key aim of delivering the most comprehensive set of sustainable, quality services as close to patients' homes as possible.

The long phase of preparation leading up to the technical acquisition was underpinned by the agreement of the two organisations to work together on integration planning. York Trust provided support into Scarborough, particularly in relation to the quality and safety agenda, performance management, organisational development and efficiency.

Opportunities were also taken to develop certain areas under a clinical alliance (for example breast services), and this, together with starting formal integration support in January 2012, has enabled the organisation to make a smoother transition into the integration phase of the programme.

The pace of change has enabled an earlier than anticipated move from two locality-based Executive Boards to a single Executive Board from February 2013, and some directorates will move to single management structures earlier than anticipated (for example Specialist Medicine, Obstetrics and Gynaecology and Paediatrics).

The Integration Programme has been underpinned by work on values and the launch of the Personal Responsibility Framework to support the development of a single organisational culture. This framework outlines the values and behaviours the Trust expects to see demonstrated in the new organisation by all individuals, and is in turn reinforced and embedded in the policies, processes, procedures and environment of the organisation.

Clinical management teams have embraced the challenge of integration with professionalism, showing real commitment to providing equitable care to all patients across the enlarged organisation.

There are obvious challenges for new teams working together across such a large geographical area and with current differences in service provision, however, staff involved are showing vision and real innovation in planning how services can be developed and delivered whilst maintaining operational delivery and performance.

The Trust recognises that organisations face risks at this point in time following a merger or acquisition, and has been planning and taking steps to develop frameworks for managing these risks as we move from the integration phase to setting a clear direction to move services towards a specific endpoint that the Trust is designing.

There has been a change in focus from integration to developing a strategic direction for

clinical services, and a Strategic Integration Group was established to give a greater clinical focus to this direction. This includes the emerging work from the North Yorkshire and York Clinical Services Review that has been undertaken on behalf of commissioners and providers in North Yorkshire to agree and prioritise plans in support of the North Yorkshire Review and to ensure that new clinical service models are safe and effective. It will also eliminate reliance on financial subsidy, which will necessitate a step-change to ensure the Trust is able to continue to deliver its efficiency programme.

The work carried out prior to the acquisition identified a number of potential issues, and as expected these have been emerging as the process continues. The Trust committed to a five year timetable for completing the integration, in part because of recognition that some of these issues will take time to resolve, and that in some areas it is likely that performance may dip before it improves. Nonetheless, these risks are being managed operationally, and overall the organisation is ahead of where it expected to be at six months post acquisition.

There has been significant progress over the last six months with the integration of corporate and clinical services. The rate of progress has been assisted by the preparatory work undertaken prior to the formal acquisition and as a result, several of the corporate functions are now operating single teams and processes. The iterative nature of the clinical programme has enabled earlier than anticipated opportunities to accelerate the speed of integrated directorate management arrangements towards a single management structure.

Integration has provided the opportunity and stimulus to review practices across the enlarged organisation and as a result there is emergent evidence of improvements in governance, efficiency and productivity through the standardisation of systems and processes. Teams across the enlarged organisation have shared examples of good practice, which are being adopted across integrated services.

The Trust has been successful in recruiting senior clinicians to the Clinical Strategic Leads role. These individuals will form part of the Strategic Integration Group. This group supports the organisation develop new and more transformational models of care and further clinical alliances. Their role will be fundamental to leading and challenging clinical teams to effect real cultural change.

The Trust has already improved alliances with other centres, notably Hull and East Yorkshire Hospitals NHS Trust and North Yorkshire County Council. The relationship with Harrogate and District NHS Foundation Trust has also been strengthened.

The NHS reforms and transfer to GP commissioning has created some uncertainty about commissioning intentions. The Trust worked with two main commissioners during 2012/13; however, from 1 April 2013 this changed and the Trust is now working with a number of main Clinical Commissioning Groups and eight other commissioners in relation to selected services. This is posing some difficulty in planning single integrated clinical services. The impact of the North Yorkshire Review and the subsequent North Yorkshire and York Clinical Services Review, together with the underlying financial deficit for commissioners will necessitate increased pace and earlier transformational change of some key clinical services. On occasions these external drivers are perceived as the consequences of integration, which necessitates the need for on-going and highly effective communications.

This is the start of the integration journey and it will take time for the well established governance processes to be fully embedded across the enlarged organisation.

However, robust risk assessment prior to acquisition has meant that there have been 'no surprises' as standardised governance processes are being implemented. The Trust is already making early progress towards the goal of a clinical mass for service sustainability across all clinical services.

## **Strategy for 2013/14**

The vision for 2013/14 for the enlarged organisation is 'To be a healthcare organisation that is recognised locally and nationally as delivering outstanding clinical services that meet the needs of its varied population and supports services that matter to patients'. Significant for the future of the organisation is the need to understand and address the general and locality-specific health needs of the community the Trust will serve.

The strategy for the Trust has been determined by consideration of the context within which the enlarged organisation will work. In 2013/14, the Trust's strategic direction will continue to be comprised of four key drivers (the four strategic frames). The frames were reviewed as part of the acquisition process and have been designed to ensure there was a focus on the Trust's Mission of 'To be trusted to deliver safe, effective and sustainable healthcare within our communities.' These strategic 'frames' provided a focus for the Trust's emerging priorities and objectives, and assist in communication to staff, patients and other stakeholders. They are:

- Improving quality and safety
- Create a culture of continuous improvement
- Develop and enable strong partnerships
- Improving our facilities and protecting the environment

Nationally, the NHS has seen significant change in the commissioning landscape during the last year. The Board of Directors has embraced this dynamic and is working closely with the local CCGs, Councils and other strategic partners to ensure there is a supportive environment for collaborative and alliance working wherever that is possible.

### 2013/14 financial outlook and principal risks

The national economic situation has led to the NHS being faced with the prospect of the most financially difficult times it has known, with the prospect of real terms reduction in income over the next three financial years, even though demand for services and patients' expectations continue to increase.

2013/14 represents the first full year for the enlarged organisation following the acquisition of the former Scarborough & North East Yorkshire Healthcare NHS Trust. 2013/14 marks the first year for the structural changes to the NHS, and with it introduces new organisations with differing commissioning responsibilities. The Trust's plans will be underpinned by contracts with these new commissioning organisations CCGs, Local Authorities and the NHS Commissioning Board.

To coincide with the revised commissioning arrangements, a new NHS national standard contract and a new national public health contract for contracts with local authorities has been introduced

The main local commissioners that we contract with remain financially challenged, and are under significant pressure to set and deliver affordable financial plans in 2013/14.

Looking internally, the principal financial risk relates to delivering the resource management agenda. This is recognised as essential to the Trust's future financial stability.

A number of significant risks and assumptions in achieving the 2013/14 plans are set out below:

- Activity and income plans will be underpinned by the contractual arrangements with the Trust's commissioners
- The expenditure plans assume that any in-year overspending on operational budgets can be managed by directorates
- Further investment in National Institute for Health and Care Excellence (NICE) recommendations outside of the tariff is subject to securing specific agreement and income from commissioners. The plans assume that no unplanned investment will take place unless specific income is secured
- The plans assume a significant and challenging efficiency programme requiring full delivery in each of the next three years

# Quality Report

## **Part 1 – Overview**

### **Letter from the Chief Executive**

The Government's initial response to the issues raised in the Francis Inquiry into Mid Staffordshire NHS Foundation Trust focused on how NHS organisations must ensure that the quality of care must be as important as the quality of treatment. As an organisation we advocate that the quality and safety of the care you receive continues to be our highest priority and drives all that we do.

We want you to feel both safe and cared for. By that, we mean that not only do we expect that the technical things we do to you will be the safest possible but the way in which we do them will make you feel cared for – as we would all expect for ourselves and our families.

It is fundamentally part of everyone's job working throughout our growing organisation to ensure that you are cared for with dignity, respect and compassion and that you receive the best possible healthcare from all our staff wherever you are receiving care – from your home to our hospitals.

We treat and hear from thousands of people every year who are pleased with the great care we are able to deliver yet there are occasions when we don't get it completely right and your views are important to us on this. We are working with our Governors to ensure that we are asking for feedback on our services and making changes where you and our staff have ideas for improving.

This year has been a challenging one. In line with the national picture seen throughout the country, the Trust experienced a particularly difficult winter with an increase in admissions. Alongside this a significant and prolonged norovirus problem affected both patients and staff, putting pressure on our bed capacity and impacting on our A&E waiting times, particularly over the last 6 months of the financial year. We are continuing to work with our commissioners, local authorities and other providers to improve the way all parts of the system operate to ensure the provision of safe, effective patient care and are working towards ensuring that only those patients who need acute care are in hospital.

Whilst ensuring that we continue to drive up standards we have also acquired the former Scarborough & North East Yorkshire Healthcare NHS Trust. The acquisition represents an opportunity for all of us, patients and public alike to work together as a community to provide the right services in the right place as well as bringing opportunities for development, growth and stability.

The acquisition represents an opportunity for all of us, patients and public alike to work together as a community to provide the right services in the right place as well as bringing opportunities for development, growth and stability.

Moving forward into this next year we will continue to roll out the overall safety priorities to ensure that they are embedded within the enlarged organisation. We will also work together with our local partners and Commissioners to ensure that the local priorities and expectations of patients & families are recognised, supported and met.

None of this care would be possible without every member of staff here having the right training to support them to do their jobs properly. Building on last years efforts we will continue to focus on delivering training which ensures that:

- Staff are confident and competent in managing some of our sickest patients
- Staff understand how to demonstrate the caring attitude required for working across all our settings

This training supports our strategy for safer care and reducing mortality and is contained in the following pages.

At times of great change for healthcare it continues to be my job to ensure that we have the strategies, culture and will to change for the better – keeping your safe care at the heart of all that we do.



**Patrick Crowley**  
Chief Executive  
29 May 2013

A handwritten signature in black ink that reads "P. Crowley". The signature is written in a cursive, flowing style with a large initial 'P'.

## Statement of Directors' Responsibilities in Respect of the Quality Report

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS Foundation Trust Boards on the form and content of Annual Quality Reports and on the arrangements that Foundation Trust Boards should put in place to support the data quality for the preparation of the Quality Report.

In preparing the Quality Report, Directors are required to take steps to satisfy themselves that:

- The content of the Quality Report meets the requirements set out in the NHS Foundation Trust Annual Report Manual 2012-13
- 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 2012 to May 2013
  - Papers relating to the Quality Report to the Board over the period April 2012 to May 2013
  - Feedback from commissioners dated May 2013
  - Feedback from governors dated May 2013
  - Feedback from Healthwatch East Riding of Yorkshire dated May 2013
  - Feedback from Healthwatch York dated May 2013
  - The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated April 2013.
  - The national patient survey dated April 2013
  - The national staff survey dated April 2013
  - The Head of Internal Audit's annual opinion over the Trust's control environment dated May 2013
  - CQC quality and risk profiles dated March 2013.
- The Quality Report presents a balanced picture of the York Teaching Hospital NHS Foundation Trust's performance over the period covered
- The performance information reported in the Quality Report is reliable and accurate
- There are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice
- The data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review; and the Quality Report has been prepared in accordance with Monitor's annual reporting guidance (which incorporates the Quality Accounts regulations published at [www.monitor-nhsft.gov.uk/annualreportingmanual](http://www.monitor-nhsft.gov.uk/annualreportingmanual)) as well as the standards to support data quality for the preparation of the Quality Report (available at [www.monitor-nhsft.gov.uk](http://www.monitor-nhsft.gov.uk))

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

Handwritten signature of Alan Chase in black ink, written over a horizontal line.

29 May 2013

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Chairman

Handwritten signature of P. Powery in black ink, written in a cursive style.

29 May 2013

.....

Chief Executive

## Quality and Safety

The Quality and Safety Strategy for the enlarged organisation is being split into two strategies. The development of the safety strategy is being led by the Medical Director. The quality strategy is being incorporated into the Nursing and Midwifery strategy, the development of which is being led by the Chief Nurse.

### Patient Safety

The Trust's Patient Safety Strategy focuses on four main streams of work:

- Ensuring consistency of care, 24 hours a day, 7 days a week
- Reduction of harm by early detection of the 'at risk' or deteriorating patient
- Reducing mortality
- Excellence in end of life care.

Our overall principle is to provide safe, good quality, patient centred care, consistently.

Clinical leaders have been identified and are reviewing our systems of work to ensure that patients who are admitted to our hospitals do not experience undue delay in assessment, diagnostics, treatment or review by a senior clinician.

We are striving to improve the safety of patients who are vulnerable to unexpected deterioration by enhanced training and by the implementation of systems to support early recognition of the risk of deterioration. This will be supported by further policies and clinical guidelines for initiation of early responses, interventions and, where necessary, escalation.

We have a system for mortality review and this year are expanding this to our community hospitals. We will also ensure that recognised strategies for reduction of mortality such as multidisciplinary ward rounds and delivery of care in accordance with recognised care bundles are effective - in all clinical areas.

For our patients approaching the end of life, and for their families and carers, our focus will be on the safety and experience of care. This includes patients who die suddenly or after a very brief illness. Our aim is to ensure that the care that people approaching the end of life receive is aligned to their needs and preferences.

We are reviewing options for implementation of electronic prescribing and management of medicines systems. Electronic prescribing and medicines administration is recognised to improve aspects of patient safety. As part of our reducing mortality programme we will continue to audit compliance with administration of medicines and will focus specifically on critical medicines.

We will continue to utilise and monitor compliance with safe systems of work such as The World Health Organisation Safe Surgery Checklist. In addition we will use every opportunity to learn from incidents, complaints and litigation by reflecting on our practice and where necessary changing systems of work to ensure that patients are safe in our care.

Patient Safety Leadership Walkrounds have provided very valuable opportunities for senior leaders to discuss safety issues with staff working on the front line. As a

commitment to developing our culture of safety we will aim to undertake four walk rounds each month and to provide a monthly summary report to the Trust Board of Directors.

## Quality of Care

The Nursing and Midwifery strategy will outline the priority areas and direction for nursing across the organisation over the next three years to ensure that we deliver the highest possible quality of care for all our patients. The strategy is based around the “Six C’s” of care, compassion, courage, communication, competence and commitment. It links with our organisational values and strategic aims of patient safety, patient satisfaction, teamwork, honesty and open communication. The strategy will also incorporate recommendations from the Francis Report that are relevant to nursing and midwifery.

In order to deliver demonstrable improvements in care, we will focus on five key areas:

- Patient experience - our relationships with the people we care for has changed. The expectation is that patients and their families are 'partners in their care' and that they are involved in all decisions that affect them. We will work to actively support the principle of 'no decision about me without me.' We aim to improve patient experience year on year and to increase the number of patients who would recommend our hospitals to their family and friends
- Getting staffing right - nurse staffing, skills and competencies are key to the delivery of safe, cost effective, high quality care. By ensuring Nurses and Midwives have the time to provide care, patients will receive a service that is delivered with compassion, dignity and respect
- Delivering high quality safe patient care - patients expect and deserve to receive high quality, compassionate and safe care in all environments and situations. We acknowledge that effective risk management is an integral part of this process. All Nurses and Midwives are aware of the responsibility of, and accountability for, the care that they deliver, and will work to foster and promote a culture of safety which demonstrates the behaviours which support our values as a profession and as an organisation
- Measuring the impact of care delivery - we aim to deliver high quality evidence based care. In order to achieve this and to drive improvement we will measure outcomes in a way that is meaningful for staff. In addition to clinical outcomes we will also focus upon the patients using feedback on their experience
- Staff experience - the Trust values promote respecting and valuing each other. We aim to provide a supportive and caring environment and to develop our existing and future workforce to ensure Nurses, Midwives and Health Visitors are motivated and empowered to deliver consistent quality care to patients in all care settings. We will recognise the contribution to the workforce and to patient care and celebrate Nursing and Midwifery achievements through agreed annual events

The strategy provides a vision and a direction for Nurses and Midwives, and emphasises that we are accountable for the care that we deliver. By delivering key work streams the strategy will provide measurable outcomes that give patients the best care

centred on their needs, using evidence based practice and involving their feedback

Success will be demonstrated through:

- High levels of patient satisfaction demonstrated through patient surveys and feedback
- Ongoing improvements in patient safety and quality of care
- Increased levels of staff satisfaction which will be demonstrated through staff retention, development of new roles and staff surveys

The Nursing and Midwifery strategy will be underpinned by a three year work plan designed to deliver the specific objectives which will improve the quality and safety of patient care across the organisation.

## Recognising Excellence

The Trust's Star Award is a monthly award presented to staff that go above and beyond the call of duty in the development or delivery of their services to improve patient care. It is awarded to teams or individuals and teams have made a real difference by:

- Improving patients' experience and/or safety
- Living the values and beliefs of the organisation
- Going the extra mile within or outside of the everyday workload
- Demonstrating efficiency and value for money

The Trust also holds an annual awards ceremony to recognise and reward individual and team key achievements and innovative ways of delivering great care. The award categories and winners for 2012 are detailed below:

Award Category	Winners
<b>Excellence in Patient Experience</b>	Awarded to staff from the Oncology Department at York Hospital who developed a patient information DVD to support patients and families before they start their first chemotherapy.
<b>Living Our Values</b>	Awarded to the Linen Services Team at York Hospital who have influenced and improved the working lives of their colleagues and the patient experience.
<b>Unsung Hero</b>	Awarded to a healthcare assistant on a surgical ward at York Hospital who always provides support to patients, relatives, and colleagues.
<b>Volunteer of the Year</b>	Awarded to the Chairman of the Malton Hospital League of Friends, who acts as a key link between the League's Committee and the hospital to make sure that monies raised are spent to maximum benefit for patient services.
<b>Enhancing Services</b>	Awarded to a Doctor and Sister from Scarborough Hospital who have been instrumental in the development of an outpatient cellulitis ambulatory care service at Scarborough and Bridlington hospitals.
<b>Efficiency Award</b>	Awarded to the Contact Centre Team at York Hospital who took on the challenge to improve efficiency, with each team member taking personal responsibility for achieving their target.
<b>Integration Award</b>	Awarded to Human Resource staff from both York and Scarborough Hospitals who jointly delivered a sickness project role for Scarborough and through this have enhanced the Trust and benefited individuals, teams and patients.
<b>Patient Safety Award</b>	Awarded to a Consultant Physician at York Hospital who implemented a process to review patient mortality rates by examining clinical decisions and determine what could have been done to improve care.
<b>The Florence Nightingale Award</b>	Awarded to an Advanced Nurse Specialist in Respiratory Medicine who is passionate about her profession and her patients and is a role model for colleagues.

<b>The Governor's Award</b>	The Governor's Award was presented to the Arts Team.
<b>The Chairman's Award</b>	The Chairman's award was presented to York Against Cancer.
<b>The Chief Executive's Award</b>	The Chief Executive's award was presented to the Director of Operations at Scarborough Hospital.
<b>The Lifetime Achievement Award</b>	This award was presented to a long-serving canteen volunteer at York Hospital, and Sir Michael Carlisle, the former Chairman of Scarborough and North East Yorkshire Hospitals.

## National Awards

Awarding Body	Winners
	Awarded to both York and Scarborough hospitals. The award recognises 40 of the best performing CHKS client trusts across the UK. The 40Top Awards are based on the evaluation of 22 indicators of clinical effectiveness, health outcomes, efficiency, patient experience and quality of care.
	A Consultant Ophthalmologist was awarded the Clinical Service of the Year award as part of the Macular Disease Society 25 <sup>th</sup> Anniversary Awards for Excellence, in recognition of their good practice in the care of people with macular disease.
	The Human Resources Team won awards at the Healthcare People Management Award for innovation in HR award for recruiting volunteers to become dining companions, staff engagement and leadership through challenging times award, and Human Resource Director of the Year Award winner.
	Cancer Care Centre was awarded the Macmillan Quality Environment Mark. This meant that the centre achieved specific standards required by people living with cancer.
	Human Resources were awarded a Nursing Times Award for developing a pro-active approach to improving health and wellbeing of staff which in turn helps to improve patient care.
	The Board of Directors was awarded the Board of the year by the NHS Leadership Recognition Awards in recognition for the work done to move the organisation forward whilst maintaining our standards.
	A Staff Nurse in Cancer Services was awarded the Nursing Standard Claire Rayner Patient's Choice Award for delivering outstanding quality care to patients receiving cancer treatment.
	A Renal Consultant was presented with an Honorary Award from the British Dietetic Association for his leadership and work in the field of renal nutrition.
	Finance Department –Deputy Chief Internal Auditor awarded Finance Professional of the Year, Trust efficiency programme won the Efficiency and Innovation Award and Financial Services Team were awarded Finance Team of the Year at the Hospital Financial Management Association Awards

## Local Awards

Awarded By	Winners
 <p>The Minster FM logo features the text 'minsterfm' in white on a blue oval background with a dotted pattern, and the number '104.7' below it.</p>	<p>The Child Development Team at York Hospital won the Team of the Year in the Minster FM Local Heroes award, in recognition of the way they welcome children into the ward and making their stays as pleasant and enjoyable as possible.</p>
 <p>The Park Mark logo consists of a blue square with a white checkmark, a 'P' in a circle, and the text 'PARK MARK SAFE PARKING'.</p>	<p>Parking facilities at York Hospital were awarded the “Park Mark” by the Police service for providing a safe parking environment for visitors.</p>
 <p>The Yorkshire &amp; Humber HIEC logo features a circular arrow icon, the text 'Yorkshire &amp; Humber HIEC', and the tagline 'Turning best practice into common practice'.</p>	<p>The Trust’s rapid spread patient safety initiative was a joint winner in an award from the Yorkshire and Humber Health Innovation and Education Cluster. Scarborough Deteriorating Patient Group – Yorkshire and Humber Health Innovation and Education award.</p>

## Part 2 – In More Detail

### Performance for the last 12 months

Our performance against the quality and safety priorities from York Teaching Hospital NHS Foundation Trust's 2011-12 quality report is shown below. Although these targets were set prior to acquisition, the performance in 2012-13 reflects the performance of the enlarged Trust against the 2011-12 targets.

<b>Key</b>	<b>Green</b>	Target achieved	<b>Amber</b>	Reaching target	<b>Red</b>	Target not achieved
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Green = The target specified has been achieved

Amber = More than 50% progress towards meeting the target has been made

Red = Less than 50% progress has been made towards achieving the target

### York Teaching Hospital Priorities from 2011-12

Patient Safety	What we did in 2012-13	What we will do in 2013-14	Achievement
<p><b>Keeping acutely ill and deteriorating patients safe</b></p> <p><b>We said we would reduce mortality rates:</b></p> <ul style="list-style-type: none"> <li>Our aim was to reduce the Trust Summary Hospital-level Mortality Indicator (SHMI) to less than 100</li> <li>Our aim was to reduce the Hospital Standardised Mortality Ratio (HSMR) to less than 95</li> </ul>	<p><b>We have not achieved the targets of reducing the SHMI to less than 100 or reducing the HSMR to less than 95</b></p> <ul style="list-style-type: none"> <li>The SHMI for the period October 2011-September 2012 for the combined Trust (York and Scarborough) is 107 and represents a small but sustained reduction from the April 2011-March 2012 position of 112.</li> <li>The HSMR published in the Dr Foster Hospital Guide 2012 reported Scarborough Hospital ratio as 109.13 and York Hospital as 103.97.</li> </ul> <p>We have continued to work on our reducing mortality programme supported by NHS Quest. This involves the following work streams defined in 2012-13 Quality and Safety Strategy:</p> <ul style="list-style-type: none"> <li><b>Moving to a 24/7/365 day service</b> – we are continuing to reduce time to initial assessment, improve our handover processes and ward rounds, and develop our out of hours services</li> <li><b>Reviewing systems for measurement</b> - we have developed systems to analyse the care provided to patients in our acute and community hospitals and we are continuing to improve our clinical coding</li> </ul>	<p>To achieve this target in 2013-14, we will continue to work on our reducing mortality programme. We will:</p> <ul style="list-style-type: none"> <li>Work towards achieving an overall SHMI of 100 with an achievement of a reduction in the SHMI to no more than 105 by March 2014.</li> <li>Work towards achieving an overall HSMR of 95 with an achievement of a reduction in the HSMR to no more than 100 by March 2014</li> <li>Continue mortality reviews of deaths in our care in both our acute and community hospitals.</li> </ul> <p>and we will report our progress in the 2013-14 Quality Report.</p>	<p><b>Red</b></p>

Patient Safety	What we did in 2012-13	What we will do in 2013-14	Achievement
	<ul style="list-style-type: none"> <li>■ <b>Reducing harm and deterioration</b> - we have increased training in critical illness recognition and management across the enlarged organisation</li> <li>■ <b>Excellence in end of life care</b> – we are continuing to improve our decision making in Do Not Attempt Resuscitation (DNAR), end of life care and reducing admission from nursing homes</li> </ul>		
<p><b>Improving the care of patients with dementia</b></p> <p>We said we would assess all patients over the age of 75 (admitted acutely) for signs of dementia, with a target of 90% compliance by the end of March 2013</p>	<p><b>We met this target by achieving 93% compliance with dementia assessments end of March 2013.</b></p> <p>The roll-out of the electronic dementia assessment across the Trust has helped to increase the number of assessments and allowed us to develop a robust way of measuring compliance</p>	<p>The Dementia Strategy Group and Dementia Operational Group continue to ensure that all aspects of our dementia strategy are embedded throughout the organisation, and this will include ongoing monitoring of our compliance with this target</p> <p>We are continuing to develop and embed robust referral processes for patients with dementia to ensure they are referred for diagnostic advice and specialist treatment</p>	<b>Green</b>
<p><b>Improving access to food and fluids in our acute and community hospitals</b></p> <p>We said we would ensure that 95% of our acute and community hospital wards had a process for “comfort rounds” (formerly known as intentional rounding”)</p>	<p><b>We met this target by achieving 95% compliance with the implementation of comfort rounding</b></p> <p>To ensure that we maintain compliance with the comfort rounding target, this data is now monitored in our monthly nursing care indicator programme</p> <p>We have also:</p> <ul style="list-style-type: none"> <li>■ Rolled out our dining companion scheme to more wards</li> <li>■ Developed a comprehensive training programme on fluid management to prevent patient dehydration</li> <li>■ Employed a nurse specialist for nutrition</li> <li>■ Participated in the pilot scheme for the Department of Health’s “Hydrant” project in early 2013. The Hydrant is a hands-free water bottle which aims to increase patient independence and hydration. The results are currently being evaluated</li> <li>■ Implemented a programme of ward kitchen refurbishment to support the delivery of a new</li> </ul>	<p>We are continuing to standardise our nursing documentation with regards to nutritional assessment, referrals to dieticians and care planning to ensure we have a consistent approach across the organisation</p>	<b>Green</b>

Patient Safety	What we did in 2012-13	What we will do in 2013-14	Achievement
	<p>Meals process to further improve the quality of the meals we deliver to our patients</p>		
<b>Clinical Effectiveness and Outcomes</b>			
<p><b>Harm Free Care</b></p> <p>We said we would deliver harm free care to at least 80% of our patients on all of our acute and community hospital wards, as measured by the 'Safety Thermometer'</p>	<p><b>We achieved this target by delivering harm free care for 87% of our patients.</b></p> <p>The Safety Thermometer is a tool which measures the number of harms caused to patients by pressure ulcers, patient falls, urinary catheter associated infections and venous thromboembolism. The tool has been rolled out to all of our acute and community sites</p> <p>We have introduced 'knowing how we are doing' boards to provide a visual indicator of our performance on our acute and community hospital wards, and this includes our monthly safety thermometer data</p> <p>We have developed the "Its My Ward" senior leadership programme. The programme has been developed to support ward sisters in ensuring that patient care standards are raised and sustained. The programme is attended by ward sisters from across the enlarged organisation</p>	<p>As part of the Nursing and Midwifery Strategy, we will be developing a ward accreditation programme to reward and recognise excellence in patient care standards and leadership</p>	<b>Green</b>
<p><b>Slips, trips and falls</b></p> <p>We said that we would reduce the number of avoidable slips, trips and falls resulting in patients found on the floor by 20%</p>	<p>Due to the acquisition of SNEY, the actual number incidents recorded as slips, trips and falls has increased from 2854 ( York data ) in 2011-12 to 3506 in 2012-13 ( data for the enlarged organisation</p> <p>As different audit methodologies were previously in use across the Trust, it is difficult to determine the actual percentage of avoidable slips, trips and falls from previously collected data</p>	<p>We have introduced revised tools to assess patients at risk of falls</p> <p>We will continue to provide training to health care assistants and nurses on recognition of patients at risk of slips, trips and falls</p> <p>We will focus on reduction of the severity of the impact of slips, trips and falls, by learning from incidents</p>	<b>Red</b>
<p><b>Prescribing &amp; administration of medicines</b></p> <p>We said that we would aim for a 20% reduction in the number of missed doses of critical medicines.</p>	<p>An audit of missed doses of critical medicines is currently underway across the enlarged organisation. Due to the acquisition of SNEY, we expect the actual number of missed doses to have increased</p> <p>As different audit methodologies were previously in use across the Trust, it is difficult to determine the actual percentage of missed doses of critical medicines</p>	<p>We have expanded our work on patients administering their own medicines. In addition we are considering a system for electronic prescribing and management of medicines. We are reviewing options for implementation of electronic prescribing and management of medicines systems. We will continue to audit compliance with administration of medicines and will focus specifically on critical medicines. As part of our draft medicines management strategy, by March 2014 we will achieve no more than 2% of missed doses of critical medicines as measured by the Safety Thermometer</p>	<b>Red</b>

Patient Safety	What we did in 2012-13	What we will do in 2013-14	Achievement
		Our current performance to date this financial year is 1.6%. By March 2015, we will have zero tolerance to missed doses of critical medicines.	
<b>Patient Experience</b>			
<p><b>Recommending the Hospital to Family and Friends</b></p> <p>We said that we would increase the percentage of patients who would recommend the hospital to family/friends to 95%, which would be usually measured by locally developed audit tools</p>	<p><b>We achieved this target by identifying that 95% of our patients would recommend the hospital to their family and friends</b></p>	<p>We will continue to monitor our performance against this indicator using the Family and Friends Test, which will measure patient satisfaction in nationally specified areas</p> <p>Our benchmark position for response rates will be established using data from April to June 2013, and our target for improving response rates will be a minimum of 20% by March 2014</p> <p>Please see our Quality and Safety Priorities for 2013-14 for further details</p>	<p style="background-color: #00FF00; text-align: center;"><b>Green</b></p>
<p><b>Improving Communication</b></p> <p>We said that we would improve communication with our patients in two specific areas:</p> <ul style="list-style-type: none"> <li>■ Access to information on discharge</li> <li>■ Seeking patients' views</li> </ul>	<p><b>We achieved the target of improving the score on the national inpatient survey for the number of patients given printed information prior to leaving hospital from 6.5 out of 10 (York) in 2011 to 7.4 out of 10 (for the enlarged organisation) in 2012</b></p> <p><b>The number of patients reporting that they were asked their views of the quality of care on that national inpatient survey remained the same as 2011 at 0.7 out of 10</b></p> <p>The above scores represent performance on a sliding scale from one to ten (the higher the number, the better the performance)</p> <p>In 2011, York and Scarborough Hospitals were surveyed separately. In 2012, a joint survey was conducted with the 2012 report reflecting performance for the enlarged organisation.</p>	<p>We will continue to monitor our performance against these indicators using the Family and Friends Test, which will measure patient satisfaction in nationally specified areas</p> <p>Our benchmark position for response rates will be established using data from April to June 2013, and our target for improving response rates will be a minimum of 20%</p> <p>Please see our Quality and Safety Priorities for 2013-14 for further details</p>	<p style="background-color: #00FF00; text-align: center;"><b>Green</b></p> <p style="background-color: #FFA500; text-align: center;"><b>Amber</b></p>

## Scarborough Hospital Priorities from 2012-13

As quantifiable improvement measures were not specified for all priorities in the Scarborough and North East Yorkshire (SNEY) Quality Report for 2011-12 (prior to acquisition), it is not possible to report achievement against these targets. Therefore, a summary of the progress against each initiative and any ongoing work is highlighted.

Quality of Care	We Said We Would	We Did
<p><b>Dementia Care</b></p> <p>We said that we would improve the quality of care for patients with dementia by March 2013</p>	<ul style="list-style-type: none"> <li>■ Ensure that patients over the age of 75 admitted as an emergency undergo the “mini mental test” on admission</li> <li>■ Develop patient feedback mechanisms</li> <li>■ Continue to identify dementia champions</li> <li>■ Develop specific care plans which include dementia screening</li> <li>■ Develop dedicated care of the elderly wards</li> <li>■ Establish collaborative working with the Community Psychiatric Nurse Service</li> </ul>	<p>We have:</p> <ul style="list-style-type: none"> <li>■ Introduced dementia screening for patients aged over 65</li> <li>■ Introduced dementia champions on all of our wards</li> <li>■ Introduced the “forget me not” sticker on our casenotes which alerts staff that patients with dementia may have memory problems</li> <li>■ Introduced an information leaflet for carers</li> <li>■ Introduced open visiting for dementia patients</li> <li>■ Introduced the “All about Me” booklet, so that staff are aware of a patient’s likes and dislikes</li> <li>■ Introduced dining companions on our care of the elderly wards</li> <li>■ Trained a number of our healthcare assistants in communicating with patients with dementia</li> </ul> <p>We are:</p> <ul style="list-style-type: none"> <li>■ Appointing a dedicated matron for care of the elderly</li> <li>■ Planning to seek carer feedback from a sample of five patients per month and act according to the feedback</li> </ul>
<p><b>End of Life Care</b></p> <p>We said we would improve the experience of patients who are dying and that of their families</p>	<ul style="list-style-type: none"> <li>■ Improve the experience of patients who are dying and that of their families by March 2013</li> <li>■ Increase patient choice of their preferred location of death</li> <li>■ Deliver improvements in patient safety, quality and experience</li> <li>■ Make best use of partnership working to provide patient centred, efficient and seamless integrated care across partner organisations</li> </ul>	<p>We have:</p> <ul style="list-style-type: none"> <li>■ Appointed an End of Life Care Facilitator</li> <li>■ Improved facilities for relatives and carers to stay on the hospital site at the end of their relative’s life</li> <li>■ A well-established end of life care plan, the Liverpool Care Pathway</li> <li>■ Established evidence of care planning, which is a series of documented discussions with a patient about the next steps in their care</li> <li>■ Established multidisciplinary meetings in the local community to discuss working to the Gold Standard in community care</li> <li>■ Established a steering group for rapid response discharge, which is a priority system for putting support in place in a patient’s discharge</li> </ul>

		<p>In addition, the Scarborough and Ryedale Clinical Commissioning Group have employed a nurse educator to work with nursing homes to increase work on advanced care planning and use of the LCP in the community</p> <p>We are:</p> <ul style="list-style-type: none"> <li>■ Working on the delivery of an education programme for nurse champions for end of life care</li> </ul>
<p><b>Reducing Admissions from Nursing Homes</b></p> <p>We said that we would support nursing and care homes to care for patients who do not require admission to hospital</p>	<ul style="list-style-type: none"> <li>■ Reduce hospital admission by 20% for nursing home/residential patients, supporting them in community hospitals by March 2013</li> <li>■ Offer patients a choice of the preferred place to die</li> <li>■ Fast track patients in A&amp;E</li> <li>■ Set up a forum with social, primary and secondary care to enhance collaborative working</li> </ul>	<p>We have:</p> <ul style="list-style-type: none"> <li>■ Established regular meetings via a care home forum</li> <li>■ Continued to work with a Hospice consultant to reduce the admission for end of life care issues. Where mortality reviews indicate that a patient was admitted at the end of their life, the Hospice Consultant reviews the patient's care to see if any improvements could have been made for the patient at the end of their life</li> <li>■ Established training staff in respiratory issues and pain control for care home staff, which is delivered by Trust staff</li> <li>■ introduced diversionary pathways with the Yorkshire Ambulance service to cover head injury, urinary tract infections and minor abrasions</li> <li>■ developed a single point of contact which is an advice line for care homes</li> </ul> <p>We are:</p> <ul style="list-style-type: none"> <li>■ working on the development of a community geriatrician role</li> <li>■ working on the development of a link nurse role</li> </ul>
<p><b>Improving Psychiatric Assessment in A&amp;E</b></p> <p>We would ensure timely referral for patients requiring psychiatric assessment to ensure best practice and appropriate care by March 2013.</p>	<ul style="list-style-type: none"> <li>■ Review access to psychiatric assessment in A&amp;E by setting up a working group to agree the key areas to be addressed</li> <li>■ Agree standards including timely response through to follow up</li> <li>■ Implement an audit programme to monitor these standards</li> </ul>	<p>We have:</p> <ul style="list-style-type: none"> <li>■ Introduced a new proforma which gives a risk score for patients. Depending on the risk score, the patient will either be seen in A&amp;E by the crisis response team within a 4-6 hour window or receive a community visit in their own home or an agreed location.</li> </ul> <p>We are:</p> <ul style="list-style-type: none"> <li>■ Working with Mental Health Colleagues from Tees, Esk and Wear Valley NHS Foundation Trust to provide a daily clinic or input in to A&amp;E.</li> </ul>

<p><b>Harm Free Care</b></p> <p><b>We said that 95% of clinical care would be harm-free</b></p>	<p>The target of 95% harm free care would be delivered, using the four measures in the NHS Safety Thermometer</p>	<p>In line with the delivery of harm free care across the enlarged organisation, the following actions have been taken:</p> <ul style="list-style-type: none"> <li>■ The Safety Thermometer has been introduced cross all wards in Scarborough in addition to wall wards in York and the community. The Safety Thermometer is a tool which measures the number of harms caused to patients by pressure ulcers, patient falls, urinary catheter associated infections and venous thromboembolism</li> <li>■ 'Knowing how we are doing' boards have been introduced to provide a visual indicator of our performance on all of our acute and community hospital wards, and this includes our monthly safety thermometer data.</li> <li>■ The "It's My Ward senior leadership programme developed to support ward sisters in ensuring that patient care standards are raised and sustained has been rolled out to sisters across the enlarged organisation</li> </ul>
<p><b>Improving Efficiency</b></p>	<p><b>We Said We Would</b></p>	<p><b>We Did</b></p>
<p><b>Discharge Transport</b></p> <p><b>We said that we would improve the efficiency of discharge transport</b></p>	<ul style="list-style-type: none"> <li>■ Increase the number of patients discharged before lunch</li> <li>■ Reduce the number of private patient journeys</li> <li>■ Increase the appropriate use of hospital transport as defined by the Yorkshire Ambulance Service assessment criteria</li> </ul>	<p>Focussing on the Scarborough, Malton, Whitby and Bridlington sites, we have:</p> <ul style="list-style-type: none"> <li>■ Introduced electronic requesting of patient transport. Transport can be booked in advance of the patient's expected discharge date, which has improved efficiency</li> <li>■ Revised and updated our patient information on booking transport for inpatient stays and outpatient appointments</li> <li>■ Developed information for staff on patient eligibility, escort criteria and modes of transport to ensure that patients receive the most appropriate transport to meets their individual needs</li> </ul>

Patient Experience	We Said We Would	We Did
<p><b>Improving outpatient administration to improve patient experience and increase capacity</b></p>	<p>We would:</p> <ul style="list-style-type: none"> <li>■ Reduce reschedule rates to 10%</li> <li>■ Reduce “did not attend” (DNA rates) from 11% to 5%</li> <li>■ Maximise capacity to 90% utilisation</li> <li>■ Encourage patient choice</li> <li>■ Enhance patient experience</li> </ul>	<p>Following the objectives set in 2011-12, work has been ongoing to reduce the number of outpatient appointments that are rescheduled as well as reducing DNAs across the SNEY area</p> <p>Between April and December 2012, across Scarborough, Malton, Whitby and Bridlington:</p> <ul style="list-style-type: none"> <li>■ The DNA rate was 7.09%, a reduction from the previous rate of 11.0%</li> <li>■ The reschedule rate was 11%, a significant improvement on the previous rate of 58%</li> </ul> <p>Work is ongoing across the organisation to maximise outpatient clinic utilisation and the deployment of the electronic patient record across the totality of sites</p> <p>Follow up partial booking, which was introduced into SNEY on 1<sup>st</sup> April 2012, will continue and the process will be enhanced with the use of the Trust’s core patient database. This process is fundamental in reducing the rate of re-schedule appointments as patients are not booked too far in advance in to clinics which may not take place or that patients may not be able to commit to attending so far in advance. This process allows patients to ring in and mutually agree convenient appointment, just weeks before the appointment is due to take place</p> <p>These developments will all contribute to enhancing patient experience when accessing Outpatient services</p>

## Priorities for the Trust's Quality & Safety for 2013/14

Patient Safety	
Improving care of acutely ill and deteriorating patients	<p><b>By the End of March 2014, we will ensure that:</b></p> <ul style="list-style-type: none"> <li>■ 80% of all acute medical, elderly medical and orthogeriatric patients admitted through the Acute Medical Unit (AMU) be seen by a senior clinician within 4 hours of admission</li> <li>■ 80% of all acute medical, elderly medical and orthogeriatric patients be reviewed by a consultant within 12 hours of admission</li> <li>■ the National Early Warning System (NEWS) for early identification and escalation of the deteriorating patient is implemented on all general adult acute wards. This will include community hospitals.</li> </ul>
Reduction in mortality rates	<p><b>By the End of March 2014, we will ensure that:</b></p> <ul style="list-style-type: none"> <li>■ We will have established a system for review of all in-patient deaths in the acute and community hospitals</li> <li>■ We will continue to work towards achieving an overall SHMI of 100 with an achievement of a reduction in the SHMI to no more than 105 by March 2014.</li> <li>■ We will continue to work towards achieving an overall HSMR of 95 with achievement of a reduction in the HSMR to 100 by March 2014</li> </ul>
Improving care for patients with dementia	<p><b>By the End of March 2014, we will ensure that:</b></p> <ul style="list-style-type: none"> <li>■ Over 90% of patients acutely admitted with delirium or dementia aged 75 years or over have a dementia specific assessment and are referred for further diagnostic advice and specialist treatments.</li> </ul>
Improving the use of the WHO surgical safety checklist	<p><b>By the End of March 2014, we will ensure that:</b></p> <ul style="list-style-type: none"> <li>■ We will achieve 100% compliance with the use of the WHO surgical safety checklist.</li> </ul>
Clinical Effectiveness and Outcomes	
Reduction in the development of pressure ulcers	<p><b>By the End of March 2014, we will ensure that:</b></p> <ul style="list-style-type: none"> <li>■ The number of patients recorded as having a category 2-4 pressure ulcer (old or new) as measured using the Safety Thermometer on the day of each monthly survey for York Hospital, Scarborough Hospital and Community Services has reduced by 50% when compared with the 2012/13 incidence.</li> </ul>

<p><b>Improving the management of patients presenting to the Emergency Department with asthma</b></p>	<p><b>By the End of March 2014, we will ensure that 75% of patients receive care in accordance with The College of Emergency Medicine bundle of care recommendations: This means that patients:</b></p> <ul style="list-style-type: none"> <li>■ Will have peak flow, oxygen saturation, pulse and respiratory rate measured and recorded on arrival in the Emergency Department</li> <li>■ Will receive bronchodilator and steroid drugs within 30 minutes of arrival</li> <li>■ Will have peak flow, oxygen saturation, pulse and respiratory rate measured and recorded prior to discharge from the Emergency Department</li> <li>■ Will have their Inhaler technique checked and receive an explanation of management including written symptom based and peak flow based management plan</li> <li>■ Will receive a discharge prescription of oral steroids</li> <li>■ Will be advised of follow up arrangements with primary care.</li> </ul>
<p><b>Patient Experience</b></p>	
<p><b>Expanding systems for patients to provide feedback on care and treatment received (using the Family and Friends Test</b></p>	<p><b>By the End of March 2014, we will ensure that:</b></p> <ul style="list-style-type: none"> <li>■ Systems for delivery of the family and friends test in nationally designated areas have been established throughout the Trust (excluding paediatrics)</li> <li>■ Response rates for the family and friends test (being launched nationally in April 2013) have increased to at least 20% from a baseline response rate established between April and June 2013.</li> <li>■ We will have maintained the position of being in the upper quartile for the family and friends test in the National Staff Survey.</li> </ul>
<p><b>Enhancing supported discharge for patients following a stroke</b></p>	<p><b>By the End of March 2014, we will ensure that:</b></p> <ul style="list-style-type: none"> <li>■ 90% of patients discharged from our hospitals following a stroke will have a new developed enhanced supported discharge pathway.</li> </ul>
<p><b>Integrating nursing risk assessments for patients with chronic conditions</b></p>	<p><b>By the End of March 2014, we will ensure that:</b></p> <ul style="list-style-type: none"> <li>■ 90% of patients with long term conditions of diabetes, chronic obstructive pulmonary disease (COPD), asthma or ischaemic heart disease will have their discharge plans/risk assessment integrated with community services to ensure they experience a seamless care pathway</li> </ul>

## **Part 3 – Regulatory Requirements and Assurance from the Board**

### **The Regulations**

The Government introduced a specific set of regulations that Foundation Trusts are required to address as part of the Quality Report. These requirements are included in the assurance statements made by the Board of Directors.

### **Assurance from the Board**

As part of the Authorisation to be a Foundation Trust, the Trust agrees a number of mandatory services that will be provided. These are referred to as 'NHS services'. During 2012/13 the York Teaching Hospital NHS Foundation Trust provided and/or subcontracted 36 NHS services. The Board of Directors and Council of Governors have during the year reviewed data related to the quality of care. The Board of Directors at every meeting and the Council of Governors at the public meetings receives details from the Medical Director and/or Chief Nurse on the quality of care in the organisation. York Teaching Hospital NHS Foundation Trust has reviewed all the data available to them on the quality of care in 36 of these NHS services.

Following the completion of the acquisition of SNEY work has been underway integrating services. The Trust reviewed the Health Care Governance systems in place six months after the completion of the transaction and provided Monitor with assurance that the systems are in place.

The income generated by the NHS services reviewed in 2012/13 represents 100 percent of the total income generated from the provision of NHS services by York Teaching Hospital NHS Foundation Trust. The income generated has been received from services commissioned by North Yorkshire and York Primary Care Trust (NYY PCT) and East Riding of Yorkshire PCT (ERYPCT).

