York Teaching Hospital **NHS**

NHS Foundation Trust

Annual Report and Accounts 2013 -14

York Teaching Hospital NHS Foundation Trust

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

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Introduction

Chairman's Statement

Welcome to the 2013-14 Annual Report for York Teaching Hospital NHS Foundation Trust.

The Trust has completed the financial year in a relatively strong and positive position. However, the necessary austerity that affects the whole nation continues to squeeze the capacity of the Health Service to deliver its mission and to invest in sustainability. The consolidation of Scarborough and York Trusts continues apace, including a drive to achieve consistent and high standards in everything we do, within the constraints of the resources available.

Across most of the ways in which we measure our safety and quality of care – our essential mission as an organisation – we have achieved good results. There have been some weaker areas that are being addressed, and we are in no way complacent, continually striving for improvement. Demand and expectation continue to rise. Patients tell us that their perception of care is generally good, and increasingly includes their experience of the service, as well as the clinical outcome. The several national reports this year (For example the Francis Report), written in response to shortfalls of care in certain hospitals, have reinforced our determination to ensure that frontline staffing is sufficient and that all of us offer dignity and compassion in the way we deal with our patients and their families.

As we approach the two-year mark of integration of the Scarborough and York Trusts, we are steadily instigating reconfigurations of services. These aim to improve quality and efficiency, using the facilities we have available in a thoughtful way; for example, adding services at Bridlington Hospital. We have invested in all ten of our sites, and in this report you will read about other examples of this.

As you will be well aware, the Board has the responsibility to ensure that we meet our financial commitments too. I am delighted to report that, through well-managed innovation and efficiency, our staff have managed to realise significant savings, without compromising the care described above. The Trust has returned a well-balanced financial outcome. This is a strong performance, at a time when a large number of Trusts around the nation are now in deficit. This combination of our care and financial achievements means our national regulators, the Care Quality Commission (CQC) and Monitor, hold us in good regard.

We are increasingly seeking to collaborate with partners in the health and social care economy within which we work. This includes our neighbouring NHS Trusts: Harrogate and District NHS Foundation Trust, Hull and East Yorkshire Hospitals NHS Trust, and Leeds and York Partnership NHS Foundation Trust, who provide mental health services. In addition of course we work with other Trusts, the Hull York Medical School, universities and many research, voluntary and charitable organisations. We expect further collaborations to be inevitable as the health service develops.

One of the most exciting developments currently is the creation of enhanced health services in the community. This is taking a variety of forms, but essentially revolves around

"hubs" which will be organised to offer care close to home and will seek to reduce the need for patients to be admitted to the hospital sites. We are working closely with our commissioners, social services and other partners to make this happen across North Yorkshire and York.

I would like to thank, on the Board's behalf, the support we receive from staff, governors, members, volunteers and other groups in our community that provide superb support to the services we offer.

We expect 2014-15 to be just as tough as the year past, but I am confident that the teams and leadership we have in place will enable the Trust to continue to be successful in its mission to provide sustainable health services of which our communities can be proud.

Alan Rose
Chairman
28 May 2014

Chief Executive's Statement

Welcome to our annual report and account for 2013/14.

Once again this report details our performance during a difficult financial period, and the pressures placed on the hospital sector continue unabated.

This year, despite the challenges we have faced, we have continued to perform to a high standard, meeting targets and achieving accolades. It has by no means been easy, but we are starting to see some tangible improvements and real benefits for our patients.

It is now over 18 months since the completion of the formal acquisition of Scarborough and North East Yorkshire Healthcare NHS Trust, and it is clear that it will take several years to fully integrate the two acute organisations and our community services. We are still at an early stage of our journey, but I have no doubt that we have made a strong start and I remain committed to this course of action as I believe it is vital not only for our patients but also for the Trust's long term future, and for us to live up to our values of putting patients first, respecting each other's contribution and working as part of a team.

As the pressure increases this will inevitably become harder to achieve. There are of course areas where we need to improve, and we have focussed on these, however I am happy to report good performance overall. The newly introduced Friends and Family Test gives us a valuable insight into the quality of our services, and enables us to respond quickly to issues raised by patients.

We need to continue to set our standards at the highest level, and we have a strong track record with regard to achieving the standards we set for ourselves, be it in terms of patient safety, operational performance or responsible management of our finances.

As the NHS changes and resources become further stretched, it is increasingly apparent that we cannot carry on simply doing what we have always done as it is clinically and financially unsustainable.