### **Commissioning for Quality and Innovation Payment Framework (CQUIN)**

A proportion of York Teaching Hospital NHS Foundation Trust income in 2012/13 was conditional upon achieving quality improvement and innovation goals agreed between York Teaching Hospital NHS Foundation Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of NHS services, through the Commissioning for Quality and Innovation payment framework (CQUIN).

The financial value of the scheme is set at 2.5% of the contract (0.5% national and 2.0% local indicators). A local agreement was reached with our main commissioner for 0.5% National and 1.0% Local, as a fixed sum, without further penalties, this equates to £3,627,177 in total.

The CQUIN goals are managed through our internal processes and cover a significant number of areas. They fall into two areas:

- National - Venous thromboembolism Risk Assessment, Responsiveness to personal needs from the Adult Inpatient Survey, NHS Safety Thermometer, diagnosis of dementia in hospitals.
- Local - Neighbourhood care teams, Acute admission assessed within 4 hours, reduction in average length of stay in elderly bed base, reduction in occupancy levels in elderly bed base, effective discharge, increase the number of people who are able to die in their

place of choice

The Trust has received full payment for each quarter. Further details of the agreed goals for 2012/13 and for the following 12 month period are available on request from the Deputy Director of Finance.

## Care Quality Commission

York Teaching Hospital NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is 'Registered without conditions'.

York Teaching Hospital is not subject to periodic review by the Care Quality Commission. The Trust is fully registered with the Care Quality Commission and has no conditions attached to its registration.

The Trust also has full registration on Healthcare Associated Infections for 2012/13. The CQC undertook a schedule annual compliance visit in January 2013 and visited York Hospital. The CQC reviewed compliance with five standards within the maternity and paediatric care environment. They found the Trust to be compliant with all the standards reviewed.

In November 2012, the CQC visited Scarborough Hospital in response to concerns raised by a member of the public. The issue was specifically around the staffing of escalation beds. As a result of actions taken, the CQC revisited Scarborough Hospital and considered that staffing standards were being met.

Regular engagement meetings have taken place with the CQC local Inspector of Compliance during 2012/13. These meetings have focused primarily on the integration of services following the completion of the acquisition, community services with the Acute Trust and the CQC Quality Risk Profile. The Care Quality Commission's view is that the Trust has a 'healthy' Quality Risk Profile with no significant risks being identified.

## Data Quality

Reliable information is fundamental in supporting the Trust to achieve its goals. The Trust recognises that all the decisions, whether clinical, managerial, operational or financial need to be based on information which is of the highest quality. The Trust recognises the importance of reliable information and views data quality as critical to the delivery of better healthcare.

The Trust continually strives to improve its data quality by constantly reviewing the data in conjunction with clinical and operational teams and its main commissioner. This may result in changes to systems and processes.

Like every other Trust, York Teaching Hospital NHS Foundation Trust submits records to the Secondary Uses Service for inclusion in the Hospital Episode Statistics (HES).

The percentage of records in the published data which included a valid NHS number or a General Medical Practice code (data for April 2012 to February 2013) were:

<b>Valid NHS Number</b>	<b>York</b>	<b>Scarborough</b>
Admitted patient care	99.5%	98.2%
Outpatient care	99.6%	99.9%
Accident and emergency	95.0%	99.0%
<b>Valid General Medical Practice Code</b>	<b>York</b>	<b>Scarborough</b>
Admitted patient care	100.0%	100.0%
Out patient care	100.0%	99.4%
Accident and emergency	100.0%	99.6%

The Trust's score for 2012/13 relating to compliance with Information Governance Standards, assessed using the information Governance Toolkit, was 81%, which gives an overall RAG rating of Green.

York Teaching Hospital NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during 2012/13 by the Audit Commission.

## **Monitor Quality Governance Framework**

Monitor introduced a 'Quality Governance Framework' in 2010-11. The Trust has undertaken an analysis against this framework and has assured itself that it is compliant with the framework. The Trust has developed a significant action plan that will ensure the enlarged organisation is fully integrated.

## **Part 4 – Clinical Audit**

### **National Clinical Audits and National Confidential Enquiries**

York Teaching Hospital NHS Foundation Trust is committed to the delivery of best practice and to ensure continuous quality improvement through clinical audit.

The Trusts Clinical Standards Group continually reviews the quality of:

- National clinical audit
- Local clinical audit
- National confidential enquiries

Including the monitoring of action plans; this enables a systematic process to address risks and to provide assurance to the Trust, Commissioners and Monitoring Bodies.

The Clinical Audit systems and processes that are operational in York Hospital are being embedded at Scarborough Hospital. This will support the participation in national and local audit, and will improve future compliance.

### **Financial Year 2012/13 – York Hospital**

- 39 national clinical audits and 5 national confidential enquiries covered NHS services that the Trust provides
- The Trust participated in 90% (35) of national clinical audits and 100% of national confidential enquiries which it was eligible to participate in
- The national clinical audits and national confidential enquiries that the Trust was eligible to participate in are listed in appendix one
- The reports of 5 national clinical audits and 13 other national clinical audits were reviewed by the Trust and it intends to take the actions listed in appendix two to improve the quality of healthcare provided
- The reports of 134 local clinical audits were reviewed by the Trust and it intends to take the actions listed in appendix three to improve the quality of healthcare provided

### **Financial Year 2012/13 – Scarborough Hospital**

- 38 national clinical audits and 5 national confidential enquiries covered NHS services that the Trust provides
- The Trust participated in 74% (28) of national clinical audits and 100% of national confidential enquiries which it was eligible to participate in
- The national clinical audits and national confidential enquiries that the Trust was eligible to participate in are listed in appendix one
- The reports of 0 national clinical audits were reviewed by the Trust. The reports of all national clinical audits published in 2013-14 will be reviewed as part of the

roll-out of York's systems and processes.

- The reports of 13 local clinical audits were reviewed by the Trust and it intends to take the actions listed in appendix three to improve the quality of healthcare provided

## Appendix One

Audit Title	York	Scarborough	Trust	Comments
<b>1. Peri-and Neo-natal</b>				
NNAP National Neonatal Care	100%	100%	100%	
<b>2. Children</b>				
BTS: Paediatric Pneumonia	Did not participate, participation to commence in 2013-4			
BTS: Paediatric Asthma	Did not participate, participation to commence in 2013-4			
National Childhood Epilepsy Audit	84%	52%	68%	
National Paediatric Diabetes Audit				Awaiting data
<b>3. Acute care</b>				
BTS: Emergency Use Of Oxygen	100%	Did not participate	100%	
BTS: Adult Community Acquired Pneumonia				Data available July '13
BTS: Non Invasive Ventilation in Adults	20%	Did not participate	20%	
National Cardiac Arrest Audit	Did not participate, participation to commence 2013-14			
ICNARC Adult Critical Care	286%	82%	184%	
NHSBT Potential Donor Audit				Data available July '13
CEM Paediatric Fever	100%	100%	100%	
CEM Fractured Neck of Femur	100%	100%	100%	
CEM Renal Colic	100%	68%	84%	
<b>4. Long Term Conditions</b>				
National Diabetes Audit- Adult	Participation to commence October 2013			
National Pain Audit - Chronic Pain	100%	100%	100%	
National Parkinson's Audit	*	120%	120%	
BTS Adult Asthma	155%	50%	103%	
BTS Bronchiectasis Audit	635%	Did not participate	635%	
National Inflammatory Bowel Disease Audit				Data available August '13
<b>5. Elective Procedures</b>				
National Joint Registry				Data available December '13
PROMS - Hip	80%			Data up to September 2012 Available by Trust only
PROMS - Knee	103%			
PROMS - Varicose Veins	43%			
PROMS - Hernia	85%			
NICOR Coronary Angioplasty				Data available September '13
VSGBI National Vascular Registry		108%		Data by Trust only

\*York did not participate in the National Parkinson's Audit

Audit Title	York	Scarborough	Trust	Comments
<b>6. Cardiovascular Disease</b>				
Myocardial Infarction National Audit	61%	Did not participate	61%	
National Heart Failure Audit				Data available July '13
SSNAP Stroke National Audit Programme	100%	Did not participate	100%	
NICOR Cardiac Rhythm Management	104%	91%	98%	
<b>7. Renal Disease</b>				
Renal Registry				Data available August '13
<b>8. Cancer</b>				
LUCADA National Lung Cancer Audit				Data available June '13
NBOCAP National Bowel Cancer Audit Programme				Data available June '13
DAHNO National Head & Neck Cancer Audit				Data available June '13
National Oesophago-Gastric Cancer Audit				Data available June '13
<b>9. Trauma</b>				
National Hip Fracture Database	100%	100%	100%	
TARN Trauma Audit and Research Network		67%		Data by Trust only
<b>10. Blood Transfusion</b>				
National Comparative Audit of Blood Transfusion Programme				
a) Medical Use of Blood	100%	Did not participate	100%	
b) Audit of blood sampling	100%	100%	100%	

National Confidential Enquiries	York	Scarborough	Trust	Comments
NCEPOD Alcoholic Liver Disease	100%	100%	100%	
NCEPOD Subarachnoid Haemorrhage	100%	100%	100%	
NRAD Asthma Deaths	100%	100%	100%	
RCPCH Child Health Reviews	100%	100%	100%	
MBRRACE Maternal Infant and Perinatal				Data available July '13

## Appendix Two

Audit Title York	Actions to be taken
NBOCAP National Bowel Cancer Audit Programme	<ul style="list-style-type: none"> <li>Continue to submit data to audit</li> </ul>
National Hip Fracture Database	<ul style="list-style-type: none"> <li>Ongoing NHFD data input</li> <li>Discuss results at fractured neck of femur operational meetings</li> </ul>
National Diabetes Audit- Adult	<ul style="list-style-type: none"> <li>Continue data collection</li> <li>Business case for new diabetes dietician post</li> <li>Business case for diabetes psychologist</li> </ul>
BTS: Emergency Use Of Oxygen	<ul style="list-style-type: none"> <li>Introduce target saturations on drug prescription chart</li> <li>Education of medical/ nursing staff</li> <li>Introduction of oxygen administration chart</li> <li>Introduction of electronic observations</li> </ul>
BTS Bronchiectasis Audit	<ul style="list-style-type: none"> <li>Discuss results with respiratory team and review current practice</li> <li>Consideration of bronchiectasis clinic</li> </ul>
Saving Lives High Impact Intervention 1 Central Venous Catheter care bundle	<ul style="list-style-type: none"> <li>Review content of the care bundle in line with any Department of Health changes</li> </ul>
Saving Lives High Impact Intervention 3 Renal dialysis catheter care bundle	<ul style="list-style-type: none"> <li>Review content of the care bundle in line with any Department of Health changes</li> </ul>
National Cardiac Rehabilitation Audit (NACR)	<ul style="list-style-type: none"> <li>Aspiration to develop heart failure cardiac rehab. Business case for heart failure rehab</li> <li>Continue to evaluate numbers of patients seen and those missed from coded data</li> <li>Identify areas where patients are recurrently not being referred for cardiac rehabilitation</li> </ul>
National Audit of the Management of Familial Hypercholesterolaemia	<ul style="list-style-type: none"> <li>Establishment of a Familial Hypercholesterolaemia database</li> </ul>
National Kidney Care Audit (Vascular Access)	<ul style="list-style-type: none"> <li>To look at failed radial fistulae to see whether the scan showed good vessels</li> <li>Continue monthly run chart</li> <li>Annual audit of access in incident and prevalent patients</li> </ul>
National Hip Fracture database: Audit of best practice criteria	<ul style="list-style-type: none"> <li>Review of National Hip Fracture Database data</li> </ul>
National care of the dying audit	<ul style="list-style-type: none"> <li>Extra member of staff for Liverpool Care Pathway (LCP)</li> <li>Focused training sessions on ward</li> <li>Increased presence of LCP facilitators on wards (one day not covered)</li> <li>Steering Group for LCP</li> </ul>
National Comparative Audit for Bedside practice 2011	<ul style="list-style-type: none"> <li>Discuss with Risk management/senior nursing team options for transfusion policy wording to reflect need to have observations recorded on patients undergoing transfusion as per British Committee Standards in Haematology guidelines but also to ensure compliance with NHS Litigation Authority standards</li> <li>Emphasise during mandatory training sessions and competency assessments that stop times must be recorded on the Transfusion protocol</li> <li>Emphasise during mandatory training sessions and competency assessment need for clear recording of observations to all staff</li> </ul>
National Audit of Theatre Equipment	<ul style="list-style-type: none"> <li>No action required</li> </ul>

Audit Title York	Actions to be taken
National Audit of Falls in Care settings - PILOT	<ul style="list-style-type: none"> <li>Full report, results and recommendations to be discussed with Falls Prevention Group</li> </ul>
College of Emergency Medicine - Pain Management (children)	<ul style="list-style-type: none"> <li>All timings will be affected by introduction of Unscheduled Care Centre (UCC) in March 2012, manned mainly by Emergency Nurse Practitioners</li> <li>Children in moderate pain expected to be seen and definitively managed quicker here, than in main Emergency Department (ED). And when UCC wait is long, children being triaged through ED route to ensure analgesia.</li> <li>Will need re-auditing next year to evaluate effects of new service</li> </ul>
College of Emergency Medicine Severe Sepsis and Septic Shock	<ul style="list-style-type: none"> <li>Continue within constraints of service currently and measure future performance against current. Difficult to gauge performance based on only 30 patients – this is more of a baseline and guide against national performance</li> </ul>
Acute Medicine's pilot Benchmarking Audit	<ul style="list-style-type: none"> <li>To continue to submit York Hospital data on an annual or other periodic basis as requested by the Society for Acute Medicine in the expectation that a more detailed national comparator dataset will develop</li> </ul>

### Appendix Three

Number of Local Clinical Audits Undertaken - York	Actions to be taken
30	Improve documentation
20	Change process
65	Re-audit
31	Additional training
13	Improve communication
14	Other e.g. additional equipment

Number of Local Clinical Audits Undertaken - Scarborough	Actions to be taken
2	Improve documentation
4	Change process
9	Re-audit
1	Additional training
2	Other e.g. additional equipment

### Research and Development

The number of patients receiving NHS services provided or subcontracted by York Teaching Hospital NHS Foundation Trust that were recruited during that period to participate in research approved by a research ethics committee was 3439. 3184 of these were recruited in York Hospital and 255 in Scarborough Hospital (post acquisition).

## Part 5 – New Initiatives, Targets and Trajectories

National targets & regulatory requirements	2011/12 achieved	2012/13 target	2012/13 actual	Target achieved	Target & trajectories 2013/14
<b>Infection Prevention and Control</b>					
Clostridium difficile year on year reduction	34	27*+ 24	54	X	43
MRSA – maintaining the annual number of MRSA bloodstream infections at less than half the 2003	6	6*	1	✓	6
<b>Cancer Waiting Times ( Maximum Waits)</b>					
31 days from decision to 1 <sup>st</sup> treatment	98.7%	96.0%	99.38%	✓	96.0%
31 days for 2 <sup>nd</sup> or subsequent treatment for all cancers – anti cancer drugs	99.5%	98.0%	99.55%	✓	98.0%
31 days for 2 <sup>nd</sup> or subsequent treatment for all cancers – surgery	95.7%	95.0%	96.50%	✓	94.0%
62 days from all referrals to treatment for all cancers – urgent GP referral	87.3%	85.0%	89.77%	✓	85.0%
62 days from urgent referral to treatment for all cancers – screening	95.2%	90.0%	92.84%	✓	90.0%
14 days from referral to 1 <sup>st</sup> seen for all urgent cancers	94.7%	93.0%	94.96%	✓	93.0%
14 days from referral to 1 <sup>st</sup> seen for breast symptomatic breast patients	94.8%	93.0%	95.63%	✓	93.0%
<b>18 Week Pathway**</b>					
Admitted patients -18-week maximum wait from point of referral to treatment -	90.2%	90.0%	91.3%	✓	90.0%
Non-admitted patients -18-week maximum wait from point of referral to treatment	98.2%	95.0%	96.6%	✓	95.0%
Maximum time of 18 Weeks from point of referral to treatment – patients on an incomplete pathway	N/A	92.0%	92.0%	✓	92.0%%
<b>Accident and Emergency Waiting Times</b>					
Maximum waiting time of four hours in A & E from arrival to admission, transfer or discharge	97.0%	95.0%	94.7%	x	95.0%
<b>Data Completeness (Community Services)</b>					
Referral to treatment	N/A	50%	100.0%	✓	50%
Referral Information	N/A	50%	73.2%	✓	50%
Treatment activity information	N/A	50%	99.7%	✓	50%
Patient identifier information	N/A	50%	88.5%	✓	N/A
Patients dying at home/care home	N/A	50%	N/A	N/A	N/A

National targets & regulatory requirements	2011/12 achieved	2012/13 target	2012/13 actual	Target achieved	Target & trajectories 2013/14
<b>Learning Disabilities</b>					
Certification against compliance with requirements regarding access to healthcare for people with learning disabilities**	N/A	***Meet the six criteria detailed below	Met	✓	** Meet the six criteria detailed below

\* Scarborough and North East Yorkshire NHS Trust (SNEY) was acquired by York Teaching Hospital NHS Foundation Trust at the end of quarter 1, the targets/ trajectories set for SNEY were merged with the YTH targets/trajectories for the remainder of the year.

\*\* Whilst the Trust achieved the 18 week targets, some patients continue to wait 52 weeks in one specialty due to capacity issues.

**\*\*\* Criteria for meeting the needs of people with learning disabilities**

1. Does the Trust have a mechanism in place to identify and flag patients with learning disabilities and protocols that pathways of care are reasonably adjusted to meet the health needs of these patients?
2. Does the Trust provide readily available and comprehensible information to patients with learning disabilities about the following criteria?
  - Treatment options
  - Complaints procedures
  - appointments
3. Does the Trust have protocols in place to provide suitable support for family carers who support patients with learning disabilities?
4. Does the Trust have protocols in place to routinely include training on providing healthcare to patients with learning disabilities for all staff?
5. Does the Trust have protocols in place to encourage representation of people with learning disabilities and their family carers?
6. Does the Trust have protocols in place to regularly audit its practices for patients with learning disabilities and to demonstrate the findings in routine public reports?

## Trust Performance against National Quality Indicators

Trust performance against a range of core quality indicators mandated for inclusion in the quality report by the Department of Health is shown below.

Where this data is available, the Trust's performance for each indicator is shown against the data for the last two reporting periods published by the Health and Social Care Information Centre (HSCIC). The lowest and highest values and national average for each indicator for the latest reporting period are also shown.

Trust performance data is for the enlarged organisation (York and Scarborough) unless the reporting periods include data prior to acquisition. Where this is the case, Scarborough and North East Yorkshire NHS Trust data is shown in brackets.

Summary Hospital-level Mortality Indicator (SHMI) and Banding	Trust Apr 11 – Mar 12	Trust Jul 11 – Jun 12	NHS Average Jul 11 – Jun 12	Highest Trust Jul 11 – Jun 12	Lowest Trust Jul 11 – Jun 12
Trust performance (lower score is better)	112	108	100	126	71
Banding (higher score is better)	2	2	2	1	3

**York Teaching Hospital NHS Foundation Trust considers that this data is as described for the following reasons:**

- Information on both the Summary Hospital Mortality Indicator (SHMI) and the Summary Hospital Mortality Indicator (SHMI) are reported to and scrutinised by the Board of Directors when published. The above data is consistent with locally reported data.
- Information on both the SHMI and HSMR is also reported by the Care Quality Commission (CQC) in the monthly Quality and Risk Profile (QRP). The CQC is analysed monthly, and a summary of the report and Trust activity in relation to each CQC outcome reported to the Board of Directors in the quarterly Healthcare Governance report.

**York Teaching Hospital NHS Foundation Trust has taken the following actions to improve this number, and so the quality of it's data by:**

- Continuing with work on our "Reducing Mortality" programme supported by NHS Quest which commenced in 2012-13. Progress updates are reported to the Board of Directors monthly in the Medical Director's patient safety report. The programme's work streams are:
  - Moving towards the delivery of a 24/7/365 day service which encompasses reducing time to initial assessment, developing excellence in handover, re-structuring ward rounds, and developments to out of hours working
  - Reviewing systems for measurement, which involves mortality reviews of all deaths and developing excellence in clinical coding
  - Reducing harm and deterioration with increased training in critical illness recognition, improving escalation processes for deteriorating patients and patient at risk scoring
  - Excellence in end of life care, where we are continuing to improve our "do not attempt resuscitation" decision making, reducing the number of nursing home admissions for patients to die in hospital and implementing and end of life work programme

**We will:**

- Be continuing to work towards achieving an overall SHMI of 100 with an achievement of a reduction in the SHMI to no more than 105 by March 2014 by continuing our work on the "Reducing Mortality" programme

Palliative Care Coding	Trust Apr 11 – Mar 12	Trust Jul 11 – Jun 12	NHS Average Jul 11 – Jun 12	Highest Trust Jul 11 – Jun 12	Lowest Trust Jul 11 – Jun 12
% Deceased patients with palliative care coded	17.5%	17.6%	18.6%	46.3%	0.3%

**York Teaching Hospital NHS Foundation Trust considers that this data is as described for the following reasons:**

- We continue to audit the quality of our clinically coded data for deceased patients as part of our mortality reviews to ensure it is an accurate reflection of the patient's diagnoses and procedures. Developing excellence in clinical coding work stream for reviewing systems of measurement in the Trust's "Reducing Mortality" programme
- Progress with the "Reducing Mortality" programme is reported monthly to the Board of Directors in the Medical Director's patient safety report

**York Teaching Hospital NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of it's data by:**

- Continuing to develop improved methods for recording information on chronic conditions, which includes rolling out the use of our electronic patient data system to Scarborough Hospital
- including a presentation on the importance of clinical coding in the induction programme for new Consultants

**We will:**

- Continue to develop excellence in our clinical coding as part of the "Reducing Mortality" programme.

Patient Reported Outcome Measures *	Trust 2010-11	Trust 2011-12	NHS Average 2011-12	Highest Trust 2011-12	Lowest Trust 2011-12
Outcome Measure Score - Hip Replacements	0.410	0.419	0.411	0.508	0.310
Outcome Measure Score - Knee Replacements	0.328	0.328	0.299	0.399	0.132
Outcome Measure Score - Groin Hernias	0.086	0.082	0.087	0.155	-0.043
Outcome Measure Score - Varicose Veins	Data not published	0.064	0.094	0.199	-0.105

\* Trust performance data is an average of the data published for the four Clinical Commissioning Groups in North Yorkshire. Please note that there is no national data for varicose veins for the Trust – the data has been suppressed by the HSCIC in accordance with their rules on publishing low numbers

**York Teaching Hospital NHS Foundation Trust considers that this data is as described for the following reasons:**

- Performance in relation to Patient Reported Outcome Measures (PROMS) is included in the Medical Director's report to the Board of Directors. Outcome measure scores reported by the Yorkshire and Humber Quality Observatory on a quarterly basis are analysed by the Deputy Director of Patient Safety, with updates being included in Medical Director's report. This above data is consistent with locally reported data.
- Information on both PROMs performance is also reported by the Care Quality Commission (CQC) in the monthly Quality and Risk Profile (QRP). The CQC is analysed monthly, and a summary of the report and Trust activity in relation to each CQC outcome reported to the Board of Directors in the quarterly Healthcare Governance report.

**York Teaching Hospital NHS Foundation Trust has the following actions to improve these numbers, and so the quality of it's data by:**

- Ensuring that relevant staff attend regional PROMs workshops which facilitates networking with colleagues from other Trusts and allows sharing of best practice

**We will:**

- Ensure that the Trust Executive Board and Board of Directors receive PROMs outcome and participation rate results quarterly and that any areas of performance where the Trust may be shown to be an outlier are acted upon.

Readmissions within 30 Days of Discharge	Trust* 2009-10	Trust 2010-11	NHS* Average 2010-11	Highest Trust * 2010-11	Lowest Trust* 2010-11
Percentage of Readmissions aged 0 to 15	10.3% (9.1%)	9.5 % (11.8%)	9.5%	13.9%	5.9%
Percentage of readmissions aged 16 and Over	10.5% (10.6%)	10.7% (10.3)	11.1%	12.9%	7.6%

\* Trust and national data is according to the data classified as medium acute trust by the HSCIC. For 2012-13 the Trust readmission rate was 6.1%, although this relates to the Trust's internal performance only and has not been reported by HSCIC.

**York Teaching Hospital NHS Foundation Trust considers that this data is as described for the following reasons:**

- The data is consistent with data reported locally on the Trust's electronic performance monitoring system. Emergency readmission data has also been subject to scrutiny by the local Primary Care Trusts and later the local Clinical Commissioning Groups.

**York Teaching Hospital NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of it's data by:**

- Holding weekly safety Quality and Safety briefings and ensuring that appropriate action is taken in response to any issues raised. These meetings between the Medical Director, Chief Nurse, Deputy Director of Patient Safety, Assistant Director of Healthcare Governance and the Head of Risk and Legal Services are held to discuss a range of quality and safety issues which includes emergency readmissions and other pertinent quality and safety issues.

**We will:**

- Continue to hold our weekly quality and safety briefings and take action to address any issues raised.

Responsiveness to Personal Needs of Patients	Trust 2010-11	Trust 2011-12	NHS Average 2011-12	Highest Trust 2011-12	Lowest Trust 2011-12
Ensuring that people have a positive experience	70.5% (63.2%)	70.9% (63.5%)	67.4%	85.0%	56.5%

Data source is the National Patient Survey Programme, the scores represents a weighted average of 5 questions related to responsiveness to inpatient needs.

**York Teaching Hospital NHS Foundation Trust considers that this data is as described for the following reasons:**

- All feedback from patient surveys is reported to and scrutinised by the Board of Directors in the Chief Nurse Quality of Care report.
- Information on patient surveys is also reported by the Care Quality Commission (CQC) in the monthly Quality and Risk Profile (QRP). The CQC is analysed monthly, and a summary of the report and Trust activity in relation to each CQC outcome reported to the Board of Directors in the quarterly Healthcare Governance report.

**York Teaching Hospital NHS Foundation Trust has taken the following actions to improve this percentage and so the quality of it's data by :**

- Continuing to respond to feedback provided from inpatient, outpatient, maternity, emergency department and cancer care surveys and develop action plans to address areas for improvement as part of our Patient and Public Involvement work
- Continuing with local patient surveys, patient forums and other initiatives as part of our patient and public involvement work to enhance our services and improve patient care

**We will:**

- Implement the national Friends and Family Test in nationally designated areas from April 2013. One of our key priorities for 2013-14 is to ensure that response rates for the Family and Friends increase by 20% from a baseline established between April and June 2013. The results of this friends and family test will be used to improve the experience of patients by providing timely feedback alongside other sources of patient feedback currently in use.

Staff Recommending the Trust to Family and Friends	Trust 2011	Trust 2012	NHS Average 2012	Highest Trust 2012	Lowest Trust 2012
Percentage of staff who would recommend the Trust	66% (48%)	60%	62%	86%	35%

Please note that the 2012 Trust data is for the enlarged organisation.

**York Teaching Hospital NHS Foundation Trust considers that this data is as described for the following reasons:**

- The data published by the Information Centre is consistent with the staff survey results received by the Directorate of Human Resources for the 2011 and 2012 staff surveys. The results of the annual staff survey are reported to the Board of Directors.

**York Teaching Hospital NHS Foundation Trust is taking the following actions to improve this percentage, and so the quality of it's data by:**

- Implementing a three phase action plan aimed at increasing staff engagement, which gives staff the opportunity to voice concerns, talk about service improvements, share their ideas, ask questions to senior leaders, debate change and highlight poor practice.
- In phase one, we will be undertaking a number of focus groups and attending staff meetings to obtain information from staff on what systems they would want to see in place to ensure their views and concerns are listened to. This will include highlighting the systems we already have to assess effectiveness and discuss a number of new ideas as possible options. Phase two is linked to staff feedback development and the implementation of a sustainable engagement programme. Phase three will see the development of a robust structure to engage newly recruited staff within the first six months of their employment and engaging with staff that are leaving their employment with the Trust.

Patients Admitted and Risk Assessed for Venous Thromboembolism	Trust Q2* 2012-13	Trust Q3* 2012-13	NHS Average Q3 2012-13	Highest Trust Q3 2012-13	Lowest Trust Q3 2012-13
Percentage of patients risk assessed	93.7%	92.7%	94.3%	100.0%	84.6%

Q2 is data for July to September 2012, Q3 data is October to December 2012

**York Teaching Hospital NHS Foundation Trust considers that this data is as described for the following reasons:**

- The percentage compliance with VTE assessments is reported monthly to the Board of Directors as part of the Medical Director's report. Compliance is also reported monthly on Signal, the Trust's activity and performance monitoring dashboard, as part of compliance monitoring against CQUIN targets. The above data is in line with locally reported data.

**York Teaching Hospital NHS Foundation Trust has taken the following actions to improve this percentage and so the quality of it's data by:**

- Continuing to measure and report compliance with VTE risk assessments as described above

**We will:**

- Continue to monitor and report compliance with VTE assessments as described to ensure that performance continues to meet and exceed the required standards

Clostridium difficile Infection (for patients aged 2 and over)	Trust 2010-11	Trust 2011-12	NHS Average 2011-12	Highest Trust 2011-12	Lowest Trust 2011-12
Rate per 100,000 bed days	25.4 (41.6)	16.3 (34.4)	21.8	51.6	0.00

Please note that the national data for this indicator includes specialist hospitals in addition to acute general hospitals.

**York Teaching Hospital NHS Foundation Trust considers that this data is as described for the following reasons:**

- The Director of Infection Prevention and Control provides a quarterly report to the Board of Directors. Incidence of all hospital acquired infections is reported weekly to the Director of Infection Prevention and Control (Chief Nurse), Medical Director and other senior staff in the Trust. This report includes an infection prevention performance dashboard, reports compliance against the Hygiene Code 2009, performance against key indicators and provides an update on progress with the Infection Prevention Annual Plan

**York Teaching Hospital NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of it's data by:**

- Continuing with our C difficile Infection (CDI) reduction strategy. Progress against the strategy is reported quarterly to the Board of Directors in the Director of Infection Prevention and Control Report
- Continually and critically monitoring our infection prevention practices to ensure they reflect best practice and keep patients safe. This includes conducting a root cause analysis for every incidence of hospital-acquired C difficile infection, the results of which are presented to the Trust's Executive Board by the relevant Clinical Director. Close monitoring of antibiotic prescribing remains a key priority for the Trust's Antimicrobial Stewardship Team
- Holding weekly safety Quality and Safety briefings and ensuring that appropriate action is taken in response to any issues raised. These meetings between the Medical Director, Chief Nurse, Deputy Director of Patient Safety, Assistant Director of Healthcare Governance and the Head of Risk and Legal Services are held to discuss a range of quality and safety issues which includes healthcare acquired infections

**We will:**

- Continue with our CDI reduction strategy, monitoring of infection prevention practices, and continuing with our antimicrobial stewardship programme
- Continue to report progress to the Board of Directors in the Director of Infection Prevention and Control quarterly report which as previously described, provides assurance to the Board of Directors that sustainable reductions in the incidence of avoidable healthcare are both in place and effective
- Continue to hold our weekly quality and safety briefings and take action to address any issues raised

Patient Safety Incidents and the number of incidents resulting in Severe Harm or Death	Trust Oct 11-Mar 12	Trust Apr-Sep 2012	NHS Average Apr-Sep 2012	Highest Trust Apr-Sep 2012	Lowest Trust Apr-Sep 2012
Rate of patient safety incidents	7.52 (5.97)	2.77	7.03	12.10	2.77
Number of incidents resulting in harm or death	21 (10)	21	28	86	1
Percentage of incidents resulting in harm or death	0.7% (0.8)	1.2%	0.6%	1.6%	1.0%

Please note that the national comparative data reported for this indicator for April to September 2012 is the National Patient Safety Agency (NPSA) data for acute teaching hospitals. For the previous reporting period, October 11 to March 2012, the NPSA reported York Hospital data in their data for medium acute hospitals.

The Trust has been unable to validate the patient safety data as separate incident management systems were in place prior to acquisition in July 2012. A new process is being put in place to ensure that data is validated on a continuous basis

**York Teaching Hospital NHS Foundation Trust has taken the following actions to improve this number and percentage and so the quality of it's data by:**

- Holding weekly safety Quality and Safety briefings and ensuring that appropriate action is taken in response to any issues raised. These meetings between the Medical Director, Chief Nurse, Deputy Director of Patient Safety, Assistant Director of Healthcare Governance and the Head of Risk and Legal Services are held to discuss a range of quality and safety issues which includes deaths, adverse incidents, serious incidents and safety alerts

**We will:**

- Continue to hold our weekly quality and safety briefings and take action to address any issues raised.

## **Part 6 – Statements from Key Stakeholders**

### **Statement on behalf of the Council of Governors (CoG)**

Two members of the Council of Governors have met with, on behalf of the whole Council of Governors, representatives of the Trust to review, comment on and have input into the draft Quality Report 2012/2013 before the document was finalised and published. This year's report reflects the work of the enlarged organisation to highlight and address issues in relation to the quality and safety of the patient care delivered and identify where work still needs to be undertaken to reach the targets agreed across the whole of the Trust.

The Council of Governors chose the World Health Organisations (WHO) Surgeons Checklist usage as the metric to be reviewed and reported on by the external auditors in the last year. The target was to achieve 100% compliance with 80% compliance found to be achieved in the acute theatres. There continues to be a need to focus on this target and work towards meeting the goal of 100% compliance in all theatres across the organisation. It has been agreed to maintain this metric as the chosen one for another year as the organisation seeks to achieve the agreed target. An audit of the usage of the newly developed national early warning score (NEWS) chart will now take place this year in time for the 2013/2014 report. This allows for the implementation of the new tool across the acute adult areas of the Trust. It is also hoped to review the use of the appropriate early warning score tool in Maternity and Paediatric Services. The representatives of the Council of Governors have agreed for this to be the case. The care of patients with dementia continues to be an issue that Governors feel is of significant importance and are pleased to note the work being undertaken to diagnose patients with dementia and the work being undertaken to address the particular needs of this group of patients. The Governors look forward to receiving updates of the progress being made to achieve the target for this work.

The Council of Governors are very pleased to be working with the Trust in relation to the quality of care being delivered by the organisation and the safety of patients being cared. Whilst it is no-longer a requirement of the Trust, the Council of Governors were very appreciative of the Trust's decision to continue to ask the CoG to identify a metric to be audited in this next year. The CoG looks forward to learning about the progress being made to achieve the targets agreed.

### **Statement on behalf of Healthwatch York**

Thank you for giving Healthwatch York the opportunity to comment on your Quality Report for 2012/13. The report is very open, informative and generally easy to read. Most of the information is clearly presented. The inclusion of a glossary is very welcome to enable lay people to understand the jargon and acronyms used.

It was particularly pleasing to see that systems have been introduced to ensure the patient is put at the centre of services and that family and friends are involved.

The inclusion of the section giving details of awards received – both internal and external - is very interesting and is presented clearly.

The emphasis the Trust places on patient safety and the patient experience is very

welcome and Healthwatch York looks forward to following the Trust's progress in achieving its targets for 2013/14.

We very much look forward to developing a productive working relationship with the Trust during the coming year.

## **Statement from Healthwatch East Riding of Yorkshire**

Healthwatch East Riding of Yorkshire was launched on 1 April 2013. At this stage in our development we are not in a position to provide a detailed statement on the Accounts. However we do wish to commend the Trust as we feel the Accounts provide a clear and open story of the quality of patient care provided. The information contained in the report will be useful for us in setting our own work priorities for the year ahead.

We commend the Trust on the use of a traffic light system of highlighting performance as set out in section 2 and support on-going work to reduce mortality rates as well as work to address issues of slips, trip and falls and prescribing and administration of medicines, which arose due to the acquisition of SNEY Trust.

Healthwatch supports the Trust's priorities for quality and safety for 2013/14 and the emphasis on continuing to improve systems to collect patient experience.

Together with our colleagues in Healthwatch York and North Yorkshire, we are keen to start an on-going engagement process with the Trust so that we can play a part in the production of future Quality Accounts, to ensure they reflect our own local knowledge of the services provided by the Trust and to ensure local priorities - as expressed by service users - are being reflected in the improvement priorities being set by the Trust.

## **Statement from Vale of York Clinical Commissioning Group**

Vale of York Clinical Commissioning Group is the lead Commissioner for York Teaching Hospitals NHS Foundation Trust and we are pleased to be able to review and comment on their Quality Account for 2012/13 in conjunction with our Associate Commissioner, NHS East Riding of Yorkshire CCG and NHS Scarborough and Ryedale CCG.

In July 2012 York Teaching Hospitals NHS Trust merged with Scarborough & North East Yorkshire Healthcare Trust and this Quality Account provides a balanced and accurate account of the quality of patient care provided across the new organisation.

Over the past 12 months we have worked hard together as Commissioners and Providers to improve the quality of patient services for our populations. Through the contract management process the Trust has provided assurance to us as Commissioners, by sharing a range of data and quality metrics which have assured us of the quality of patient services. We are especially pleased to note the following achievements:-

- An improvement in the overall Summary Hospital Mortality Index.
- 95% compliance with the implementation of 'comfort rounds' and the rollout of the 'Dining Companion Scheme' at York Hospital.
- Improved the End of Life Care for patients and their relatives/carers at

Scarborough.

- The NHS Safety Thermometer, a tool which measures the number of harms caused to patients by pressure ulcers, patient falls, urinary catheter associated infections and venous thromboembolism, has been introduced across all wards in Scarborough, York and Community Services.
- The Trust continues to undertake patient safety leadership walk rounds by senior managers, directors and non-executives to wards and departments.

York Teaching Hospitals NHS Foundation Trust has also demonstrated significant improvements across the majority of CQUIN indicators for 2012/13 however, the implementation of the Neighbourhood Care Teams in York Community Services have not delivered the planned 'improvement cycles'. The national and local indicators for the 2013/14 CQUIN Scheme have been agreed with the Trust and have a real synergy with what we are seeking to achieve across the Vale of York and Scarborough and Ryedale CCGs.

The Trust have faced a number of challenges over the past 12 months including A&E performance, ambulance turnaround times, the number of cases of Clostridium Difficile and the number of patients who continued to wait in excess of 52 weeks for treatment. All these areas are being addressed through intensive whole system working with partner organisations including the CCGs and the Ambulance Trust.

The priorities identified in the Quality Account for 2013/14 clearly identify with the three elements of quality i.e. patient safety, clinical effectiveness and patient experience and also incorporate recommendations from the Francis Report that are relevant to nursing and midwifery services and focus on:-

#### Patient Safety

- Ensuring consistency of care, 24 hours a day, 7 days a week
- Reduction of harm by early detection of the 'at risk' or deteriorating patient
- Reducing mortality
- Excellence in the end of life care

#### Clinical Effectiveness

- To utilise and monitor compliance with the World Health Organisation Safe Surgery Checklist
- Continue to reduce the number of avoidable falls in hospital
- Reduction in the number of errors in prescribing and administration of medicines
- To improve the take-up rates of staff training on infection prevention and control and achieve the Clostridium Difficile target for 2013/14.

#### Patient Experience

- Involve patients in decisions about their care – 'no decision about me without me'
- Getting staffing right – by ensuring nurses and midwives have the time to provide care, patients will receive a service that is delivered with compassion, dignity and respect.
- Introduction of the Friends & Family Test to gain patient feedback on their experience of using hospital services.

As a commissioner we commend this Quality Account for its accuracy, honesty, and openness and have worked in partnership with Scarborough and Ryedale CCG in

developing our response. We recognise that York Teaching Hospitals NHS Foundation Trust delivers good quality patient care, and we look forward to working with the Trust to address some of the challenges we have noted above, and to bring about further improvements in quality during 2013.



Rachel Potts  
Chief Operating Officer  
Vale of York Clinical Commissioning Group

## **Statement from Healthwatch North Yorkshire**

Healthwatch North Yorkshire would like to thank York Teaching NHS Foundation Trust for the opportunity to comment on their Quality Accounts for the year 2012-2013.

### **Quality of Care**

- 1) The Nursing and Midwifery Strategy, makes no mention of patient input into the strategy, at present patients have several problems with parts of the strategy's implementation.
- 2) The mention of specific objectives in the strategy, but does not state what they are.

### **Scarborough Hospitals Priorities for Improvement, 2012-13**

#### **Improvement 2012-13**

- 1) Dementia Care

Healthwatch North Yorkshire is pleased to see the appointment of a dedicated matron and identifying problems through patient feedback. However there is a concern from patients who report continuing lack of coordination of Dementia Care services.

- 2) End of Life Care

***'We have established Multidisciplinary Meetings in the local community to discuss working to the Gold Standard in Community Care'***

- What is 'Gold standard in community care'?
- Explanation required for the specific standard
- Explanation required as to why it is not already in place.

### **Outpatient Administration to Improve Patient Experience and Increase Capacity**

- 1) Many elderly patients still do not understand the new outpatients booking procedure

***'The process allows patients to ring and mutually agree convenient appointment just weeks before the appointment is due to take place (6 weeks)'***

- 6 weeks is still too long for patients to wait.

- This does not apply to outpatient appointments for X-rays or scans because Scarborough Hospital does not have sufficient capacity.

### **Integrating Nursing Risk Assessments for Patients with Chronic Conditions**

This was tabled in 2011 when Community Services were transferred from the NY&Y PCT to York Teaching NHS Foundation Trust; Healthwatch North Yorkshire has not seen any implantation of this, and has been informed this will now happen in 2014.

***'The income generated by NHS Services reviewed in 2012 -13 represent 100% of the total income...'***

- Who decided which service should be reviewed?
- What happens to income generated by private treatment in NHS Hospitals?

***'Further details of the agreed goals for 2012-13 and the following 12 months are available from the Director of Finance'***

- These details should be included in the Quality Account or not mentioned at all.

Table of Audit Titles

Explanation of reasons for Scarborough Hospital not taking part in many audits is required.

What is HSCIC?

- Full titles should be given; patients do not understand the meaning of abbreviations.

# **Independent Auditors' Limited Assurance Report to the Council of Governors of York Teaching Hospital NHS Foundation Trust on the Quality Report**

We have been engaged by the Council of Governors of York Teaching Hospital NHS Foundation Trust to perform an independent limited assurance engagement in respect of York Teaching Hospital NHS Foundation Trust's Quality Report for the year ended 31 March 2013 (the "Quality Report") and certain performance indicators contained therein.

## **Scope and subject matter**

The indicators for the year ended 31 March 2013 subject to limited assurance consist of those national priority indicators mandated by Monitor:

- Maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers
- Emergency readmissions within 28 days of discharge from hospital.

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

## **Respective responsibilities of the Directors and Auditors**

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

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

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual;
- the Quality Report is not consistent in all material respects with the sources specified in paragraph 2.1(2) of Monitor's 2012/13 Detailed Guidance for External Assurance on Quality Reports; and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Detailed Guidance for External Assurance on Quality Reports.

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

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

- Board minutes for the period April 2012 to May 2013;
- Papers relating to quality reported to the Board over the period April 2012 to May 2013;
- Feedback from the Commissioners dated May 2013;
- Feedback from local Health-watch organisations dated April 2013;
- The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated April 2013;

- The latest national patient survey dated April 2013;
- The latest national staff survey dated April 2013;
- Care Quality Commission quality and risk profiles dated March 2013; and
- The Head of Internal Audit's annual opinion over the trust's control environment dated May 2013.

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

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

This report, including the conclusion, has been prepared solely for the Council of Governors of York Teaching Hospital NHS Foundation Trust as a body, to assist the Council of Governors in reporting York Teaching Hospital NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Trust's Annual Report for the year ended 31 March 2013, 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 York Teaching Hospital NHS Foundation Trust for our work or this report save where terms are expressly agreed and with our prior consent in writing.

### **Assurance work performed**

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('ISAE3000'). 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 indicators back to supporting documentation
- Comparing the content requirements of the NHS Foundation Trust Annual Reporting Manual to the categories reported in the Quality Report
- Reading the documents.

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

### **Limitations**

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

The absence of a significant body of established practice on which to draw allows for the

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

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

### **Conclusion**

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2013:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual;
- the Quality Report is not consistent in all material respects with the sources specified in Monitor's 2012-13 Detailed Guidance for External Assurance on Quality Reports paragraph 2.1(2); 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.

*Grant Thornton UK LLP*

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24 June 2013

## Glossary

Term	Description
<b>Audit Commission</b>	The Audit Commission is a statutory corporation in the United Kingdom whose role is to protect the public purse. The Commission's primary objective is to appoint auditors to a range of local public bodies in England, set the standards for auditors and oversee their work.
<b>Blood Gas Analysis</b>	Blood gas analysis is a test used to check how well your lungs are working and whether they are able to exchange oxygen and carbon dioxide efficiently. The test may be recommended if you are having breathing problems, such as shortness of breath or rapid breathing.
<b>Board of Directors</b>	Individuals appointed by the Council of Governors and Non-executive Directors. The Board of Directors assumes legal responsibility for the strategic direction and management of the Trust.
<b>Clinical Standards Group</b>	The Clinical Standards Group is the Trust body which has responsibility for demonstrating evidence of degree of compliance for all nationally agreed best practice as defined by the National Institute for Health and Clinical Excellence (NICE), National Confidential Enquiry into Patient Outcome and Death (NCEPOD) and other nationally agreed clinical guidance. It is also responsible for assessing and monitoring progress with national and local clinical audits, and challenging the actions required to implement changes in practice.
<b>Clostridium Difficile (C Diff)</b>	Clostridium difficile is a species of bacteria of the genus Clostridium that causes severe diarrhoea and other intestinal disease when competing bacteria in the gut flora are wiped out by antibiotics.
<b>Care Quality Commission (CQC)</b>	The Care Quality Commission regulates care provided by the NHS, local authorities, private companies and voluntary organisations. They aim to make sure better care is provided for everyone - in hospitals, care homes and people's own homes. They also seek to protect the interests of people whose rights are restricted under the Mental Health Act.