We have begun to set out a clear future for the organisation and for the development of many of our clinical services.

We continue to focus on our acute services, with the aim of improving how we deliver care for those of our patients who are most ill. A key element of this is the separation wherever possible of our acute and elective activity.

For example, we have moved the majority of our planned orthopaedic work from Scarborough Hospital to Bridlington, necessitating the addition of a further temporary modular theatre on the site and the refurbishment of Kent Ward.

This move is not only positive news for Bridlington, but by separating some of our acute and elective capacity we will also help to alleviate pressure on our acute services on the Scarborough site and will reduce the need for operations to be cancelled.

A further element is the assessment of acute patients and improving patient flow at every step of the health and social care system, from the ambulance service and GPs, through the hospital, and out into the community, be it social care, mental health, community services or back home.

We are actively the development of community hubs which would reduce the reliance on inpatient facilities. We are working with all of our Clinical Commissioning Groups (East Riding, Vale of York and Scarborough and Ryedale) to develop these community hubs, which will focus on the longer-term assessment and management of patients on a day case basis.

Over the coming year, you will also start to see the results of many months of hard work and planning, for example in the delivery of key building projects and improvements, many of which are described in this report, and all of which will help us deliver the benefits we have promised and stand us in good stead for a stronger future.

I continue to have great pride in our organisation, and you only have to walk around any one of our hospitals or in our communities to see the true dedication of our staff.

Whatever the immediate challenges we face, whether this be meeting the increased demand for our services, our financial outlook, rising expectations, ongoing local and national reorganisation or the changing commissioning and regulatory environment, it is vital that we do not lose sight of our long term goals and that we continue to plan for the future. I am confident that we can continue to provide services that deserve the confidence of our patients and their families.

Chief Executive
28 May 2014

Strategy

2013/14

Strategic approach

The Trust's ultimate objective is '**To be trusted to delivery safe, effective and sustainable healthcare to our communities**'. Our values, drivers and motivators are:

- Caring about what we do
- Respecting and valuing each other
- Listening in order to improve
- Always doing what we can to be helpful

Each year the Trust reviews its strategic direction. During 2013/14 the Trust adjusted the strategic frames which are designed to ensure there was a focus on the Trust's ultimate objective. These strategic 'frames' provided a focus for the Trust's emerging priorities and objectives, and assist in communication to staff, patients and other stakeholders. The strategic frames are:

- Improving quality and safety
- Develop stronger citizenship through our work with partners and the broader community
- Improve our effectiveness, capacity and capability
- Improving our facilities and protecting the environment

Performance against corporate objectives

Below are some examples where the Trust can demonstrate achievements against the strategic frames.

Improve quality and safety

National Early Warning Score (NEWs)

The Royal College of Physicians developed the National Early Warning Score (NEWs) to promote standardisation and to ensure the right person with the right skills attends the patient at the right time. This system helps the doctors and nurses to understand how well the patient is. The Trust moved to NEWs during 2013 and the implementation process was aided by the simultaneous introduction of the e-obs system across all acute wards.

During 2012 an in-house electronic module (e-obs) was developed to enable the recording of physiological observations and to automatically calculate the 'patient at risk score'. Escalation prompts were included and patients' scores available to view from any computer throughout the hospital. This enabled a proactive approach to patient monitoring and response.

Education packages were developed and used which included an e-learning package, ward based teaching, induction training, junior doctor workshops and education material such as posters, pocket cards and screensavers.

The introduction of NEWs, launch of our Deterioration Escalation Policy alongside an education programme has demonstrated an increase in referrals to Critical Care Outreach, improved compliance with the completion of observations and a reduction in hospital mortality.

Plans for 2014/15 include:

- A campaign to increase the use of manual observation
- Introduction of the DOH competencies for the acutely ill patient - assessment in practice
- Inter-professional simulation training
- Targeted training to areas with the most vulnerable patients
- Continuing audit programme to measure impact.

End of life care

In 2013 national instruction was released for all trusts to discontinue the use of the Liverpool Care Pathway (LCP) over a 12 month period.

According to the Neuberger report (2013), the demise of the LCP was as a result of poor communication between health professionals, patients and carers, this raised huge educational concern. In addition, the report stated that nurses were no longer applying advanced skills of problem solving and decision making claiming that the document simply acted as a "tick box exercise".