Term	Description
<b>CQC Quality Risk Profile (QRP)</b>	The Quality and Risk Profile is a tool for healthcare providers, commissioners and CQC staff for monitoring compliance with the essential standards of quality and safety. They help in assessing where risks lie and can play a key role in internal monitoring as well as informing the commissioning of services.
<b>College of Emergency Medicine</b>	The College of Emergency Medicine advances education and research in Emergency Medicine. It is responsible for setting standards of training and administering examinations in Emergency Medicine, and also works to ensure high quality care by setting and monitoring standards of care, and providing expert guidance and advice on policy to relevant bodies on matters relating to Emergency Medicine.
<b>Commissioning for Quality and Innovation Payment Framework (CQUIN)</b>	The Commissioning for Quality and Innovation (CQUIN) scheme was announced in <i>High Quality Care for All</i> (2008) and introduced through the new standard NHS contracts and the NHS Operating Framework for 2009/10. It is a key element of the NHS Quality Framework, introducing an approach to incentivising quality improvement. CQUIN schemes were mandated for acute contracts from 2009/10.
<b>Comfort Rounds</b>	Comfort rounding is the process where healthcare professionals (usually nurses) carrying out regular and documented checks with their patients with the aim of increasing patient comfort and ensuring they feel supported.. Checks will include addressing pain issues, ensuring patients are positioned comfortable, ensuring the environment is safe for the patient, addressing personal hygiene needs and any other issues which may be of concern to the patient.
<b>Council of Governors (CoG)</b>	<p>Every NHS Foundation Trust is required to establish a Council of Governors. The main role of the Council of Governors is threefold:</p> <ul style="list-style-type: none"> <li>• <b>Advisory</b> - to advise the Board of Directors on decisions about the strategic direction of the organisation and hold the Board to account.</li> <li>• <b>Strategic</b> - to inform the development of the future strategy for the organisation</li> <li>• <b>Guardianship</b> - to act as guardian of the NHS Foundation Trust for the local community.</li> </ul> <p>The Chair of the Council of Governors is also the chair of the NHS Foundation Trust. The Council of Governors does not “run” the Trust, or get involved in operational issues.</p>

Term	Description
<b>Department of Health (DH)</b>	The Department of Health is a government department with responsibility for government policy for health and social care matters and for the (NHS) in England. It is led by the Secretary of State for Health.
<b>Deteriorating Patient</b>	Sometimes, the health of a patient in hospital may get worse suddenly. There are certain times when this is more likely, for example following an emergency admission to hospital, after surgery and after leaving critical care. However, it can happen at any stage of an illness. It increases the patient's risk of needing to stay longer in hospital, not recovering fully or dying. Monitoring patients regularly while they are in hospital and taking action if they show signs of becoming worse can help avoid serious problems.
<b>Did Not Attend (DNA)</b>	A DNA is defined as a patient failing to give notice that they will not be attending their appointment. Patients who give prior notice, however short, that they will not be attending their appointment will be classed as a CNA (could not attend).
<b>Do Not Attempt Cardiopulmonary Resuscitation (DNA CPR)</b>	If someone's heart or breathing stops suddenly, the brain can only live for about three to four minutes before death could result. When this happens it may be possible to try to restart the heart and breathing with emergency treatment called CPR or cardiopulmonary resuscitation. All healthcare organisations will routinely attempt Cardiopulmonary resuscitation (CPR) on any individual where cardiac or respiratory function ceases, unless there is direct and written order not to attempt CPR, a "DNACPR" decision.
<b>Family and Friends Test</b>	From April 2013, all patients will be asked a simple question to identify if they would recommend a particular A&E department or ward to their friends and family. The results of this friends and family test will be used to improve the experience of patients by providing timely feedback alongside other sources of patient feedback.
<b>Financial Risk Rating (FRR)</b>	Financial Risk Ratings are allocated using a scorecard which compares key financial information across all foundation trusts. A rating of 5 reflects the lowest level of financial risk and a rating of 1 the greatest.

Term	Description
<b>Hospital Episode Statistics (HES)</b>	HES is a data warehouse containing details of all admissions, outpatient appointments and A&E attendances at NHS hospitals in England. This data is collected during a patient's time at hospital and is submitted to allow hospitals to be paid for the care they deliver. HES data is designed to enable secondary use, that is use for non-clinical purposes, of this administrative data.
<b>Hospital Standardised Mortality Ratio (HSMR)</b>	The Hospital Standardised Mortality Ratio (HSMR) is a measure of deaths while in hospital care based on 56 conditions which represent 80% of deaths, where death occurs in hospital. It also shows whether the number of deaths linked to a particular hospital is more or less than expected, and whether that difference is statistically significant. It covers all English acute non-specialist providers.
<b>Information Governance Toolkit</b>	The Information Governance Toolkit is a performance tool produced by the Department of Health (DH). It draws together the legal rules and central guidance set out above and presents them in one place as a set of information governance requirements. The organisations are required to carry out self-assessments of their compliance against the Information Governance requirements.
<b>Inhaler Technique</b>	Using an inhaler is the most common way of taking asthma medicines and is very effective because inhaling the medicine takes it straight into the lungs. It is very important that inhalers are used properly so that every dose taken gives patients the most benefit.
<b>Liverpool Care Pathway (LCP)</b>	The Liverpool Care Pathway for the Dying Patient (LCP) is a model of care which enables healthcare professionals to focus on care in the last hours or days of life when a death is expected. The LCP is tailored to the person's individual needs and includes consideration of their physical, social, spiritual and psychological needs. It requires senior clinical decision making, communication, a management plan and regular reassessment. The LCP is not a treatment in itself but a framework for good practice – it aims to support, but does not replace, clinical judgement. The LCP guides and enables healthcare professionals to focus on care in the last hours or days of life, when a death is expected. However, communication, care and compassion must come from all the healthcare workers caring for an individual patient and their family.

Term	Description
<b>Monitor</b>	<p>Monitor was established in January 2004 to authorise and regulate NHS Foundation Trusts. Monitor is independent of central government and directly accountable to Parliament. There are three main strands to Monitor's work:</p> <ul style="list-style-type: none"> <li>• Determining whether NHS Trusts are ready to become NHS foundation Trusts</li> <li>• Ensuring that NHS foundations Trusts comply with the conditions they signed up to – that they are well-led and financially robust</li> <li>• Supporting NHS foundation Trusts development</li> </ul>
<b>Methicillin-resistant Staphylococcus aureus (MRSA)</b>	<p>Methicillin-resistant Staphylococcus aureus (MRSA) is a bacterium responsible for several difficult-to-treat infections in humans. It may also be called multidrug-resistant Staphylococcus aureus or oxacillin-resistant Staphylococcus aureus (ORSA). MRSA is, by definition, any strain of Staphylococcus aureus that has developed resistance to certain antibiotics.</p>
<b>National Clinical Audits</b>	<p>The National Clinical Audit and Patient Outcomes Programme (NCAPOP) is a set of centrally-funded national projects that provide local Trusts with a common format by which to collect audit data. The projects analyse the data centrally and feedback comparative findings to help participants identify necessary improvements for patients. Most of these projects involve services in England and Wales; some also include services from Scotland and Northern Ireland.</p>
<b>National Confidential Enquiry into Patient Outcome and Death (NCEPOD)</b>	<p>NCEPOD promote improvements in health care and support hospitals and doctors to ensure that the highest possible quality of safe patient care is delivered. NCEPOD use critical senior and appropriately chosen specialists to critically examine what has actually happened to the patients.</p>
<b>National Early Warning System (NEWS)</b>	<p>NEWS is based on a simple scoring system in which a score is allocated to six physiological measurements already taken in hospitals – respiratory rate, oxygen saturations, temperature, systolic blood pressure, pulse rate and level of consciousness. The more the measurements vary from what would have been expected (either higher or lower), the higher the score. The six scores are then aggregated to produce an overall score which, if high, will alert the nursing or medical team of the need to escalate the care of the patient.</p>

Term	Description
<b>National Institute for Clinical Excellence (NICE) quality standards</b>	<p>National Institute for Clinical Excellence (NICE) quality standards are a set of specific, concise statements that act as markers of high-quality, cost-effective patient care, covering the treatment and prevention of different diseases and conditions.</p> <p>Derived from the best available evidence such as NICE guidance and other evidence sources accredited by NHS Evidence, they are developed independently by NICE, in collaboration with the NHS and social care professionals, their partners and service users, and address three dimensions of quality: clinical effectiveness, patient safety and patient experience.</p>
<b>Oral Steroids</b>	<p>Steroids (also known as cortisone or corticosteroids) are hormones that occur naturally in the body. Steroids decrease inflammation, suppress the body's immune system and can block a chemical called histamine (released during an allergic reaction). Oral steroids are steroids that you can take by mouth - tablets, soluble tablets and liquids. They are used to treat a large number of conditions.</p>
<b>Oxygen Saturation</b>	<p>Oxygen saturation is a measure of how much oxygen the blood is carrying as a percentage of the maximum it could carry.</p>
<b>Patient and Public Involvement Strategy (PPI)</b>	<p>The involvement of patients and the public is core to healthcare reform and to a "patient led NHS". As a healthcare organisation the Trust needs to listen, understand and respond to patient and public needs, perceptions and expectations ensuring patients' experiences and preferences inform continuing improvement. Evidence demonstrates that effective patient and public involvement leads to increased patient satisfaction, more positive outcomes and improved professional/patient relationships. Creating such partnership encourages patients to take more responsibility for their personal healthcare and supports the most effective use of resources.</p>
<b>Patient Reported Outcome Measures (PROMS)</b>	<p>Patient Reported Outcome Measures are questionnaires that ask patients about their health before and after an operation. This helps to measure the results or outcome of the operation from the patient's point of view. This outcome is known as the "health gain". All NHS patients undergoing planned hip replacement, knee replacement, varicose vein or groin hernia surgery procedures are invited to fill in PROMS questionnaires.</p>

Term	Description
<b>Partial Booking</b>	Partial booking is a system where patients receive a letter prior to their appointment advising them to ring the hospital to book an appointment at a time that is convenient for them. If patients do not respond within two weeks, a reminder is sent. If patients fail to book their appointment following this reminder, they are automatically referred back to their GP
<b>Peak Flow</b>	Peak flow rate is a measure of a person's maximum speed of expiration, using a small hand-held device to monitor a person's ability to breathe out air. It is a measure of how well a patient is breathing and its use is a key part of the asthma care plan.
<b>Pulse</b>	Measurement of a pulse is the equivalent of measuring the heart rate, or how many times the heart beats per minute. Your heart rate can vary depending on what you're doing. For example, it will be slower if you're sleeping and faster if you're exercising.
<b>Pressure Ulcers</b>	<p>Pressure ulcers or decubitus ulcers, are lesions caused by many factors such as: unrelieved pressure; friction; humidity; shearing forces; temperature; age; continence and medication; to any part of the body, especially portions over bony or cartilaginous areas such as sacrum, elbows, knees, and ankles.</p> <p>Pressure ulcers are graded from 1 to 4 as follows:</p> <ul style="list-style-type: none"> <li>▪ Grade 1 - no breakdown to the skin surface</li> <li>▪ Grade 2 - present as partial thickness wounds with damage to the epidermis and / or dermis. Skin can be cracked, blistered and broken.</li> <li>▪ Grade 3 - develop to full thickness wounds involving necrosis of the epidermis/dermis and extend into the subcutaneous tissues.</li> <li>▪ Grade 4 - present as full thickness wounds penetrating through the subcutaneous tissue</li> </ul>
<b>Quality Governance Framework</b>	Quality Governance refers to the Board's leadership on quality and their ability to understand the relative quality of services their Trust provides; identify and manage risks to quality, act against poor performance, and implement plans to drive continuous improvement.

Term	Description
<b>Respiratory Rate</b>	The number of breaths over a set period of time. In practice, the respiratory rate is usually determined by counting the number of times the chest rises or falls per minute. The aim of measuring respiratory rate is to determine whether the respirations are normal, abnormally fast, abnormally slow or nonexistent.
<b>Safety Thermometer</b>	The NHS safety thermometer is an electronic data collection system to collect evidence of 4 particular patient harms. These harms are VTE, pressure ulcers, falls and catheter related urinary tract infections. Data is collected at the point of care by healthcare professionals one day per month and entered into the instrument. The system allows assessment of 'harm free care'.
<b>Secondary Uses Service (SUS)</b>	The Secondary Uses Service is a service which is designed to provide anonymous patient-based data for purposes other than direct clinical care such as healthcare planning, commissioning, public health, clinical audit and governance, benchmarking, performance improvement, medical research and national policy development. The service is provided by the Health and Social Care Information Centre.
<b>Summary Hospital-level Mortality Indicator (SHMI)</b>	The Summary Hospital-level Mortality Indicator (SHMI) is a measure of deaths following hospital treatment based on all conditions, which occur in or out of hospital within 30 days following discharge from a hospital admission. It is reported at Trust level across the NHS in England using standard methodology.
<b>Supported Discharge</b>	Supported Discharge describes pathways of care for people transferred out of a hospital environment to continue a period of rehabilitation and recuperation at a similar level of intensity and delivered by staff with the same level of expertise as they would have received in hospital.
<b>Upper Quartile</b>	Quartiles are a set of values that divide data set into four equal groups, each representing a fourth of the population being sampled. In survey terms, performance in the upper quartile is the best that could be achieved, being in the top 25% of organisations.

Term	Description
<b>Venous thromboembolism (VTE)</b>	<p>Venous thromboembolism (VTE) is a condition in which a blood clot (thrombus) forms in a vein. Blood flow through the affected vein can be limited by the clot, and may cause swelling and pain. Venous thrombosis occurs most commonly in the deep veins of the leg or pelvis; this is known as a deep vein thrombosis (DVT). An embolism occurs if all or a part of the clot breaks off from the site where it forms and travels through the venous system. If the clot lodges in the lung a potentially serious and sometimes fatal condition, pulmonary embolism (PE) occurs.</p> <p>Venous thrombosis can occur in any part of the venous system. However, DVT and PE are the commonest manifestations of venous thrombosis. The term VTE embraces both the acute conditions of DVT and PE, and also the chronic conditions which may arise after acute VTE-such as post thrombotic syndrome and pulmonary hypertension-both problems being associated with significant ill-health and disability.</p>
<b>World Health Organisation (WHO) Surgical Safety Checklist</b>	<p>The aim of the WHO checklist is to ensure that all conditions are optimum for patient safety, that all hospital staff present are identifiable and accountable, and that errors in patient identity, site and type of procedure are avoided. By following a few critical steps, health care professionals can minimise the most common and avoidable risks endangering the lives and well-being of surgical patients.</p>

# Performance Report

## Performance Report

### Key facts

On 1 July 2013 Scarborough and North East Yorkshire Healthcare NHS Trust York Teaching Hospital NHS Foundation Trust became one Trust. The enlarged Trust has a comprehensive range of acute services including a maternity unit, adult critical care unit, emergency department, and a coronary care unit. The Trust provides acute services for approximately 800,000 people living in and around the area of North Yorkshire and York. The Trust maintained its responsibility for community services in York and Selby area and took on full responsibility for the community services in Scarborough, Whitby and Ryedale.

### Principal activities of the Trust

The principal purpose of the Trust is the provision of goods and services for the purpose of the health service in England.

### Patient care

#### Patient safety

The Trust's Patient Safety Strategy focuses on four main streams of work:

- Ensuring consistency of care, 24 hours a day, 7 days a week
- Reduction of harm by early detection of the 'at risk' or deteriorating patient
- Reducing mortality
- Excellence in end of life care

Our overall principle is to provide safe, good quality, patient centred care, consistently.

Clinical leaders have been identified and are reviewing our systems of work to ensure that patients who are admitted to our hospitals do not experience undue delay in assessment, diagnostics, treatment or review by a senior clinician.

We are striving to improve the safety of patients who are vulnerable to unexpected deterioration by enhanced training and by the implementation of systems to support early recognition of the risk of deterioration. This will be supported by further policies and clinical guidelines for initiation of early responses, interventions and, where necessary, escalation.

We have a system for mortality review and this year are expanding this to our community hospitals. We will also ensure that recognised strategies for reduction of mortality such as multidisciplinary ward rounds and delivery of care in accordance with recognised Care Bundles are effective - in all clinical areas.

For our patients approaching the end of life, and for their families and carers, our focus will be on the safety and experience of care. This includes patients who die suddenly or after a very brief illness. Our aim is to ensure that the care that people approaching the end of life receive is aligned to their needs and preferences.

We are reviewing options for implementation of electronic prescribing and management of medicines systems. Electronic prescribing and medicines administration is recognised to improve aspects of patient safety. As part of our reducing mortality programme we will continue to audit compliance with administration of medicines and will focus specifically on critical medicines.

We will continue to utilise and monitor compliance with safe systems of work such as The World Health Organisation Safe Surgery Checklist. In addition we will use every opportunity to learn from incidents, complaints and litigation by reflecting on our practice and where necessary changing systems of work to ensure that patients are safe in our care.

Patient Safety Leadership Walk Rounds have provided very valuable opportunities for senior leaders to discuss safety issues with staff working on the front line. As a commitment to developing our culture of safety we will aim to undertake four walk rounds each month and to provide a monthly summary report to the Trust Board of Directors.

Details of our quality objectives can be found in the quality report included in this report at page 34.

### Patient Experience

Patient Experience is a key element of quality alongside providing clinical excellence and safe care.

*“Getting good treatment in a comfortable, caring and safe environment, delivered in a calm and reassuring way; having information to make choices, to feel confident and feel in control, being talked to and listened to as an equal; and being treated with honesty, respect and dignity.”* Department of Health (2005) ‘Now I feel tall – what a patient centred NHS looks like.’

We want patients to receive the best possible care and treatment at York Teaching Hospital NHS Foundation Trust and are committed to improving the experiences of our patients and their families when they access our services.

There are many different ways to understand the experiences of patients, their families and carers. Analysing results from both national and local surveys; concerns and complaints as well as positive feedback, and involving service users through our Patient and Public Liaison forums allows us to focus on providing services which are responsive to their needs. We want everyone who accesses our services to have a high quality, positive experience

### Concerns, Complaints and Compliments

Concerns, complaints and compliments provide us with a valuable insight into the experience of patients at the Trust and enable us to make improvements to our services. They also enable us to feedback to staff when they are providing an excellent service. Patients, their families and visitors are encouraged to share any concerns or suggestions they have with us so that their comments and suggestions can be investigated and responded to, and so that we can learn lessons from their experiences.

The Trust has an established Concerns and Complaints Policy and Procedure. Complaints can be made in person, by letter, email or telephone. All complainants receive an acknowledgement letter detailing who will investigate the complaint, their contact details and when to expect a response. The acknowledgement letter explains the role of the independent complaints advocacy service. If other kinds of support are required, the complaints team liaises with appropriate specialists, for example, Specialist Nurse for patients with Learning Disabilities. The Trust can arrange a local resolution meeting with the appropriate staff if the complainant finds this helpful, as we usually find that they are beneficial to everyone.

Our Complaint Correspondence also includes details of how to contact the Care Quality Commission, the independent regulator of all health and social care services in England

Complaints

Between 1 April 2012 and 31 March 2013 the Complaints Team registered 328 complaints, compared to 331 in 2011/2012 on the York Site.

294 complaints were registered at Scarborough Hospital between 1 April 2012 and 31 March 2013, compared to 261 in 2011/2012.

Each complaint received a written response from the Chief Executive. 58 complaints (on the York site) were resolved outside the complaints procedure in accordance with the regulations.

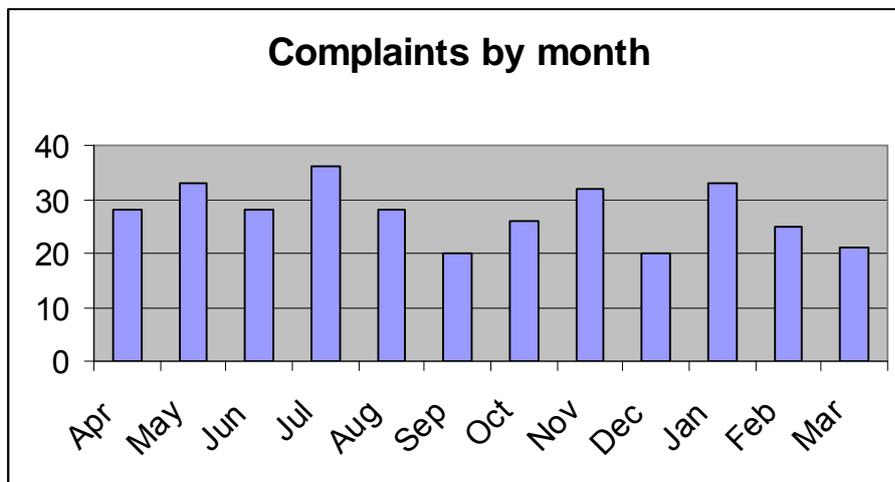


Table above shows complaints by month on York site

Of the 328 registered complaints received at York, 47 are still current. Of the completed cases, 189 generated actions for improvement.

Actions taken as a result of complaints include:

- Patient experienced delays in Emergency Department waiting for doctor and cubicle and then for an inpatient bed. Various actions are being co-ordinated through the Acute Board to improve patient flow
- 4 complaints related to the lack of Specialist SALT (Speech & Language Therapy) provision for hearing impaired children in the community (since the retirement of the previous post holder). Vacant post is now being advertised

- Parents experienced problems regarding the completion of mortuary forms for consent to a post mortem for their baby. A number of actions have been implemented including consent taker training for obstetrics & gynaecology staff and how/who to contact during weekends and bank holidays

The Head and Neck Directorate have a Quarterly Action Plan Review Meeting with the Complaints Officers to discuss any issues arising from the handling of complaints. This also enables the Directorate to evidence how they have implemented actions that have been identified from complaints. The Directorate is proactive in responding to patient feedback and is successful in resolving concerns promptly outside of the Complaints procedure.

In 2013 we want to replicate this good practice across other directorates.

In 2012/2013, 6 complaints (received at York) were referred to the Health Service Ombudsman, this compares with 17 the previous year. 1 was referred back for further local resolution and subsequently closed. 1 was withdrawn to pursue a legal claim. 2 were not upheld and 2 are awaiting a decision on whether the HSO wants to investigate further.

12 complaints (received at Scarborough) were referred to the Health Service Ombudsman. 3 were referred back for further local resolution and subsequently closed, 5 were not upheld and 4 are awaiting a decision on whether the HSO wants to investigate further.

Internal Audit carried out a review of the systems and processes in place to manage complaints across the enlarged organisation. The audit has found the Trust has robust systems in place to consider and resolve complaints fairly and efficiently. The testing has shown that the Trust strives to be open, accountable and fair in its response to concerns and complaints raised about the services provided. Lessons learnt as a result of actions arising out of complaints are documented in the annual report.

Overall an opinion of **significant** assurance is given on the systems and processes in place to manage complaints across the enlarged organisation based on the objectives tested as part of this audit.

Complainant satisfaction with the handling of their complaint is not currently measured. However, where a complainant expresses dissatisfaction with the handling of their complaint an internal review is undertaken.

Mr H wrote "thank you for your letter, I think all the questions have been fully answered and once more I would like to express my appreciation for the way in which my complaint was received and dealt with. We felt very satisfied with the outcome particularly as many of the points I raised have been taken on board and appropriate action is being taken on several fronts."

### Positive feedback

A total of 4669 positive patient feedback was received on the York site in the 9 months recorded, in the form of letters, cards and emails. The following comments are typical of those expressed by many patients:

Mr M wrote "*thank you to all staff during my recent stay. I am extremely grateful for the care and treatment I received from the medical and nursing team. I was also impressed by the friendly and efficient non-medical staff. They were all cheerful and helpful carrying out jobs that are not always appreciated by patients.*"

Mr H wrote “at a time when the NHS is under considerable pressure in terms of budget constraints, I believe that York Hospital is an outstanding example to other hospitals of how the quality of its people makes all the difference to the patient experience.”

### Patient Advice and Liaison Service (PALS) Team

The PALS service is a single point of contact for any Trust related enquiries from patients and their relatives. PALS Advisors listen to suggestions or queries and help resolve concerns quickly. They provide information, advice and support to patients, their families and carers. Patients and their families can telephone, write, or email for help or advice in relation to Trust services. Patient information leaflets explaining the services PALS offer are available throughout the Trust. Information is also available on the Trust’s website.

A number of the cases dealt with by PALS are resolved either immediately or within 24 hours. PALS liaise closely with directorates to ensure that patient feedback reaches the appropriate service.

In 2012/2013, PALS dealt with 4139 patient contacts on the York site, compared with 3851 patient contacts in 2011/2012.  
PALS dealt with 1519 patient contacts on the Scarborough site, compared with 1479 patient contacts in 2011/2012.

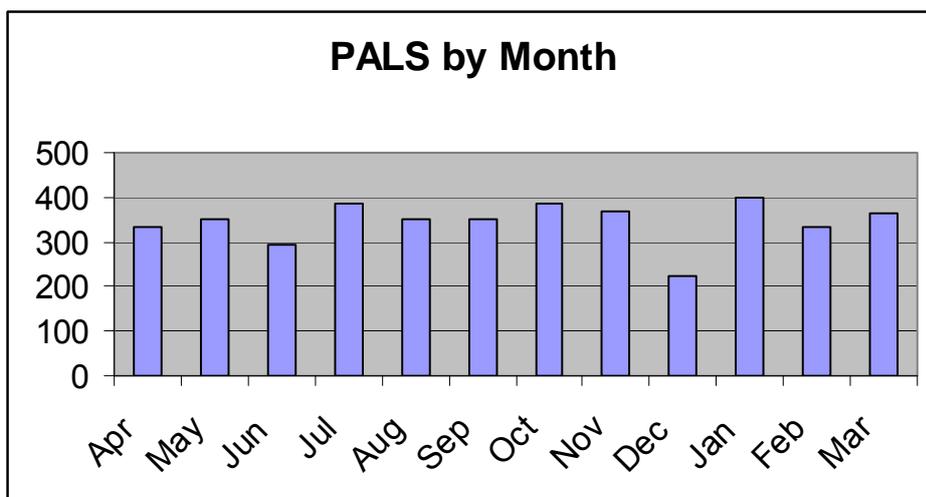


Table above shows PALS contacts by month on York site

Actions taken as a result of PALS contacts include:

- Patient was not happy with communication relating to his outpatient appointment, his letter did not inform him what to expect or who he was seeing

The appointment letter has now been changed after consultation with the clinicians in this area. The revised letter states clearly what the patient needs to do before attending the consultation, and who this will be with.

- Patient requiring DAT scan received conflicting information about the procedure by telephone, in person and in the appointment letter and patient information leaflet. This also made arranging transport difficult. PALS discussed issues with

the relevant Directorate Manager

A new system had been implemented but regrettably this patient's letter had not been amended. New system now fully adopted and the patient information leaflet and appointment letter have been updated.

- Carer wanted to know why some late running clinics provide a form for car park users so that they do not have to pay extra charges (some appointment letters advise patients how much time to allow for the appointment but this may overrun). Other clinics do not provide this

Specific clinic to undertake an audit of the clinic duration times and make any appropriate amendments to their letter and information leaflet. Staff responsible for car parking to provide a "late running clinic" policy with standard documentation for all outpatient departments to ensure consistency.

### National Patient Survey

The Health Survey for England (HSE) comprises a series of annual surveys. These surveys are commissioned and published by The NHS Information Centre. It is designed to provide regular information on various aspects of the nation's health.

### Inpatient Survey 2012

Each year, every NHS Hospital Trust in England carried out the Survey of Adult Inpatients in the NHS as part of a national programme led by the Care Quality Commission, the regulator of health and social care services.

The questions within the survey cover the patients' pathway from when they are admitted to our hospitals the treatment and care they receive whilst they are in hospital. It additionally focuses on the quality of how we communicate with our patients and the information that we provide, through to the point at which they are discharged from our hospitals.

This is the first inpatient survey which provides the Trust with an understanding of what our patients are saying about both York Hospital and Scarborough Hospital combined, which allows us to identify our Trust priorities for improvement, whilst still allowing us the opportunity to look at key priorities for each hospital site and speciality.

The results of the survey highlight many positive aspects of patient experience across the Trust, with the majority of patients reporting that:

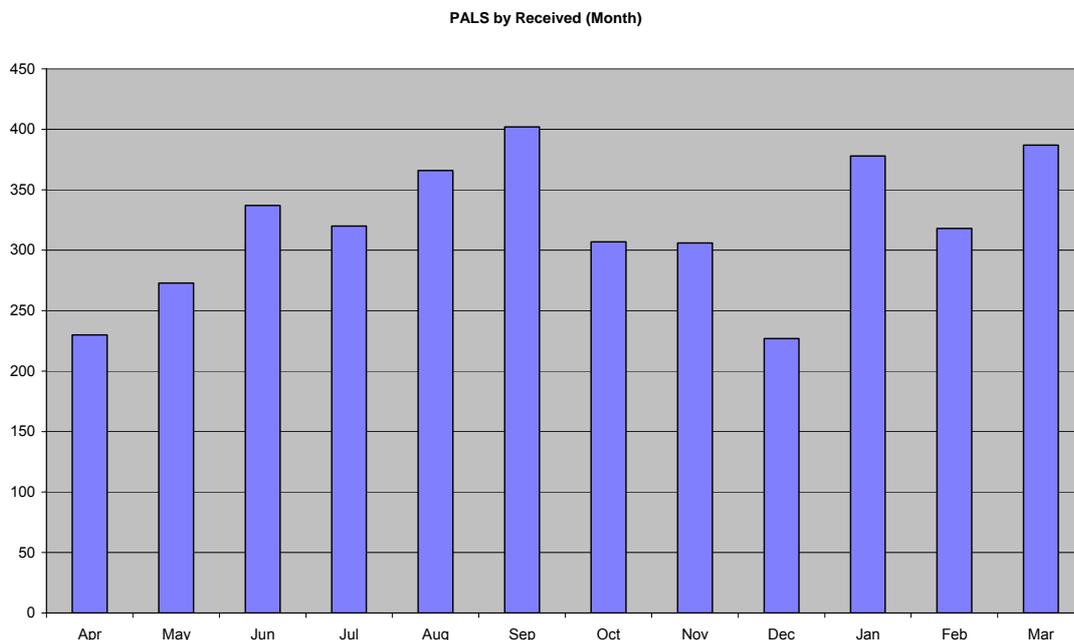
	<b>2010*</b>	<b>2011*</b>	<b>2012</b>
Overall: rating of care was good/excellent	91%	90%	**
Overall: doctors and nurses worked well together	91%	89%	***
Doctors: always/sometimes had confidence and trust	83%	84%	81%
Hospital: room or ward was very/fairly clean	92%	95%	95%
Hospital: toilets and bathrooms were very/fairly clean	91%	94%	92%
Hospital: hand-wash gels visible and available for patients and visitors to use	96%	93%	91%
Care: always enough privacy when being examined or treated	89%	88%	88%

\*York Hospital figures only

\*\* question replaced in 2012 with a net promoter score

\*\*\* question removed in 2012

The results also highlight where improvements are needed and the Trust now works with key stakeholders to develop an improvement plan on those areas.



### Day Case Survey 2012

In a recent report, the CQC estimated that day surgery has increased as a proportion of all NHS hospital activity from 33% in 2010/11 to 33.9 (5.9 million cases) in 2011/12 <sup>(1)</sup>.

<sup>(1)</sup> Care Quality Commission. The state of health care and adult social care in England. An overview of key themes in care in 2011/12. London: 2012

Whilst feedback is captured at a local level across the Trust from some day case patients on certain parts of their pathway, we wanted to take part in the first Day Case Survey along with 33 other hospital trusts across the Country.

Like the Inpatient survey, the findings are very positive, with patient reporting that:

- 95% of patients would recommend York Hospital to their family and friends.
- 98.5% of patients felt that the admission/registration process was very/fairly organised
- 90% felt that they had enough time to discuss their operation or procedure with the consultant
- 96% reported that they had confidence and trust in the doctors treating them
- 98% reported that they had confidence and trust in the nurses treating them

Unfortunately, where patients reported most problems was around discharge:

- 82% of patients reported that their discharge was delayed by 1 hour or more
- 58% reported that they were not told how long the delay in discharge would be

The Directorate is now considering and acting upon the findings from the survey and will take forward key priorities. The findings will act as a baseline and the Trust plans to

repeat the survey in 2014 in order to monitor improvements from the 2012 survey.

### Service Led Surveys

Our Directorates actively encourage feedback from patients, relatives and staff and all undertake surveys each year to fully understand how patients' experience our services. Directorates additionally use information from complaints, PALS information and the national CQC surveys which are carried out each year.

Examples of some of the work where our directorates have pro-actively sought the views and feedback from our users are detailed below.

### Surgical and Orthopaedic Directorate (Scarborough Hospital)

The Surgical and Orthopaedic Directorate at Scarborough Hospital wanted to understand what matters most to their patients; what works well, and what can be improved along the patients' journey.

The Directorate's overall aim is to deliver an exceptional quality service. They believe that by understanding what matters most to patients, they can design services based on that understanding by incorporating this into a workable plan at an operational level.

Matron David Thorpe invited patients who had had surgery at Scarborough Hospital the preceding 12 months to a patient focus evening held outside the hospital in October 2012.

The event was attended by patients and family members and was supported by Surgeons, Directorate Managers, Matrons, Sisters, Clinical Commissioning Group representation and other trust staff.

The focus of the event was to find out from patients if they had a positive experience of their care focussing on:

- Did patients feel involved in decisions
- Did patients feel welcomed, safe and listened to throughout their patient journey
- Were patients happy with the way staff communicated and provided information
- How patients' experience could be improved

Patients' comments included:

- We felt involved in decisions surrounding our care and were kept well informed throughout our stay in hospital
- Pre-assessment was straightforward and I was put at ease
- Staff on the ward were welcoming and friendly
- The ward was clean and staff attentive
- Information not too overpowering
- Phone calls on discharge are very reassuring
- I had to wait for medication prior to discharge
- The weight of the blankets on my knees after surgery was uncomfortable
- Two strings on the gowns
- Diabetic patients should be given a choice over still managing their condition
- Long wait for first appointment

The Directorate also used information from staff and patient questionnaires, patient interviews, national patient surveys, PALS and complaints in order to improve the experience for their patients and relatives.

Following the event an action plan has been developed which covers all the areas that patients discussed at the event. The action plan is currently being implemented and monitored by the Surgical and Executive Boards.

### Orthodontic and Surgical Patient Experience

The York Hospital Orthodontic department developed a patient experience questionnaire for patients who had Orthognathic surgery.

Dr Chris Barker who led the project felt that rather than using a paper questionnaire he would develop the questionnaire to be accessed as an online survey, linked through the Trust website. Patients were asked to complete the questionnaire once treatment had been completed and prior to discharge.

The survey focussed on what factors influenced patients' choice in relation to having surgical treatment, such as emotional, physical or psychological factors and what the benefits were perceived to be for the patient.

The survey is ongoing and has now been rolled across the Yorkshire area with all patients undergoing Orthognathic surgery being asked to take part.

### Patient Experience on the Surgical Wards (York Hospital) Project

Mr Jay Kindelan, Clinical Lead led a working group looking at "Patient Reported Outcome Measures" (PROMS) on behalf of Surgical Board. Initially, the focus had been on outpatient surveys particularly within Orthodontics. More recently, the group looked at how the Trust could assess patients' experiences during their inpatient stay on four surgical wards at York Hospital.

Real-time feedback methodology, in the form of the electronic tablets was used for capturing patient feedback which built upon validated questions from the national inpatient survey.

Hospital Governors and members from LINks attended briefing sessions about carrying out the survey and visited patients on Wards 11, 14, 15 and 16 over a period of three weeks.

The findings showed that:

- 96% of patients felt that the admission process was very or fairly well organised
- 98% of patients reported that they had confidence and trust in doctors
- 98% of patient reported that they had confidence and trust in nurses
- 95% of patients said that they would recommend the hospital to family and friends
- 12% of patients felt that they didn't get enough opportunity to talk to doctors
- 28% of patients felt that they did not get enough information about ward routines

A plan to improve in the areas highlighted in the survey has been developed and is now

being implemented. The Trust plans to repeat the survey annually.

### User and Support Groups

The Trust has a large number of directorate led user and support groups who act as a valuable resource to the trust, providing us with a two way mechanism of sharing and providing information. These include:

- Eye Clinic Partnership Group
- Older People's Liaison Group
- Renal Patient and Carer Reference Group
- Maternity Services Liaison Group
- York Limbless Support Group
- York & District Pain Management Support Group
- York District Cancer Partnership Group

### Local Involvement Network (LINKs)

We believe that having effective stakeholder relations is crucial in developing high quality services. During the year we have continued to develop close working relationships with our Local Involvement Network (LINKs).

LINKs actively works with communities to provide the opportunity for people to influence and have a say on health and social care locally. Made up of individuals from the local community, voluntary and community groups, LINKs supports people to become involved in how services are developed and run. LINKs is responsible for ensuring the community's voice is fed back to both health and social care commissioners and providers.

LINKs were actively involved in the Patient Experience on the Surgical Wards project as referred to in the Patient and Public Involvement Section. They were additionally involved in being trained to carry out Patient Assessments of the Care Environment visits which are required across all hospital sites nationally.

From April 2013, the new Health and Social Care Bill means that LINKs will change and become a Local HealthWatch. Locally, HealthWatch will continue to provide the 'consumer voice' of the local population but their function will change from that of an advisory role to taking a representative and influencing role on the new Local Authority Health and Wellbeing Board. Local HealthWatch will have three main functions:

- Influence - helping people get involved in the planning of local health and social care services
- Signpost - giving people the right information at the right time to support them to make a choice about services they may need
- Advise - supporting people who want to complain about health services

The Trust will look at ways of working with the new Local HealthWatch across East Riding of Yorkshire, North Yorkshire and City of York.

### **Community services**

Over the last 12 months we have worked to develop a vision for integrated care with our partners from Clinical Commissioning Groups, Local Authorities and also through

engagement with practitioners and clinicians. In developing and delivering the new model of integrated care we will ensure that this is aligned with our vision. Our vision for integrated care is:

**Right care, right place, first time, with joined up services that enable people to regain and keep their optimal health, well-being and independence**

The landscape has been changing over the last 12 to 18 months, we have moved from one PCT acting as a commissioner and provider of community services being replaced by a number of Clinical Commissioning Groups and the Trust taking responsibility for the community services for Selby, York Scarborough, Whitby and Ryedale. The financial challenge at our two local authorities (City of York Council and North Yorkshire County Council) has meant that they have had to examine their investment in adult health and social care and this has further enhanced the commitment to the integration agenda.

In August 2011, an independent review of North Yorkshire and York, chaired by Professor Hugo Mascie-Taylor was published. This made several recommendations regarding the shifting of care to community settings and the reduction of 200 or more inpatient beds as well as the introduction of strategic planning for integration between the different elements of the care sector.

In July 2012, the NYY health community (NHS North Yorkshire and York, the five North Yorkshire CCGs, Harrogate and District NHS Foundation Trust, York Teaching Hospital NHS Foundation Trust, Airedale NHS Foundation Trust, South Tees Hospitals NHS Foundation Trust, Yorkshire Ambulance Service NHS Trust) tendered for support to take the 2011 North Yorkshire Review, to the next level of analysis. Specifically this next stage of the review sought to understand NYY's forecast financial position by 2016/17, the size of the potential deficit based on the current pattern of provision and the increased demand as well as to identify new models of care that could potentially meet these significant challenges.

The NYY health community worked together from September to December 2012 to examine the current pattern and cost of services and to identify opportunities to restructure services across the system to maintain or ideally improve the service offering, but at lower overall cost to the system.

The report was published in January 2013 and the Trust is now working with each of the three CCGs to develop programmes of care and new ways of working to support patients more effectively, either in their own home or local community hospitals in order to prevent their admission to acute hospitals. In particular the Neighbourhood Team model is being piloted in several large area practices. Here risk stratification tools are being employed to identify the most at risk patients, and resources from GPs, community services and social care focussed on these patients to monitor their conditions and avoid deterioration.

Below are details of some of the work the Trust has undertaken in the community.

Neighbourhood Care Teams

The Trust is proactively working with health and social care partner organisations to develop a new model of community service delivery. Neighbourhood Care Teams (NCTs).

NCTs are extended community teams which aim to provide multi-disciplinary, integrated and streamlined care closer to a patient's home. They offer a comprehensive and proactive case management service which in turn can reduce admission to hospital and also support earlier discharge, increase rehabilitation provision and enable patients to manage their condition in their own homes.

NCTs will be rolled out across all five community localities during 2013/14.

### Single Point of Co-ordination

Community Services staff have been working closely with partner organisations to develop a vision for integrated health and social care provision. A Single Point of Contact (SPOC) acting as a gateway to community health care services is a key element of this approach.

Currently Scarborough and Ryedale has two SPOCs, one operates in a limited capacity at Malton Hospital supporting the Ryedale locality (accepting GP referrals) a second operates from Scarborough Hospital and serves as the main referrals from IP wards at Scarborough Hospital. These services offer limited capacity and are operated/managed by community services administrative staff. They receive a limited number of referrals for community services and operate during Monday to Friday 9am to 5pm. Community service referrals are not received exclusively via the two SPOCs; some GPs refer to the community team directly e.g. a message left in a book at the GP Practice for the community nurse to pick up and action. The new proposed SPOC will supersede both existing SPOCs and access points/methods for community services.

Integrated care is both a local and national priority and is widely considered as an effective and efficient approach to respond to the growing prevalence of chronic disease and an aging population. A SPOC will support the proposed Neighbourhood Care Team service model and will act as the first point of contact for patients, health and social care professionals and other stakeholders referring into community services. A SPOC will also signpost the referrer to the most appropriate community and/or social care service (if appropriate). This in turn will ensure 'right provider', first time and will facilitate a speedier response.

Anticipated launch of SPOC is Q3 2013.

### Intermediate Care

During 2012, York Trust established the York Intermediate Care Team. This consists of an enhanced multi-disciplinary community team that can provide rapid assessment care and treatment to prevent or respond to a crisis, in a way that best meets the needs of the individual and carers upon whom they rely, and then manage a seamless transition back to ongoing care arrangements or independent living.

The aims of the service are to:

- Promote faster recovery from illness
- Prevent unnecessary admission to hospital or residential care
- Support timely and safe discharge
- Achieve optimum health and well being outcomes
- Promote and maximise independent living in the most appropriate setting.
- Offer informed choice in how and where care is delivered

- Prevent premature entry to long term care
- Prevent duplication through effective communication, coordination of onward care activity.

The Intermediate Care Services ensures that any person referred who temporarily needs additional or different care will have a timely assessment and access to care that best meets their individual needs without delay

The service will ensure that the experience of the service user is:

- Prompt access to a responsive, personalised service that takes account of their whole range of care needs including family or friends who care for them and upon whom they rely in order to live an independent life.
- Person centred care that is well co-ordinated, without waste or duplication, to maintain maximum independence and rapid recovery.
- A smooth and seamless return to ongoing care arrangements that have been adapted to meet any change in their long term needs.

The current funding from CoYC (re-ablement funding) resources a team with the capacity to care for 30 patients at any time.

Work is underway to consider how this team can be expanded and further enhanced to respond to the growing needs of the local population.

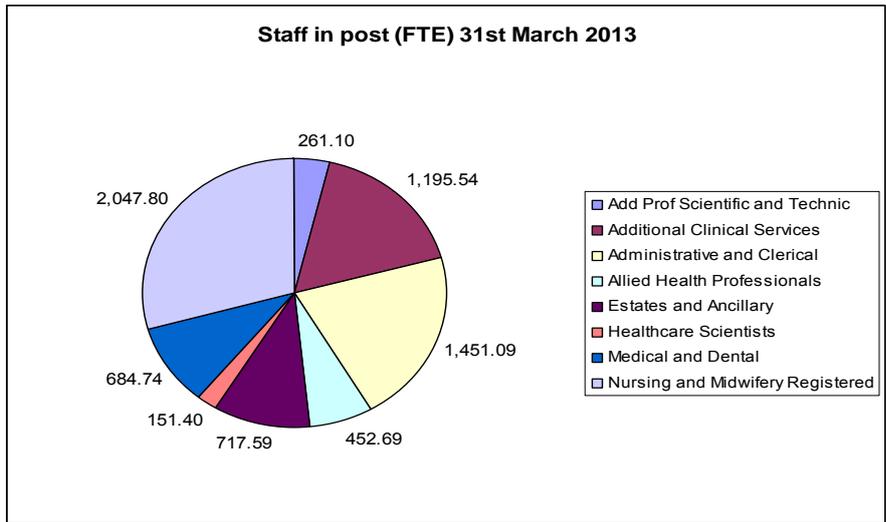
#### Community Services Improvement Group

The Trust has established a Community Services Improvement Group (CSIG). This group will ensure that community services are supported and enabled to develop and implement new models of care and integrated service delivery to reflect the changing needs of the population. This will require effective partnership working at both strategic and operational level.

A work plan has been devised that will maximise the opportunities resulting from the vertical integration of community services with York Hospital NHS FT and support a collaborative approach to service delivery with other key stakeholders.

#### **Our staff**

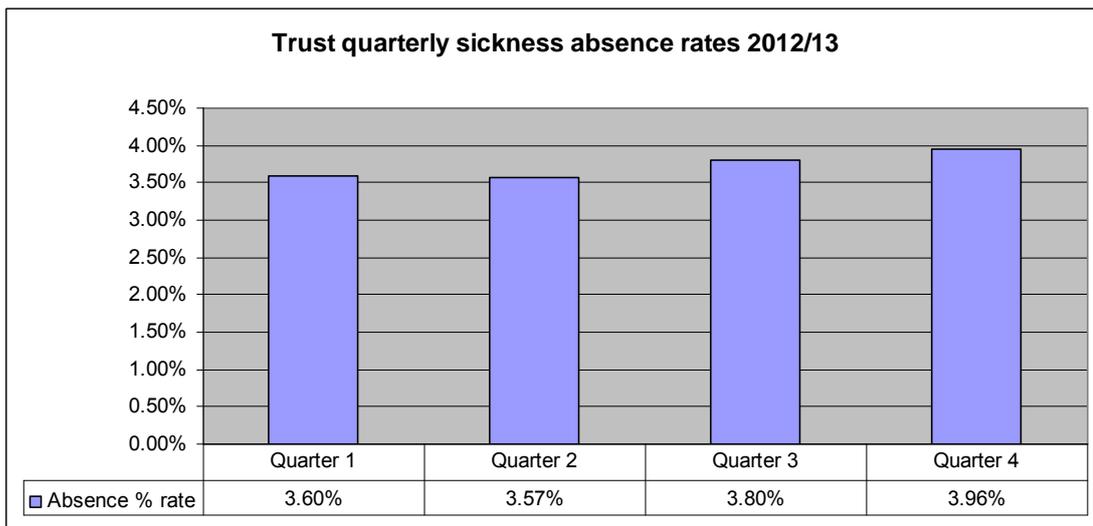
The tables below show the number of staff we have in post and the levels of sickness during the year in the Trust:



The figures included in the chart above do not include bank or agency staff

**Staff Sickness**

The quarterly sickness figures for the year are:



Absence rates for the Trust now include absences for all staff across the whole of the integrated organisation, i.e. York based acute hospital staff, Scarborough based acute hospital staff and staff based within the Community Services.

The effective management of sickness absence and reducing levels of sickness absence has been a major focus of work within the Trust for a number of years since the start of an attendance project in 2008.

The approach to absence management which has been agreed through this project work and the Trust's policy & procedure on sickness absence management has now been rolled out in all areas including the Community and at Scarborough.

Now at the end of the fifth year of the project, results in terms of absence rates for staff within the acute setting continue to be positive and the Trust's absence rate consistently compare very favourably with national & regional benchmarking data for other similar organisations.

At the end of March 2013, the annual absence rate for the Trust was 3.73% (2011/12 3.71% ).

Detailed analysis shows that absence rates do vary between sites, in particular absence rates for staff within the community setting are significantly higher than in the acute setting. However, work continues to understand the reasons for this and support is provided to managers within this area to ensure that absence is managed appropriately, consistently and effectively.

It is important to note from the detailed analysis, that absence rates within the acute setting at Scarborough have shown significant improvements over the last year and the annual absence rate for this area has reduced from 4.37% in April 2012 to 3.95% at the end of March 2013.

The work taking place to improve absence rates is just one of a number of initiatives in place at the Trust aimed at improving the health and wellbeing of all staff.

## **Operational HR**

The Operational HR team were instrumental in ensuring that the TUPE transfer of nearly 3,500 employees from SNEY on 1 July 2012 was completed successfully and within the appropriate employment law framework.

Following the acquisition of SNEY, the Operational HR team are working towards introducing a consistent approach to managing human resource issues across the integrated organisation. We now have joint staff side meetings and also the Employment Policy Group which is a sub group of the JNCC and JLNC who have so far agreed 29 HR policies for the new organisation.

## **Research and Development**

During this year (2012/13), the number of studies running in York Hospital remained at about the same level as the previous financial year although notably the proportion of NIHR portfolio adopted studies running in York increased for the third consecutive year. For the first time this report includes research activity for Scarborough Hospital.

In York:

- 76 studies began in the Trust (12% decrease from 2011/12)
- 253 studies were running in the Trust (1.2% increase on 2011/12)
- 71% of active studies were on the National Institute for Health Research (NIHR) Portfolio (compared with 63% in 2011/12 and 52% in 2010/11)
- 13% of active studies were commercially sponsored (compared to 18% in 2011/12)
- 2 studies running in York were granted sponsorship by the Trust

In Scarborough:

- 27 studies began in the Trust
- 93 studies were running in the Trust
- 71% of active studies (66 studies) were on the National Institute for Health

#### Research (NIHR) Portfolio

- 5% of active studies were commercially sponsored
- No Trust sponsored studies were running in the year

The North and East Yorkshire Research & Development (R&D) Alliance was disbanded on 31 March 2012 and since that time the R&D Unit has provided research management, governance and support services for York Teaching Hospital NHS Foundation Trust. This has included Scarborough Hospital from the 1 August 2012. The R&D Group, with member organisation representatives as well as health professional academic and lay members, met monthly to oversee research governance on behalf of the Trust as sponsors, funders or hosts of research. The R&D Unit supported the R&D Group and provided services to the Trust and, under contract, to the University of York, enabling them to meet their legal obligations. Communication with research-active staff was maintained via email newsletters and the Alliance website [www.northyorksresearch.nhs.uk](http://www.northyorksresearch.nhs.uk) on which was published the research Standard Operating Procedures (SOPs) maintained by the R&D Unit. These are essential for all research organisations, particularly in relation to clinical trials of investigational medicinal products (CTIMPs), which must be run to stringent legal standards. Alliance CTIMP SOPs are used as models by many NHS organisations across the country.

In May 2012 the Trust had a regulatory inspection by the Medicine and Healthcare products Regulatory Agency (MHRA) which looked at the way in which clinical trials of investigational medicinal products are run in the Trust. This inspection was successful with no critical findings identified. As is to be expected, there were some other findings (2 major and a number of minor) and the R&D Unit has led on putting in place a Corrective and Preventative Action Plan which has been approved by the MHRA.

The Trust continued to host the North and East Yorkshire and Northern Lincolnshire Comprehensive Local Research Network (NEYNL-CLRN) on behalf of its member Trusts across the region. As one of the member organisations, the Trust continued to benefit from significant NEYNL-CLRN investment of 'service support costs' for specific research projects, funded staff posts and consultant sessions. NEYNL-CLRN also increased the volume of research coming into the Trust by promotion of the national NIHR portfolio. This is maintained by NIHR to support NHS participation in high quality clinical research - commercial and non-commercial research projects that have received scientific peer review and meet certain requirements in terms of their sponsorship and funding. In the Trust, introduction of suitable portfolio studies was made, not only by NEYNL-CLRN but also by the Yorkshire Cancer Research Network and the Yorkshire Stroke Research Network.

With support from NEYNL-CLRN funding the two Trust Lead Research Nurse Coordinators, (LRNCs) are now embedded in the organisation and have continued to make great progress in developing the Trust's research nursing workforce as a cohesive and well-trained group with professional management and supervision. During the year, the LRNCs along with the R&D Unit have worked together to raise the profile of research activity in the Trust with events such as International Clinical Trials day and a stand at the Trust Annual Open Day. The number of research nurses and supporting administrative staff in York has continued to grow to 23 nurses and 7 Clinical Trials Assistants (CTAs) further supporting the way clinical trials and other complex research projects are managed to a high standard in the organisation. Following the acquisition of Scarborough the Oncology Research team is now managed by the LRNCs and has expanded its administrative staff to include an additional CTA. Scarborough recruitment activity is now actively managed against targets and already demonstrating an increase

in recruitment figures aligning to similar successes at York. The LRNCs are also playing an active role in seeking to increase industry trials undertaken in the Trust further supporting NIHR high level objectives and increasing income for the Trust.

### Experimental Medicine Unit

The Experimental Medicine Unit (EMU) is located in the Learning and Research Centre (LaRC) at York Hospital. The EMU is emerging as a key link between the Trust and University of York in their shared objective of advancing medical research.

During this year, EMU has continued to effectively run phase I and II clinical trials. Staff of the Unit work closely on trial development and design with the University of York's Centre for Immunology and Infection and plans to open a First in Human trial in the Unit during 2013. The Unit was successful in applying for and being allocated a Pharmaceutical Graduate Management trainee for nine months, whose project is to look at promoting the Unit's services and increasing commercial activity.

## **Corporate Learning and Development**

This last year has brought significant challenge for Corporate Learning and Development Team (CLAD) with the breadth of service increasing further to include staff previously employed by Scarborough & North East Yorkshire NHS Trust. This has increased its customer base to over 8000 learners across the region either in an acute or community based role.

CLAD now has two teams based in York and Scarborough Acute Hospitals. These teams continue to act as the access point for all statutory and mandatory training provision delivered/accessed by Trust employed staff. A growth area during the past year has been CLAD's role in supporting learners with online technology. This has resulted in the formation of a new Learning Technologies Team whose role going forward will be to support learning technology (in its various forms) being offered 'out of the ALAR directorate.

2012 saw the majority of statutory mandatory provision becoming available online. This resulted in a significant number of learners choosing to complete their learning online using the ESR OLM platform. However, this trend also identified that this platform was 'not' fit for purpose. Representatives from the Learning Technologies/Systems & Network Teams have been working in partnership with Think Associates to bring the 'Learning Hub' to the organisation. It is expected that this new online platform will eliminate the range of access/learner issues currently being experienced. It will be available later this summer and will initially hold all statutory/mandatory and IT courses. Over time other categories of courses will be added to the system including medical devices, clinical skills as well as new functionality including virtual classroom sessions (Webex), e-portfolio access and tools for ward/department based assessors.

In preparation for this change, a significant amount of work has been undertaken to standardise/align both online and face to face provision that will be available from 1 April 2013 onwards. This takes the organisation to a position where 'regardless of work base' there is access to a standardised programme and content. The next step will see all background administrative processes standardised when the Learning Hub is implemented.

## Review of Financial performance

### Fair view of the Trust

#### Accounting for the transfer of Scarborough Trust

On 1 July 2012, York Teaching Hospital NHS Foundation Trust took over responsibility for the services previously provided by Scarborough & North East Yorkshire Healthcare NHS Trust. The transaction has been accounted for under absorption accounting. The accounts include income and expenditure for the former Scarborough & North East Yorkshire Healthcare NHS Trust from 1 July 2012 onwards. The Accounts for the previous year have not been restated. The assets and liabilities of Scarborough & North East Yorkshire Healthcare NHS Trust were transferred to the York Trust on 1 July 2012.

#### Statement of Comprehensive Income 2012/13

The net assets transferred from the former Scarborough & North East Yorkshire Healthcare NHS Trust totalled £68.9m. Under absorption accounting, the effect of the transfer is reflected in the Statement of Comprehensive Income as an exceptional net gain of £68.9m.

In 2012/13, under the terms of the agreement to take over Scarborough & North East Yorkshire Healthcare NHS Trust, the Trust has received additional transition funding of £12.078m plus £5m intended for capital, but received as revenue. These figures are included in the annual accounts in the Statement of Comprehensive Income as transition funding and are shown as exceptional income.

The Trust re-values all of its fixed assets at the end of each year, to reflect the true value of land and buildings, taking into account in year changes in building costs, and the initial valuation of new material assets. In 2012/13 this gave rise to an impairment loss included in exceptional items above of £3.5m.

The table below provides a high level summary of the Trust's financial results for 2012/13:

#### Summary income and expenditure 2012/13

	<b>Plan</b>	<b>Actual</b>	<b>Variance</b>
	<b>£million</b>	<b>£million</b>	<b>£million</b>
Clinical income	344.3	346.2	1.9
Non-clinical income	38.2	41.0	2.8
<b>Total income</b>	<b>382.5</b>	<b>387.2</b>	<b>4.7</b>
Pay spend	-257.0	-262.5	-5.5
Non-pay spend	-130.9	-131.7	-0.8
<b>Total spend before dividend, and interest</b>	<b>-387.9</b>	<b>-394.2</b>	<b>-6.3</b>
Operating surplus before exceptional items	-5.4	-7	-1.6
Transition Support	12.1	17.1	5.0
Loss from impairment of assets	-0.3	-3.5	-3.2
Dividend, finance costs and interest	-5.3	-5.2	0.1
Gain from transfer by absorption		68.9	68.9
<b>Net surplus/deficit</b>	<b>1.2</b>	<b>70.3</b>	<b>69.1</b>
Financial risk rating	3	3	3

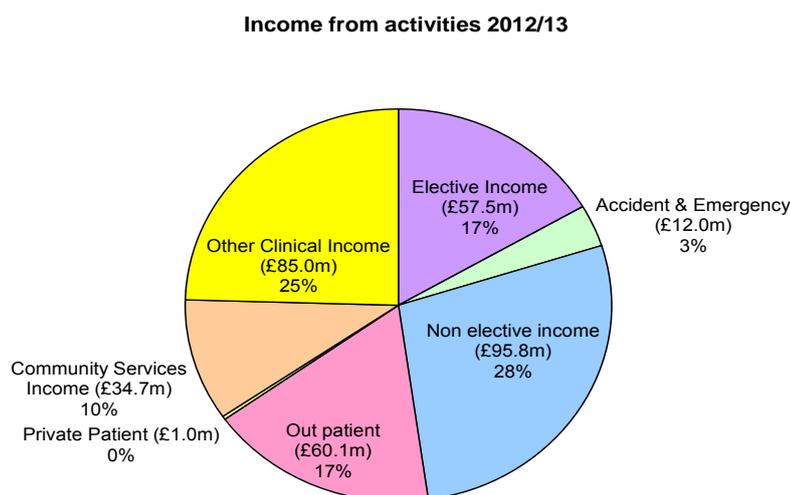
At the end of the financial year, the Trust reported an income and expenditure surplus of £70.3m, compared with a planned surplus of £1.2m, mainly due to the gain from the transfer under absorption.

### Accounting policies

The Trust has adopted international financial reporting standards (IFRS), to the extent that they are applicable under the Monitor Annual Reporting Manual. Additional policies have been included in respect of areas of estimate and judgement and absorption accounting for SNEY.

### Income from activities

Income from clinical activities totalled £346.2m, and arose mainly from contracts with NHS NYY, East Riding PCT, and other local Primary Care Trusts (£343.2), with the balance of £2.0m from other patient-related services, including private patients, overseas visitors and personal injury cases.



### Other Operating Income

Other income totalling £41.0m comprised funding for education and training, for research and development, and for the provision of various non-clinical services to other organisations and individuals.

### Cash

The Trust's cash balance at the end of the year totalled £12.8m.

### Prudential Borrowing limit

Monitor sets a prudential borrowing limit for each Foundation Trust each year. The Trust's limit was a total borrowing limit of £99.4m, set by Monitor. This is the amount of

money the Trust can borrow, based upon a detailed financial risk assessment. This was an increase of £42.9m as a result of the SNEY acquisition.

### Monitor risk rating

The Trust achieved a financial risk rating of 3 in 2012/13, as planned. Financial risk is currently assessed by Monitor on a scale of 1 (high risk) to 5 (low risk). The Trust is forecasting a similar medium risk score of 3 for 2013/14 on the current risk rating basis. Monitor has consulted on a new risk approach to financial risk for 2013/14 which will be introduced in October 2013. The Trust has projected that it will achieve a financial risk rating of 4 on the new basis which is the lowest risk rating

### Capital investment

During 2012/13, the Trust invested £11.9m in capital projects. Capital schemes included:

- The completion of the new build facility to provide a second MRI scanner on the York Hospital site to increase scanning capacity
- The replacement of the CT scanner on the Scarborough Hospital site
- The upgrade of Graham Ward at Scarborough to provide a decant ward and escalation ward for the proposed strategic ward redevelopment
- The first stage of the stroke rehabilitation upgrade on the York site, with funding provided by the STAR appeal
- Rolling out the improved birthing environment initiative on the York site
- The demolition of the Bootham Park Court building in preparation for a future clinical development
- Refurbishment of ward kitchens on the York Hospital site as the first stage of the implementation of the catering strategy for patients staff and visitors
- The continuation of the phased programme of lift upgrades at York
- Refurbishing other wards and departments

In addition, the Trust continued its programme of enhancing and replacing medical and IT equipment and plant across all sites, through a combination of purchasing and lease finance.

At the end of the year, the Trust's land and buildings were re-valued by the Valuation Office Agency, on the basis of depreciated replacement cost, for a modern equivalent asset and decreased in value by £6.9m.

### Planned capital investment

Capital investment plans for 2013/14 include:

- Repositioning and replacing one of the York Hospital CT Scanning Units
- A new build additional ward on the Scarborough site
- Further planning of the strategic capital developments on the Scarborough site to replace the current Nightingale Wards, with new wards and refurbished support accommodation
- An extended endoscopy decontamination facility at York
- A new self care renal facility at Harrogate supported by funding from an appeal

A key Trust focus remains on reducing the backlog maintenance by replacing essential

parts of the estate infrastructure such as the lifts at Scarborough, electrical distribution panels, and medical gas system improvements. A refreshed 6 facet survey for the York site has been completed. This is aligned with the format used at the Scarborough and community localities. Being risk based, it is possible to focus investment recommendations based on solid and credible evidence enabling decisions to be made Trust wide when considering priorities

#### Land interests

There are no significant differences between the carrying amount and the market value of the Trust's land holdings.

#### Investments

The Trust made no investments through joint ventures or subsidiary companies, and no other financial investments were made. No financial assistance was given or received by the Trust.

#### Value for money

The Trust has a proven record of implementing resource management cost improvement programmes aimed at delivering efficiencies, to support the Trust in making outstanding use of its available money, staff, equipment and premises. Good resource management provides clarity of focus and is usually linked to improved patient care. The work involves linking across the Trust to identify and promote efficient practices.

In 2012/13 the Trust was required to deliver an efficiency target of £22.6m. This was devolved to directorates based on their available budgets. The amount achieved in 2012/13 was £25.3m; £2.0m above plan.

#### Going concern

After making enquiries, the directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

#### Political and charitable donations

No political or charitable donations were made during the year.

#### Accounting policies for pensions and other retirement benefits

Past and present employees are covered by the provisions of the NHS pension scheme. The scheme is accounted for as a defined contribution scheme. Further details are included in the accounting policies notes to the Trust's annual accounts.

#### Significant events since balance sheet date

There is one material post balance sheet event. During 2013/14, the Trust will take over ownership of a number of local community hospitals and clinics that were previously owned by the NYYPCT. The expected capital value of these assets is c£23m. For 2013/14, the Trust will continue to receive transitional support in relation to

the SNEY integration programme.

### Directors' statement

So far as the directors are aware, there is no relevant audit information of which the auditors are unaware. The directors have taken all of the steps that they ought to have taken as directors, in order to make themselves aware of any relevant audit information, and to establish that the auditors are aware of that information.

Senior employees' remuneration can be found on page 161 of this report.

### Private patient income

The statutory limitation on private patient income in section 44 of the 2006 Act was repealed with effect from 1 October 2012 by the Health and Social Care Act 2012. The financial statements disclosures that were provided previously are no longer required.

## **Regulators**

### Care Quality Commission (CQC)

The Trust places a significant emphasis on its working relationship with its regulators. Regular engagement meetings take place with the local Care Quality Commission inspectorate and these are used as an information sharing forum where a focus is placed on the review of the Trust Quality Risk Profile.

The Trust values the independent review of the Care Quality Commission and responds positively and promptly to all recommendations that are made.

The Trust also has sound working relationships with other regulators such as the Health and Safety Executive, The Medicines and Healthcare Products Regulatory Agency, Environment Agency where it is subject to periodic review. We consider all regulatory reviews and their findings important to us as an external review of the governance processes that are in place. Any action plans associated with visits are monitored and completed within the specified timescale.

### Visits from CQC

The Trust has been subject to a number of inspections over the year, which is listed, along with their outcomes in the table below. In their Annual Un-announced Inspection of York Hospital the CQC looked at 5 outcomes and found the hospital to be compliant with all standards reviewed. The summary of Inspections is listed below. York Hospital was also subject to a review of Termination of Pregnancy in April 2012.

The Trust also received two unannounced inspections relating to whistle blowing, one at Scarborough Hospital in October 2012, and one at York Hospital in June 2012. The York allegation was unsubstantiated, whilst the CQC did find an issue with the inappropriate use of one area for escalation bed purposes, and inadequate staffing of areas where escalation beds were in place.

Summary of inspection for York Hospital (January 2013)

<b>Outcome</b>	<b>Result of the inspection at York Hospital January 2013</b>
<p>Outcome 2: <b>Consent to care and treatment</b></p> <p>Before people are given any examination, care, treatment or support, they should be asked if they agree to it.</p>	Fully Compliant

<b>Outcome</b>	<b>Result of the inspection at York Hospital January 2013</b>
<p>Outcome 4: <b>Care and welfare of people who use services</b></p> <p>People should get safe and appropriate care that meets their needs and supports their rights.</p>	Fully Compliant
<p>Outcome 10 : <b>Safety and Suitability of Premises</b></p> <p>People who use services and people who work in or visit the premises are in safe, accessible surroundings that promote their wellbeing</p>	Fully Compliant
<p>Outcome 13: <b>Staffing.</b></p> <p>People who use services are safe and their health and welfare needs are met by sufficient numbers of appropriate staff</p>	Fully compliant
<p>Outcome 16: <b>Assessing and Monitoring the Quality of Service Provision</b></p> <p>People who use services benefit from safe, quality care, treatment and support, due to effective decision making and the management of risks to their health, welfare and safety</p>	Fully Compliant
<b>Outcome</b>	<b>Result of the inspection at York Hospital Special Review on Termination of Pregnancies April 2013</b>
<p>Outcome 21: <b>Records</b></p> <p>People who use services can be confident that their personal records, including medical records are accurate, fit for purpose, held securely and remain confidential</p>	Fully compliant

# Governance Report

## **Governance Report**

### **NHS Foundation Trust Code of Governance**

Monitor published the code of governance 2011/12. The code requires the Trust to respond on a 'comply or explain' basis. The code continues to be relevant to the governance of the Trust. The Trust reviewed its governance arrangements in light of the code and makes the following statement:

#### Directors

The Trust is headed by a Board of Directors that ensures it exercises its functions effectively, efficiently and economically. The Board is a unitary board consisting of a Non-executive Chairman, six Non-executive Directors and six Executive Directors. During the year the Board added an additional Associate Non-executive Director as a temporary additional role. The purpose for introducing the role was to support the integration of Scarborough and North East Yorkshire Healthcare NHS Trust in the first few months. The role was in place from 1 July 2012 to 30 September 2012. The Board of Directors provides active leadership within a framework of prudent and effective controls and ensures it is compliant with its Terms of Authorisation. The Board of Directors meets a minimum of 12 times a year so that it can regularly discharge its duties.

The Non-executive Directors scrutinise the performance of the management, monitor the reporting of performance, and satisfy themselves as to the integrity of financial, clinical and other information and that financial and clinical quality controls and that systems of risk management are robust and defensible. The Non-executive Directors fulfil their responsibility for determining appropriate levels of remuneration of Executive Directors.

Annually the Board of Directors reviews the strategic aims and takes responsibility for the quality and safety of the healthcare services, education, training and research. Day-to-day responsibility is devolved to the Executive Directors and their teams. The Board of Directors is committed to applying the principles and standards of clinical governance set out by the Department of Health and the Care Quality Commission. As part of the planning exercise the Board of Directors reviews its membership and undertakes succession planning.

The Board of Directors has reviewed its values and standards to ensure they meet the obligations the Trust has to its patients, members, staff and other stakeholders.

The appointment of the Chairman and Non-executive Directors is detailed in the Trust's annual report and forms part of the information included in the Standing Orders written for the Council of Governors. Each year the Chairman and Non-executive Directors receive an appraisal which is reviewed by the Council of Governors.

A clear statement outlining the division of responsibility between the Chairman and the Chief Executive has been approved by the Board of Directors.

#### Governors

The Trust has a Council of Governors who is responsible for representing the interests

of the members of the Trust, partner and voluntary organisations within the local health economy. The Council of Governors holds the Board of Directors to account for the performance of the Trust including ensuring the Board of Directors acts within its Terms of Authorisation. Governors' feed back information about the Trust to members through a regular newsletter and information placed on the Trust's website.

The Council of Governors consists of elected and appointed governors. More than half the governors are public governors elected by community members of the Trust. Elections take place once every year, or on other occasions, if required due to vacancies or a change in our constitution.

#### Information, development and evaluation

The information received by the Board of Directors and Council of Governors is timely, appropriate and in a form that is suitable for members of the Board and Council to discharge their duty.

The Trust runs a programme of development throughout the year for Governors and Non-executive Directors. All Governors and Non-executive Directors are given the opportunity to attend a number of training sessions during the year.

The Council of Governors has agreed the process for the evaluation of the Chairman and Non-executive Directors and the process for appointment or re-appointment of the Non-executive Directors.

The Chairman with the support of the other Non-executive Directors reviews the performance of the Chief Executive.

The Chief Executive evaluates the performance of the Executive Directors on an annual basis and the outcome is reported to the Chairman.

#### Attendance of Non-executive Directors at the Council of Governors

All Non-executive Directors have an open invitation to attend the Council of Governors meetings. Non-executive Directors do attend on a regular basis.

#### Corporate Directors' remuneration

The Remuneration Committee meets, as a minimum, once a year to review the remuneration of the Corporate Directors. Details of the work of the Remuneration Committee can be found on page 131. The Council of Governors has a Nominations/Remuneration Committee which has met during the year. Details of the Nominations/Remuneration Committee can be found on page 146.

#### Accountability and audit

The Board of Directors has an established Audit Committee that meets on a quarterly basis, as a minimum. A detailed report on the activities of the Audit Committee is on page 126.

#### Relations and stakeholders

The Board of Directors has ensured that there is satisfactory dialogue with its

stakeholders during the year.

Compliance with the Code of Governance

The Trust is able to comply with the code in all areas except the following:

Requirements	Explanation
<p><u>Paragraph A.3.1:</u> The Board of Directors should identify in the annual report each Non-executive Director it considers to be independent. The board should determine whether the director is independent in character and judgements and whether there are relationships or circumstances which are likely to affect, or could appear to affect, the director's judgements. The board should state its reasons if it determines that a director is independent notwithstanding the existence of relationships or circumstances which may appear relevant to its determination, including if the director</p> <p>Has received or receives additional remuneration from the NHS Foundation Trust apart from a Director's fee, participates in the NHS Foundation Trust's performance-related pay scheme, or is a member of the NHS foundation trust's pension scheme.</p> <p>Has close family ties with any of the NHS Foundation Trust's advisers, directors or senior employees</p>	<p>The Trust does not operate a performance related pay scheme. The Non-executive and Executive Directors' remuneration is set annually by the remuneration committee</p> <p>One Non-executive Director's spouse is a Clinical Director working in the Trust</p>
<p><u>Paragraph C.2.1:</u> Approval by the Council of Governors of the appointment of a Chief Executive should be a subject of the first general meeting after the appointment by a committee of the Chairman and Non-executive Directors. Re-appointment by the Non-executive Directors followed by re-approval by the Council of Governors thereafter should be made at intervals of no more than five years. All other Executive Directors should be appointed by a committee of the Chief Executive, the Chairman and Non-executive Directors.</p>	<p>The Chief Executive and Executive Directors have their performance reviewed on an annual basis as part of the annual evaluation/ appraisal system. The remuneration committee will consider the issue of 5-year contracts. However, it could take on board that Executive Directors hold substantive contracts and are not subject to reappointment at 5 year periods for the following reasons:</p> <p>(a) Executive Directors are subject to regular review of performance and existing procedures allow for appointments to be terminated if the performance is not satisfactory without the need for formal re appointment.</p> <p>(b) The scope for refreshing the board exists as Executive Director posts turnover. The board has the option of restructuring the Executive Director responsibilities through organisation change in accordance with local HR policies and procedures.</p> <p>I Fixed term appointment will create a short-term focus on the part of the Executive Directors,</p>

Requirements	Explanation
	which in turn will create divergence between managerial and clinical perspective and could be detrimental to the engagement of clinicians, which is vital to the success of any FT.
<p><u>Paragraph C.2.2:</u> Non-executive Directors may serve longer than nine years (e.g. three three-year terms), subject to annual re-election. Serving more than nine years could be relevant to the determination of a non-executive director's independence (as set out in provision A.3.1).</p>	<p>To ensuring compliance with the Constitution no Non-executive Director should have more than two re-appointments or serve more than three terms for a maximum of three years each because of the need to maintain independence and refresh the skill set of the Non-executive Director. We do not intend to extend appointment beyond nine years on the basis of annual reappointment.</p>
<p><u>Paragraph E.1.1:</u> Any performance-related elements of the remuneration of Executive Directors should be designed to align their interests with those of patients, service users and taxpayers and to give these directors keen incentives to perform at the highest levels. In designing schemes of performance-related remuneration, the remuneration committee should follow the following provisions:</p> <p>3 The remuneration committee should consider whether the directors should be eligible for annual bonuses. If so, performance conditions should be relevant, stretching and signed to match the long term interest of the public. Upper limits should be set and disclosed.</p> <p>(iv) The remuneration committee should consider the pension consequences and associated costs to the NHS Foundation Trust of basic salary increases and any other changes in pensionable remuneration, especially for directors close to retirement.</p>	<p>The process of review of performance of Executive Directors provides a more than adequate approach for dealing with under performance with the possibility of terminating the employment if unsatisfactory performance persists.</p> <p>The Remuneration Committee will take the issues relating to pension consequences and associated costs into account as part of the discussion. The Chairman of the Audit Committee is a member of the Remuneration Committee; therefore he will be able to advise if any matters that might arise should be referred to the Audit Committee.</p>

One of the Non-executive Director's spouse has a senior role in the Trust. The Board has considered this interest and the individual Director has made a declaration at each Board meeting. The individual has not been in a position during the year where they have been conflicted and required to leave the Board meeting or not take place in a Board debate.

## Board of Directors

An effective Board of Directors should lead every NHS Foundation Trust as the Board is collectively responsible for the exercise of the powers and performance of the organisation.

The Board of Directors has a strategic focus – developing, monitoring and delivering plans. The Board members have collective responsibility for all aspects of the performance of the Trust including finance, performance, clinical and service quality including patient safety, management and governance.

The Board of Directors consists of a Chairman, Deputy Chairman/Senior Independent Director, Chief Executive, Non-executive Directors and Executive Directors. Its role includes:

- Providing active leadership of the Trust within a framework of prudent and effective controls which enables risk to be assessed and managed
- Ensuring compliance by the Trust with its terms of authorisation, its constitution, mandatory guidance issued by Monitor, relevant statutory requirements and contractual obligations
- Setting the Trust's strategic aims, taking into consideration the views of the Council of Governors, ensuring that the necessary financial and human resources are in place for the NHS Foundation Trust to meet its objectives and review management performance
- Ensuring the quality and safety of healthcare services, education, training and research delivered by the Trust and applying the principles and standards of clinical governance set out by the Department of Health, Monitor, the Care Quality Commission, and other relevant NHS bodies
- Ensuring that the Trust exercises its functions effectively, efficiently and economically
- Setting the Trust's values and standards of conduct and ensuring that its obligations to its members, patients and other stakeholders are understood and met
- Taking decisions objectively in the interests of the Trust
- Taking joint responsibility for every decision of the Board of Directors regardless of their individual skills or status
- Accepting the concept of the unitary Board refers to the fact that within the Board of Directors the Non-executive Directors and the Executive Directors share the same liability and have a responsibility to challenge constructively the decisions of the Board and improve proposals on strategy
- Setting targets, monitoring performance and ensuring the resources are used in the most appropriate way
- As part of their role as members of a unitary Board, Non-executive Directors have a particular duty to ensure such a challenge is made. Non-executive Directors should scrutinise the performance of the management in meeting agreed goals and objectives and monitor the reporting of performance. They should satisfy themselves as to the integrity of financial, clinical and other information, and that financial and clinical quality controls and systems of risk management are robust and defensible. They are responsible for determining appropriate levels of remuneration of Executive Directors and have a prime role in appointing, and where necessary removing, Executive Directors and in succession planning

- Being accountable for provided funds and how those public funds are used
- Having specific duties relating to audit, remuneration, clinical governance, charitable funds and risk assurance
- Working in partnership with the Council of Governors

### External Board effectiveness

During the financial year 2011/12 and as part of the preparation work for the acquisition of SNEY the Board engaged in an external validation exercise of its effectiveness. The report received from the exercise showed the Board was effective in its style and was a well functioning Board.

The Board already has in place an action plan following an internal review which was updated in December 2012. The action plan is updated on an annual basis.

The Board membership is as follows:

Alan Rose – Chairman  
 Patrick Crowley – Chief Executive  
 Philip Ashton – Non-executive Director and Chairman of the Audit Committee and Senior Independent Director  
 Jennifer Adams – Non-executive Director (appointed September 2012)  
 Michael Carlisle – Associate Non-executive Director (July 2012 – September 2012)  
 John Hutton – Non-executive Director, Vice Chairman and Senior Independent Director (Resigned from the Board 31 July 2013)  
 Mike Keaney – Non-executive Director (appointed September 2012)  
 Libby Raper – Non-executive Director  
 Linda Palazzo – Non-executive Director (retired from the Board on 30 September 2012)  
 Michael Sweet – Non-executive Director  
 Dianne Willcocks – Non-executive Director and Vice Chairman  
 Andrew Bertram – Executive Finance Director  
 Peta Hayward – Executive Director of Human Resources  
 Elizabeth McManus – Executive Chief Nurse (Executive Director)  
 Alastair Turnbull – Executive Medical Director  
 Mike Proctor – Deputy Chief Executive and Chief Operating Officer

The Board of Directors seeks to be reflective of the community it serves

### Attendance of Board members at Board of Directors meetings

Listed in the table below is the attendance of the members of the Board of Directors meeting held during the year.

<b>Member</b>	<b>Attendance record</b>
Alan Rose Chairman	13/13
Patrick Crowley Chief Executive	11/13

<b>Member</b>	<b>Attendance record</b>
Philip Ashton Non-executive Director and Senior Independent Director	12/13
Jennifer Adams Non-executive Director	7/7
Michael Carlisle Associate Non-executive Director	3/3
John Hutton Non-executive Director, Vice Chairman and Senior Independent Director	3/3
Mike Keaney Non-executive Director	7/7
Linda Palazzo Non-executive Director	4/6
Mike Proctor Deputy Chief Executive and Chief Operating Office	8/9
Libby Raper Non-executive Director	13/13
Michael Sweet Non-executive Director	13/13
Dianne Willcocks Non-executive Director	10/13
Andrew Bertram Finance Director	13/13
Peta Hayward Director of Human Resources	13/13
Elizabeth McManus Chief Nurse	10/13
Alastair Turnbull Medical Director	12/13

The Board meetings were also attended by members of the Scarborough and North East Yorkshire Healthcare NHS Trust Board as part of the engagement with the Trust during the acquisition process (up to 30 June 2012). The individuals that attended were Sir Michael Carlisle, Chairman and Mr Mike Proctor, Acting Chief Executive.

The Board members are appointed following an extensive recruitment process. Non-executive Directors must satisfy a key criteria that they are resident within the areas identified and defined in the Trust's constitution. All Directors are appointed against agreed criteria for that role.

The Board includes 13 Directors of which there is a Non-executive Chairman, six Non-executive Directors and six Executive Directors. Of those eight are male of which four are Non-executive Directors and five are female of which three are Non-executive Directors.

The age profile of the Board is as follows:

- Three members are between the age of 18-50

- Eight members are between the age of 50-65
- Two members are over 65.

### Directors' biographies

Under section 17 and 19 of Schedule 7 of the National Health Service Act 2006, the Chairman, Chief Executive, Executive and Non-executive Directors were appointed to the Board of Directors as follows:

#### **Chairman – Alan Rose**

**Initially appointed 1 March 2006 to 28 February 2010**

**Reappointed from 28 February 2010 to 31 March 2010 as Non-executive Director**

**Appointed from 1 April 2010 as Chairman to 31 March 2013**

**Reappointed from 1 April 2013 to 31 March 2015**

Alan has been a Non-executive Director at the Trust since 2006 and has over 25 years' experience in private sector business management and strategic consulting, mainly in the energy sector, with Shell and Booz Allen Hamilton. His focus has been on marketing, strategy, partnering and business development. Alan chairs both the Board Of Directors and the Council of Governors. In these roles, he has a special interest in the strategic development of the Trust in its mission of being trusted to deliver safe, effective and sustainable healthcare to our communities and in the enhancement of our community engagement as a Foundation Trust. He retains a linkage to the Orthopaedics and Trauma Directorate.

#### **Chief Executive – Patrick Crowley**

**Appointed June 2008**

**Interim Chief Executive November 2007**

Patrick has worked with the Trust since 1991 in a variety of finance and performance management roles, and was appointed to the role of Finance Director and Performance in 2001. He played a significant role in securing the required Trusts licence to become a Foundation Trust in April 2007 and was subsequently appointed Chief Executive in November 2007. Patrick led the successful acquisition of Scarborough & North East Yorkshire NHS Trust that was completed in July 2012 that followed on from securing community services for both the York and Scarborough localities. He is now wholly committed to establishing the enlarged Foundation Trust as major influence on the progressive development of whole system provision in North Yorkshire, building on York's reputation as a high performing organisation. The Foundation Trust Board was recently recognised as the NHS Board of the Year by the NHS Leadership Academy.

He previously worked for the Ministry of Defence financial management development unit in Bath and in the private sector industry.

#### **Non-executive Director – Jennifer Adams**

**Initially appointed 1 September 2012 to 31 August 2014**

Jennifer Adams joined the Trust in September 2012. She has a first class honours degree in Economics from Southampton University and has a professional background in investment management. She moved to Scarborough 15 years ago with her husband (a hospital consultant) and young family and has taken on a number of non-executive roles within the private and public sector. In addition to her NED position at the Trust

she is currently a Director of Finance Yorkshire – a company specialising in lending to small businesses in Yorkshire and Humber. She is Chair of the Trust's Charitable Funds committee and a member of the Quality and Safety committee.

**Non-executive Director and Senior Independent Director – Philip Ashton**  
**Initially appointed 1 September 2008 to 31 August 2011**  
**Reappointed 1 September 2011 to 31 August 2014**

Born in Yorkshire and a graduate of Oxford University, Philip worked primarily in London before returning to the York area in 2003. During his years at PricewaterhouseCoopers he specialised in technical aspects of the audit practice, developing audit techniques and technology, particularly internal control and risk management. Philip was also involved in training and development, an area which continues to be of great interest to him. He was a founder member of the Auditing Practices Board, and more recently was a representative of the auditing profession on the International Auditing and Assurance Standards Board.

**Associate Non-executive Director – Sir Michael Carlisle**  
**Initially appointed 1 July 2012 to 30 September 2012**

Sir Michael was educated in Sheffield, and became Chairman and Managing Director of Lockwood & Carlisle Ltd, and other companies engaged in the marine engineering industry, following graduation and service in the Royal Navy. He has been involved continuously in the NHS from 1969 to 2012, as Chairman of Sheffield AHA(T), and then as Chairman of Trent Regional Health Authority from 1982-1994. He was Chair of RHA Chairmen in 1991-2. From 1991-95 he served as a Council Member on the Medical Research Council, and became Chairman of Community Health Sheffield NHS Trust 1993-99.

Following a move to North Yorkshire, he was involved in various NHS activities, before his appointment as Chairman of Scarborough & North East Yorkshire NHS Trust in 2007, and has been closely involved with the strategy to integrate that Trust with York FT in 2012.

Since 1990, Sir Michael has been involved with the University of York, serving as a member of Council and as a Pro-Chancellor. He was involved in the establishment of HYMS and has just completed his final term as Chairman of the HYMS Fitness to Practise Committee.

**Vice Chairman/Senior Independent Director – John Hutton**  
**Initially appointed December 2004**  
**Reappointed December 2008 to December 2011**  
**Reappointed to 31 July 2012**  
**Retired from the Board July 2012**

A Non-executive Director, Vice Chairman and Senior Independent Director since January 2005, his training is in economics, and his career has included periods in universities, local government and the private sector. His research has focused on the application of economic evaluation to health issues, especially the utilisation of medical technologies. He is now Professor of Health Economics at the University of York and is also a Non-executive Director of Medipex, the NHS Innovation Hub for Yorkshire and Humberside. John has a special linkage with elderly medicine

**Non-executive Director – Mike Keaney**  
**Initially appointed 1 September 2012 to 31 August 2014**

Mike was appointed as a Non-Executive Director in September 2012. He is a Business Director with over 40 years' experience in the private sector mainly in manufacturing and has held senior management positions including CEO, Managing Director and been a Board Member with companies operating in Europe and North America. He is an experienced Director with a successful record in business improvement and transformation both in the volume and specialist vehicle sectors. Having delivered profitable transformation programmes through business restructuring, and more recently Management Buy Out and Venture Capital backed initiatives, Mike likes to focus on business planning and strategy.

**Non-executive Director – Linda Palazzo**  
**Initially appointed 1 May 2006 to 31 April 2010**  
**Reappointed May 2010 to April 2013**  
**Retired from the Board 30 September 2012**

Linda has previously been employed in senior management positions in financial services and has been involved in various community groups and campaigns with significant experience in charitable fund-raising. Linda is Chairman of the Charitable Funds Committee. She was previously a Non-executive Director and Chair of a health authority in London prior to moving to Yorkshire five years ago. Linda is currently undertaking a part-time degree in Art History. Linda has special linkage to emergency medicine, anaesthetics and theatres. She is also Chairman of the Ethics Committee and Chairs the Organ Donation Ethics Committee.

**Non-executive Director – Libby Raper**  
**Initially appointed 1 August 2009 to 31 July 2012**  
**Reappointed 1 August 2012 to 31 July 2015**

Libby joined the Board in 2009, bringing over 25 years experience as Chief Executive and Chair within the public, private and charitable sectors. At this Trust she Chairs the Quality and Safety Committee, and serves on the Audit, Charity, Arts Committees and the Workforce Strategy Committee. She is a Director of Yellowmead, a boutique management consultancy, Vice Chair of Leeds City College and is actively involved with a number of Arts and Cultural organisations in York and across the country.

**Non-executive Director – Michael Sweet**  
**Initially appointed 1 February 2010 to 31 January 2013**  
**Reappointed 1 February 2013 to 31 January 2016**

The greater part of Michael's career has been in the commercial sector. In Unilever he held senior positions in planning and logistics, where he describes himself as a "commissioner" of services. He became a "provider" following the acquisition of his business unit by an international logistics company. This resulted in board level appointments responsible for operational management, customer relations and business development in the UK and, latterly, Central Europe. Prior to joining the Board of York Hospital Michael spent 5 years as a Non-executive Director of the Selby and York PCT and its successor the North Yorkshire and York PCT, during which time he served as a Governor of this hospital. At the hospital he chairs the Finance & Performance Committee, sits on the Audit Committee and has a particular interest in General Medicine and Community matters. Michael also undertakes work for a number

of Social Services departments investigating complaints involving children.

**Non-executive Director and Vice Chairman – Dianne Willcocks**  
**initially appointed – 1 May 2010 to 30 April 2013**  
**Reappointed 1 May 2013 to 30 April 2016**

Professor Dianne Willcocks, Emeritus Professor at York St John University, is a leadership consultant, advocate and practitioner for socially inclusive citizenship. As former Vice Chancellor at York St John University, Professor Willcocks engages contemporary debates around new learners and new learning styles in higher education and the distinctive role and contribution of church colleges and universities. She presently directs the Governor Development Programme for the Leadership Foundation in Higher Education. A social scientist working across boundaries, Professor Willcocks' research is in the field of old-age, with particular interests in dementia and age-friendly communities. She encourages diverse audiences to recognise the significance of the creative/cultural economy. She also engages public policy and practice debates to secure health and wellbeing through social inclusion and cultural engagement.

**Executive Finance Director – Andrew Bertram**  
**Appointed January 2009**

Andrew Bertram took up the position of Finance Director for the Trust in January 2009. He has previously held a number of roles at the Trust, first joining in 1991 as a finance trainee as part of the NHS graduate management training scheme. On qualifying as an accountant, he undertook a number of finance manager roles supporting many of the Trust's clinical teams. He then moved away from finance taking a general management role as Directorate Manager for Medicine. Andrew then joined the senior finance team, firstly at York, subsequently at Harrogate and District NHS Foundation Trust as their Deputy Finance Director and then returning to York to undertake his current role.

**Executive Director of HR – Peta Hayward**  
**Appointed July 2003**

Peta joined the Trust after working at Birmingham Heartlands and Solihull NHS Trust (Teaching) for seven years, and has 20 years experience in HR in the acute sector of the NHS. Her experience within HR is broad, covering a wide range of specialist and generalist issues with a particular interest in employment law matters supported by a diploma in employment law and personnel practice. Peta has an honours degree in mathematics and economics and is a member of the Chartered Institute of Personnel and Development. Peta is also vice president of the Healthcare People Management Association for the Yorkshire and Humber region.

**Executive Chief Nurse – Elizabeth McManus**  
**Appointed June 2003**

"Libby" joined York as a Director in 2003. She has worked in the NHS for 28 years, mainly in acute hospitals, with a two year spell working nationally for the NHS Modernisation Agency. She trained and qualified as an RGN in Leeds, working predominantly in critical care and cardiothoracic surgery before pursuing a managerial role in hospitals. She has developed specific expertise in both improvement and patient safety through her involvement and delivery of national and international learning programmes. This supports her passion – to ensure that patients feel both safe and cared for.

She is the Executive Director responsible for infection prevention and control (DIPC) and Board lead for Safeguarding.

**Executive Deputy Chief Executive / Chief Operating Officer – Mike Proctor**  
**Appointed 1993**  
**Seconded to SNEY in February 2011 to July 2012.**

Mike joined the NHS in 1975 as a trainee Operating Department Assistant in Sheffield. He undertook nurse training in 1982-85 before working in a variety of clinical roles at the Royal Hallamshire Hospital Sheffield. He became a Charge Nurse in Intensive Care Northern General Hospital, Sheffield in 1987. Mike left to join York Hospital in 1993 as a Clinical Nurse Specialist and then undertook various nurse and business manager roles at York before becoming Director of Nursing in 1998. Mike was then appointed to Chief Operating Officer/Deputy Chief Executive in 2005. He was appointed as Interim Chief Executive for SNEY in April 2011 – July 2012.

**Executive Medical Director – Alastair Turnbull**  
**Appointed January 2010**

Alastair has worked in the NHS for 30 years and was appointed Medical Director in February 2010, having been a Consultant Physician in York since 1994. He trained at St Thomas's Hospital, London, with nutrition research in London and Boston USA, and higher training in Newcastle. He is an active clinical Gastroenterologist with interests in liver and inflammatory bowel disease. He held the post of Clinical Director (Medicine) for 6 years and has a special interest in patient safety. He is a member of the governance and strategy, infection control, art and environment, and trust drugs committees amongst others. Alastair chairs the clinical Quality and Safety group and is the Caldicott Guardian.

Register of Directors' Interests

The Trust holds a register listing any interest declared by members of the Board of Directors. They must disclose details of company directorship or other positions held, particularly if they involve companies or organisations likely to do business or possibly seeking to do business with the Trust. The public can access the register at [www.york.nhs.uk](http://www.york.nhs.uk) or by making a request in writing to:

The Foundation Trust Secretary  
York Teaching Hospital NHS Foundation Trust  
Wigginton Road  
York  
YO31 8HE

or by e-mailing [enquiries@york.nhs.uk](mailto:enquiries@york.nhs.uk)

As at 31 March 2013, the Board of Directors had declared these interests:

Directorships including non-executive directorships held in private companies or public limited companies (PLCs) with the exception of those of dormant companies

**Dianne Willcocks:**  
Director of London Metropolitan University

**Jennifer Adams**

Non-executive Director Finance Yorkshire PLC

**Libby Raper**

Director - Yellowmead Ltd

Ownership, part ownership or directorship of private companies business or consultancies likely or possibly seeking to do business with the NHS:

The directors did not make any declarations under this section.

Majority or controlling share holdings in organisations likely or possibly seeking to do business with the NHS:

The directors did not make any declarations under this section.

A position of authority in a charity or voluntary organisation in the field of health and social care:

**Philip Ashton:**

Act as Trustee – on behalf of the York Teaching Hospital Charity  
Member of the Board of Director – Diocese of York Education Trust

**Andrew Bertram:**

Act as Trustee – on behalf of the York Teaching Hospital Charity

**Patrick Crowley:**

Act as Trustee – on behalf of the York Teaching Hospital Charity

**Peta Hayward:**

Act as Trustee – on behalf of the York Teaching Hospital Charity

**Jennifer Adams:**

Act as Trustee – on behalf of the York Teaching Hospital Charity

**Mike Keaney:**

Act as Trustee – on behalf of the York Teaching Hospital Charity

**Elizabeth McManus:**

Act as Trustee – on behalf of the York Teaching Hospital Charity

**Alastair Turnbull:**

Act as Trustee – on behalf of the York Teaching Hospital Charity

**Libby Raper:**

Act as Trustee – on behalf of the York Teaching Hospital Charity

**Alan Rose:**

Act as Trustee – on behalf of the York Teaching Hospital Charity

**Michael Sweet:**

Act as Trustee – on behalf of the York Teaching Hospital Charity

**Dianne Willcocks:**

Act as Trustee – on behalf of the York Teaching Hospital Charity  
Trustee and Vice Chair – Joseph Rowntree Foundation  
Member – CoYC without walls Board  
Chair – CoYC York at large (cultural arm)  
Chair – Advisory Board, Centre for Lifelong Learning University of York

**Mike Proctor**

Act as Trustee – on behalf of the York Teaching Hospital Charity

Any connecting with a voluntary or other organisation contracting for NHS services or commissioning NHS services:

**Libby Raper:**

Vice Chairman – Leeds City College

Any connection with an organisation, entity or company considering entering into or having entered into a financial arrangement with the NHS foundation Trust including but not limited to lenders or banks:

**Jennifer Adams**

Spouse is a Clinical Director for Anaesthetics, Theatres, Critical Care

**Andrew Bertram:**

Member – NHS Elect Board as a member representative

Key performance indicators

The Board of Directors reviews the key performance indicators on a monthly basis at each Board meeting. Those key indicators include:

- Infection control indicators
  - Colstridium difficile reduction year on year
  - MRSA
- Cancer treatment
  - 31 days from decision to 1<sup>st</sup> treatment
  - 31 days from 2<sup>nd</sup> or subsequent treatment for all cancers – anti cancer drugs
  - 31 days from 2<sup>nd</sup> or subsequent treatment for all cancers – surgery
  - 62 days from all referrals to treatment for all cancers – urgent GP referrals
  - 62 days from urgent referral to treatment for all cancers-screening
  - 14 days from referral to 1<sup>st</sup> seen for all urgent cancers
  - 14 days from referral to 1<sup>st</sup> seen for breast symptomatic breast patients
- Referral performance
  - Admitted patients – 18 week maximum wait from point of referral to treatment
  - Non-admitted patients – 18 week maximum wait from point of referral to treatment
  - Maximum time of 18 weeks from point of referral to treatment – patients on an incomplete pathway
  - Maximum waiting time of four hours in A&E from arrival to admission, transfer or discharge
- Data completeness

- Referral to treatment
- Referral information
- Treatment activity information
- Patient identifier information
- Patients dying at home/care home
- Healthcare for people with learning disabilities

On a quarterly basis the Board of Directors confirms the position of each of these metrics and reports directly to Monitor on compliance.

### Board sub-committees

During the year the Board has six sub-committees that report on a regular basis:

- Audit Committee
- Finance and Performance Committee
- Quality and Safety Committee
- Workforce Strategy Committee
- Remuneration Committee

To support the work being undertaken on the development of the Trust, the Board has introduced a temporary sub-committee, the Acquisition Assurance Board. This Board was disbanded following the completion of the acquisition on 30 June 2012

### The Audit Committee

The membership of the Audit Committee during 2012/13 consisted of:

Philip Ashton – Non-executive Director and Chairman of the Committee

Linda Palazzo – Non-executive Director (retired from the Trust on 30 September 2012)

Michael Sweet – Non-executive Director

John Hutton – Non-executive Director (retired from the Trust on 30 June 2013)

Libby Raper – Non-executive Director (appointed December 2012)

Mike Keaney – Non-executive Director (appointed December 2012)

The Committee receives reports from Internal and External Auditors and undertakes reviews of financial, value for money and clinical reports on behalf of the Board of Directors.

The Committee's terms of reference require the Committee to:

- Monitor the integrity of the financial performance of the Trust and any formal announcement relating to the Trust's financial performance
- Monitor governance and internal control
- Monitor the effectiveness of the internal audit function
- Review and monitor external audit's independence and objectivity and the effectiveness of the audit process
- Develop and implement policy on the employment of the external auditors to supply non-audit services
- Review standing orders, financial instructions and the scheme of delegation
- Review the schedule of losses and compensation
- Review the annual fraud report

- Provide assurance to the Board of Directors on a regular basis
- Report annually to the Board of Directors on its work in support of the Annual Governance Statement

The Committee has met six times during the year. Each meeting considers the business that will enable the Committee to provide the assurance to the Board of Directors that the systems and processes in operation within the Trust are functioning effectively.

Member	Attended
Philip Ashton, Chairman of the Committee	6/6
John Hutton, Non-executive Director	2/2
Libby Raper, Non-executive Director	2/2
Linda Palazzo, Non-executive Director	3/4
Michael Sweet, Non-executive Director	6/6
Mike Keaney, Non-executive Director	2/2

The list of activities below show some of the work the Committee has undertaken during the year:

- Considered 46 internal audit reports and reviewed the recommendations associated with the reports
- Reviewed the progress against the work programme for internal and external audit and the counter fraud service
- Considered the annual accounts and associated documents and provided assurance to the Board of Directors
- Considered and approved various ad hoc reports about the governance of the Trust
- Received the work of the Compliance Working Group and the Data Quality and Performance Working Group and cross related it to other Audit Committee information
- Considered various consultation documents released by Monitor
- Considered the external audit report, including interim and annual reports to those charged with governance and external assurance review of the quality report
- Review and develop the relationship between the clinical audit and internal audit

The Audit Committee reviewed the working of the Compliance Work Group and the Data Quality Work Group and agreed that the Compliance Work Group should be disbanded and the Data Quality Group should be reconvened; this was completed in January 2013.

#### Compliance Work Group

The Compliance Work Group reported directly to the Audit Committee and addressed the issues relating to compliance. The aim of the group was to consider and test assurance processes on behalf of the Audit Committee and the Board in relation to all aspects of compliance.

Specifically to:

- Review the annual Compliance Unit work plan
- Review the register of external agency visits and the related actions
- Ensure internal policies are reviewed and updated in a timely manner
- Oversee the programme of internal compliance inspections.
- CQC. Handle the organisation's response to requests for documentation and oversee the development and management of action plans in response to compliance actions
- Undertake any work as directed by the Audit Committee

Membership of the work group comprises:

Michael Sweet – Non-executive Director and Chairman of the Group

Dianne Willcocks – Non-executive Director

Fiona Jamieson – Assistant Director of Healthcare Governance

Anna Pridmore – Foundation Trust Secretary

Internal audit and risk and legal services attend the work group as required.

Attendance at the meeting was as follows:

Members	Attendance
Michael Sweet, Non-executive Director	3/3
Dianne Willcocks, Non-executive Director	3/3
Fiona Jamieson, Assistant Director of Healthcare Governance	3/3
Anna Pridmore, Foundation Trust Secretary	2/3

The work of the Compliance Group will be reviewed by the Quality and Safety Committee and Corporate Risk Management Group.

#### The Data Quality and Performance Work Group

The Data Quality and Performance Work Group, a sub-group of the Audit Committee has commenced a programme of work during 2012/13 to examine and understand data quality issues relating to financial, human resource, capital asset and patient information systems. The Group is receiving presentations from information system owners and is questioning these owners on aspects of data quality, including issues in relation to the integration of systems following the acquisition of Scarborough. The Group is seeking further assurance on data quality through reference to past Internal Audit reports and through the future year's planning work for audit projects.

The work programme of the Group will continue into 2013/14.

The Data Quality and Performance Work Group met twice during the year.

The membership of the Group comprises:

Philip Ashton – Non-executive Director

Mike Keaney – Non-executive Director

Andrew Bertram – Executive Finance Director

Helen Kemp-Taylor – Head of Internal Audit

Other senior managers and executive directors attend as appropriate.

Attendance at the meetings was as follows:

Members	Attendance
Philip Ashton, Non-executive Director	2/2
Mike Keaney, Non-executive Director	2/2
Andrew Bertram, Executive Finance Director	2/2
Helen Kemp-Taylor, Head of Internal Audit	2/2

The Finance and Performance Committee, together with its' sister committee Quality and Safety, evolved from the "Home Team" that was formed in 2011 to oversee the activities of the York Hospital site during the acquisition of Scarborough. The "Home Team" approach was considered to have been successful as it enabled the Board to focus on major issues and strategic development leaving it to the "Home Team" to undertake the detailed review and scrutiny of the day-to-day performance of the hospital.

#### Finance and Performance Committee

The Finance and Performance Committee meets at least ten times a year in the week before the Board and reviews in detail the previous months information relating to financial performance, the Cost Improvement Programme and operational activity and performance, drawing any issues or matters of concern to the attention of the full Board.

On a quarterly basis the Committee receives reports on the Quarterly Return to Monitor, Service Line Reporting, the capital programme and prospective invitations to tender, and on an occasional basis, often at the request of the Board, will monitor major projects such as the review of the Trust's acute strategy.

The membership of the Committee includes:

Mr M Sweet – Chairman of the Committee  
Mr P Ashton – Non-executive Director  
Mr M Keaney- Non-executive Director

A number of officers attend the meeting to provide assurance to the Committee.

Mr A Bertram – Executive Finance Director  
Mrs D Hollings-Tennant –Assistant Director of Finance  
Mr G Lamb – Deputy Director of Corporate Finance  
Mrs A Pridmore – Foundation Trust Secretary  
Ms L Turner – Assistant Director of Performance

#### Quality and Safety Committee

The Quality and Safety, Committee was established in 2012, prompted by the significant expansion of the Trusts activities following the acquisition of SNEY. The

Committee operates to provide significant additional examination on matters of both quality and safety across the whole Trust. In devoting the additional focus on such a regular basis, it enables the Board to develop and retain a more strategic approach to such matters. The Committee regularly reviews comprehensive reports from both the Medical Director and the Chief Nurse. It also discusses, on a set rotational basis, reports on Infection Control, Healthcare Governance, Patient Reported Outcome Measures (PROMs) and the Trusts Mortality programme update.

The membership of the Committee includes:

Ms L Raper – Chairman of the Committee  
Mrs J Adams – Non-executive Director

Key officers attend the meeting to provide assurance to the Committee.

Ms E McManus – Chief Nurse  
Mrs A Pridmore – Foundation Trust Secretary  
Dr A Turnbull – Medical Director

The Committee meets at least 10 times a year before the Board meeting. The discussions at this Committee are timed so that the information is included in the Board of Director meeting.

#### Workforce Strategy Committee

After the completion of the acquisition a new Board committee was established, and has met 3 times during the year.

The Workforce Strategy Committee receives and reviews any draft strategic plans relating to workforce and during the year it approved the Trusts Human Resources strategy and a new Health and Wellbeing strategy. The Committee will monitor progress against the strategic plans, and present their findings to the Board for consideration. The Committee considers the Trust’s approach on nursing establishments, and agreed the overall approach, and this will continue to form an important part of its future agenda.

The membership and attendance at the Committee during the year was as follows:

Members	Attendance
Dianne Willcocks, Non-executive and Chairman of the Committee	3/3
Libby Raper, Non-executive Director	2/3
Patrick Crowley, Chief Executive	2/3
Elizabeth McManus, Chief Nurse	3/3
Lucy Connolly, Assistant Chief Nurse, Workforce	3/3
Sue Holden, Director of Applied Learning and Research	3/3
Peta Hayward, Director of Human Resources	2/3
Natalie McMillan, Assistant Director, Resourcing	3/3
Jonny Thow, Clinical Strategic Lead	0/2

## Remuneration Committee

The Trust's Remuneration Committee comprises the full Non-executive team and is chaired by the Trust Chairman. The Chief Executive and the Human Resources Director usually attend for parts of each meeting, depending upon the agenda items.

In 2012/13, the Committee met 4 times and considered the following issues:

- Annual Review of remuneration of the "Very Senior Managers" (those not remunerated under the national Agenda for Change framework or consultant contract). These include the Board (Executive) Directors and small number of other Directors. There was no "cost-of-living" increase this year in line with the majority of public sector employees
- A one-off structural review was undertaken to consider the step-change in responsibilities of Directors related to the acquisition of Scarborough – which has significantly increased the size and complexity of the organisation. Considerable analysis of NHS benchmarking material was drawn upon to support this analysis and decision. A range of uplifts were agreed, effective from 1 April 2012
- A special analysis was undertaken of the Medical Director's remuneration, to improve the clarity of the components considered. This was made more transparent, which will assist in future deliberations
- The Medical Director's performance and contribution to Board was considered and, in conjunction with the Chief Executive, it was agreed that his tenure as MD was extended for three years from 1 February 2013
- A number of Directors who had worked at the Scarborough Trust have continued, post-acquisition, in non-Board transitional postings of various durations. The Committee took responsibility to ensure that their remuneration was appropriate
- The Committee asked the Finance Director to produce a short report summarising the aggregate Director-level salary bill for the two Trusts, pre-acquisition, and the merged Trust, post-acquisition. This confirmed that, after all changes had been taken into account, a significant (c£0.5m pa) saving had been achieved in this salary total
- Board director remuneration is reported elsewhere in the Annual Report, in tabular form
- In private session of the Council of Governors, the Chairman made the Governors aware of the rationale and extent of the one-off structural uplifts, and aggregate savings, related to the acquisition

The remuneration levels for all Directors are reported at page 161 of this report.

Attendance at the committee during the year was as follows:

Members	Attendance
Alan Rose, Chairman	4/4
Phillip Ashton, Non-executive Director	4/4
John Hutton, Non-executive Director	1/1
Linda Palazzo, Non-executive Director	2/2
Libby Raper, Non-executive Director	4/4

Michael Sweet, Non-executive Director	3/4
Dianne Willcocks, Non-executive Director	3/4
Mike Keaney, Non-executive Director	1/1
Jennifer Adams, Non-executive Director	1/1

The Chief Executive and the Director of Human Resources attended 2 of the 4 meetings to support the discussions being held about executive remuneration.

### **Chairman of the Committee, Alan Rose**

#### Resolution of disputes between the Council of Governors and the Board of Directors

The Code of Governance requires the Trust to hold a clear statement explaining how disagreements between the Council of Governors and the Board of Directors would be resolved.

The Board of Directors promotes effective communications between the Council of Governors and the Board of Directors.

The Chairman of the Trust also acts as Chairman of the Council of Governors. The Chairman's position is unique and allows him to have an understanding of a particular issue expressed by the Council of Governors. Where a dispute between the Council of Governors and the Board of Directors occurs, in the first instance, the Chairman of the Trust would endeavour to resolve the dispute.

Should the Chairman not be willing or able to resolve the dispute, the Senior Independent Director and the Lead Governor of the Council of Governors would jointly attempt to resolve the dispute.

In the event of the Senior Independent Director and the Lead Governor of the Council of Governors not being able to resolve the dispute, the Board of Directors, pursuant to section 15(2) of Schedule 7 of the National Health Service Act 2006, will decide the disputed matter.

Governors also have the right to refer concerns to Monitor the sector regulator in exceptional circumstances where the internal mechanisms have not satisfied the Council of Governor's concern.

#### Board balance, completeness and appropriateness

As at year ending 31 March 2013, the Board of Directors for York Teaching Hospital NHS Foundation Trust comprised of six Executive Directors, six Independent Non-executive Directors and an Independent Non-executive Chairman.

Mr Michael Sweet was initially appointed as a Non-executive Director in January 2010. He was reappointed for a second term of office which commenced on 1<sup>st</sup> February 2013. Ms Libby Raper was also initially appointed as a Non-executive Director in August 2010. She was reappointed for a second term of office which commenced on 1 August 2012.

From 1 July 2012 following the completion of the acquisition of Scarborough and North East Yorkshire Healthcare NHS Trust, Mr Mike Proctor became a member of the Board

of Directors. He was appointed Deputy Chief Executive and Chief Operating Officer.

The Board also appointed Sir Michael Carlisle as an Associate Non-executive Director from 1 July until 30 September 2012. The appointment was made to support the integration of SNEY with York Teaching Hospital NHSFT.

On 31 July 2012, Professor John Hutton resigned from the Board of Directors as the Vice Chairman and Senior Independent Director and from the Trust as a Non-executive Director. On 30 September 2012 Mrs Linda Palazzo resigned from the Trust as a Non-executive Director.

On 1 September 2012, Mr Mike Keaney and Mrs Jennifer Adams were appointed to the Trust as Non-executive Directors.

The remainder of the composition of the Board of Directors has not changed during the financial year 2012/13.

The Chairman has conducted a thorough review of each Non-executive Director to assess their independence and contribution to the Board of Directors and confirmed that they are all effective independent Non-executive Directors. A programme of appraisals has been run during 2012/13 and all Non-executive Directors have undergone an annual appraisal as part of the review.

The Board of Directors maintains a register of interests as required by the constitution and Schedule 7 section 20 (1) National Health Service Act 2006.

The Board of Directors requires all Non-executive Directors to be independent in their judgement. The structure of the Board and integrity of the individual Directors ensures that no one individual or group dominates the decision-making process.

Each member of the Board of Directors upholds the standards in public life and displays selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

The Board, in relation to the appointment of Executive Directors does not have a standing Nominations Committee but convenes an ad hoc Nominations Committee, as and when required.

Biographies for the Board of Directors can be found on page 133 of the Annual Report and Accounts 2012/13.

### Statement of the division of responsibility between the Chairman and the Chief Executive

#### The Chairman

The Chairman is accountable for the Board of Directors and the Council of Governors.

The Chairman is responsible for ensuring that the Board of Directors operates as a unitary board and effectively develops and determines the Trust's strategy and overall objectives.

The Chairman is responsible for ensuring that the development of the business and the protection of the reputation of the Trust is maintained.

The Chairman is responsible for leadership of the Board of Directors and the Council of Governors, ensuring their effectiveness on all aspects of their role and setting their agenda.

The Chairman is responsible for ensuring that the Board of Directors and the Council of Governors receive accurate, timely and clear information that is appropriate for their respective duties. He is responsible for ensuring effective, prioritised meetings are held where actions are followed up and reported to the Council of Governors or Board of Directors as appropriate.

The Chairman ensures the Trust undertakes effective communication with patients, members, clients, staff and other stakeholders.

The Chairman also facilitates the effective contribution of all Executive and Non-executive Directors and ensures that constructive relations exist between the Executive and the Non-executive Directors, and between the Board of Directors and the Council of Governors.

The Chairman is not responsible for the executive and operational management of the Trust's business.

#### The Chief Executive

The Chief Executive reports to the Chairman and the Board of Directors.

The Chief Executive is the Accountable Officer for the Trust and in this regard is accountable to Parliament for the proper management of the public funds available to the Trust. He is responsible for the propriety and regularity of public finances within the Trust and for keeping proper accounts. He is responsible for prudent and economical administration, the avoidance of waste and extravagance and efficient and effective use of all the resources in his charge.

The Chief Executive has responsibility for the overall organisation, management and staffing of the Trust.

The Chief Executive is responsible for executive and operational management of the Trust's business, consistent with the strategy and business objectives agreed by the Board of Directors. All members of the executive team report either directly or indirectly to him.

The Chief Executive is responsible, working with the executive team, for researching, proposing and developing the Trust's strategy and overall business objectives, which is done in consultation with the Chairman.

The Chief Executive is responsible with the executive team, for implementing the decisions of the Board of Directors and its Committees.

In delivering the Trust's strategic and business objectives, the Chief Executive is responsible for the maintenance and protection of the reputation of the Trust.

## The operation of the Board of Directors and Council of Governors including high-level statement of decisions taken by each

The Board of Directors and the Council of Governors recognise the importance of the operational relationship of the two forums. The Board of Directors seeks the opinion of the Council of Governors on strategic issues affecting the Trust.

The scheme of delegation details the decisions that are taken by the Board of Directors.

### Appointment of the Chairman and Non-executive Directors

The Council of Governors is responsible for the appointment of the Chairman and the Non-executive Directors. The Governors have a standing Nominations and Remuneration Committee which takes responsibility for leading the process of appointment on behalf of the Council of Governors.

### The process for the appointment of the Non-executive Directors

Once it has been established that there is the need to appoint a Non-executive Director the Nomination/Remuneration Committee meets to agree the job description and criteria for the post. The post is advertised and a long list process is completed. The Governors invite an external advisor to join the panel and review the applications and develop a shortlist. Shortlisted candidates are asked to complete a psychometric test in advance of the interviews. The Nominations/Remuneration Committee agrees which Governors will form the appointment panel and the panel undertakes the interviews. The panel develop a recommendation for approval by the Council of Governors following which the successful candidate is advised.

The appointment of the Chairman would follow the same process with the addition of an assessment centre.

## Council of Governors

Every NHS Foundation Trust is required to have a body of elected and nominated governors. York Teaching Hospital NHS Foundation Trust has a Council of Governors, which is responsible for representing the interests of NHS Foundation Trust members, patients and carers, staff members and partner organisations in the local health economy.

As a public benefit corporation the Trust is accountable to the local people and staff who have registered for membership and to those elected to seats on the Council of Governors.

The Council of Governors' roles and responsibilities are outlined in law and detailed in the Trust's constitution. The Council of Governors' prime role is to represent the local community and other stakeholders in the stewardship of the Trust. It has a right to be consulted on the Trust's strategies and plans and any matter of significance affecting the Trust or the services it provides.

The Council of Governors is specifically responsible for the:

- Appointment and removal of the Chairman and other Non-executive Directors
- Approval of the appointment of the Chief Executive
- Appointment and removal of the External Auditors

The Council of Governors considers and receives:

- The Annual Accounts, Auditors' Report and Annual Report
- Views from the membership on matters of significance affecting the Trust or the services it provides

The governors elected and appointed to the Council are required to act in the best interest of the NHS Foundation Trust and adhere to the values and code of conduct of the Trust.

The Council of Governors holds the Board of Directors to account for the performance of the Trust.

The Council of Governors has regularly received details of significant projects and strategies. Comments from the Council of Governors are included in any decision-making discussion held at the Board of Directors.

The Council of Governors works with the Board of Directors in an advisory capacity, bringing the views of staff and local people forward, and helping to shape the Trust's future. In addition to the formal responsibilities, its role includes:

- Representing the interests and views of local people
- Regularly feeding back information about the Trust, its visions and its performance to the communities they represent
- Attending meetings of the Council of Governors
- Receiving an annual report from the Board of Directors
- Monitoring performance against the Trust's service development strategy and other targets

- Advising the Board of Directors on its strategic plans
- Making sure the strategic direction of the Trust is consistent with its terms of authorisation as agreed by Monitor
- Being consulted on any changes to the Trust's constitution
- Agreeing the Chairman's and Non-executive Directors' remuneration
- Providing representatives to serve on specific groups and committees working in partnership with the Board of Directors
- Informing Monitor if the Trust is at risk of breaching its terms of authorisation, if the concerns cannot be resolved within the Trust

During the year significant amendments were made to the constitution. The amendments were completed in advance of the completion of the acquisition of Scarborough and North East Yorkshire Healthcare NHS Trust but were not brought into force until 1 July 2012.

The main amendments included:

- A new Council of Governors membership structure
- Changes to the definition for staff constituencies
- Transitional arrangements relating to elections
- Changes to the eligibility and disqualification of Governors  
Some compliance issues have been addressed by the lawyers; most ensure that the practice adopted by the Trust is reflected properly in line with the legislation
- A change to the number of governors required to form a quorum  
Duplications within the document have been removed
- A sense check on the relationship between the Standing Orders and the Constitution, to ensure common language and that they reflect each other

The Council of Governors at York Teaching Hospital NHS Foundation Trust currently has 28 governor seats in the constitution:

Public Governors	Seventeen elected seats (two vacant)
Staff Governors	Five elected seats
Partner Governors: Local Authorities Local Universities Voluntary groups	Eight appointed: • Four seats • One seat • One seat

To ensure the Trust remains compliant with the Health and Social Care Act 2012, the Trust undertook some additional changes including removing the seats for the PCT Governors as PCTs have ceased to exist.

### Elections

The Trust has held two elections during this reporting period.

Following the completion of the acquisition of Scarborough and North East Yorkshire NHS Trust, an election was held for the appointment of Governors to the new Council of Governors structure. A second election has been held in March 2013 for those Governors whose period of office came to an end on 1 April 2013.

The Chairman of the Trust also acts as Chairman of the Council of Governors.

## The Governors

Listed below are the Governors, either elected or appointed, currently serving on the Council of Governors:

The Governors who had a two year term at the last election were extended for a further six months. The election was held in September 2012.

The table below identifies the Governors who have ceased being members of the Council of Governors during the year.

Forename	Surname	Constituency	Initial Appointment Date	Date Appointed	Term of Office	End Of Term	Status
Alexander	Fraser	Partner: City of York Council	2006	01.04.10	3 yrs	31.03.13	Resigned from the CoG 31.06.12
Alison	MacDonald	Staff: Nursing & Midwifery	2010	01.04.10	3 yrs	31.03.13	Resigned from the CoG 31.03.13
Anne	Penny	Staff: Nursing & Midwifery	2006	01.04.10	2 yrs	31.03.12	Resigned from the CoG 31.06.12
Bob	Towner	Public: York	2006	01.04.10	2.5 yrs	30.09.12	Did not retain his seat at the September 2012 election
Catherine	Surtees	Partner: York CVS	2010	01.05.10	3 yrs	31.05.13	Resigned from the CoG 31.05.12
David	Geddes	Partner: NYY PCT	2012	01.02.12	3 yrs	31.01.15	Resigned from the CoG 31.03.12
David	Robson	Public: York	2010	01.05.10	2.5 yrs	30.09.12	Did not retain his seat at the September 2012 election
Diane	Rhodes	Public: Selby	2010	01.07.10	3 yrs	31.03.13	Did not stand for re-election at the September 2012 election

Forename	Surname	Constituency	Initial Appointment Date	Date Appointed	Term of Office	End Of Term	Status
Geoffrey	Rennie	Patient/Carer	2006	01.04.10	2.5 yrs	30.09.12	Did not stand for re-election at the September 2012 elections
Helen	Butterworth	Public: York	2010	01.04.10	2.5 yrs	30.09.12	Did not retain her seat at the September 2012 election
Jenny	Moreton	Patient/Carer	2006	01.04.10	2.5 yrs	30.09.12	Did not retain her seat at the September 2012 election
Lee	Bond	Staff: Consultant	2006	01.04.10	2.5 yrs	30.09.12	Did not stand for re-election at the September 2012 election
Amanda	McGale	Staff: Other Staff Class	2006	01.04.10	2 yrs	31.03.12	Resigned from the CoG July 2012
Martin	Skelton	Staff: Clinical Staff	2006	01.04.10	3 yrs	31.03.13	Did not stand for election March 2013
Nevil	Parkinson	Public: Selby	2006	01.04.10	3 yrs	31.03.13	Resigned from the CoG March 2013
Phil	Chapman	Patient/Carer	2010	01.04.10	2.5 yrs	30.06.12	Did not retain his seat at the September election
Sian	Wiseman	Public: York	2010	01.04.10	2.5 yrs	30.09.12	Did not stand for election

The table below lists the current members of the Council of Governors

Forename	Surname	Constituency	Initial Appointment Date	Date Appointed	Term of Office	End Of Term
Jeanette	Anness	Public: Ryedale & East Yorkshire	2012	01.10.12	3 yrs	30.09.15
Terry	Atherton	Public: Bridlington	2012	01.10.12	3 yrs	30.09.15
Paul	Baines	Public: York	2006	01.04.10	3 yrs	31.03.13
Mike	Beckett	Partner: North Yorkshire and York Forum	2012	01.10.12	3 yrs	30.09.15
Ann	Bolland	Public: Selby	2012	01.10.12	3 yrs	30.09.15
Andrew	Butler	Public: Selby	2012	01.10.12	2 yrs	30.09.14
James	Carder	Public: Bridlington	2012	01.10.12	2 yrs	30.09.14
Jane	Dalton	Public: Hambleton	2008	01.04.10	3 yrs	31.03.13
Stephen	Hinchliffe	Public: Whitby	2012	01.10.12	3 yrs	30.09.15
Margaret	Jackson	Public: York	2012	01.10.12	2 yrs	30.09.14
Rowena	Jacobs	Partner: University of York	2012	01.03.12	3 yrs	28.02.15
Helen	Mackman	Public: York	2006	01.04.10	3 yrs	31.03.13
Sheila	Miller	Public: Ryedale & East Yorkshire	2012	01.10.12	2 yrs	30.09.14
Helen	Noble	Staff: Scarborough and Bridlington	2012	01.10.12	2 yrs	30.09.14
Les	North	Staff: Community Staff	2012	01.10.12	3 yrs	30.09.15
Caroline	Patmore	Partner: North Yorkshire County Council	2005	01.04.10	3 yrs	31.03.13
James	Porteous MBE	Public: York	2006	01.04.10	3 yrs	31.03.13
Joseph	Riches	Partner: City of York Council	2011	27.05.11	3 yrs	26.05.13
Brian	Thompson	Public: Ryedale & East Yorkshire	2006	01.04.10	3 yrs	31.03.13
Andrew	Volans	Staff: Scarborough & East Yorkshire	2012	01.10.12	3 yrs	30.09.15
Sue	Wellington	Public: Scarborough	2012	01.10.12	3 yrs	30.09.15
David	Wheeler	Public: Scarborough	2012	01.10.12	2 yrs	30.09.14
Kay	West	Partner: East Riding County Council	2013	07.01.13	3 yrs	06.01.16
Penelope	Worsley	Public: York	2012	01.10.12	3 yrs	30.09.15

## Council of Governors Meetings

The Council of Governors met in public four times during this reporting period to discuss and comment on a number of aspects of the functioning of the Trust. Four of those meetings were in public, two were held in private with the Board of Directors and one was held in private with the Non-executive Directors.

## Attendance at Meetings

Attendees	Total	Attendees	Total
Jeanette Anness	2/2	Jennifer Moreton	2/3
Terry Atherton	2/2	Helen Noble	2/2
Paul Baines	4/4	Les North	2/2
John Batt	3/3	Nevil Parkinson	2/3
Michael Beckett	2/2	Caroline Patmore	4/4
Ann Bolland	2/2	Joseph Riches	5/5
Lee Bond	2/3	Anne Penny	1/3
Helen Butterworth	3/3	James Porteous	3/4
Andrew Butler	2/2	Geoffrey Rennie	3/3
James Carder	1/2	Diane Rhodes	2/3
Phil Chapman	3/3	David Robson	2/3
Jane Dalton	4/4	Martin Skelton	2/3
Alexander Fraser	3/3	Catherine Surtees	0/2
David Geddes	2/3	Brian Thompson	5/5
Philip Hewitson	1/2	Bob Towner	1/3
Stephen Hinchliffe	2/2	Andrew Volans	2/2
Margaret Jackson	2/2	David Wheeler	2/2
Rowena Jacobs	4/4	Sue Wellington	2/2
Alison MacDonald	3/3	Kay West	0/1
Helen Mackman	4/4	Sian Wiseman	1/3
Mandy McGale	2/3	Penelope Worsely	2/2
Sheila Miller	2/2		

## Register of governors' interests

The Trust holds a register listing any interests declared by members of the Council of Governors. Governors must disclose details of company directorships or other positions held, particularly if they involve companies or organisations likely to do business, or possibly seeking to do business with the Foundation Trust.

The public can access the register at [www.york.nhs.uk](http://www.york.nhs.uk) or by making a request in writing to:

The Foundation Trust Secretary  
York Teaching Hospital NHS Foundation Trust  
Wigginton Road  
York YO31 8HE

or by e-mailing [enquiries@york.nhs.uk](mailto:enquiries@york.nhs.uk)

At the end of the financial year the Council of Governors declared the following interests:

Directorships including non-executive directorships held in private companies or public limited companies (PLCs) with the exception of those of dormant companies:

**James Porteous:**

Directors – Notions Business and Marketing Consultants

**Brian Thompson:**

Directors – Thompson’s of Helmsley Ltd

Ownership part-ownership or directorship of private companies business or consultancies likely or possibly seeking to do business with the NHS

There were no declarations under this section

Majority or controlling share holdings in organisations likely or possibly seeking to do business with the NHS

There were no declarations under this section

A position of authority in a charity or voluntary organisation in the field of health and social care

**James Porteous:**

President – British Polio Fellowship – Yorkshire Region, Leeds and North Yorkshire  
Chairman – Wheelchair Users Advisory Panel (Harrogate District Hospital NHS Foundation Trust)

Any connection with a voluntary or other organisation contracting for NHS services or commissioning NHS services

**Jane Dalton**

Researcher, University of York (Centre for Reviews and Dissemination).

**Caroline Patmore:**

Councillor – North Yorkshire County Council  
District Councillor – Hambleton District Council

**Rowena Jacobs:**

Research Fellow, Centre for Health Economics, University of York

Any connection with an organisation, entity or company considering entering into or having entered into a financial arrangement with the NHS foundation Trust including but not limited to, lenders or banks

**Caroline Patmore:**

Councillor – North Yorkshire County Council

**Joseph Riches:**

Councillor – City of York Council

**Rowena Jacobs:**

Research Fellow, Centre for Health Economics, University of York

Governor expenses

Governors are not remunerated, but are entitled to claim expenses for costs incurred whilst undertaking duties for the Trust as a governor (i.e. travel expenses to attend the Council of Governors' meetings). The total amount of expenses claim during the year from 1 April 2012 to 31 March 2013 by governors was £3,186.90.

Related party transactions

Under International Accounting Standard 24 "Related Party Transactions", the Trust is required to disclose, in the annual accounts, any material transactions between the NHS Foundation Trust and members of the Council of Governors or parties related to them.

There were no such transactions for the period 1 April 2012 to 31 March 2013.

Appointment of the Lead Governor

The Council of Governors initially appointed Helen Mackman as the Lead Governor of the Council of Governors in July 2010. The Governors' Nominations and Remuneration Committee reviewed the appointment in June 2011 and again in December 2012. The whole Council of Governors considered the suggestion that Helen Mackman would continue to remain as Lead Governor until her term of office expired in March 2013. Following which if Helen chose to stand again for election and was appointed she would continue as the Lead Governor for a further 12 months. The Governors agreed to the proposal. Helen Mackman did stand for election and was appointed so remains the Lead Governor for the Trust for a further 12 months until March 2014.

## Lead Governor Annual Report

The Council of Governors has continued to achieve a significant depth of involvement, with good access to Trust leadership, data and information and with the Chief Executive and Directors sharing and consulting Governors on key aspects of governance and strategies that affect the patient experience.

The Health and Social Care Act 2012 put in place a number of additional duties and elements of governance affecting the Council of Governors. These have been recognised and discussed by Governors to ensure that we develop in ways that fall in line with the legislation:

- Evidencing that we are representing the Members' interests along with those of the general public
- Holding the Non-executive Directors to account
- Requesting the presence of Executive Directors to the Council of Governors to explain aspects of performance
- The entirely new duty of approving any significant transaction to be taken by the Trust

We retain a duty to approve and appoint the Trust's external auditors, which we exercised during this year. The eight Governors who serve on the Governors' Nomination and Remuneration Committee have carried out their key responsibilities to make recommendations to the Council of Governors about the effectiveness of all six Non-executive Directors and the Chairman, as well as recommending their level of remuneration.

It is our duty to ensure that the Chairman's performance meets with the Trust's vision and values and that the organisation's strategic direction meets the needs of the population the Trust serves. To this end, an in-depth appraisal of the Chairman's performance was carried out. Based on the very positive result of this exercise, an agreed set of measurable objectives was put in place going forward. This was ratified by the Council of Governors on the Nomination Committee's recommendation.

The Governors who worked with senior staff on the annual plan agreed that the report was truly reflective of the work that has been undertaken by the Trust during 2011/12 and were satisfied with the priorities that were set for 2012/13. The Governors also noted that there were some areas where targets had not been reached during 2011/2012 but, through the Governor groups and the Council of Governor meetings in public, we continued to look for assurance from the Trust that progress was in fact being made against those outstanding targets.

The Governors were delighted to see that dementia care was included by the Trust as one of its priorities for 2012/13. The Governors believe this to be a very important area. Feedback to Governors from their constituencies demonstrates that proper management and referral of patients improves the quality of care for this

group of patients and their families. The Governors will continue to seek assurances that progress is being made against this priority.

Last year the Governors were asked to identify a quality performance indicator to be reviewed by the External Auditors. Our Governors' Quality Report group recommended the Venous Thrombo-embolism (VTE) assessment. The Governors noted, in the report for this year, that significant progress has been made over the last 12 months and that the Trust is now recognised as a centre of excellence for VTE assessment. Over the next 12 months we will continue to ask for updates on the work being done to achieve the standard of excellence expected by the Governors and the Trust.

The majority of individual governors are part of projects, groups and committees across the Trust, providing an additional way for the voice of patients to be heard and giving assurance that the membership and community are represented in decision-making that affects their healthcare.

The Trust took over responsibility for Community Services in April 2011. The Council of Governors has been seeking assurance that strategies and processes are in place for the benefit of the whole community with the formation of a Governors' Community Services Special Interest Group, working closely with a Non-executive Director and linking with senior management.

The Governors' Patient Focus Group continued up to last autumn to explore issues that affect patients and to make recommendations to management. However, an important development for the Council of Governors has been the setting up of a Trust Patient Experience Steering Group. This group met for the first time during May 2012, with two elected representatives from the Council of Governors. Governors will be able to add true value to the patient experience with this new level of involvement and its opportunity to influence the way patient experiences are used to effect change. We will continue to identify issues across the Trust's areas of responsibility that our Council of Governors representatives will take forward to the Steering Group.

Governors, along with representatives from the Local Involvement Networks, have taken part in a series of surgical ward surveys at York Hospital. These will eventually be rolled out across the other sites. Our thanks go to the Patient Experience Team for continuing to involve us in ways that help us to engage with patients in a meaningful way.

We have been briefed on planned capital improvements and met managers, nurses and clinicians at the Scarborough, Bridlington and Whitby sites. We have been assured that the acquisition of Scarborough Trust offered the new enlarged Trust some innovative estates and service development and that as a single, bigger organisation, best practice is being shared which will benefit patients across the whole area.

As Lead Governor, I attended the Awards nights at both York and Scarborough which celebrated the contribution made by retired and long service staff. At the Trust's Celebration of Achievement evening at York's Barbican Centre in

September, the Governors' Award was presented to York Hospital's Arts Team. Governors congratulate the Trust for valuing its staff at these celebration events.

Since the acquisition of Scarborough Trust in July 2012, there have been elections to bring in governors to be representative of the membership across the enlarged Trust's new areas. To encourage members to put themselves forward for this election, established Governors joined the Chairman, the Foundation Trust Secretary, the Membership Manager and the Patient and Public Involvement Specialist in touring the hospital sites to meet with members and recruit new members. As a result, we have been delighted to welcome 19 new governors: two governors for Scarborough, two for Bridlington and one for Whitby and three new governors for the Ryedale and East Yorkshire area. The Selby election brought in another two new governors and the City of York now has three new governors. The local authorities, York University and the voluntary sector all have representation on the newly formed Council of Governors. Importantly, staff groups also now have representation across the Scarborough and York ends of the Trust. These radical changes have also meant that 16 original governors are no longer part of our team. Their huge contribution over the last six years is greatly valued and we do thank them for this.

We continue to contribute to the development of strategic plans through our questions and challenges to both the executive and non-executive teams and we receive regular feedback on developments and progress from our Chairman and from the Chief Executive, both at our meetings in public and at specially arranged meetings throughout the year. We welcome the excellent working relationship that this Council of Governors enjoys with those who manage services on behalf of local people.

**Helen Mackman, Lead Governor**

#### Membership of the committees and groups

The Council of Governors has delegated authority to a number of committees and groups to address specific responsibilities of the Council of Governors. During the year the Council of Governors was substantially changed to ensure it included membership from Scarborough, Whitby, Bridlington, Ryedale and East Yorkshire. This has meant that during the later part of the year the Governors have reviewed the groups and committees and changed the format. The main committee that existed during the year was the Nomination/Remuneration Committee.

#### Nomination/Remuneration Committee

The Committee met four times during the year, as planned.

The membership of the Committee was as follows:

Alan Rose – Chairman of the Trust (Chair)  
Anna Pridmore – Foundation Trust Secretary (Secretary)  
Helen Mackman – Lead Governor (Vice-Chair)  
James Porteous – Public Governor

Brian Thompson – Public Governor  
Paul Baines – Public Governor  
Jane Dalton – Public Governor  
(vacancy – Staff Governor – due to resignation)  
(vacancy – Public Governor – due to death)  
(vacancy – Appointed Governor – due to withdrawal by Appointing body)

During the year, issues covered included:

- Annual Review of remuneration of the Non-Executives (NEDs) (including the Chairman). This was a major discussion this year as, due to the significant increase in the size and complexity of the Trust following the acquisition of Scarborough, it was agreed there should be a structural step-up in remuneration, even though the “cost-of-living” increases prevailing on the sector were zero
- Annual appraisal of 5 NEDs (including the Chairman), which included the reappointment of Mike Sweet, Libby Raper and Dianne Willcocks for a second term of office
- Recruitment of two new NEDs. This was required as two NEDs (John Hutton and Linda Palazzo) resigned from the Trust due to moving away from the area. Each of the new NEDs (Mike Keaney and Jennifer Adams) live in the Scarborough area, which has helped the rebalancing of the Board of Directors in view of the acquisition of the Scarborough Trust

In each of the above cases, the Committee made recommendations that were discussed and ratified by the full Council of Governors at subsequent meetings. With the election of a considerable number of new Governors in the recent period, the Committee is being refreshed and a number of new Governors will be joining. At the last two meetings in the year, Governors not on the Committee were offered the opportunity to attend as observers. With several new members some specific recruitment training is planned, which will take place in the coming months. The Committee will fulfil its normal duties but, in addition, will consider the issues around the recruitment of a new Chairman, due in April 2015.

**Alan Rose Chairman of the Committee**

## **Foundation Trust membership**

### Introduction

The focus of the past year has been to continue the expansion in membership from the Trust’s historic constituencies of York, Selby and Hambleton, to build an acceptable base of members in the three new constituencies of Whitby, Scarborough and Bridlington and to consolidate our position in the Ryedale and East Yorkshire area in order to support the integration of Scarborough and North East Yorkshire Healthcare NHS Trust in July 2012.

## Our current catchment area

The map below shows the seven communities the Trust now serves and each one forms a public constituency for our membership.

### The York and Scarborough catchment area



We have defined our public constituency boundaries to fit as far as possible with clearly defined local authority boundaries and “natural” communities. Each of the seven constituencies contains at least one hospital facility run by the Trust – places that the local population clearly identify with and care much about; in our experience this is a key issue for membership.

We have also extended the catchment boundaries of York, Selby and Hambleton in wards where we have significant clusters of patients.

**The York constituency** includes all 22 City of York wards and the wards of Ouseburn and Marston Moor of Harrogate Borough Council. The hospital facilities include the following:

- The York Hospital (general acute hospital)
- Archways (rehabilitation hospital in York)
- St Helen’s (rehabilitation hospital in York)
- White Cross Court (rehabilitation in York)

**The Selby constituency** includes all 20 wards of Selby District Council area and the parishes of Bubwith, Ellerton, Foggathorpe and Wressle which are outside of SDC. The hospital facility in this area is:

- The New Selby War Memorial Hospital (community hospital).

**The Hambleton constituency** includes 7 Hambleton District Council wards of Easingwold, Helperby, Huby & Sutton, Shipton, Stillington, Tollerton and White Horse. The hospital facility in this area is:

- St Monica's Hospital (community hospital in Easingwold).

**The Ryedale and East Yorkshire constituency** covers all 20 Ryedale District Council wards and the East Riding wards of Pocklington Provincial, Wolds Weighton and the parish of Holme upon Spalding Moor. The hospital facility is:

- Malton, Norton and District Hospital (community hospital in Malton)

**The Whitby constituency** includes all 7 wards of Whitby Town Council. The hospital facility is:

- Whitby Hospital (community hospital)

**The Scarborough constituency** includes all 18 wards of Scarborough Borough Council. The hospital facility is:

- Scarborough & District Hospital (general acute hospital)

**The Bridlington constituency** includes all 3 wards of Bridlington Town Council, and the 2 wards East Riding Council, Driffield and Rural and East Wolds and Coastal. The hospital facility is:

- Bridlington & District Hospital (general hospital).

### **The out of area public members**

We will continue to offer membership to the public who live outside of these constituencies. Previously named "affiliate" members, they will now be referred to as "out of area" members.

Membership breakdown report by age, gender and ethnicity @ 31 March 2013

	York	Selby	Hambleton	Ryedale and East Yorks	Bridlington	Scarborough	Whitby	Out of Area
<b>Total Members</b>	6,736	1,903	680	1,811	481	458	268	924
<b>Age Range (10 year banding)</b>	<b>York</b>	<b>Selby</b>	<b>Hambleton</b>	<b>Ryedale and East Yorks</b>	<b>Bridlington</b>	<b>Scarborough</b>	<b>Whitby</b>	<b>Out of area</b>
0 to 9	0	0	0	0	0	0	0	0
10 to 19	40	19	4	8	28	6	3	22
20 to 29	212	50	10	32	30	19	8	59
30 to 39	270	57	16	46	24	21	11	52
40 to 49	768	212	56	184	31	45	15	113
50 to 59	1,000	312	101	258	53	55	30	136
60 to 69	1,562	504	154	462	116	126	85	186
70 to 79	1,466	416	193	441	112	122	62	142
80 to 89	959	266	108	294	51	47	43	72
90 or Over	209	35	15	39	8	3	2	18
Unknown	250	32	23	47	28	14	9	124
<b>Age Range (Monitor age banding)</b>	<b>York</b>	<b>Selby</b>	<b>Hambleton</b>	<b>Ryedale and East Yorks</b>	<b>Bridlington</b>	<b>Scarborough</b>	<b>Whitby</b>	<b>Out of area</b>
0 to 16	1	0	0	0	0	1	0	4
17 to 21	61	34	6	13	37	11	6	38
22 or Over	6,416	1,841	650	1,754	417	432	253	758
Unknown	258	32	20	44	27	14	9	124

<b>Gender</b>	<b>York</b>	<b>Selby</b>	<b>Hambleton</b>	<b>Ryedale and East Yorkshire</b>	<b>Bridlington</b>	<b>Scarborough</b>	<b>Whitby</b>	<b>Out of area</b>
Female	3,792	1,084	392	1,033	329	314	181	502
Male	2,934	812	282	773	149	139	85	322
Unknown	10	7	6	5	3	5	2	100
<b>Ethnicity Types</b>	<b>York</b>	<b>Selby</b>	<b>Hambleton</b>	<b>Ryedale and East Yorks</b>	<b>Bridlington</b>	<b>Scarborough</b>	<b>Whitby</b>	<b>Out of area</b>
White British	2,219	599	264	704	416	394	211	350
White Irish	9	4	0	4	1	1	2	3
White Other	35	3	2	8	2	3	2	2
Asian Indian	7	3	0	0	0	1	0	5
Asian Pakistani	4	0	0	0	0	0	0	3
Asian Bangladeshi	0	1	0	0	0	0	0	0
Asian Other	6	0	1	0	2	1	0	1
Black African	3	0	0	0	0	1	0	0
Black Caribbean	2	0	0	0	0	0	0	1
Black Other	0	0	0	0	0	0	0	0
Mixed White and Asian	4	0	1	2	0	1	0	0
Mixed White and Black African	3	0	1	1	0	0	0	0
Mixed White and Black Caribbean	2	0	0	1	0	0	0	1
Mixed Other	2	0	0	0	0	0	0	1
Other Chinese	4	0	0	0	0	0	0	1

<b>Ethnicity Types</b>	<b>York</b>	<b>Selby</b>	<b>Hambleton</b>	<b>Ryedale and East Yorks</b>	<b>Bridlington</b>	<b>Scarborough</b>	<b>Whitby</b>	<b>Out of area</b>
Other Not Stated	1	0	1	0	1	0	0	0
Unknown	4,435	1,293	410	1,091	59	56	53	553
<b>Ethnicity Groups</b>	<b>York</b>	<b>Selby</b>	<b>Hambleton</b>	<b>Ryedale and East Yorks</b>	<b>Bridlington</b>	<b>Scarborough</b>	<b>Whitby</b>	<b>Out of area</b>
White	2,254	606	266	716	419	398	215	355
Asian	17	4	1	0	2	2	0	9
Black	5	0	0	0	0	1	0	1
Mixed	11	0	2	4	0	1	0	2
Other	5	0	1	0	1	0	0	1
Unknown	4,453	1,297	410	1,094	60	56	53	556

All members of staff employed in the Trust are eligible for membership unless they decide they do not want to be and complete an “opt out “form.

Qualifying staff members are those that

- Have a permanent contract with the Trust
- Have been on a series of short-term contracts adding up to more than 12 months
- Or work within the Trust, but are not directly employed by the Trust on permanent or short-term contracts as above.

## Membership numbers by constituency

Constituency	Membership at 1 April 2012	Membership at 31 March 2013	Net gain/loss
York	7,274	6,745	- 537 (-7%)
Selby	2,021	1,907	-114 (- 6%)
Hambleton	733	680	-53 (- 7%)
Ryedale & East Yorks	1,888	1,814	-74 (- 4%)
Bridlington	245	482	+ 237 (+97%)
Scarborough	252	458	+ 206 (+82%)
Whitby	167	268	+101 (+60%)
Out of area	822	924	+102 (+12%)
Staff	8,773 *	8,927**	+154 (+2%)
<b>Total</b>	<b>22, 175</b>	<b>22,205</b>	<b>+30 (0%)</b>

\*Includes 2550 staff from Scarborough Trust who transferred on 1 July 2012.

\*\*Does not include staff who have opted out of membership from York, Scarborough and community

## Membership recruitment targets

One of the Trust's main objectives in 2012/13 has been to develop the membership in the new constituency areas. This has been largely successful, having achieved an acceptable membership pool in all the new constituencies in order to hold contested elections in July/August 2012. The current objective is to continue this development until the Trust has achieved approximately 5% of the eligible population across all the seven constituency areas.

A further analysis and review of the eligible populations in all constituencies will be required when the 2011 Census information is made available to local authorities.

## Membership recruitment activity during 2012/13

The Trust undertook a large number of recruitment events in April, May and June 2012 in order to meet the East Coast targets for 1 July 2012. These included:

- Bridlington League of Friends meetings and social event
- York LINKs AGM
- Talk to Filey Mother's Union
- 50+ lifestyle event at Market Weighton
- East Riding LINKs public meeting at Bridlington (with Mike Proctor)
- Driffeld Over 50s group
- North Yorkshire LINKs showcase event
- Talk to St Johns Ambulance meeting in Bridlington
- Malton Hospital League of Friends coffee morning
- Joint recruiting session with Humber and Hull FTs at Tesco supermarket in Bridlington
- Recruiting sessions at supermarkets in Filey, Scarborough and Whitby
- Joint events with the Digital Switchover Help team at Whitby, Castleton, Glaisdale, Sleights, Robin Hood's Bay, Fylingthorpe and Rosedale village halls
- Dinner and talk with Scarborough Cavaliers Rotary Club (with Mike Proctor)
- National Falls Awareness event in York

- Dalby GP Patient Participation Group
- Recruiting sessions in the hospital main entrances

Governors are encouraged to get involved in the recruitment of new members and have supported the Trust during the year in increasing the membership particularly in the Scarborough, Whitby and Bridlington areas.

#### Membership engagement activity during 2012/13

An event was held at Bridlington Hospital to give members the opportunity to look round the refurbished Lloyd ward and Operating Theatres. This was very well attended and positive feedback was received from the members.

The Trust continued to communicate with members with regular mailings.

Elections for governor seats were held in July/August 2012 and in February/March 2013. Briefing sessions were held in York, Selby, Malton, Whitby, Scarborough and Bridlington in order to encourage nominations from public and staff members and all vacant positions were subsequently contested and filled.

#### Plans for future membership recruitment

As part of embedding the changes made during 2012 the Communications Department is preparing a new Communications and Engagement strategy which will outline how the Trust will communicate and engage with the public and members.

Overall however the Trust will plan the following:

- Maintain >3% of population as members. In our “mature” constituencies of York, Hambleton, Selby, and Ryedale we will continue a conservative, but steady programme of topping-up our membership to ensure our engagement with the communities stays fresh and that the “natural attrition” of members dying or moving away is replaced. We aim to keep our level of penetration at around the 2.5-5% level of the eligible population (this varies by specific local area)
- Continue to increase membership in the new constituencies of Whitby, Scarborough, and Bridlington, where we are building from a low base. We will continue to employ a busier set of recruiting activities focussing on achieving a membership that is representative of the communities and delivers 2.5% penetration of the local populations
- We ask senior management to include awareness and the benefits of membership in every local meeting they attend (e.g. local partnership groups, community forums, etc)
- The website will continue to offer the benefits of membership to those who access it, and a new integrated website is currently in development and will be launched in mid 2013 with membership featuring prominently on this. The scope of this has already being broadened to include “social media” tools
- It is hoped that improved member involvement will continue to feature as an area for discussion with Governor groups as part of the new look Council of Governors. Reports on membership recruitment and development will submitted on a regular basis to the Board and the Council of Governors

- The Trust will use a new membership management database system from 9 April 2013. Following a tendering exercise, the contractor for the new system also provides independent support for the governor election process ensuring a seamless flow and use of membership data. Staff membership will remain managed in house via the ESR payroll system
- Socio-economic groupings – We recognise that people from certain socio economic groupings are not well represented in the membership. We will continue to plan recruitment events to ensure a balance exists across all groupings

<b>Socio-economic groupings:</b>	<b>Number of members</b>	<b>Public Total</b>
ABC1	9,543	209,437
C2	1,323	72,583
D	354	68,311
E	515	1,811
Unknown	94	

- Age/gender –The Trust has more female members than male members and a higher proportion of members aged over 50. We will consider these issues when planning events during the coming year

<b>Age(years):</b>	<b>Number of members</b>	<b>Public Total</b>
0 – 16	2	6,573
17 – 21	168	31,566
22+	11,763	491,468
Unknown	352	

<b>Gender:</b>	<b>Number of members</b>	<b>Public Total</b>
Female	5,174	255,871
Male	7,125	273,472
Unknown		

- Ethnicity – The Trust continues to need to encourage and increase BME (black minority ethnic) membership from all local communities. We are mindful of the large influx of individuals from Eastern Europe to the area since the 2001 census so the ethnicity data for the area will remain unreliable until the 2011 census data is released. We are aware of the longstanding presence in the Scarborough area of a large population from the Philippines. We have made contact with this group and plan to undertake engagement activity during the coming year. Additionally we are planning to repeat events with medical students from HYMS and other further education establishments

<b>Ethnicity</b>	<b>Number of Members</b>	<b>Public Total</b>
White	4,883	522,263
Asian	30	2,418
Black	6	2,074
Mixed	18	634
Other	3	1,811
Unknown	7397	

- Constituency meetings (local health events) – Local constituency meetings enable direct consultation and debate with the membership on topical issues. We plan to establish and develop constituency meetings in all seven areas and we see them being attended by the governors, representative from the Board, local Trust members and members from Health watch/other stakeholder groups
- The website – The existing websites of York and Scarborough Trusts were rebuilt during 2012 into one website. A new looking website will be launched during 2013/14 part of which will feature information about membership and social media tools

# Statutory information

## **Statutory information**

### **Directors**

The Trust has a Board of Directors including the Chairman, six other Non-executive Directors, and six Executive Directors.

#### Non-executive Directors

The Chairman is Alan Rose

The six other Non-executive Directors are Professor John Hutton (who was the Vice Chairman and the Senior Independent Director until his retirement from the Trust in July 2012), Mr Phillip Ashton, Mrs Linda Palazzo, Ms Libby Raper, Mr Michael Sweet and Professor Dianne Wilcocks.

During the year Professor John Hutton and Mrs Linda Palazzo retired from the Board. The Trust appointed two new Non-executive Directors, Mrs Jennifer Adams and Mr Mike Keaney from 1 September 2013.

#### Executive Directors

Executive Directors are Mr Patrick Crowley (Chief Executive), Dr Alastair Turnbull (Medical Director), Mr Andrew Bertram (Finance Director), Ms Peta Hayward (Human Resources Director), and Ms Elizabeth McManus (Chief Nurse) and Mr Mike Proctor (Deputy Chief Executive and Chief Operating Officer)

### **Brief history of the Trust**

In 1976, York District Hospital came into being. The scale of the hospital, with 812 beds in 30 wards, was at the time, larger than anything ever seen in York. It replaced a total of nine hospitals: York County Hospital, York City Hospital, Military Hospital, Fulford Hospital, Acomb Hospital, Poppleton Gate, Deighton Grove, Fairfield Hospital and Yearsley Bridge Hospital. Princess Alexandra came to officially open it on 28 July 1977.

The new hospital cost £10.5m to build and a further £2m to equip. It occupied 20 out of the 22 acres on the site and accommodated over 1,600 staff.

In 1981, a scheme commenced to house maternity services at the main site. A delivery suite and special care baby unit were built and existing wards were converted to antenatal and postnatal wards and a new maternity entrance was created.

York Health Authority became a single district Trust in April 1992, known as York Health Services NHS Trust.

The development of the Selby and York Primary Care Trust had major implications for York Health Services NHS Trust, as it had provided secondary care and community services since 1992. Community and mental health services in Selby and York were taken over by the PCT and the function of York Health Services NHS Trust now centred on secondary acute care. In 2003 the main hospital changed from York District Hospital to York Hospital and became York Hospitals NHS Trust.

Having achieved a three star performance rating in 2005, the Trust applied to become a NHS Foundation Trust in 2006. Monitor approved the application and York Hospitals NHS Foundation Trust began life on 1 April 2007. The attainment of this target was a great tribute to the hard work of staff throughout the organisation and is recognition that we are one of the top performing organisations in the country. Being a Foundation Trust means we can manage our own budgets and are able to shape our services to reflect local needs and priorities whilst remaining fully committed to the core principles of the National Health Service.

The Trust then decided to adopt 'Teaching' into the name. This was as a result of our increasing involvement with Hull York Medical School (HYMS), our ever-strengthening links with York's universities and other higher and further education establishments and the recognition of our commitment to continued learning, training and development for our staff. Our decision to change our name was approved by Monitor, the Foundation Trust regulator, and came into effect from 1 August 2010.

In April 2011, we took over the management of some community-based services in Selby, York, Scarborough, Whitby and Ryedale. This included some community nursing and specialist services as well as Archways in York, St Monica's in Easingwold, The New Selby War Memorial Hospital, Whitby Hospital and Malton Hospital.

Our main site is The York Hospital which offers a range of inpatient and outpatient services. With our two community rehabilitation hospitals at St Helen's and White Cross Court we have over 700 beds.

We provide some more specialist services from other sites, including renal dialysis in Easingwold and Harrogate, and sexual health services in Monkgate Health Centre in York.

On 1 July 2013, the Trust completed the transaction for the acquisition of Scarborough and North East Yorkshire Healthcare NHS Trust .

We also work collaboratively in certain specialties through our clinical alliance with Harrogate and District NHS Foundation Trust, and Hull Teaching Hospital NHS Trust to strengthen the delivery of services across North and East Yorkshire.

## **Environmental matters**

In 2009, the Trust committed to embracing the NHS Carbon Reduction Strategy. Over the financial year 2012/13 the Trust forecast an annual energy related carbon emissions reduction of 6.2%.

All staff are encouraged to help cut carbon emissions and reduce energy bills by taking simple steps to be more energy efficient. See the Sustainability/Climate Change section for more detailed information.

## **Financial information**

So far as the Directors are aware, there is no relevant audit information of which the auditors are unaware.

The Directors have taken all steps that can in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## Better Payment Practice Code – Measure of Compliance

The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later. The Trust operates its Better Payment Policy with a five day allowance for goods to be dispatched and received in the Trust.

	Number	Value £000
Total Non-NHS trade invoices paid in the year	91,744	108,844
Total Non-NHS trade invoices paid within target	53,772	66,146
Percentage of Non-NHS trade invoices paid within target	58.6	60.8
Total NHS trade invoices paid in the year	3,383	31,329
Total NHS trade invoices paid within target	1,382	18,061
Percentage of NHS trade invoices paid within target	40.9	57.7

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

## External Audit

The External Auditors employed by the Trust are Grant Thornton UK LLP No.1 Whitehall Riverside, Whitehall Road, Leeds LS1 4BN.

The total cost of audit services for the year was £120,000 inclusive of VAT for the statutory audit of accounts and an external assurance audit for the Quality Account, for the 12 months ending 31 March 2013. Grant Thornton has not provided any non-audit services during the year.

## **Remuneration Report**

### The Remuneration Committee

The Trust has two Remuneration Committees. One is made up of a group of Governors to determine the appropriate remuneration for Non-executive Directors, including the Chairman. This Committee reports to the Council of Governors and details of the Committee can be found on page 131 of this report.

The second Committee has delegated authority from the Board of Directors to make decisions in respect of salary and conditions of service for the Executive Directors, and is made up of the Non-executive Directors of the Trust. More detail about the Remuneration Committee can be found on page 131.

During the financial year 2012/13 the Remuneration Committee met on four occasions. The Remuneration Committee was attended by the Non-executive Directors. The Chief Executive and the Director of HR attended to provide professional advice and information and were not part of the decision making process. They attended two of the four meetings.

## Remuneration of the Chief Executive and Executive Directors

The membership of the Remuneration Committee for the remuneration of the Chief Executive and other Executive Directors is the Non-executive Director cohort including the Chairman.

## Remuneration of the Chairman and Non-executive Directors

During 2012/13 the remuneration of the Chairman and the Non-executive Directors was considered by the full Council of Governors. The governors agreed that the Chairman and Non-executive Directors would receive an increase in line with the benchmarking data used. For 2011/12 it was agreed that the Council of Governors would review the remuneration for the Chairman and Non-executive Directors following completion of the acquisition of Scarborough and North East Yorkshire Healthcare NHS Trust to take into account the additional complexities of the enlarged organisation.

## Remuneration policy

With the exception of the Chief Executive, Executive Directors, Corporate Directors and medical staff, all employees of the Trust, including senior managers, are remunerated in accordance with the national NHS pay structure, Agenda for Change. It is the Trust's policy that this will continue to be the case for the foreseeable future. The remuneration of the Chief Executive and four other Executive Directors and four Corporate Directors is determined by the Board of Directors' Remuneration Committee.

The Chief Executive and the two whole-time Executive Directors (Director of Finance and Chief Nurse) are paid a flat rate salary within the range determined by the Remuneration Committee. The part-time Executive Directors (Medical Director and Director of HR) are paid a flat rate within the range determined by the Remuneration Committee. For the Medical Director this is separate from his salary as a medical practitioner.

In reviewing remuneration, the Committee has regard for the Trust's overall performance, the delivery of the agreed corporate objectives for the year, the pattern of executive remuneration among Foundation Trusts and the wider NHS, and the individual director's level of experience and development in the role. The Remuneration Committee does not review the pension arrangements; they are agreed nationally within the NHS.

There is no performance-related element, but the performance of the Executive Directors is assessed at regular intervals and unsatisfactory performance may provide ground for termination of contract. The Executive Directors do not have fixed term contracts and the Non-executive Directors all have service contracts that are a maximum length of three years. Details of terms of office of the Non-executive Directors are available on request from the Foundation Trust Secretary at [enquiries@york.nhs.uk](mailto:enquiries@york.nhs.uk)

## Salaries and pension entitlements of senior managers

Salaries:	2012/13			2011/12		
Name and title	Salary (exc non-consol perf pay) (bands of £5000) £000	Non-Consolidated Performance Pay (bands of £5000) £000	Benefits in kind (to nearest £100) £	Salary (exc non-consol perf pay) (band of £5000) £000	Non-Consolidated Performance Pay (band of £5000) £000	Benefits in kind (to nearest £100) £
<b><u>Executive Directors</u></b>						
Mr P Crowley Chief Executive	190-195			160-165	-	4,600
Mr A Bertram Director of Finance Deputy Chief Executive	130-135			115-120	-	3,800
Mr M Proctor Deputy Chief Executive	105-110			-	-	-
Ms E McManus Chief Nurse	125-130			105-110	-	-
Dr A Turnbull Medical Director	225-230			210-215	5-10	-
Ms P Hayward Director of HR	95-100			90-95	-	-
<b><u>Non-executive Directors</u></b>						
Mr A Rose Chairman	50-55			45-50	-	-
Professor J Hutton Non-executive Director and Vice Chairman	0-5	-	-	10-15	-	-
Mr P Ashton Non-executive Director	15-20	-	-	15-20	-	-
Professor D Willcocks Non-executive Director	10-15	-	-	10-15	-	-
Mrs L Palazzo Non-executive Director	5-10	-	-	10-15	-	-
Ms L Raper Non-executive Director	10-15	-	-	10-15	-	-

Name and title	2012/13			2011/12		
	Salary (exc non-consol perf pay) (bands of £5000) £000	Non-Consolidated Performance Pay (bands of £5000) £000	Benefits in kind (to nearest £100) £	Salary (exc non-consol perf pay) (band of £5000) £000	Non-Consolidated Performance Pay (band of £5000) £000	Benefits in kind (to nearest £100) £
Mr M Sweet Non-executive Director	10-15	-	-	10-15	-	-
Mr M Keaney Non-executive Director	5-10	-	-	-	-	-
Mrs J Adams Non-executive Director	5-10	-	-	-	-	-

	2012-13	2011-12
Band of the highest paid director's total salary (£'000)	225-230	215-220
Median Total Remuneration	£24,566	£25,611
Remuneration Ratio	9.3	8.5

Mr Proctor resigned from being a member of the Board of Directors on 6 March 2011 to take up a seconded role as Interim Chief Executive at Scarborough and North East Yorkshire NHS Trust from 7 March 2011 to 30 June 2012. Mr Proctor returned to the Board of Directors from 1 July 2012

Mr J Hutton resigned as Non-executive Director in June 2012.

Mrs L Palazzo resigned as Non-executive Director in September 2012.

Mrs J Adams was appointed as Non-executive Director in September 2012.

Mr M Keaney was appointed as Non-executive Director in September 2012.

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest paid director in York Teaching Hospital NHS Foundation Trust in the financial year 2012-13 was £225k-230k (2011-12 £215k-220k). This was 9.3 times (2011-12 8.5) the median remuneration of the workforce, which was £24,566 (2011-12 £25,611).

In 2012-13 1 (2011-12 NIL) employees received remuneration in excess of the highest paid director. Remuneration ranged from £1,152 to £263,317 (2011-12, £1,159 to £218,260). Employees receiving remuneration of less than £1,000 or have nil basic pay and nil whole time equivalent have been excluded from the calculations as these relate to one-off individual payments and would distort the overall figures.

Payments made to agency staff have also been excluded as these mainly relate to payments made to cover long term absence of existing employees whose whole time, full year equivalent

remuneration is already included in the calculation. To include the payments made to agency staff would also distort the overall figures.

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

#### Off-payroll engagements

The Trust had one off payroll engagement with an annual cost in excess of £58,200 per annum in place as of 31 January 2012, and this has been re-negotiated to include contractual clauses allowing the Trust to seek assurance as to their tax obligations

The Trust also had one off payroll engagement with an annual cost in excess of £58,200 per annum that was transferred from Scarborough and North East Yorkshire Healthcare NHS Trust. This has come to an end in the period to 31 March 2013. No new similar engagements have been entered into in the period 1 April 2012 to 31 March 2013.

Pensions	Total accrued pension at age 60 at 31 March 2013	Total accrued pension lump sum at age 60 at 31 March 2013	Real increase in pension at age 60	Real increase in pension lump sum at age 60	Cash Equivalent Transfer Value at 31 March 2012	Cash Equivalent Transfer Value at 31 March 2013	Real Increase in Cash Equivalent Transfer Value
Name	Bands of £5000	Bands of £5000	Bands of £2500	Bands of £2500	£000	£000	£000
Mr P Crowley Chief Executive	50-55	155-160	2.5-5.0	7.5-10.0	949	1008	10
Mr A Bertram Director of Finance	30-35	95-100	2.5-5.0	7.5-10.0	411	493	61
Mr M Proctor Deputy Chief Executive	55-60	170-175	2.5-5.0	10-12.5	1011	1209	109
Ms E McManus Chief Nurse	35-40	105-110	2.5-5.0	7.5-10.0	479	563	59
Dr A Turnbull Medical Director	75-80	230-235	0.0-2.5	0.0-2.5	1429	1549	45
Ms P Hayward Director of HR	20-25	65-70	0.0-2.5	2.5-5.0	291	331	25

As Non-executive Directors do not receive pensionable remuneration, there are no entries in respect of pensions for Non-executive Directors.

The real increase figures for Mr M Proctor are shown pro rata for the period 1 July 2012 to 31 March 2013.

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

Real increase in CETV reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.



**Chief Executive**  
29 May 2013

## Sustainability

In March 2009, the Trust Board approved a Sustainable Development Statement committing the organisation to continuous improvement in minimising the impact of its activities on the environment and becoming a good corporate citizen. The Sustainable Development Statement was endorsed by the Trust Board of Governors in June 2010 together with strategic delivery proposals.

On 1 July 2013, York Teaching Hospital NHS Foundation Trust took over Scarborough and North East Yorkshire Healthcare NHS Trust and the adopted Sustainable Development delivery strategies now need to incorporate a wider property portfolio extended over a significant geographical area.

The three specific delivery proposals reported last year remain a key objective:

- The existing Sustainable Development Steering Group has been temporarily suspended pending the establishment of an alternative that meets the demands of the larger organisation
- The replacement Sustainable Development Steering Group will continue to be tasked with creating a Sustainable Development Management Plan to embrace the Trust's commitment to the NHS Carbon Reduction Strategy
- The replacement Sustainable Development Steering Group will continue to be tasked with adopting the Good Corporate Citizenship Assessment Model. The Model is to provide a Sustainable Development road map enabling the Trust to embrace NHS Sustainable Development Unit targets and to demonstrate progress by routinely undertaking the NHS Sustainable Development Unit on line self assessment exercise

### Summary Performance

The data provided in the table below is inclusive of usage and costs of the former Scarborough and North East Yorkshire Healthcare NHS Trust properties.

Area		Non Financial Data (Applicable Metric)	Non Financial Data (Applicable Metric)	Financial Data (k£)	
		2011/12	2012/13	2011/12	2012/13
Waste Minimisation and Management	Absolute values for total amount of waste produced by the Trust	872 tonnes	1496 tonnes	308.0	521.7
	Methods of disposal (optional)			Expenditure on waste disposal	

Finite Resources	Water	156,038 cu m	178,061 cu m	Water	238.0	325.00
	Electricity	48,142.3 G joules	68,126.4 G joules	Electricity	1,234.2	1,943.00
	Gas	100,887.2 G joules	188,709 G joules	Gas	820.6	1,562.56
	Other Energy Consumption	1094.5 G joules	241.4 G joules*	Other Energy Consumption	20.1	5.4*

### Future Priorities and Targets

The priority for 2013/14 for the Trust is to establish a wider based Sustainable Development Steering Group and associated support and develop a Trust Board approved Sustainable Development Management Plan.

Strategies to achieve Energy and Carbon Management objectives within the NHS Carbon Reduction Strategy for England are well advanced within the Trust.

In October, the Trust entered into a Membership Agreement with Carbon and Energy Fund to develop energy and carbon reduction opportunities at York, Scarborough and Bridlington Hospitals.

The first project is expected to be rolled out at York Hospital starting July 2013. The project is guaranteed to deliver annual energy savings of £848,000 per annum with an associated carbon emission reduction of 2,996 tonnes per annum.

Projects at Scarborough and Bridlington Hospitals are currently under review.

### **Equality Report**

York Teaching Hospital NHS Foundation Trust is committed to promoting equality, diversity and human rights in its day to day treatment of all patients, visitors and staff. Everyone who comes into contact with our Trust can expect to be treated with respect and dignity as we take account of individual needs.

At the end of 2012 Leadership of Equality and Diversity in the Trust was repositioned to the Director of Learning, Research and Organisation Development and is supported by the appointment of an Equality and Diversity Facilitator.

The Trust Equality and Diversity Group continues to meet on a quarterly basis and reports to the Corporate Risk Management Team which reports to the Board of Directors ensuring equality and diversity issues are considered at a strategic level. A Non-executive Director also champions Equality and Diversity at Board Level. In 2012/13 was a significant year for the Trust with the acquisition of Scarborough and North East Yorkshire Healthcare Trust (SNEY) which means we now cover a larger and more diverse area and work is in hand to develop the Equality and Diversity Group to reflect this.

## Workforce profile

	Staff 2011/12	%	Staff 2012/13	%
<b>Age</b>				
0 -16	0	0	0	<b>0.00%</b>
17-21	107	1.71	121	<b>1.43%</b>
22+	6148	98.29	8324	<b>98.57%</b>
Unknown	0	0	0	<b>0.00%</b>
<b>Ethnicity</b>				
White	5715	91.36	7692	<b>91.08%</b>
Mixed	63	1.00	74	<b>0.88%</b>
Asian or Asian British	167	2.66	296	<b>3.51%</b>
Black or Black British	54	0.86	74	<b>0.88%</b>
Other	256	4.09	133	<b>1.57%</b>
<b>Gender</b>				
Male	1221	19.52	1722	<b>20.39%</b>
Female	5034	80.47	6723	<b>79.61%</b>
Not stated	0	0	0	<b>0.00%</b>
Trans-gender	0	0	0	<b>0.00%</b>
<b>Recorded disabilities</b>				
Yes	51	0.81	74	<b>0.88%</b>
No	1990	31.81	2767	<b>32.76%</b>
Not stated	491	7.84	627	<b>7.42%</b>
Unknown	3723	59.52	4977	<b>58.93%</b>

The Trust has a policy where all staff are automatically made a member of the Foundation Trust unless they choose to opt out. Currently only 22 members of staff have opted out of membership. Collection of membership details for staff has not been collected in the breakdown categories.

### Equality Act 2010

The act requires the Trust to have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and any other conduct prohibited by the act
- Advance equality of opportunity between people who share a protected characteristic and people who do not share it
- Foster good relations between people who share a protected characteristic and people who do not share it

Due regard means that the Trust consciously thinks about the three aims of the duty as an integral part of our decision making process, considering the needs of everyone in our day to day work, in shaping policy, in delivering services and in relation to our staff.

## The Equality Delivery System (EDS)

The EDS is a quality assurance framework developed by the Department of Health Equality and Diversity Council to establish a consistent framework to drive up equality performance and allow sharing of good practice. The Trust has adopted the EDS and our initial grading took place in March 2012 which helped to inform the development of our Equality objectives. It has increased the awareness of equality and diversity in the four goals of:

1. Better health outcomes for all
2. Improved patient access and experience
3. Empowered, engaged and well supported staff
4. Inclusive leadership at all levels

We have four objectives:

1. Improve data collection, analysis and monitoring for protected characteristics
2. Further develop engagement and involvement of patients, carers, governors and staff to reflect local demographics
3. Develop strong partnerships with social care and GPs to ensure patient pathways are free from barriers between providers for everyone
4. Continue with Board of Directors and senior management development programme ensuring equality and diversity is embedded into all decision making processes leading to active promotion of good relationships

Each objective has an action plan and is published in a document that also explains the context of their development. Progress is monitored by the Equality and Diversity Group with a report presented to the Board annually.

During the last year our progress has been as follows:

- In line with Equality and Human Rights Commission good practice a single document to demonstrate how we comply with the Equality Duty has been developed and published
- Consultation and pilot of "Pictocomm", a picture book that may be used as a communication aid
- Event during NHS Equality, Diversity and Human Rights week during May 2012 in collaboration with trade unions to improve understanding, demonstrating the benefits of greater diversity and the importance of monitoring information.
- Review of Equality and Diversity Group terms of reference to reflect the changes in the Trust
- Pilot site for Innov8 which aims to reshape how senior managers identify, appreciate and develop diverse talent in the Yorkshire and Humber Strategic Health Authority
- Planned Board development incorporating specific reference to Equality and Diversity issues

The next steps to be taken by the Trust will be:

- Review and develop our equality objectives taking account of changes to the Trust and the whole healthcare system
- Pilot and implement our new equality analysis toolkit

- Development of a champion role to support the work of the Equality and Diversity Group
- Regular events to raise awareness to Equality, Diversity and Human Rights issues
- Continue to develop links with local groups and other public sector organisations
- Re-grade the Trust against the Equality Delivery System once it has been refreshed; this is due to be launched in November 2013
- In November 2013 a new national strategy for a Personal, Fair and Diverse Health and Care System is to be launched so the Trust will need to consider and align itself to this

## Staff Survey

This year's staff survey report included a score for staff engagement. This score was calculated based on responses to the individual questions which made up key findings 22, 24 and 25. These key findings relate to the following aspects of staff engagement: staff members' perceived ability to contribute to improvements at work, their willingness to recommend the Trust as a place to work or receive treatment and the extent to which they feel motivated and engaged with their work. The score range was from 1 to 5, with 1 indicating that staff are poorly engaged and 5 indicating that staff are highly engaged. The Trust's score of 3.71 was slightly higher than the score of 3.66 in the previous year. The Trust's score was average when compared with other acute Trusts.

### Summary of performance

	2011/12		2012/13		Trust improvement/ deterioration
	Trust	National average	Trust	National average	
Response rate	60%	52%	51%	50%	Deterioration of 9%
Top 4 ranking scores	Trust	National Average	Trust	National Average	
<b>KF14</b> Percentage of staff reporting errors, near misses or incidents witnessed in the last month	98%	96%	94%	90%	No statistically significant change
<b>KF11</b> Percentage of staff suffering work related stress in the last 12 months	21%	29%	31%	37%	Deterioration since 2011
<b>KF25</b> Staff motivation at work	3.84	3.82	3.93	3.84	No statistically significant change
<b>KF18</b> Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in last 12 months	No comparable Key Finding in 2011 survey		26%	30%	

Bottom 4 ranking scores	Trust	National average	Trust	National average	
<b>KF7</b> Percentage of staff appraised in last 12 months	71%	81%	76%	84%	No statistically significant change
<b>KF26</b> Percentage of staff having equality and diversity training in last 12 months	47%	48%	43%	55%	No statistically significant change
<b>KF8</b> Percentage of staff having well structured appraisals in last 12 months	32%	34%	31%	36%	No statistically significant change
<b>KF6</b> Percentage of staff receiving job relevant training, learning or development in last 12 months	No comparable Key Finding in 2011 survey		78%	81%	

Taking forward the actions from the staff survey results is fundamental to ensure improvements can be made. Directorates will be provided with their results and will be responsible for identifying specific actions required for their areas, supported by Human Resources. The directorates will manage their action plans and ensure that staff are engaged in the implementation of actions. A corporate action plan will focus on addressing the bottom four ranked scores listed above and will include any other key corporate actions identified via directorate level action plans. The corporate action plan will be developed and managed through the Human Resources team to ensure corporate implementation. The action plans will be monitored through the workforce performance improvement meetings and the Executive Board.

## Regulatory ratings

### Explanation of ratings

Monitor uses a combination of financial information and performance against a selected group of national measures as the primary basis for assessing the risk of Trusts breaching their Authorisation. Monitor's risk-based framework assigns two risk ratings financial and governance to each NHS Foundation Trust on the basis of its annual plan and in-year performance against that plan.

Monitor uses these ratings to guide the intensity of monitoring and to signal to the NHS Foundation Trust Monitor's degree of concern with specific issues identified and the risk of breach of the Authorisation. Where issues arise, Monitor may wish to test the basis of board statements made. Monitor may take into account the findings, judgement and/or guidelines of any relevant third party in determining risk ratings and/or whether a breach of the Authorisation has occurred. Monitor expects NHS Foundation Trusts to respond to any such issues.

### Financial risk rating

When assessing financial risk, the Foundation Trust regulator Monitor will assign a risk rating using a scorecard that compares key financial metrics on a consistent basis across all NHS Foundation Trusts. The risk rating is intended to reflect the likelihood of a financial breach of the Terms of Authorisation.

## Governance risk rating

Monitor assigns a governance risk rating to reflect the quality of governance at a Trust. Higher levels of governance risk may serve to trigger greater regulatory action and, ultimately, consideration as to whether an NHS Foundation Trust should be escalated. The governance risk rating is not designed to capture every potential indicator of governance risk. Monitor may therefore adjust the rating where other governance concerns come to light. Typical examples are set out later in this chapter. Monitor includes five elements within the governance risk rating:

- Service performance
- Third parties
- Mandatory services
- Other certification failures
- Other factors

Monitor rates governance risk using a graduated system of green, amber/green, amber/red and red, where green indicates low risk and red indicates high risk.

At the end of 2011/12 Monitor's role changed from being the Regulator for Foundation Trusts to the Sector Regulator. This change was brought into effect as a result of the Health and Social Care Act 2012 and fundamental change to the way foundation trusts were regulated. Historically, Foundation Trusts had been governed through Terms of Authorisation. Under the revisions, Foundation Trusts operate under a Licence released by Monitor. This Licence describes the legal obligations a Foundation Trust has to maintain. Additionally, the change also resulted in the introduction of the Risk Assessment Framework. This framework will be used in shadow form for the first half of 2013/14 and come into effect for the later part of the year.

## Summary of performance

In 2012/13, the plan was for the Trust to maintain a green governance rating throughout the year. The Trust was rated green for governance for the second quarter of the year. The Trust did vary from plan in quarter one, three and four.

In quarter one, the Trust did not achieve the 62 day waits for first treatment (from NHS cancer screening services referral). The Trust was given an amber-green governance rating as a result. The Trust has achieved all cancer targets for the remainder of the year.

In quarter three, the Trust was given an amber-green rating following some challenges in achieving the 4 hour wait target in A&E. These challenges are common with a number of Trusts and it has been recognised nationally that there are considerable challenges across the country in achieving this target. The Trust put in place some additional capacity and introduced some new ways of working.

In quarter four, the Trust reported that it was continuing to experience challenges in achieving the 4 hour wait target within A&E and that the trajectory for the number of cases of Clostridium Difficile was exceeded which resulted in the Trust being given an amber-red rating.

To resolve the challenges in the A&E department the Trust has introduced a number of additional improvement measures including:

- **Leadership and decision making** –The Trust has adjusted the shift patterns of senior nurses to cover times of peak pressure so patients are seen quickly. The Trust has also

has adjusted the amount of consultant delivered care to maximise the effectiveness of care in the evenings. In the Urgent Care Department, the Trust has introduced a named consultant for problem solving and advice to the nurse lead service. The Trust has extended opening hours of Urgent Care Centre until midnight and is staffed by Emergency Nurse Practitioner who see and treat patients with minor illness and injuries. The Department has developed and agreed service improvement plan with identified nurses and doctors to lead the workstreams.

- **Quality and Safety** – Initiatives to improve quality and safety are constantly considered and the following have been implemented on a trial basis:
  - GP assessment area as an extension to the Acute Medical Unit (AMU) – this will ensure there is a dedicated bed base for A&E patients through the day and to provide improved reception facilities for patients referred to AMU by GPs. This initiative has been instrumental in significantly reducing the number of patients waiting in A&E for admission to hospital beds.
  - Improvement to the system for patient who arrive at A&E by ambulance. The Department has facilitated improved awareness for the nurse coordinator using technology. There is a stronger understanding of capacity and demand issues relating to ambulance arrivals by use of ambulance arrival screens. The Department has a strong partnership working ethos with Yorkshire Ambulance Service.

The internal evidence is that the 2012/13 rate per 100 000 beds is 12.9 and is lower than 2011/12 at 16.3. The national data for 2012/13 is yet to be published so no national comparison is available yet.

The Trust achieved early results in driving down Clostridium Difficile numbers by the successful implementation of a C-diff reduction strategy including strict adherence to an antimicrobial formulary. The RCA process has revealed that antimicrobials remain the principal attributable cause of cases. In particular, appropriateness of therapy and duration remain areas we have identified to address by introducing dedicated antimicrobial prescribing charts and tailored prescribing data for each department. The Trust at the end of the year was over the trajectory of cases for C-diff. As a result the Trust has implemented a number of actions including a further review of the antimicrobial formulary and developing a joint formulary with community clinicians. The Infection Control department is also working with other high performing Trusts to identify any other additional evidenced changes which will further reduce an already relatively low number of cases.

The Trust planned and achieved an overall financial risk rating of three for each quarter of 2012/13.

	Annual Plan 2012/13	Q1	Q2	Q3	Q4
Finance risk rating	3	3	3	3	3
Governance risk rating	Green	Amber-Green	Green	Amber-Green	Amber-Red
	Annual Plan 2013/14	Q1	Q2	Q3	Q4
Finance risk rating	3	3	3	3	3
Financial Risk Rating New regime	4	4	4	4 Commencing of new regime	4
Governance risk rating	Green	Green	Green	Green	Green

## Public Interest Disclosures

### Equality and Diversity

Equality and diversity is embedded into all our employee policies and processes. Our policies aim to ensure that no job applicant or employee receives less favourable treatment where it cannot be shown to be justifiable on the grounds of age, disability, race, sexual orientation, gender, religion, gender re-assignment, marriage and civil partnership, pregnancy and maternity in relation to recruitment, promotion, training, discipline, grievance and all terms of conditions of employment.

We recognise the important role we play as an active and socially responsible member of the local community and that our patients, clients and staff represent the community we serve.

We know that having a committed and motivated workforce depends on staff feeling that they are treated with fairness, respect and dignity and that they have equal opportunities for self-development. We want to ensure that our staff are not discriminated against, or harassed, on the grounds of any of the protected characteristics detailed in the Equality Act 2010. Equally, if this happens, we want staff to feel confident about using our policies to raise concerns and to have them addressed.

### Occupational Health performance

The Department continues to deliver a high performance, specialist service, underpinning the health, wellbeing and performance of employees across a wide range of staff groups. The department has continued to seek opportunities outside the NHS to provide occupational services to commercial organisations.

During the year the department integrated services with Scarborough and now is able to deliver a full occupational health and wellbeing service in both York and Scarborough. The service has been successful in securing a number of new contracts to supply occupational health services. The department has also been able to maintain a number of existing contracts for services with outside agencies. Due to the success of the department it has been able to revise its prices list and provide a more efficient service that provides improved value for money for clients. The

department has been successful in providing a level of income that has off set the cost of the service being provided to the Trust.

The department has introduced voice activated software. This has allowed the department to move towards a paper light format which has resulted in digital clinical documentation thus leading to more time being able to be spent working with patients and clients.

The department won the 2012 award for Excellence in supporting staff Health and Wellbeing, awarded by the Nursing Times. The award was for the department's work on the sickness absence project. The department is also working towards securing nationally accredited standards.

The department provides a full occupational health service to the Trust and part of this service is for all prospective staff to complete a pre-placement health screening questionnaire to establish their fitness to work. In 2012/13, 3447 pre-placement health questionnaires were screened (-24% v 2011/12) and 58 pre-placement appointments were undertaken, to obtain further information about the fitness of staff for work. This reduction was inevitable due the introduction of the Equality Act and the change in process.

The number of management referrals/reviews increased to 2780 [+5.2% v 2011/12] with the continuation of line managers being the main source of referral in respect of sickness absence, rehabilitation and performance matters.

We continue to be a key partner and delivery arm of the Trust's Sickness Absence initiative.

#### Counter-fraud policies and procedures

The Foundation Trust's counter fraud arrangements are in compliance with the Secretary of State's directions on countering fraud and the requirements specified in the NHS Counter Fraud and Corruption Policy. These arrangements are underpinned by the appointment of accredited local counter fraud specialists and the introduction of a Trust-wide countering fraud and corruption policy. An annual plan identifying the actions to be undertaken to create an anti-fraud culture, deter, prevent, detect and, where not prevented, investigate suspicions of fraud is produced and approved by the Trust's Audit Committee.

# Finance

## Annual Governance Statement

Published Government policy requires that all Trusts must become Foundation Trusts by 2014. To become a Foundation Trust, hospitals were required to meet certain clinical and financial standards, which make them fit for a long term future.

Without joining up with another Trust, Scarborough and North East Yorkshire Healthcare NHS Trust (SNEY) recognised that it would not be able to achieve this, and in October 2010 SNEY approached York Teaching Hospital NHS Foundation Trust (YTH) to consider a partnership.

In December 2010, SNEY approached the Board of Directors at YTH and asked if the Trust would consider acquiring SNEY.

This proposal was supported by the Strategic Health Authority and local commissioners. Over the following two years, YTH and SNEY worked together to complete the legal process of formulating one Trust.

In February 2011, Mr Mike Proctor was appointed Acting Chief Executive of SNEY. He had previously been the Deputy Chief Executive of YTH. Mr Proctor, in seeking to improve the performance of SNEY, sought support from the SNEY Trust Board to introduce some further management support from YTH. This included support from the Director and Senior Managers from HR, the Director and Senior Managers from IT and the Director and senior managers from Organisational Development initially and was supported by a service level agreement.

During the later part of 2011 the SNEY Trust Board undertook a consultation exercise with LINKs and other stakeholders on the dissolution of SNEY. In January 2012 the SNEY Trust Board confirmed their approval of the dissolution of the Trust. This paved the way for the acquisition of SNEY by YTH.

From April 2012, YTH was requested by SNEY's Trust Board to provide additional management support to the Trust in preparation for the formal formulation of the enlarged Trust. This allowed YTH to start to introduce the significant integration programme that had been developed as part of the process. This also allowed SNEY Trust to take advantage of some of the management systems in place at YTH, the areas where this additional support was provided were in risk, were compliance and pharmacy.

On 1 July 2012, the acquisition was formally completed, and SNEY became part of an enlarged York Teaching Hospital NHS Foundation Trust.

The enlarged Trust delivers acute and community services from nine hospital sites and in the community. The hospitals are:

- The York Hospital
- Scarborough District General Hospital
- Bridlington General Hospital
- Whitby Hospital

- Malton and Norton Community Hospital
- White Cross Court Rehabilitation Hospital
- St Helen's Rehabilitation Hospital
- Archways
- The New Selby War Memorial Hospital
- St Monica's Hospital in Easingwold

## 1 **Scope of responsibility**

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS Foundation Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the NHS Foundation Trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the NHS Foundation Trust Accounting Officer Memorandum.

There are arrangements in place for sharing views and working with other organisations. Those operating at Chief Executive level are as follows:

- Yorkshire & Humberside Chief Executive Forum
- Health Scrutiny Committees
- Health and Wellbeing Board (York)
- LINks (until 31 March 2013) and Healthwatch (from 1 April 2013)
- North Yorkshire Chief Executive Forum
- North Yorkshire Community Review
- Yorkshire Cancer Network
- National Programme for Information Technology (NPfIT) Information Management & Technology (IM&T) Programme Board
- HYMS North Yorkshire Local Steering Group
- Healthy City Board (York)
- Foundation Trust Network (FTN) Chairs and Chief Executives meeting
- York St John University and York College
- System Management Executive (until 31 March 2013)
- Collaborative Improvement Board
- Yorkshire and Humber Learning Education and Training Board (LETB)

There are similar arrangements in place for working with partner organisations that operate at director level for finance, HR, business and service planning, clinical alliance, clinical governance and risk management.

## 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 ongoing process designed to:

- Identify and prioritise the risks to the achievement of the policies, aims and objectives of York Teaching Hospital NHS Foundation Trust

- 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 YTH for the year ended 31 March 2013 and up to the date of approval of the annual report and accounts.

### 3 Capacity to handle risk

The Chief Executive has overall responsibility for the management of risk. Other members of the Corporate Director Team exercise lead responsibility for the specific types of risk as follows:

- |  |  |
|--|--|
| • Clinical risk                        | Executive Medical Director/<br>Executive Chief Nurse   |
| • Financial risk                       | Executive Director of Finance                          |
| • Workforce risk                       | Executive Director of HR                               |
| • Non-Clinical and organisational risk | Director of Estates and<br>Facilities                  |
| • Environmental risk                   | Director of Estates and<br>Facilities                  |
| • Corporate learning and development   | Executive Director of Applied<br>Learning and Research |
| • Integration risks                    | Chief Executive  |
| • Operational risk                     | Chief Operating Officer                                |
| • IT risk                              | Director of Systems and<br>Network                     |
| • Strategic risk                       | Chief Executive  |

All Directors ensure that appropriate arrangements and systems are in place to achieve:

- Identification and assessment of risks and hazards
- Compliance with internal policies and procedures, and statutory and external requirements
- Integration of functional risk management systems and development of the assurance framework

These responsibilities are managed operationally by managers supporting the Executive Directors.

The internal systems include a corporate induction and statutory and mandatory training, both for new starters to the Trust and existing staff. This training ensures staff are informed about the systems and processes relating to risk management.

Staff are equipped to manage risk at strategic and operational levels and programmes include:

- Formal in-house training for staff as a whole in dealing with specific everyday risks, e.g. fire safety, health and safety, moving and handling, infection control, security and statutory and mandatory training
- Training and induction in incident investigation, including documentation, root cause analysis, serious incidents and steps to prevent or minimise recurrence and reporting requirements

- Developing shared understanding of broader financial, non-clinical, organisational and clinical risks through collegiate clinical, professional and managerial groups (such as the Strategic Integration Group, Executive Group and Corporate Risk Management Group) and sharing good practice with other peer Foundation Trusts through appropriate forums such as the Foundation Trust Network. The Trust also works with external organisations such as Dr Foster and CHKS to support benchmarking exercises

As part of the preparation work undertaken around the acquisition of SNEY, York Teaching Hospital NHS Foundation Trust commissioned three due diligence exercises:

- Financial due diligence undertaken by Ernst and Young
- Legal due diligence undertaken by Beachcroft
- Clinical due diligence undertaken by the Trust supported by Ernst and Young

From April 2012, SNEY and YTH had additional service level agreements and clinical alliances in place which allowed for some work streams to achieve the preparation work required for the integration of the two Trusts. This preparation work allowed for standardising of working practices, policies and procedures and to explore structures, including Human Resources, Organisational Development, Systems and Networks and Performance.

To further consolidate the integration work and align strategic priorities, a Business Intelligence Unit was created. The purpose of the unit is to ensure the efficient use of knowledge and resources to develop plans which are supported by our commissioners, complement regional and national guidance and provide a comprehensive and focused direction for the Trust. This work would complement the integration of services being undertaken. The Strategic Integration Group has been charged with keeping central oversight on the integration work.

As part of the acquisition process the Board identified that there should be more clinical engagement when determining strategy. The Board agreed to appoint 8 Clinical Strategic Leads (CSL). The CSLs are individuals who have significant experience of the NHS and are experts in their areas of speciality and fulfil an advisory role to support decisions. The CSL are critical in sourcing and enabling a breath of views and considerations on issues such as changing workforce, alternative service models, integration issues and partnership development

## **4 The risk and control framework**

### Risk Management

The Trust has a Risk Management policy document in place, which is reviewed annually and endorsed by the Board. The policy is kept under review during the year to ensure that it is fully embedded into the day-to-day management of the organisation and conforms to best practice standards. It also sets out the Trust's approach to the identification, assessment, scoring, treatment and monitoring of risk. The Trust supported the introduction of local procedures and requires them to be reviewed regularly.

The Trust uses an Adverse Incident Reporting System (AIRs) for the reporting of incidents. Use of the system provides evidence that the Trust has an open and fair reporting culture that is integral to the way it operates.

Every Directorate has its own risk register which is reviewed twice a year by the Corporate Risk Team; the highest rated risks are taken to every Executive Performance Management Meeting for review and consideration of action plans and the implementation of those plans. These risks are considered for escalation to the Corporate Risk Register (CRR).

The Trust has an active CRR which is reviewed on a quarterly basis by the Corporate Directors and the Corporate Risk Management Group (CRMG), Audit Committee and Board of Directors.

The Audit Committee (AC) receives the Assurance Framework (AFW) and CRR in order to satisfy itself that, with regard to the CRR, the operational actions are being carried out appropriately by management. With regard to the AFW, the AC ensures the processes for populating and updating the document and the format of the document remains relevant and effective for the organisation.

The Audit Committee, a committee of the Board of Directors makes a recommendation to the Board of Directors taking into account the comments received by the CRMG and its own deliberations. The Board of Directors considers the changes and the recommendations made and approves the documents.

The department responsible for risk provides regular communications to staff through newsletters and synopses of serious incidents and clinical incidents to ensure there is learning throughout the organisation.

AIRs or incident forms are entered onto the DATIX database along with the directorate risk registers. The Directorates review their risks using a trained risk reviewer linked to the area and the central support team through the Risk Register Committee and the directorate Clinical Governance Committee.

On a weekly basis, a meeting is held with the Medical Director, Chief Nurse, Head of Risk and Legal Services and Assistant Director of Healthcare Governance to review all the deaths in the organisation over the previous week, any significant AIRs, complaints, claims, Inquests, serious incidents, clinical incidents, infection rates, never events, central alert system (CAS) and anything else that has come to light as a potential risk to the organisation.

The Trust reported three never events related to surgical procedures during the year.

The Trust received a Rule 43 letter from the HM Coroner at Scarborough. The letter was responded to within the expected time and a copy of the serious incident report was included in the evidence. The Trust is awaiting a response.

Weaknesses were identified in risk management processes during the year; this was confirmed by an internal audit report. As a result a review of risk management processes is being undertaken by the Director responsible.

The Board of Directors is responsible for the management of key risks in the organisation. The Board has a number of tools it uses to consider the management of risk including the AFW and CRR. The Trust's risk management system requires all the directorates to hold local risk registers that are updated locally by the managers and directorates.

The Board of Directors addresses the risks reported in the quarterly self-assessment document submitted to Monitor. This arrangement ensures the Board of Directors understands the strategic risks to the Trust in the context of the Trust's strategic direction.

During the acquisition process, the Trust reviewed the committee structures and governance arrangements in detail so that it was assured that on completion of the acquisition appropriate governance arrangements would be in place. The Trust will continue to keep the committee

structures and governance arrangements under review in order that they remain appropriate structures, so ensuring valid and relevant assurance is received by the Board on a regular basis.

The Board of Directors during 2012/13 made a number of changes to the committees. The standing Board Committees in place during the whole year were the Audit Committee and the Remuneration Committee. Following the completion of the acquisition the Trust introduced three additional Board Committees – the Quality and Safety Committee, the Finance and Performance Committee and the Workforce Strategy Committee. The Board of Directors also had in place until 1 July 2012, the Acquisition Assurance Board and the Integration Board. Both of these Committees were disbanded following the completion of the acquisition. The Chairman and two other members of the Audit Committee form the membership of the Finance and Performance Committee. This membership was changed towards the end of the financial year and the membership at the end of the year included two members of the Audit Committee. The Chairman of the Quality and Safety Committee is a member of the Audit Committee. The membership was changed towards the end of the financial year and was increased to include the Chairman of the Audit Committee. This ensures there is a good understanding and shared knowledge of the issues.

### Audit Committee

The Audit Committee is chaired by a Non-executive Director and membership consists of three other Non-executive Directors. Executive Directors attend the meeting as required by the Audit Committee.

The membership of the Audit Committee has been reviewed during the financial year and following the retirement of two members from the Committee, two new Non-executive Directors have been appointed to the Committee.

The Audit Committee Chairman is a member of the Patient Safety Group, a committee chaired by the Medical Director. The Chairman of the Audit Committee reports back to the Audit Committee on the Patient Safety Group meetings.

The Audit Committee undertakes the following roles:

- Consideration of financial risk management
- Consideration of the annual accounts
- Soundness of overall system of internal control

The Board of Directors delegated authority to the Audit Committee for the development of working groups. The AC has during the year, reviewed the two working groups that report to it directly - the Compliance Work Group and the Data Quality and Performance Work Group. The two groups were developed as task and finish groups. The work of the Compliance Work Group has been completed and this has been disbanded. The work of the Data Quality and Performance Group continues. The Data Quality and Performance Group has revised its terms of reference to ensure it includes consideration of compliance matters where appropriate.

### Compliance Work Group

During its existence, the Compliance Work Group was tasked with investigating and understanding the systems and processes involved in ensuring the Trust maintained compliance with all regulators such as the Care Quality Commission and the NHS Litigation Authority and provide assurance to the Audit Committee.

The Audit Committee is now satisfied that there are robust systems in place which have allowed for the group to be disbanded. The Audit Committee has requested that Internal Audit include an audit of the systems employed by the Compliance Unit and that an annual report is presented to the Audit Committee on the work of the Compliance Unit. The Compliance Unit has been incorporated into the Healthcare Governance Department. The Department produces a quarterly report which is reviewed by the Corporate Risk Management Group (CRMG), Quality and Safety Committee and the Board of Directors.

#### Data Quality and Performance Work Group

The Data Quality and Performance Work Group was tasked with investigating and understanding the systems and processes involved in ensuring the Trust maintains appropriate and relevant systems for data quality such as HR, patient and financial information. The group then provides assurance to the Audit Committee at each meeting.

#### Remuneration Committee

- Review of the Directors' Remuneration package and reviews succession planning for the Board of Directors

#### Acquisition Assurance Board

- Responsible for reviewing in detail the acquisition aspects of the transaction with Scarborough and North East Yorkshire NHS Trust
- Providing assurance to the Board of Directors on the activities in the transaction
- Providing an overview of the progress of the acquisition

This Board was disbanded following the completion of the acquisition on 1 July 2012

#### The Integration Board

The Board of Directors identified the need for the dedicated time to be spent considering the impact of the integration of Scarborough and North East Yorkshire Healthcare NHS Trust and community services in the business of York Teaching Hospital NHS Foundation Trust. As a result the Board developed a separate committee to consider the detailed issues including

- Oversight of the integration of the community services and the acquisition of Scarborough and North East Yorkshire NHS Trust and consideration of key risks as they materialise.
- Progress of the integration and implementation of the plans and risks as they materialise.

As the transaction is concluded the Board of Directors has disbanded the Integration Board and instigated a standing item on the Board agenda on the integration work and completion of the implementation plans.

This Board was disbanded following the completion of the acquisition on 1 July 2012.

#### Strategic Integration Group

The Trust has introduced the Strategic Integration Group which acts as the key interface between the Clinical Strategic Leads and the integration and strategic work undertaken in the Trust. Within this arena the Group is expected to understand and develop key external relationships and alliances that support the developments in the Trust and how they work across the whole North

Yorkshire region. This information is passed on to the Board of Directors for their consideration during the development of the strategy.

### Efficiency Group

The Board of Directors is assured by the Executive Directors on the achievement of the efficiency agenda through the Efficiency Group. This Committee is executive led and monitors progress on the achievement of the cost improvement plan. The Trust has also introduced a dedicated team of staff to support the directorates in achieving the cost improvement programme initiatives.

The group:

- Supports the development of the annual cost improvement plan
- Generates, develops and reviews efficiency initiatives both corporately and in specific areas
- Monitors progress against plan
- Champions and challenges key corporate efficiency projects

### The Corporate Risk Management Group

The Risk and Assurance Committee changed its name after the completion of the acquisition to the CRMG. The Corporate Risk Management Group is an executive committee chaired by the Chief Executive, and membership of the group includes the Executive Directors and attendance from the Chairman of the Trust and other officers presenting information.

The Group reports to the Board of Directors and shares information with the Audit Committee. The Board of Directors receives the minutes from the Group.

CRMG has responsibility to ensure through its review and redesign of management systems and processes that all key and significant risks have been identified and addressed by the risk management processes and mechanisms as detailed in the Risk Management Policy document and ensures that the Executive Group is informed of any key or significant risks which impact on the organisation.

The Group has a number of groups that report to it on an adhoc basis for any significant and emerging risks.

During 2012/13 the Board of Directors have received reports from various sources containing assurances including a monthly finance report, Medical Director Reports, Chief Nurse Reports, monthly performance report and Internal Audit reports, Quarterly Infection Prevention and Control reports.

The Trust employs numerous systems and processes to review and consider quality governance. For the completion of the acquisition the Trust undertook a clinical due diligence exercise that supported the Trust to prepare a Quality Governance Plan that describes the current quality governance framework used in Trust and at the former SNEY. The document also describes the quality governance framework for the enlarged organisation and is supported by an implementation plan.

The quarterly Healthcare Governance Department Report includes information about compliance with the Quality Governance Plan and CQC outcome standards. The report is received by the CRMG, Quality and Safety Committee and the Board of Directors.

Other key groups that report to the CRMG include:

- Patient Safety Group
- Information Governance and Records Committee chaired by the Deputy Director of Healthcare Governance
- Health and Safety and Non-clinical Risk chaired by the Director of Estates and Facilities
- Emergency Preparedness
- Health and Wellbeing Group
- Equality and Diversity Group
- Education Review Group
- Safeguarding

Each Group reports issues of exception that require further debate and consideration by the CRMG.

### Trust key risks

The Trust's strategic direction comprises four key drivers, designed to ensure the Trust focuses on its mission of "being trusted to provide safe, effective and sustainable healthcare within our communities". These strategic 'frames' provide a focus for our emerging priorities and objectives, and assist in their communication to staff, patients and other stakeholders. The frames were reviewed during the year and adjusted to be more reflective of the enlarged organisation. They are:

- Improve quality and safety - To provide the safest care we can, at the same time as improving patient's experience of their care To measure our provision against national indicators and to track our provision with those who experience it
- Develop and enable stronger partnerships - To be seen as a good proactive partner in our communities - demonstrating leadership and engagement in all localities
- Create a culture of continuous improvement - To seek every opportunity to use our resources more effectively to improve quality, safety and productivity. Where continuous improvement is our way of doing business
- Improve our facilities and protect the environment- To provide a safe environment for staff, patients and visitors, ensuring that all resources are used as efficiently as possible.

The table below identifies our key risks related to each strategy heading:

<b>Strategic frame</b>	<b>In-year and future risks</b>	<b>Management and mitigation</b>	<b>Outcomes to addressing risk</b>
<b>Improve quality and safety</b>	<p>Not maintaining and improving quality and safety across the whole organisation and ensuring a consistent approach to quality and safety over the enlarged organisation.</p> <p>Not developing the most effective and efficient systems that will support the enlarged organisation to</p>	<p>Implementation of the Quality Governance Framework and appropriate strategies – Nursing and Midwifery and Safety Strategies.</p> <p>Detailed implementation plans developed which are being reviewed by the Board on a monthly basis.</p>	<p>Consistent effective quality and safety systems and strategies in place.</p> <p>The plans are both corporate and clinical and provide the steps needed to ensure there is satisfactory integration of community services and</p>

Strategic frame	In-year and future risks	Management and mitigation	Outcomes to addressing risk
	<p>deliver quality and safety.</p> <p>Not reacting to evidence of weaknesses in the systems and processes that manage quality and safety across the organisation.</p> <p>Maintenance of acceptable operational performance while not compromising quality and safety.</p> <p>Risk of incurring financial penalties if standards are not maintained.</p>	<p>Key integration targets being achieved to allow for quality and safety to continue to be implemented.</p> <p>Active management of patient safety through work streams addressing the deteriorating patient, reducing harm, excellence in end of life care and undertaking thorough and regular mortality reviews across the Trust.</p> <p>Use of the Assurance Framework and governance systems to check developments.</p> <p>Self checking of systems and benchmarking against other Trusts.</p> <p>Careful management of the antibiotic prescribing policy to ensure reduced risk of healthcare acquired infections.</p> <p>Introduction and implementation of a new acute strategy.</p>	<p>Scarborough and North East Yorkshire Healthcare NHS Trust.</p> <p>Introduction of the Quality and Safety Committee.</p> <p>Implementation of the Quality Governance Framework for the enlarged organisation resulting in system providing a successful whole system approach.</p> <p>Assurance of self checking system and excellent comparison of benchmarking. Becoming an exemplar Trust.</p> <p>Proactive management of antibiotic prescribing and medicines management across the Trust Careful review and management of the flow of patients to ensure they are provided with the best possible care.</p>
<p><b>Develop and enable stronger partnerships</b></p>	<p>Not identifying key parties to engage in the development of services to support the broader community including the integration of the enlarged organisation.</p> <p>Significant change in the structure of the NHS and legislative requirements and expectations of working.</p>	<p>Confirmation of parties involved, ensuring Trust maintains open debate with all parties.</p> <p>Working closely with newly developed Commissioning Groups. Creation of groups such as the Health and Wellbeing Board.</p> <p>Implementation of the North Yorkshire Review</p>	<p>Successful identification of appropriate parties to discuss developments with.</p> <p>Creation of a whole system approach for the region.</p> <p>Development of services on a collaborative basis so ensuring sustainable for the future.</p>

Strategic frame	In-year and future risks	Management and mitigation	Outcomes to addressing risk
<b>Develop and enable stronger partnerships</b>		actions through the Chief Executives. Development of alliances with other Trusts and organisations.	
<b>Create a culture of continuous improvement</b>	Not identifying key service developments that would improve the overall capacity and capability of the enlarged Trust across the North Yorkshire patch.  Not ensuring staff are able to develop and provide the level of service expected by the communities and the Trust.	Use of existing internal systems to confirm effective use of capacity and capabilities. Maintaining dialogue with key stakeholder.  Extensive curriculum of training and development available to staff.  Regular staff appraisals are undertaken and the Trust has introduced the personal responsibility framework for all staff.	Use of strong systems of continuous improvement which will ensure the workforce and organisation develops to be able to provide excellence for patients.
<b>Improve our facilities and protect the environment</b>	Not maintaining a safe environment and infrastructure resulting in non-compliance with legislative standards.	Regular audits and completion of work. Updating legislative requirements.  Development of a site master plan and annual capital programmes.	Improvement in the environment and infrastructure so supporting the delivery of quality and safe services for all.

### Stakeholder Involvement

A number of forums exist that allow communication with stakeholders, the forums provide a mechanism for risk identified by stakeholders that affects the Trust to be discussed and where appropriate action plans can be developed to resolve any issues.

Examples of the forums and methods of communication with stakeholder are as follows:

#### Council of Governors

The Council of Governors has a formal role as a stakeholder body for the wider community in the governance of the Trust. The Council of Governors during 2012/13:

- Held 5 meetings during the year

- Held working groups to consider issues such as patient experience, Annual planning, the Quality Report.
- Ensured there was communication with members through a regular newsletter and open events including the annual open event and the Annual General Meeting
- Regular reports on the activities of the Trust
- Consulted on proposed changes in the organisation e.g. the transfer of community assets.

### Staff

- Raising concern policy
- Regular newsletter
- Staff meetings and team briefings
- Staff surveys
- Adhoc emails from the Chief Executive

### Public and service users

- Patient surveys
- Patient Advisory Liaison (PALs) service
- Patient forum
- Meetings with the Friends of York Hospitals and self-help groups
- Local Involvement Networks (LINKs)

### Other organisations

- Other health and social care communities where the Trust has an interaction including with the GPs directly and the PCT (to 31 March 2013) and CCGs (from 1 April 2013)
- Clinical and professional network groups in North Yorkshire
- North Yorkshire and York City Council Health Overview and Scrutiny Committees
- Chief Executive forums where an integrated approach to healthcare is discussed and developed

### Changes to the Board during the year

There has been a number of changes to the Board of Directors during the year.

- Following the completion of the acquisition Sir Michael Carlisle was appointed as an associate Non-executive Director from 1 July 2012 to 30 September 2012. This appointment provided some continuity between the dissolution of the Board at Scarborough and North East Yorkshire Healthcare NHS Trust and the Board of Directors at York Teaching Hospital NHS Foundation Trust.
- Two of the Non-executive Directors retired from being members of the Board – Professor John Hutton retired on 31<sup>st</sup> July 2012 and Mrs Linda Palazzo retired on 30 September 2012.
- Two new Non-executive Directors were appointed by the Council of Governors on 1 September 2012; they are Mr Mike Keaney and Mrs Jennifer Adams.
- Mr M Proctor had been on secondment to SNEY during 2011/12 was welcomed back to the Board of Directors from 1 July 2012 following the completion of the acquisition of SNEY. He returned as an Executive Director – Deputy Chief Executive and Chief Operating Officer. Mr Cooney who had been attending the Board of Directors meeting since the start of Mr Proctor's secondment has stepped down from the Board.

The Board maintained a review of the additional work involved in the acquisition of SNEY and ensured the controls that were put in place to support senior management time spent on SNEY matters were developed appropriately. This included ensuring the systems would allow for a seamless continuation of business on the completion of the transaction at the end of the first quarter of 2012/13.

#### Compliance with equality, diversity and human rights legislation

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 takes due regard of equality and human rights issues during the development of any service or change to service and the Management of Policies policy includes a detailed requirement to undertake equality analysis as part of the formulation of any new or updated policy.

The Trust is developing an Equality Analysis toolkit to approach equality analysis in a structured and consistent manner. Also under development is a system where appropriate papers prepared for corporate committees will include equality analysis. The Trust has not routinely published equality analysis but will put in place procedures to ensure publication does occur.

#### Compliance with NHS pension scheme regulations

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 in to 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.

#### Climate change and adaptation requirements under the Climate Change Act 2008

The Foundation 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 projections, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

#### Information governance assurance programme

Information Governance and Information Security are covered within the Statutory and Mandatory Training Programme, and all staff have confidentiality statements within their contracts. This is supported by a well developed set of policies and procedures which are underpinned by a series of staff guides. This includes an Information Security Policy.

The Medical Director is the Trust's Caldicott Guardian. The Trust has appointed a Chief Clinical Information Officer and the Finance Director is the Senior Information Risk Owner (SIRO) for the Trust.

The SIRO takes ownership of the Trust's information risk policy, acts as advocate for information risk on the Board, and provides written advice to the Accounting Officer on the content of the Annual Governance Statement in regard to information risk. The SIRO provides an annual report to the Risk and Assurance Committee on the overview of the information governance activities and the outcome of the Information Governance Toolkit Scores. The CRMG receives adhoc reports when a significant issue is identified.

The Caldicott Guardian is responsible for protecting the confidentiality of patient and service-user information and enabling appropriate information-sharing. The Guardian plays a key role in ensuring that the NHS, Councils with Social Services responsibilities and partner organisations satisfy the highest practicable standards for handling patient identifiable information.

The Trust takes data security and management very seriously. The Trust has put in place a number of systems to ensure data security and management is maintained at all times.

The Trust has spent time reviewing and approving policies to ensure that the enlarged organisation has single policies for the organisation.

The organisation has a well tested disaster recovery plan for data which aims to ensure that data, and access to data is not compromised or vulnerable at a time of any unexpected system downtime.

The Chief Executive has overall responsibility for all aspects of information management, including security and governance, and is accountable to the Board of Directors.

In accordance with the requirements of the Information Governance Toolkit, the Trust has developed an approach of undertaking a regular review of arrangements that are in place to ensure the safe management and control of data. This approach is detailed in the Trust's Information Risk Handbook, and nominated officers are required to undertake information risk assessments, develop a resultant treatment plan and then escalate any significant risks to the information risk register. These assessments are reviewed twice a year with the results being fed back to the organisation's Senior Information Risk Owner.

The Assistant Director of Healthcare Governance acts as the Trust's Data Protection Officer. The Director for Systems and Network has operational responsibility for information management.

Information Governance risks are managed in accordance with compliance with the standards contained within the Information Governance Toolkit, and, where appropriate, recorded on and information risk register.

All staff are governed by the NHS code of confidentiality, and access to data held on IT systems is restricted to authorised users. Information governance training is incorporated into the statutory/mandatory training programme and supplemented as appropriate in all IT training sessions. The corporate induction process has a dedicated IG session.

No information security breaches occurred during the year which was of a scale or severity to require a report to the Information Commissioner.

The Trust complies and has attained level 2 or greater, with all the requirements of version 10 of the Information Governance Toolkit.

## **5 Review of economy, efficiency and effectiveness of the use of resources**

During the year the Board of Directors has received regular reports informing of the economy, efficiency and effectiveness of the use of resources. The reports provide detail on the financial and clinical performance of the Trust during the previous period and highlight any areas where there are concerns.

The Efficiency Group, an Executive Group, is managed by the Chief Executive and was introduced to ensure there was careful management of the efficiency agenda. The membership of the committee includes all the Corporate Directors.

Internal Audit have reviewed the systems and processes in place during the year and published reports detailing the required actions within specific areas to ensure economy, efficiency and effectiveness of the use of resources is maintained, the outcome of these reports are graded according to the level of remaining risks within the area.

The Board of Directors has also received assurances on the use of resources from agencies outside the Trust including Monitor. Monitor requires the Board of Directors to self assess on a quarterly basis. Monitor scores the assessment on a traffic light system. The Trust maintained a financial risk rating of 3 during the year. The Trust identified a developing concern with maintaining the achievement of the standards associated with the 4 hour wait target. The Trust discussed the concerns with the commissioners - North Yorkshire and York PCT and the Commissioning Groups and Monitor. The concern meant the Trust did not achieve the target for quarter 3 and 4. This resulted in the Trust's governance rating for quarter 3 (October – December 2012) as being amber-green. In quarter 4 (January-March 2013), the Trust saw a further deterioration in the governance rating as a result of breaching the target for Clostridium Difficile (C-Diff). Monitor were advised of the issue and confirmed a governance rating of amber-red.

The CQC undertook a number of visits in the Trust during the year. The CQC undertook a schedule annual compliance visit in January 2013 and visited York Hospital. The CQC reviewed compliance with 5 standards within the maternity and paediatric care environment. They found the Trust to be compliant with all the standards reviewed.

In November 2012, the CQC visited Scarborough Hospital in response to concerns raised by a member of the public. The issue was specifically around the staffing of escalation beds. As a result of actions taken, the CQC revisited Scarborough Hospital and considered that staffing standards were being met.

The Trust further obtains assurance of its systems and processes and tests its benchmarking through the Foundation Trust network where other Foundation Trusts share good practice.

## **6 Annual Quality Report**

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

The Trust has appointed the Medical Director and the Chief Nurse to jointly lead and advise the Board of Directors on all matters relating to the preparation of the Trust's annual Quality Report.

To ensure that the Trust's Quality Report present a properly balanced picture of its performance over the year we have put in place a Non-executive Director lead.

The Trust has developed separate clinical quality and safety strategies to reflect the management responsibilities of the Chief Nurse and Medical Director. The Nursing and Midwifery Strategy describes the quality aspects of the care provided in the organisation and the Patient Safety Strategy describes the safety aspects in place. The Strategies identifies the key goals and objectives that will be achieved during the year including the introduction of new and revised

systems to support the delivery of the Clinical Quality and Safety and to ensure a continuation of the delivery of high quality safe clinical care.

As part of the work undertaken for the acquisition of SNEY, YTH completed a clinical due diligence exercise which supported the review of compliance with the Quality Governance Framework in York and Scarborough. Following from this review a Quality Governance Plan was developed which has a detailed action plan which will ensure the enlarged organisation will fulfil the Quality Governance Framework requirements.

The Chief Nurse has presented the proposed priorities to the Council of Governors and formed a small working group of Governors to work with the Chief Nurse and Medical Director in finalising the development of the annual Quality Report. The working group of Governors have reviewed the final draft of the Quality Report and provided commentary on the document.

During 2012/13 the Trust did not fully achieve all the objectives set as priorities in the Quality and Safety Strategy and Quality Report. The Trust has considered the reasons for not fully achieving the set priorities and described the reasons in the Quality Report. The priorities that were not achieved will continue to be addressed by the Trust and managed by the Patient Safety Group during 2012/13 and will be reported in the Quality Report for 2013/14.

The Quality and Safety Committee and Board of Directors will receive quarterly updates on progress against the set priorities during the year.

## **7 Review of effectiveness**

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of internal auditors, clinical audit and the executive managers and clinical leads within the NHS Foundation Trust that have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the Quality Report attached to this Annual Report and other performance information available to me.

My review is also informed by comments made by the external auditors in their Reports to those Charged with Governance (Interim & Annual). 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 of Directors, the Audit Committee, Corporate Risk Management Group and the Patient Safety Group and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The level of assurance has been enhanced during the year through continued development and refining of the collection and use of data.

In addition to the weakness identified in the internal Audit report around risk management, the Head of Internal Audit Opinion 2012/13 cited one area of weakness in the design in the discharge planning in relation to the arrangements for monitoring policy implementation. The Trust is addressing this by putting in place an action plan to resolve the weakness.

When Internal Audit provide an assurance report to the Board of Directors that shows only limited assurance can be obtained from the systems and processes in use, I meet with Internal Audit, the Directors and Managers responsible for the system. The objective of the meeting is to ensure there is clarity around the weaknesses in the systems and the actions being taken to address those systems.

My opinion is also informed by:

Maintained accreditation of the Trust granted in March 2010 for NHSLA at level one for general standards;

Contracts with commissioners for 2012/13 were agreed in a cooperative and collaborative manner through the Trust's engagement with the Systems Management Executive (SME). This engagement has been with NHS NYY, NHS Yorks & Humber and other local trusts in North Yorkshire. The objective of the work is to ensure the financial viability of the North Yorkshire health community going forward and particularly to agree transparent and equitable financial risk management arrangements to deal with contract variations. This engagement has continued throughout the year and has resulted in reduced contract risks and a shared understanding of respective financial positions. The SME provided collaborative thinking about the financial viability of the service provision in North Yorkshire. As the PCTs are disbanded and replaced by the commissioning groups, the members of the SME are ensuring they are holding discussions with the local commissioning groups as they are formed.

The Board of Directors receive a monthly report from the Medical Director, Chief Nurse, Chief Executive and Finance Director which provides the Board of Directors with assurance about the clinical and corporate issues within the Trust. The performance report is also presented on a monthly basis to the Board of Directors by the Director of performance. During the year the Trust continues to refine the levels of assurance available to the Board of Directors. The Board of Directors receives information about patient experience at each Board meeting. This entails the Board listening to a complaint and compliment that has been received by the Trust, or receiving information about a specific aspect of patient experience given by a member of staff. A robust system is applied to the management of complaints and this has been discussed with the Board of Directors and Council of Governors during the year.

The Medical Director report includes a dashboard that identifies the maintained effectiveness of the systems and areas for improvement. The dashboard includes a number of local and national target measures that the Trust benchmarks against. The performance report also provides additional assurance on the achievements of the Trust during the year. The quarterly report provides an overview of the achievements and challenges identified in the period.

The Audit Committee has received a number of audit reports from internal audit at each meeting. The Audit Committee reviews the reports and discusses the recommendations made. The Audit Committee has reviewed and contributed to the development of the Clinical Quality and Safety Committee of which the chairman of the Audit Committee is a member. The minutes of the Patient Safety Committee are also provided to the Audit Committee for information.

The Risk and Assurance Committee reviews the Assurance Framework and Corporate Risk Register and make recommendations to the Audit Committee. The Audit Committee considers the recommendations of the Risk and Assurance Committee on the Assurance Framework and Corporate Risk and makes further appropriate recommendations to the Board of Directors. The Audit Committee considers all the Internal Audit reports and the assurance levels along with the recommendation. The Audit Committee receives assurance from Internal Audit on the completion of the recommendations through regular Internal Audit Reports. The Audit Committee will identify and escalate any concerns around assurance to the Board of Directors through the presentation of the minutes from the Audit Committee.

The Trust continues to receive approval from the SHA about the delivery of the Learning and Development agreement. The Trust also hosted three quality monitoring visits, from the Yorkshire and Humber Deanery for medical specialties, from the North Yorkshire and East Coast Foundation School for Foundation doctors and a General Medical Council (GMC) visit to look at overall quality

management within the region. All reinforced the quality of the current processes in place for supporting doctors in training and that they are robust and responsive to needs. Several areas of notable practice were identified within Postgraduate processes and in wider departmental teaching and the trainees interviewed gave a high satisfaction rating for their training experience.

The Trust has a Clinical Audit Strategy and Policy in place, which outlines the systems and processes to monitor clinical audit undertaken by the Trust. This enables a systematic process to address risks and to provide assurance to the Trust, Commissioners and monitoring bodies.

All clinical audit activity should be registered with the Effectiveness Team and is collated on the Effectiveness Project and Clinical Audit Database. The Effectiveness Team follow up on all reports/briefcases (summary report) and action plans. These are attached to the Database to evidence changes to practice.

A Clinical audit report evidencing key performance indicators are presented to the Clinical Standards Committee every two months. The Clinical Standards Committee is a formal sub committee of and is accountable to the Clinical Quality & Safety Committee.

The Corporate Risk Management Committee regularly reviewed compliance with the Care Quality Commission and NHSLA and other regulatory and colleges requirements.

Internal Audit is an independent service who has a risk based plan agreed with the Audit Committee for the year. The plan includes areas where controls within the systems and process maybe improved or enhanced. Internal Audit presents their findings to the Audit Committee and the Board of Directors through the Audit Committee minutes on a quarterly basis (as a minimum). The Head of Internal Audit Opinion is written as a summary of the findings of all the Audits held.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the committees identified above, by the Board's monitoring of corporate and directorate performance, by the publication of audit reports in line with their work programme by internal audit during the year, and by the evidence of the assessment of the Trust and the capacity and capability of the Board by Monitor in relation to its financial management, governance arrangements and risk management systems, the Board's self-certification to Monitor.

## **8 Conclusion**

I am satisfied that no significant internal control issues have been identified.



**Patrick Crowley – Chief Executive**

**Date 29 May 2013**

# Annual Accounts

# Annual Accounts



**2012/13**

**York Teaching Hospital NHS Foundation Trust**

## Statement of the Chief Executive's responsibilities as the accounting officer of York Teaching Hospital NHS Foundation Trust

The National Health Service Act 2006 states that the Chief Executive is the accounting officer of the NHS Foundation Trust. The relevant responsibilities of 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 accounting officers' Memorandum issued by the Independent Regulator of NHS Foundation Trusts ("Monitor").

Under the National Health Service Act 2006, Monitor has directed the York Teaching Hospital NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of York Teaching Hospital NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

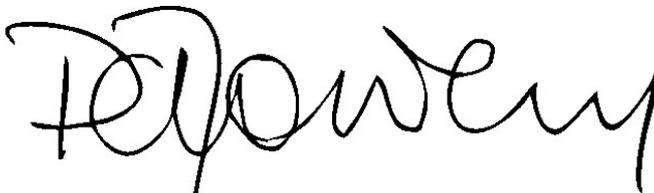
In preparing the accounts, the Accounting Officer is required to comply with the requirements of the NHS foundation trust Annual Reporting Manual and in particular to:

- Observe the Accounts Direction issued by Monitor, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual have been followed, and disclose and explain any material departures in the financial statements; and
- Prepare the financial statements on a going concern basis.

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

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

Signed:



Chief Executive

Date 29 May 2013

## **Independent Auditor's Report to the Council of Governors of York Teaching Hospital NHS Foundation Trust**

We have audited the financial statements of York Teaching Hospital NHS Foundation Trust ('the Trust') for the year ended 31 March 2013 which comprise the statement of comprehensive income, the statement of financial position, the statement of cash flow, the statement of changes in taxpayers' equity and the related notes. The financial reporting framework that has been applied in their preparation is the NHS Foundation Trust Annual Reporting Manual issued by Monitor, the Independent Regulator of NHS Foundation Trusts.

We have also audited the information in the Remuneration Report that is subject to audit, being:

- the table of salaries and allowances of senior managers and related narrative notes
- the table of pension benefits of senior managers and related narrative notes
- the table of pay multiples and related narrative notes.

This report is made solely to the Council of Governors and Board of Directors of York Teaching Hospital NHS Foundation Trust, as a body, in accordance with paragraph 24(5) of Schedule 7 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Trust's Governors and Directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust, the Trust's Governors as a body and the Trust's Board of Directors as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of accounting officer and auditor**

As explained more fully in the Chief Executive's Statement, the Chief Executive as Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The Accounting Officer is responsible for the maintenance and integrity of the corporate and financial information on the Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law, the Audit Code for NHS Foundation Trusts issued by Monitor, and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trust; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the financial position of York Teaching Hospital NHS Foundation as at 31 March 2013 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual and the directions under paragraph 25(2) of Schedule 7 of the National Health Service Act 2006.

### **Opinion on other matters prescribed by the Audit Code for NHS Foundation Trusts**

In our opinion:

- the part of the Remuneration Report subject to audit has been properly prepared in accordance with paragraph 25 of Schedule 7 of the National Health Service Act 2006 and the NHS Foundation Trust Annual Reporting Manual 2012-13 issued by Monitor
- the information given in the annual report for the financial year for which the financial statements are prepared is consistent with the financial statements.

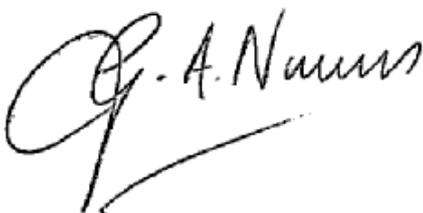
### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Audit Code for NHS Foundation Trusts requires us 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 or is misleading or inconsistent with information of which we are aware from our audit
- we have not been able to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources
- the Trust's Quality Report has not been prepared in line with the requirements set out in the NHS Foundation Trust Annual Reporting Manual or is inconsistent with other sources of evidence.

### **Certificate**

- We certify that we have completed the audit of the financial statements of York Teaching Hospital NHS Foundation Trust in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Audit Code for NHS Foundation Trusts issued by Monitor



Graham Nunns  
Senior Statutory Auditor, for and on behalf of Grant Thornton UK LLP  
No1 Whitehall Riverside  
LEEDS  
LS1 4BN

29 May 2013

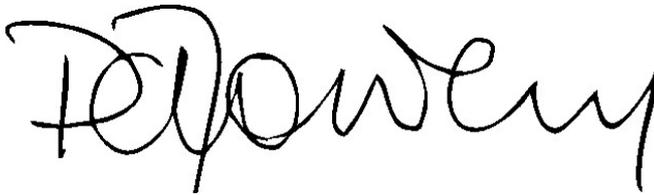
## Foreword to the Accounts

# YORK TEACHING HOSPITAL NHS FOUNDATION TRUST

These accounts for the year ended 31 March 2013 have been prepared by York Teaching Hospital NHS Foundation Trust under paragraphs 24 and 25 of schedule 7 of the Health and Social Care (Community Health and Standards) Act 2006 in the form which Monitor has, with the approval of the Treasury, directed.

York Teaching Hospital NHS Foundation Trust Annual Report and Accounts are presented to Parliament pursuant to Schedule 8, paragraph 11(3) of the Health and Social Care (Community Health and Standards) Act 2006.

Signed

A handwritten signature in black ink, appearing to read 'P. Crowley', written in a cursive style.

Patrick Crowley – Chief Executive

## Statement of Comprehensive Income for the Year Ending 31 March 2013

	Notes	2012/13 £000	2011/12 £000
Operating income	2	387,180	296,029
Operating expenses	3	(394,197)	(292,246)
<b>(Deficit)/Surplus from Operations</b>		<b>(7,017)</b>	<b>3,783</b>
Transition Support Income		17,078	0
(Loss)/Gain from Impairment of Property		(3,522)	196
<b>Operating Surplus</b>		<b>6,539</b>	<b>3,979</b>
<b>Finance Costs</b>			
Finance income	5	178	163
Finance expense – financial liabilities	6	(291)	(241)
Finance expense – unwinding of discount		(35)	(21)
PDC Dividends Payable	1.19	(5,005)	(3,233)
<b>Net Finance Costs</b>		<b>(5,153)</b>	<b>(3,332)</b>
<b>Surplus for the year prior to absorption</b>		<b>1,386</b>	<b>647</b>
<b>Gain from transfer by absorption</b>	19	<b>68,946</b>	<b>0</b>
<b>SURPLUS FOR THE YEAR</b>		<b>70,332</b>	<b>647</b>
<b>Other comprehensive income and expense</b>			
Impairments		(3,824)	(168)
Revaluation gains on property, plant and equipment		383	5,573
Other Reserve Movements		(1,145)	0
<b>Total Comprehensive Income for the Year</b>		<b>65,746</b>	<b>6,052</b>

The notes on pages 202 to 229 form part of these accounts.

On 1 July 2012, York Teaching Hospital NHS Foundation Trust took over responsibility for the services previously provided by Scarborough & North East Yorkshire Healthcare NHS Trust. The transaction has been accounted for under absorption accounting. The accounts include income and expenditure for the former Scarborough & North East Yorkshire Healthcare NHS Trust from 1 July 2012 onwards. The Accounts for the previous year have not been restated. The assets and liabilities of Scarborough & North East Yorkshire Healthcare NHS Trust were transferred to the Trust on 1 July 2012. Under absorption accounting, this transfer is reflected in the Statement of Comprehensive Income as a net gain of £68.946m.

Under the terms of the agreement to take over Scarborough & North East Yorkshire Healthcare NHS Trust, the Trust has received additional transition funding of £12.078m in 2012/13 and £5m intended for capital, but received as revenue. These figures are included in the Statement of Comprehensive Income as transition support income.

The Trust revalues fixed assets at the end of each year, to reflect the true value of land and buildings taking into account in year changes in building costs, and the initial valuation of new material assets. In 2012/13 this gave rise to a net impairment loss of £3.522m. The Trust also charged £3.824m impairments directly to the revaluation reserve

All income and expenditure is derived from continuing operations.

## Statement of Financial Position

31 MARCH 2013

	Notes	31 March 2013 £000	31 March 2012 £000
<b>Non- current assets</b>			
Intangible assets	8	870	1,160
Property, plant and equipment	9.1	172,524	102,720
Trade and other receivables	11.1	1,396	870
<b>Total non- current assets</b>		<b>174,790</b>	<b>104,750</b>
<b>Current assets</b>			
Inventories	10	7,055	3,582
Trade and other receivables	11	20,427	15,553
Cash and cash equivalents	18	12,788	7,624
<b>Total current assets</b>		<b>40,270</b>	<b>26,759</b>
<b>Current Liabilities</b>			
Trade and other payables	12	(32,092)	(21,463)
Borrowings	13	(675)	(622)
Provisions	16	(109)	(60)
<b>Total current liabilities</b>		<b>(32,876)</b>	<b>(22,145)</b>
<b>Total Assets less Current liabilities</b>		<b>182,184</b>	<b>109,364</b>
<b>Non current liabilities</b>			
Borrowings	13	(5,661)	(6,210)
Provisions	16	(1,214)	(708)
<b>Total Non current liabilities</b>		<b>(6,875)</b>	<b>(6,918)</b>
<b>Total Assets Employed</b>		<b>175,309</b>	<b>102,446</b>
<b>Financed by (Taxpayers' equity)</b>			
Public Dividend Capital		72,410	65,293
Revaluation Reserve	17	39,489	22,841
Income and expenditure reserve		63,410	14,312
<b>Total Taxpayers' equity</b>		<b>175,309</b>	<b>102,446</b>

The financial statements on pages 196 to 201 were approved by the Board of Directors on 29 May 2013 and signed on its behalf by:

Signed:  (Chief Executive)

Date: 29 May 2013

## Statement of changes in Taxpayers' Equity for the Year Ending 31 March 2013

	<b>Total</b>	<b>Public</b>	<b>Revaluation</b>	<b>Income and</b>
	<b>£000</b>	<b>Dividend</b>	<b>Reserve</b>	<b>Expenditure</b>
		<b>Capital</b>	<b>£000</b>	<b>Reserve</b>
		<b>£000</b>		<b>£000</b>
<b>Taxpayers' equity at 31 March 2011</b>	<b>96,394</b>	65,293	17,436	13,665
Surplus for the year	<b>647</b>	0	0	647
Revaluation gains on property, plant and equipment	<b>5,573</b>	0	5,573	0
Impairment losses	<b>(168)</b>	0	(168)	0
<b>Taxpayers' equity at 31 March 2012</b>	<b>102,446</b>	65,293	22,841	14,312
Surplus for the year	<b>70,332</b>	0	0	70,332
Transfers by absorption: Transfers between reserves	<b>0</b>	0	20,089	(20,089)
Revaluation gains on property, plant and equipment	<b>383</b>	0	383	0
Impairment losses	<b>(3,824)</b>	0	(3,824)	0
Public Dividend Capital received	<b>7,117</b>	7,117	0	0
Other reserve movements	<b>(1,145)</b>	0	0	(1,145)
<b>Taxpayers' equity at 31 March 2013</b>	<b>175,309</b>	<b>72,410</b>	<b>39,489</b>	<b>63,410</b>

## Statement of Cash Flows for the Year Ending 31 March 2013

	2012/13 £000	2011/12 £000
<b>Cash flows from operating activities</b>		
<b>Operating surplus/(deficit)</b>	<b>6,539</b>	3,979
<b>Non Cash Income and Expense</b>		
Depreciation and amortisation	8,776	5,349
Impairments	3,712	210
Reversal of Impairments	(190)	(406)
Profit/loss on disposal of assets	(41)	(11)
Transfer of assets and liabilities by absorption accounting	(5,825)	0
(Increase) in Trade and other Receivables	(5,301)	(3,767)
(Increase) /Decrease in Inventories	(3,473)	300
Increase in Trade and other Payables	10,174	6,199
Increase/(Decrease) in Other Liabilities	19	(33)
Increase in Provisions	478	39
<b>NET CASH GENERATED FROM OPERATIONS</b>	<b>14,868</b>	11,859
<b>Cash flows from investing activities</b>		
Interest received	165	163
Purchase of intangible assets	(31)	(293)
Purchase of Property, Plant and Equipment	(11,425)	(4,932)
Sales of Property, Plant and Equipment	67	16
<b>Net cash used in investing activities</b>	<b>(11,224)</b>	(5,046)
<b>Cash flows from financing activities</b>		
Public Dividend Capital received	7,117	0
Loans received	48	205
Loans repaid	(517)	(510)
Capital element of finance lease rental payments	(107)	(107)
Interest paid	(217)	(222)
Interest element of finance lease	(21)	(14)
PDC Dividend paid	(4,907)	(3,196)
<b>Net cash generated from/(used in) financing activities</b>	<b>1,396</b>	(3,844)
<b>Increase in cash or cash equivalents</b>	<b>5,040</b>	2,969
<b>Cash and cash equivalents at 1 April 2012</b>	<b>7,624</b>	4,655
<b>Cash and cash equivalents received on absorption</b>	<b>124</b>	0
<b>Cash and cash equivalents at 31 March 2013</b>	<b>12,788</b>	7,624

## Notes to the Accounts

### 1 ACCOUNTING POLICIES

Monitor has directed that the financial statements of NHS Foundation Trusts shall meet the accounting requirements of the NHS Foundation Trust Annual Reporting Manual which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the 2012/13 NHS Foundation Trust Annual Reporting Manual issued by Monitor - the Independent Regulator of Foundation Trusts. The accounting policies contained in that manual follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS Foundation Trusts. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

#### **Accounting convention**

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and liabilities.

#### 1.1 Absorption Accounting

##### **Transfer of Scarborough and North East Yorkshire Healthcare NHS Trust (SNEY) on 1 July 2012 by Absorption accounting**

On 1 July 2012 the Trust acquired the functions, assets and liabilities of Scarborough and North East Yorkshire Healthcare NHS Trust (SNEY). Transactions of this nature are dealt with under absorption accounting, a new accounting policy, introduced in 2012-13 for NHS bodies. The Trust has recognised SNEY's assets and liabilities received as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The corresponding net credit of £68.9m, reflecting the gain is recognised within income in the Statement of Comprehensive Income, but outside of operating activities.

For property plant and equipment assets and intangible assets, the Cost and Accumulated Depreciation / Amortisation amounts from SNEY have been preserved when the assets have been recognised by the Trust. Where any assets received by the Trust had an attributable revaluation reserve balance in SNEY's accounts, this is preserved in the Trust's accounts by transferring the relevant amount from the income and expenditure reserve to the revaluation reserve.

Transfers are recorded based on the book values of assets and liabilities transferring. Adjustments to values as a result of harmonising accounting policies are made immediately after this initial transfer, and are adjusted directly in taxpayers' equity.

The impact of the Trust's acquisition of SNEY and the effects of absorption accounting on the Trust's 2012-13 accounts is explained in Note 19 of the accounts, including a brief summary of SNEY's historical financial performance.

#### 1.2 Joint operations

Joint operations are activities which are carried on with one or more other parties but which are not performed through a separate entity. The NHS Foundation Trust includes within its financial statements its share of the activities, assets and liabilities.

### **1.3 Income**

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 NHS Foundation Trust is contracts with commissioners in respect of healthcare services.

Where income is received for a specific activity which 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.

### **1.4 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.

### **1.5 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 recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

### **1.6 Property, plant and equipment**

#### **Recognition**

Property, Plant and Equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential be provided to, the NHS Foundation Trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- individually has a cost of at least £5,000; or
- collectively has a cost of at least £5,000 and individually has a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- form part of the initial equipping and setting-up cost of a new building, ward or unit irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

## Valuation

Land and buildings used for the NHS Foundation Trust's services or for administrative purposes are stated in the Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the Statement of Financial Position date. Fair values are determined as follows:

- Specialised buildings – depreciated replacement cost based on modern equivalent assets
- Land and non specialised buildings – existing use value
- Non-operational properties (including surplus land) – existing use value

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued. The NHS Foundation Trust has applied this basis of valuation from 1 April 2009. A full revaluation was carried out at 31 March 2013 to reflect the changes in building values throughout the year.

Valuations are carried out by professionally qualified valuers, external to the Trust, in accordance with the Royal Institute of Chartered Surveyors (RICS) *Appraisal and Valuation Manual*.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

Fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

Increases arising on revaluation are taken to the revaluation reserve except when it reverses a revaluation decrease for the same asset previously recognised in the Statement of Comprehensive Income, in which case it is credited to the Statement of Comprehensive Income to the extent of the decrease previously charged there. A revaluation decrease is charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to the Statement of Comprehensive Income.

## Impairments

In accordance with the Foundation Trust Annual Reporting Manual, impairments that are due to a loss of economic benefits or service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of

- (i) the impairment charged to the operating expenses; and
- (ii) the balance in the revaluation reserve attributable to that asset before impairment.

An impairment arising from a loss of economic benefit or service potential is reversed

when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the 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. Reversal of 'other impairments' are treated as revaluation gains.

## **Depreciation**

Items of Property, Plant and Equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

The standard economic lives of Property, Plant and Equipment assets are as follows:

- Buildings	20 to 60 years
- Engineering and fixed plant	5 to 50 years
- Medical equipment and engineering plant and equipment	5 to 15 years
- Transport	3 to 7 years
- Mainframe information technology installations	5 to 8 years
- Furniture and Fittings	5 to 10 years
- Office and information technology equipment	3 to 5 years
- Set up costs in new buildings	10 years

Property, Plant and Equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction are not depreciated until the asset is brought into use.

## **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.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

Property, Plant and Equipment which is to be scrapped or demolished does not qualify for recognition as 'Held for Sale' and instead is retained as an operational asset and the 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 property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as the other items of property, plant and equipment.

## **1.7 Intangible assets**

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the NHS Foundation 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 NHS Foundation Trust and where the cost of the asset can be measured reliably. They are only capitalised when they have a cost of at least £5,000. Intangible assets acquired separately are initially recognised at fair value.

The NHS Foundation Trust does not recognise any internally generated assets, associated expenditure is charged to the statement of comprehensive income in the period in which it is incurred.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

Following initial recognition, intangible assets are carried at amortised replacement cost as this is not considered to be materially different from fair value.

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

The standard economic lives of intangible assets are as follows:

- Software	5 to 10 years
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## **1.8 Leases**

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

When the NHS Foundation Trust acts as a lessee, the following applies:-

- Amounts held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments using the interest rate implicit in the lease. The asset is recorded as Property, Plant and Equipment, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate on interest on the remaining balance of the liability. Finance charges are charged directly to the Statement of Comprehensive Income.
- 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.

When the NHS Foundation Trust acts as a lessor, the following applies:-

- Rental income from operating leases is recognised on a straight-line basis over the term of the lease.

## **1.9 Inventories**

Inventories are valued at the lower of cost and net realisable value. Inventories are valued at actual cost and this is considered to be a reasonable approximation to current cost due to the high turnover of stocks. Partially completed contracts for patient services are not accounted for as inventories, but rather as receivables.

## **1.10 Cash and cash equivalents**

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Cash and bank balances are recorded at the current values of these balances in the NHS Foundation Trust's cash book. These balances exclude monies held in the NHS Foundation Trust's bank account belonging to patients (see "third party assets" below). Account balances are only set off where a formal agreement has been made with the bank to do so. In all other cases overdrafts are disclosed within creditors. Interest earned on bank accounts and interest charged on overdrafts is recorded as, respectively, "interest receivable" and "interest payable" in the periods to which they relate. Bank charges are recorded as operating expenditure in the periods to which they relate.

## **1.11 Provisions**

The NHS Foundation Trust provides for legal or constructive obligations that are of uncertain timing or amount at the Statement of Financial Position date on the basis of the best estimate of the expenditure 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 HM Treasury's discount rate of 2.2% in real terms, except for early retirement provisions and injury benefit provisions which both use the HM Treasury's pension discount rate of 2.35% in real terms.

## 1.12 Contingencies

Contingent liabilities are provided for where a transfer of economic benefits is probable. Otherwise, they are not recognised, but are disclosed in a note 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.

## 1.13 Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the NHS Foundation Trust pays an annual contribution to the NHSLA which in return settles all clinical negligence claims. The contribution is charged to operating expenses. Although the NHSLA is administratively responsible for all clinical negligence cases the legal liability remains with the NHS Foundation Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the NHS Foundation Trust is disclosed at note 16.

## 1.14 Non-clinical risk pooling

The NHS Foundation Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the NHS Foundation Trust pays an annual contribution to the NHS Litigation Authority and, in return, receives assistance with the costs of claims arising. The annual membership contributions, and any excesses' payable in respect of particular claims are charged to operating expenses as and when they become due.

## 1.15 Financial instruments

Financial assets and financial liabilities are initially recognised at fair value. This is determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active markets are determined with reference to quoted market prices.
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.
- the fair value of derivative instruments are calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instrument.

### Financial assets

Financial assets are classified into the following categories:

- financial assets 'at fair value through profit and loss'
- 'held to maturity investments'
- 'available for sale' financial assets
- 'loans and receivables'

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The NHS Foundation Trust's financial assets all fall under the category 'loans and receivables'.

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classed as 'loans and receivables'. They are measured at amortised cost using the effective interest method less any impairment; Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset.

Receivables are assessed for indicators of impairment at each Statement of Financial Position date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the financial asset is reduced by the impairment loss directly for financial assets other than trade receivables, where the carrying amount is reduced through an allowance for irrecoverable debts, changes in which are recognised in the Statement of Comprehensive Income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of Comprehensive Income to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

### **Financial liabilities**

Financial liabilities are classified into the following categories:

- 'financial liabilities at fair value through profit and loss'
- 'other financial liabilities'.

The NHS Foundation Trust's financial liabilities all fall under the category 'other financial liabilities'.

Other financial liabilities including borrowings are initially measured at fair value, less transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense.

## **1.16 Value Added Tax**

Most of the activities of the NHS Foundation 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.

## **1.17 Foreign currencies**

Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Resulting exchange gains and losses are taken to the Statement of Comprehensive Income. At the Statement of Financial Position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the Statement of Financial Position date.

## **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 NHS Foundation Trust has no beneficial interest in them. Details of third party assets are given in note 25 to the accounts.

## **1.19 Public Dividend Capital (PDC) and PDC dividend**

Public Dividend Capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the original NHS Trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the forecast cost of capital utilised by the NHS Foundation Trust, is paid over as PDC dividend. The charge is calculated at the real rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the NHS Foundation Trust. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for donated assets and cash held with the Government Banking Service, excluding cash balances held in GBS accounts that relate to short-term working capital facility. Average relevant net assets are calculated as a simple average of opening and closing relevant net assets.

## **1.20 Losses and Special Payments**

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the NHS Foundation Trust not been bearing its own risks (with insurance premiums then being included as normal revenue expenditure). However, the losses and special payments note is compiled directly from the losses and compensations register which reports on an accruals basis with the exception of provisions for future losses.

## **1.21 Corporation Tax**

The NHS Foundation Trust has determined that it has no corporation tax liability.

## 1.22 Pension costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). The scheme is an unfunded, defined benefit scheme that covers NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS Body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

### **a) Accounting valuation**

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period. Actuarial assessments are undertaken in intervening years between formal valuations using updated membership data and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March

2013 is based on the valuation data as 31 March 2012, updated to 31 March 2013 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts, published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office.

### **b) Full actuarial (funding) valuation**

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2004. Consequently, a formal actuarial valuation would have been due for the year ending 31 March 2008. However, formal actuarial valuations for unfunded public service schemes were suspended by HM Treasury on value for money grounds while consideration is given to recent changes to public service pensions, and while future scheme terms are developed as part of the reforms to public service pension provision due in 2015.

The Scheme Regulations were changed to allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

The next formal valuation to be used for funding purposes will be carried out at as at March 2012 and will be used to inform the contribution rates to be used from 1 April 2015.

### **c) Scheme provisions**

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained:

The Scheme is a “final salary” scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as “pension commutation”.

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) will be used to replace the Retail Prices Index (RPI).

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year’s pensionable pay for death in service, and five times their annual pension for death after retirement is payable

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC’s run by the Scheme’s approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

### **1.23 Key sources of judgement and estimation uncertainty**

In the course of preparing the annual accounts, the directors have to make use of estimated figures in certain cases, and routinely exercise judgement in assessing the amounts to be included. In the case of the 2012/13 accounts, the most significant judgement relates to the recognition of clinical income due from the Trust’s key commissioner. The directors have formed the judgement that the Trust has recognised the appropriate level of income due under the terms of the signed contract and anticipates full recovery of outstanding debts in line with previous settlements.

## **2. Segmental Analysis**

All income and activities are for the provision of health and health related services in the UK. The Trust reports revenues on a Trust wide basis in its internal reports and therefore deems there to be a single segment, healthcare.

<b>2.1 Operating Income (by classification)</b>	<b>2012/13</b>	<b>2011/12</b>
<b>Income from Activities</b>		
	<b>£000</b>	<b>£000</b>
Elective income	<b>57,527</b>	40,842
Non elective income	<b>95,787</b>	68,162
Outpatient income	<b>60,127</b>	43,253
A & E income	<b>12,012</b>	7,142
Other NHS clinical income	<b>82,992</b>	62,817
Community income	<b>34,720</b>	33,485
Private patient income	<b>1,003</b>	832
Other non protected clinical income	<b>1,991</b>	1,020
<b>Total Income from Activities</b>	<b>346,159</b>	257,553
<b>Other Operating Income</b>		
Research and development	<b>7,262</b>	6,972
Education and training	<b>13,415</b>	9,481
Charitable and other contributions to expenditure	<b>633</b>	404
Non-patient care services to other bodies	<b>12,727</b>	16,220
Profit on disposal of other tangible fixed assets	<b>54</b>	15
Income in respect of staff costs	<b>2,333</b>	1,949
Rental revenue from operating leases	<b>211</b>	146
Other	<b>4,386</b>	3,289
<b>Total Other Operating Income</b>	<b>41,021</b>	38,476
<b>TOTAL OPERATING INCOME</b>	<b>387,180</b>	296,029

Included within income, £343,165k has arisen from mandatory services and £2,994k has arisen from non-mandatory services as set out in the NHS Foundation Trust's Terms of Authorisation.

<b>2.2 Operating Lease Income</b>	<b>2012/13</b>	<b>2011/12</b>
	<b>£000</b>	<b>£000</b>
Rents recognised as income in the period	<b>211</b>	<b>146</b>
<b>Total operating lease income</b>	<b>211</b>	<b>146</b>
Future minimum lease payments due on leases of buildings expiring:		
- Not later than one year	<b>93</b>	<b>91</b>
- Later than one year and not later than five years	<b>358</b>	<b>327</b>
- Later than five years	<b>901</b>	<b>890</b>
<b>Total operating lease income</b>	<b>1,352</b>	<b>1,308</b>

### 2.3 Private Patient Income

The statutory limitation on private patient income in section 44 of the 2006 Act was repealed with effect from 1 October 2012 by the Health and Social Care Act 2012. The financial statements disclosures that were provided previously are no longer required.

<b>2.4 Operating Income (by type)</b>	<b>2012/13</b>	2011/12
	<b>£000</b>	£000
<b>Income from Activities</b>		
Primary Care Trusts	<b>343,165</b>	255,701
Non NHS: Private patients	<b>1,003</b>	803
Non NHS: Overseas patients (non-reciprocal)	<b>97</b>	29
NHS injury scheme (was RTA)	<b>1,360</b>	870
NHS other	<b>0</b>	94
Non NHS: Other	<b>534</b>	56
<b>Total Income from Activities</b>	<b>346,159</b>	257,553
<b>Other Operating Income</b>		
Research and development	<b>7,262</b>	6,972
Education and training	<b>13,415</b>	9,481
Charitable and other contributions to expenditure	<b>633</b>	404
Non-patient care services to other bodies	<b>12,727</b>	16,220
Profit on disposal of other tangible fixed assets	<b>54</b>	15
Income in respect of staff costs	<b>2,333</b>	1,949
Rental revenue from operating leases	<b>211</b>	146
Other	<b>4,386</b>	3,289
<b>Total Other Operating Income</b>	<b>41,021</b>	38,476
<b>Total Operating Income</b>	<b>387,180</b>	296,029
<b>Analysis of Other Operating Income: Other</b>	<b>2012/13</b>	2011/12
	<b>£000</b>	£000
Car parking	<b>1,531</b>	1,047
Staff accommodation rentals	<b>293</b>	105
Catering	<b>1,526</b>	1,249
Other	<b>1,036</b>	888
<b>Total</b>	<b>4,386</b>	3,289

<b>3.1 Operating Expenses (by type)</b>	<b>2012/13</b>	<b>2011/12</b>
	<b>£000</b>	<b>£000</b>
Services from NHS Foundation Trusts	1,256	727
Services from NHS Trusts	1,486	2,446
Services from PCTs	445	601
Services from other NHS Bodies	238	13
Purchase of healthcare from non NHS bodies	3,336	3,336
Employee expenses - Executive directors costs	1,163	868
Employee expenses - Non-executive directors costs	159	137
Employee expenses - Staff	261,137	190,165
Drug costs	30,460	23,552
Supplies and services - clinical (excluding drug costs)	37,062	30,617
Supplies and services - general	6,412	5,160
Establishment	5,091	3,920
Research and development	4,432	4,248
Transport	796	897
Premises	14,307	5,973
Rentals under Operating Leases	5,375	5,730
Increase/(Decrease) in provision for impairment of receivables	273	(132)
Depreciation on property, plant and equipment	8,455	5,004
Amortisation on intangible assets	321	345
Audit fees - statutory audit	120	78
Clinical negligence	6,955	4,514
Loss on disposal of other property, plant and equipment	13	4
Legal fees	426	317
Consultancy costs	1,216	1,272
Training, courses and conferences	931	599
Patient travel	89	67
Redundancy	809	70
Early Retirements	12	0
Hospitality	28	18
Insurance	429	354
Losses, ex gratia & special payments	262	219
Other	703	1,127
<b>Total Operating Expenses</b>	<b>394,197</b>	<b>292,246</b>

<b>3.2 Arrangements containing an operating lease</b>	<b>2012/13</b>	<b>2011/12</b>
	<b>£000</b>	<b>£000</b>
Minimum lease payments	5,375	5,730
<b>Total Lease Payments</b>	<b>5,375</b>	<b>5,730</b>

<b>3.3 Arrangements containing an operating lease</b>	<b>31 March 2013 £000</b>	31 March 2012 £000
Total future minimum lease payments due:		
- not later than one year;	<b>4,980</b>	5,258
- later than one year and not later than five years;	<b>11,670</b>	10,550
- later than five years	<b>5,096</b>	1,591

<b>4.1 Employee Expenses</b>	<b>2012/13</b>			<b>2011/12</b>		
	<b>Total £000</b>	Perm £000	Other £000	Total £000	Perm £000	Other £000
Salaries and wages	<b>211,500</b>	193,311	18,189	156,668	144,352	12,316
Social security costs	<b>16,751</b>	15,311	1,440	12,101	11,146	955
Pension costs - defined contribution plans - Employers contributions to NHS Pensions	<b>24,663</b>	22,542	2,121	18,940	17,446	1,494
Termination benefits	<b>821</b>	821	0	70	70	0
Agency/contract staff	<b>10,065</b>	0	10,065	3,889	0	3,889
<b>Total Staff Costs</b>	<b>263,800</b>	231,985	31,815	191,668	173,014	18,654
of which						
Costs capitalised as part of assets	<b>(679)</b>	(679)	0	(565)	(565)	0
<b>Total employee benefits excl. capitalised costs</b>	<b>263,121</b>	231,306	31,815	191,103	172,449	18,654

During the year the Trust made employer contributions to the NHS Pension Scheme of £106,000 in respect of Directors

<b>4.2 Average number of employees (WTE basis)</b>	<b>2012/13</b>			<b>2011/12</b>		
	<b>Total Number</b>	Perm Number	Other Number	Total Number	Perm Number	Other Number
Medical and dental	<b>631</b>	319	312	452	247	205
Administration and estates	<b>1,478</b>	1,395	83	1,005	946	59
Healthcare assistants and other support staff	<b>948</b>	911	37	732	715	17
Nursing, midwifery and health visiting staff	<b>2,371</b>	2,294	77	1,882	1,842	40
Scientific, therapeutic and technical staff	<b>1,025</b>	982	43	816	784	32
Bank and agency staff	<b>294</b>	0	294	130	0	130
<b>Total average numbers</b>	<b>6,747</b>	5,901	846	5,017	4,534	483
of which						
WTE employees engaged on capital projects	<b>27</b>	27	0	<b>18</b>	18	0

### 4.3 Exit Packages

During 2012-13 the Trust agreed the following exit packages to staff under nationally agreed arrangements.

Exit package cost band	Redundancies				Other departures agreed				Total exit packages by cost band			
	2012-13		2011-12		2012-13		2011-12		2012-13		2011-12	
	No.	£000	No.	£000	No.	£000	No.	£000	No.	£000	No.	£000
< £10,000	3	16	1	8	6	42	5	27	9	58	6	35
£10,001 - £25,000	2	32	0	0	7	113	6	99	9	145	6	99
£25,001 - £50,000	1	27	0	0	6	209	4	131	7	236	4	131
£50,001 - £100,000	3	201	1	62	1	55	1	56	4	256	2	118
£100,001 - £150,000	0	0	0	0	1	114	0	0	1	114	0	0
<b>Total</b>	<b>9</b>	<b>276</b>	<b>2</b>	<b>70</b>	<b>21</b>	<b>533</b>	<b>16</b>	<b>313</b>	<b>30</b>	<b>809</b>	<b>18</b>	<b>383</b>

4.4 Analysis of termination benefits	2012/13		2011/12	
	Number of cases	Cost of cases £000s	Number of cases	Cost of cases £000s
MARS Local	21	533	15	305
Redundancy	9	276	2	70
Severance Payments (non-contractual)	0	0	1	8
<b>Total</b>	<b>30</b>	<b>809</b>	<b>18</b>	<b>383</b>

This note provides an analysis of Exit Packages agreed during the year. Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Mutually Agreed Resignation Scheme (MARS). Where the Trust has agreed early retirements, the additional costs are met by the Trust and not by the NHS pension scheme. Ill-health retirement costs are met by the NHS pension scheme and are not included in the table.

### 4.5 Early retirements due to ill health

This note discloses the number and additional pension costs for individuals who retired early on ill-health grounds during the year.

During 2012/13 there were 8 early retirements (8 in 2011/12) from the Trust on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £326k (£554k in 2011/12). This information has been supplied by NHS Pensions and the cost of these ill-health retirements will be borne by the NHS Business Services Authority Pensions Division.

## 5. Finance income

	2012/13	2011/12
	£000	£000
Interest on loans and receivables	<b>178</b>	163

<b>6. Finance costs - interest expense</b>	<b>2012/13</b>	2011/12
	<b>£000</b>	£000
Interest on loan from the Foundation Trust Financing Facility	<b>210</b>	227
Interest on Finance Leases	<b>21</b>	14
Other Finance Costs	<b>60</b>	0
	<b>291</b>	241

<b>7. Losses and special payments</b>	<b>2012/13</b>		2011/12	
	<b>Number</b>	<b>Value</b>	Number	Value
		<b>£000</b>		£000
Losses	<b>78</b>	<b>8</b>	36	17
Special Payments	<b>103</b>	<b>163</b>	109	138
	<b>181</b>	<b>171</b>	145	155

<b>8. Intangible assets</b>	<b>Total</b>	Software licences
	<b>£000</b>	£000
<b>Gross cost at 1 April 2011</b>	<b>2,472</b>	2,472
Additions - purchased	<b>236</b>	236
Additions-donated	<b>14</b>	14
Reclassified	<b>43</b>	43
<b>Gross cost at 31 March 2012</b>	<b>2,765</b>	2,765
<b>Amortisation at 1 April 2011</b>	<b>1,260</b>	1,260
Provided during the year	<b>345</b>	345
<b>Amortisation at 31 March 2012</b>	<b>1,605</b>	1,605
<b>Net book value</b>		
NBV - Purchased at 1 April 2011	<b>1,212</b>	1,212
NBV - Donated at 1 April 2011	<b>0</b>	0
	<b>1,212</b>	1,212
NBV - Purchased at 31 March 2012	<b>1,146</b>	1,146
NBV - Donated at 31 March 2012	<b>14</b>	14
	<b>1,160</b>	1,160
<b>Gross cost at 31 March 2012</b>	<b>2,765</b>	2,765
Additions - purchased	<b>31</b>	31
<b>Gross cost at 31 March 2013</b>	<b>2,796</b>	2,796
<b>Amortisation at 31 March 2012</b>	<b>1,605</b>	1,605
Provided during the year	<b>321</b>	321
<b>Amortisation at 31 March 2013</b>	<b>1,926</b>	1,926
<b>Net book value</b>		
NBV - Purchased at 1 April 2012	<b>1,146</b>	1,146
NBV Donated at 1 April 2012	<b>14</b>	14
	<b>1,160</b>	1,160
NBV - Purchased at 31 March 2013	<b>860</b>	860
NBV Donated at 31 March 2013	<b>10</b>	10
	<b>870</b>	870

## 9.1 Property, plant and equipment

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under Construction	Plant & Machinery	Transport Equipment	Information Technology	Furniture & Fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Cost or valuation at 1 April 2011</b>	<b>118,464</b>	7,820	82,841	0	659	19,100	280	7,716	48
Additions - purchased	4,148	0	1,347	0	1,409	594	0	797	0
Additions - donated	244	0	27	0	0	182	0	35	0
Impairments through expenditure	(210)	(111)	(99)	0	0	0	0	0	0
Reversal of Impairments	406	0	406	0	0	0	0	0	0
Reclassifications	(43)	0	(11)	0	(153)	116	0	6	0
Revaluation	2,286	(168)	2,454	0	0	0	0	0	0
Disposals	(1,075)	0	0	0	(1)	(984)	(90)	0	0
<b>Cost or valuation at 31 March 2012</b>	<b>124,220</b>	<b>7,541</b>	<b>86,965</b>	<b>0</b>	<b>1,914</b>	<b>19,008</b>	<b>190</b>	<b>8,554</b>	<b>48</b>
<b>Accumulated depreciation at 1 April 2011</b>	<b>20,685</b>	0	301	0	0	15,241	245	4,880	18
Provided during the year	5,004	0	3,129	0	0	1,016	14	842	3
Reclassifications	0	0	(4)	0	0	4	0	0	0
Revaluation reductions	(3,119)	0	(3,119)	0	0	0	0	0	0
Disposals	(1,070)	0	0	0	0	(980)	(90)	0	0
<b>Accumulated depreciation at 31 March 2012</b>	<b>21,500</b>	<b>0</b>	<b>307</b>	<b>0</b>	<b>0</b>	<b>15,281</b>	<b>169</b>	<b>5,722</b>	<b>21</b>
<b>Net book value</b>									
NBV - Owned at 1 April 2011	96,359	7,820	82,039	0	659	3,422	35	2,354	30
NBV – Finance Leased at 1 April 2011	480	0	0	0	0	0	0	480	0
NBV - Donated at 1 April 2011	940	0	501	0	0	437	0	2	0
<b>NBV total at 1 April 2011</b>	<b>97,779</b>	<b>7,820</b>	<b>82,540</b>	<b>0</b>	<b>659</b>	<b>3,859</b>	<b>35</b>	<b>2,836</b>	<b>30</b>
NBV - Owned at 31 March 2012	101,272	7,541	86,109	0	1,914	3,235	21	2,425	27
NBV – Finance Leased at 31 March 2012	373	0	0	0	0	0	0	373	0
NBV - Donated at 31 March 2012	1,075	0	549	0	0	492	0	34	0
<b>NBV total at 31 March 2012</b>	<b>102,720</b>	<b>7,541</b>	<b>86,658</b>	<b>0</b>	<b>1,914</b>	<b>3,727</b>	<b>21</b>	<b>2,832</b>	<b>27</b>

## 9.1 Property, plant and equipment (continued)

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under Construction	Plant & Machinery	Transport Equipment	Information Technology	Furniture & Fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Cost or valuation at 1 April 2012</b>	<b>124,220</b>	<b>7,541</b>	<b>86,965</b>	<b>0</b>	<b>1,914</b>	<b>19,008</b>	<b>190</b>	<b>8,554</b>	<b>48</b>
Transfers by absorption	92,672	7,773	55,328	2,102	1,758	18,614	0	7,049	48
Additions - purchased	11,229	0	1,052	0	7,400	785	0	1,992	0
Additions - donated	473	0	6	0	121	346	0	0	0
Impairments through expenditure	(3,712)	(1,210)	(2,500)	(2)	0	0	0	0	0
Reversal of Impairments	190	188	2	0	0	0	0	0	0
Reclassifications	0	711	5,064	0	(7,711)	1,015	0	922	(1)
Impairments through revaluation reserve	(8,731)	(1,537)	(7,047)	(147)	0	0	0	0	0
Derecognition due to harmonising accounting policies on absorption	(2,467)	0	0	0	(167)	(2,238)	0	(49)	(13)
Disposals	(496)	(13)	0	0	0	(472)	(11)	0	0
<b>Cost or valuation at 31 March 2013</b>	<b>213,378</b>	<b>13,453</b>	<b>138,870</b>	<b>1,953</b>	<b>3,315</b>	<b>37,058</b>	<b>179</b>	<b>18,468</b>	<b>82</b>
<b>Accumulated depreciation at 1 April 2012</b>	<b>21,500</b>	<b>0</b>	<b>307</b>	<b>0</b>	<b>0</b>	<b>15,281</b>	<b>169</b>	<b>5,722</b>	<b>21</b>
Transfers by absorption	17,966	0	496	41	0	11,687	0	5,712	30
Provided during the year	8,455	0	4,731	124	0	1,981	6	1,609	4
Revaluation reductions	(5,290)	0	(5,125)	(165)	0	0	0	0	0
Derecognition due to harmonising accounting policies on absorption	(1,322)	0	0	0	0	(1,281)	0	(41)	0
Disposals	(455)	0	0	0	0	(444)	(11)	0	0
<b>Accumulated depreciation at 31 March 2013</b>	<b>40,854</b>	<b>0</b>	<b>409</b>	<b>0</b>	<b>0</b>	<b>27,224</b>	<b>164</b>	<b>13,002</b>	<b>55</b>
<b>Net book value</b>									
NBV - Owned at 1 April 2012	101,272	7,541	86,109	0	1,914	3,235	21	2,425	27
NBV - Finance Leased at 1 April 2012	373	0	0	0	0	0	0	373	0
NBV - Donated at 1 April 2012	1,075	0	549	0	0	492	0	34	0
<b>NBV total at 1 April 2012</b>	<b>102,720</b>	<b>7,541</b>	<b>86,658</b>	<b>0</b>	<b>1,914</b>	<b>3,727</b>	<b>21</b>	<b>2,832</b>	<b>27</b>
NBV - Owned at 31 March 2013	168,307	13,453	135,587	1,953	3,315	8,783	15	5,174	27
NBV - Finance Leased at 31 March 2013	266	0	0	0	0	0	0	266	0
NBV - Donated at 31 March 2013	3,951	0	2,874	0	0	1,051	0	26	0
<b>NBV total at 31 March 2013</b>	<b>172,524</b>	<b>13,453</b>	<b>138,461</b>	<b>1,953</b>	<b>3,315</b>	<b>9,834</b>	<b>15</b>	<b>5,466</b>	<b>27</b>

Included within the net book value of £172,254m is £0.266m (2011 £0.373m) relating to assets held under finance lease agreements. The depreciation charged in the year in respect of assets held under finance agreements is £0.107m (2011 £0.107m).

## 9.2 Analysis of property, plant and equipment

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under Construction	Plant & Machinery	Transport Equipment	Information Technology	Furniture & Fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Net book value</b>									
NBV - Protected assets at 31 March 2012	<b>82,989</b>	5,064	77,925	0	0	0	0	0	0
NBV - Unprotected assets at 31 March 2012	<b>19,731</b>	2,477	8,733	0	1,914	3,727	21	2,832	27
<b>Total at 31 March 2012</b>	<b>102,720</b>	<b>7,541</b>	<b>86,658</b>	<b>0</b>	<b>1,914</b>	<b>3,727</b>	<b>21</b>	<b>2,832</b>	<b>27</b>
<b>Net book value</b>									
NBV - Protected assets at 31 March 2013	<b>138,517</b>	8,575	129,942	0	0	0	0	0	0
NBV - Unprotected assets at 31 March 2013	<b>34,007</b>	4,878	8,519	1,953	3,315	9,834	15	5,466	27
<b>Total at 31 March 2013</b>	<b>172,524</b>	<b>13,453</b>	<b>138,461</b>	<b>1,953</b>	<b>3,315</b>	<b>9,834</b>	<b>15</b>	<b>5,466</b>	<b>27</b>

### 9.3 Property, plant and equipment (continued)

The total at 31 March 2013 included land valued at £2,750,000 open market value (31 March 2012 £1,750,000). There were no buildings or dwellings valued at open market value.

<b>10. Inventories</b>	<b>31 March 2013 £000</b>	31 March 2012 £000
Drugs	1,945	1,184
Consumables	4,943	2,316
Energy	167	82
	<b>7,055</b>	<b>3,582</b>

<b>11.1 Trade receivables and other receivables</b>	<b>31 March 2013 £000</b>	31 March 2012 £000
<b>Current</b>		
NHS Receivables - Revenue	13,815	9,779
Other Receivables with related parties - Revenue	1,711	1,405
Provision for impaired receivables	(628)	(169)
Prepayments	1,797	1,499
Accrued income	1,013	1,383
Other receivables	2,719	1,656
<b>Total current trade and other receivables</b>	<b>20,427</b>	<b>15,553</b>
<b>Non-Current</b>		
Other Receivables with related parties - Revenue	1,551	967
Provision for impaired receivables	(155)	(97)
<b>Total non-current trade and other receivables</b>	<b>1,396</b>	<b>870</b>

<b>11.2 Provision for impairment of receivables</b>	<b>2012/13 £000</b>	2011/12 £000
<b>At 1 April</b>	<b>266</b>	<b>472</b>
Transfer by absorption	249	0
Increase in provision	452	106
Amounts utilised	(5)	(74)
Unused amounts reversed	(179)	(238)
<b>At 31 March</b>	<b>783</b>	<b>266</b>

	<b>31 March</b>	31 March
	<b>2013</b>	2012
	<b>£000</b>	£000
<b>11.3 Analysis of impaired receivables</b>		
<b>Ageing of impaired receivables</b>		
0-30 days	0	0
31-60 days	0	0
61-90 days	395	0
91-180 days	0	0
Over 180 days	388	266
<b>Total</b>	<b>783</b>	266
<b>Ageing of non-impaired receivables past their due date</b>		
0-30 days	9,273	760
31-60 days	688	732
61-90 days	2,286	637
91-180 days	898	58
Over 180 days	78	400
<b>Total</b>	<b>13,223</b>	2,587
	<b>31 March</b>	31 March
	<b>2013</b>	2012
	<b>£000</b>	£000
<b>12. Trade and other payables</b>		
<b>Current</b>		
Receipts in advance	279	22
NHS payables - revenue	3,993	2,433
Amounts due to other related parties – revenue	3,608	2,420
Trade payables - capital	778	414
Other trade payables - revenue	5,350	3,713
Other taxes	5,670	3,878
Other payables	3,069	1,669
Accruals	9,214	6,881
PDC Dividend payable	131	33
<b>Total current trade and other payables</b>	<b>32,092</b>	21,463
	<b>31 March</b>	31 March
	<b>2013</b>	2012
	<b>£000</b>	£000
<b>13. Borrowings</b>		
<b>Current</b>		
Loans from Foundation Trust Financing Facility	493	493
Other Loans	25	25
Obligations under finance leases	157	104
<b>Total current borrowings</b>	<b>675</b>	622
<b>Non-current</b>		
Loans from Foundation Trust Financing Facility	5,428	5,921
Other Loans	72	37
Obligations under finance leases	161	252
<b>Total non-current borrowings</b>	<b>5,661</b>	6,210

<b>14. Finance Lease Obligations</b>	<b>31 March 2013</b>	31 March 2012
	<b>£000</b>	£000
<b>Gross lease liability</b>	<b>354</b>	390
Of which liabilities are due		
- not later than one year	<b>173</b>	107
- later than one year and not later than five years	<b>181</b>	283
- later than five years	<b>0</b>	0
Finance charges allocated to future periods	<b>(36)</b>	(34)
Net lease liability	<b>318</b>	356
<b>Net lease liability</b>		
- not later than one year	<b>157</b>	104
- later than one year and not later than five years	<b>161</b>	252
- later than five years	<b>0</b>	0

### 15. Prudential Borrowing Limit

The Trust is required to comply with, and remain within, a total borrowing limit. This is made up of two elements.

- The maximum cumulative amount of long term borrowing. This is set by reference to the five ratio tests set out in the Prudential Borrowing Code for NHS Foundation Trusts. The financial risk rating set under Monitor's Compliance Framework determines one of the ratios and therefore can impact on the long term borrowing limit; and
- the amount of any working capital facility approved by Monitor.

Further information on the Prudential Borrowing Code for NHS Foundation Trusts and the Compliance Framework can be found on Monitor's website.

The Trust had a prudential borrowing limit of £99.4m in 2012/13.

The Trust had a £32.6m approved working capital facility in place although this was unused during the year. The renewal date of this facility is May 2014.

<b>Financial ratio</b>	<b>Actual 2012/13</b>	<b>Approved 2012/13</b>	<b>Actual 2011/12</b>	<b>Approved 2011/12</b>
Maximum debt/capital	0.04	0.03	0.6	0.6
Minimum dividend cover	3.79	2.68	2.90	3.13
Minimum interest cover	82.13	70.17	39.13	43.57
Minimum debt service cover	22.19	21.18	12.39	11.74
Minimum debt service to revenue	0.00	0.00	0.00	0.00

<b>16. Provisions for liabilities and charges</b>	<b>Total</b>	<b>Pensions - other staff</b>	<b>Other Legal Fees</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>At 1 April 2012</b>	<b>768</b>	<b>768</b>	<b>0</b>

Transfers by absorption	517	470	47
Change in the discount rate	42	42	0
Arising during the year	115	115	0
Utilised during the year	(112)	(107)	(5)
Reverse unused provisions	(42)	0	(42)
Unwinding of discount	35	35	0
<b>At 31 March 2013</b>	<b>1,323</b>	<b>1,323</b>	<b>0</b>
<b>Expected timing of cash flows</b>			
- not later than one year;	109	109	0
- later than one year and not later than five years;	413	413	0
- Later than five years.	801	801	0
	<b>1,323</b>	<b>1,323</b>	<b>0</b>

£39.988m (2011/12 - £19.524m) is included in the provisions of the NHS Litigation Authority at 31 March 2013 in respect of clinical negligence liabilities of York Teaching Hospital NHS Foundation Trust.

### 17. Revaluation reserve

	<b>Revaluation Reserve</b>
	<b>£000</b>
<b>Revaluation reserve at 1 April 2011</b>	<b>17,436</b>
Impairments	(168)
Revaluation gains/(losses) on property, plant and equipment	5,573
<b>Revaluation reserve at 31 March 2012</b>	<b>22,841</b>
Transfer by absorption	20,089
Impairments	(3,824)
Revaluation gains/(losses) on property, plant and equipment	383
<b>Revaluation reserve at 31 March 2013</b>	<b>39,489</b>

### 18. Cash and cash equivalents

	<b>2012/13</b>	<b>2011/12</b>
	<b>£000</b>	<b>£000</b>
<b>At 1 April</b>	<b>7,624</b>	<b>4,655</b>
Net change in year	5,164	2,969
<b>At 31 March</b>	<b>12,788</b>	<b>7,624</b>
Broken down into:		
Cash at commercial banks and in hand	139	73
Cash with the Government Banking Service	12,649	7,551
<b>Cash and cash equivalents as in SoFP</b>	<b>12,788</b>	<b>7,624</b>
Bank overdraft	0	0
<b>Cash and cash equivalents as in SoCF</b>	<b>12,788</b>	<b>7,624</b>

### 19. Transfers by Absorption

York Teaching Hospital NHS Foundation Trust received the following assets and liabilities from Scarborough and North East Yorkshire Healthcare NHS Trust on 1 July 2012

£000

Property, Plant & Equipment	74,706
Trade and Other Receivables	5,530
Inventories	3,022
Cash	124
<b>Total Assets Transferred</b>	<b>83,382</b>
Trade and Other Payables	13,860
Provisions	517
Borrowings	59
<b>Total Liabilities Transferred</b>	<b>14,436</b>
<b>Total Net Assets Transferred</b>	<b>68,946</b>
Represented by	
Income and Expenditure Reserve	(89,035)
Revaluation Reserve	20,089
<b>Total Equity</b>	<b>(68,946)</b>

In view of the challenges faced by Scarborough and North East Yorkshire Healthcare NHS Trust (SNEY), the Board of SNEY in collaboration with Yorkshire & Humber Strategic Health Authority (SHA) concluded that SNEY would not be in a position to become a Foundation Trust (FT) as a stand-alone organisation, and could not alone address long standing clinical and financial issues. The SHA led the process with local PCTs to determine a different future for SNEY. At the end of the process, in October 2010, the Board of SNEY invited YFT to consider the acquisition of SNEY.

York Teaching Hospital NHS FT established that the acquisition of SNEY would provide an immediate and significant growth in service portfolio and income for York FT; broadening the population base, strengthening depth and breadth of clinical services and providing clinical mass and organisational scale. Following a significant due diligence review, and with the agreement of the Department of Health and Monitor the independent regulator of NHS Foundation Trusts the acquisition of Scarborough took place with effect from 1 July 2012.

The table below highlights SNEY's key financial performance since 2008/09 before taking account of fixed asset impairments;

	2008/09	2009/10	2010/11	2011/12	Q1 2012/13
Net Surplus	£1.871m	£1.812m	£1.922m	£1.899m	£0.012m

The surpluses reported above are after non recurrent financial support of £6.8m in 2008/09, £7.9m in 2009/10, £8.5m in 2010/11, £7.0m in 2011/12 and £2.73m in Quarter 1 2012/13. Quarter 1 2012/13 ignores the technical adjustment for absorption accounting.

## 20. Capital Commitments

Commitments under capital expenditure contracts at 31 March 2013 were £2.116m (31 March 2012 £1.576m )

## 21. Contingent Liabilities

There are no contingent liabilities identified for this financial year.

## 22. Post Balance Sheet Events

For the year 2013-14 the Foundation Trust will continue to receive transition support in relation to the Scarborough and North East Yorkshire Healthcare NHS Trust integration programme.

On 1 April 2013 the Foundation Trust took ownership of a number of community premises valued at circa £23m from the former North Yorkshire and York PCT under the Transfer of Community Services initiative.

## 23. Related Party Transactions

York Teaching Hospital NHS Foundation Trust is a body corporate established by order of the Secretary of State for Health.

During the year none of the Board Members, members of the Council of Governors or members of the key management staff or parties related to them has undertaken any material transactions with York Teaching Hospital NHS Foundation Trust

The Department of Health is regarded as a related party. During the year York Teaching Hospital NHS Foundation Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department.

In addition, the Trust has had a number of material transactions with other English government departments and other central and local government bodies. Most of these transactions have been in the course of the latter's business as government agencies.

For those entities where significant transactions have occurred during the year, details of income and expenditure and balances receivable and payable are listed below.

Transactions are considered significant, if income or expenditure for the year exceeds £1.7m.

The Trust has also received revenue and capital payments from the York Health Services General Charity, the Trustee for which is the York Teaching Hospital NHS Foundation Trust.

	Balances		Income	Expense
	Receivables	Payables		
	£000	£000	£000	£000
Barnsley PCT	444	0	13,635	0
Department of Health	0	131	6,756	4
East Riding of Yorkshire PCT	1,327	6	40,008	29
Harrogate & District Foundation Trust	864	444	2,169	1,954
HM Revenue & Customs	460	5,670	0	60,914
Hull & East Yorks NHS Trust	42	811	187	2,826
Leeds PCT	84	0	2,540	1
Leeds Teaching Hospital NHS Trust	142	335	196	2,155
National Blood Authority	7	0	44	1,972
NHS Litigation Authority	0	1	26	7,127

NHS Pension Scheme	10	3,642	0	39,135
North Yorkshire & York PCT	9,233	2,038	304,684	2,334
SHA Yorkshire & The Humber	166	0	13,733	14
Other	4,823	846	9,403	6,298
<b>TOTAL</b>	<b>17,602</b>	<b>13,924</b>	<b>393,381</b>	<b>124,763</b>

## 24. Financial Instruments

IAS 32, 39 and IFRS 7 regarding Financial Instruments, require disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Because of the continuing service provider relationship that the NHS Trust has with local Primary Care Trusts and the way those Primary Care Trusts are financed, the NHS Foundation Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IAS 32, 39 and IFRS 7 mainly apply.

### Liquidity Risk

The NHS Foundation Trust's net operating costs are incurred under annual service agreements with local Primary Care Trusts, which are financed from resources voted annually by Parliament. York Teaching Hospital NHS Foundation Trust is not generally exposed to significant liquidity risks.

### Interest Rate Risk

The NHS Foundation Trust's financial assets and financial liabilities carry nil or fixed rates of interest. York Teaching Hospital NHS Foundation Trust is not, therefore, exposed to significant interest-rate risk.

### Credit Risk

The NHS Foundation Trust receives the majority of its income from Primary Care Trusts and Statutory Bodies, the credit risk is therefore generally negligible.

### Foreign Currency Risk

The NHS Foundation Trust carries out a minimal amount of foreign currency trading therefore the foreign currency risk is negligible.

<b>24.1 Financial assets by category</b>	<b>Loans and receivables £000</b>
<b>Assets as per SoFP</b>	
Trade and other receivables excluding non financial assets	14,924
Cash and cash equivalents (at bank and in hand)	7,624
<b>Total at 31 March 2012</b>	<b>22,548</b>
Trade and other receivables excluding non financial assets	20,026
Cash and cash equivalents (at bank and in hand)	12,788
<b>Total at 31 March 2013</b>	<b>32,814</b>

<b>24.2 Financial liabilities by category</b>	<b>Other financial liabilities £000</b>
<b>Liabilities as per SoFP</b>	
Borrowings	6,476
Obligations under finance leases	356
Trade and other payables excluding non financial liabilities	17,542
Provisions under contract	0
<b>Total at 31 March 2012</b>	<u>24,374</u>
Borrowings	<b>6,018</b>
Obligations under finance leases	<b>318</b>
Trade and other payables excluding non financial liabilities	<b>26,012</b>
Provisions under contract	<b>0</b>
<b>Total at 31 March 2013</b>	<u><b>32,348</b></u>

### 24.3 Fair Values

York Teaching Hospital NHS Foundation Trust has carried all financial assets and financial liabilities at fair value for the year 2012/13.

### 25. Third Party Assets

The Trust held £6k cash at bank and in hand at 31 March 2013 (31 March 2012 - £2k) which relates to monies held by the NHS Foundation Trust on behalf of patients.