Following consultation at York it was agreed that as a result of poor compliance within the locality and the concerns raised in the Neuberger report the LCP would be removed from the clinical environment with immediate effect. All wards were provided with an End of Life Care (EOLC) guidance folder in the interim period whilst a local document was devised. Since the removal of the LCP there have been questions about the provision of a national document to support care in the clinical area. To date, no national guidance has been released, therefore in order to ensure that patients receive high quality and equitable care across sites and sectors a local document has been developed as part of the work streams identified by the end of life care forum. This forum consists of a variety of disciplines across sites and sectors all of whom offer a valuable contribution to improve standards of EOLC.

The document to replace the LCP is not in the clinical environment currently though implementation should commence during May 2014. The document is entitled "last days of life care plan" and is based upon the principles of the previous LCP. This has occurred, as the principles of the original document absolutely apply to patients in the last days of life. As part of this document a diary will be used to act as a mode of measurement and evaluation for the standards of EOLC being delivered in the clinical area, allowing patients and carers to enter any detail concerning the care delivered.

In addition to the "last days of life care plan" the AMBER care bundle has been implemented on some wards in the organisation with the intention that all wards will receive

this training in the longer term. This tool has been devised by Guys and St Thomas, London and the implementation has been funded through Health Education England following receipt of funds through Multi-professional Education and Training (MPET). The AMBER care bundle refers to the assessment, management, best practice, engagement, and uncertain recovery of each individual patient. It offers a systematic approach to decision making when clinicians are uncertain whether a patient may recover and suspect that they may be approaching the last two to three months of life.

Patients may commence AMBER and progress onto the last days of life care plan or they may improve and the tool will be discontinued. The tool encourages staff, patients and their families to talk openly and honestly addressing individual wishes in the event of death, thus helping to promote advance care planning ensuring that we are listening and responding to the beliefs and wishes of the patient. AMBER enables close monitoring of the patients condition contributing to the delivery of dignified and respectful care. Again, it promotes partnership working and patient centred care ensuring that patients and their carers are fully involved in the decision making process.

Do not attempt cardiopulmonary resuscitation

This year the 'do not attempt cardiopulmonary resuscitation' (DNACPR) process has been updated. The new process was launched in the Trust on 1 April 2014.
There have been a number of issues highlighted with the completion of the old DNACPR forms, such as incomplete forms, poor communication between clinicians, patients and carers and poor compliance with the review date. This new process ensures that DNACPR is considered for all patients where it is appropriate and introduces specific documentation within the existing admission proforma so improving the system.

Carpel Tunnel Surgery Services

To support the Musculo-skeletal triage service, trauma and orthopaedic directorate has set up and run local anaesthetic carpal tunnel surgery service in an outpatients setting, once a fortnight in the evening. This has only been possible because of flexibility and goodwill of staff.

Since the introduction of the service on the 7 April 2013 to 11 Feb 2014, 142 patients have been treated. The service currently operate on seven planned cases with one case left for urgent treatment up to a week before the session.

Informal feedback from the patients accessing the service is good; some patients have had previous surgery as a patient on the day unit and have stated that they prefer the service offered in the outpatient setting.

Benefits for the patients are that they have a predetermined appointment to attend for surgery in the evening, which is easier for them to attend with relative support, as it does not interfere with work. The atmosphere of the unit is more relaxed, so patients are less anxious as the surroundings are less clinical compared with a day theatre environment.

All staff are focused on the one patient at a time due to the appointment system and feel they have time to ask any questions during the recovery period when aspects of their aftercare are covered. This ultimately helps with their speed of recovery.

Patients and their carers also appreciate knowing that they will not have to worry about being able to park in time for their appointment.

The CQC inspected the service on 8 October 2013 interviewing staff and patients, and gave us excellent face to face feedback; they were very pleased with the service we offer.

There is a backlog of patients awaiting surgery; this is because the surgical service was not introduced until the MSK service had been running for 18 months.

It is hoped that the service can be run weekly in the near future and that ultimately patients will only wait for a few weeks.

Labour Ward

In 2013/14, we were able to refurbish many of our Labour Ward facilities to provide a safer and more pleasant environment for women to have their babies in and staff to deliver the high quality care they pride themselves in. The work done includes:

- Upgrading a treatment room to serve as a second operating theatre. This allows us to safely undertake elective (planned) procedures in one theatre and retain a second theatre for emergency procedures

- Upgrading the ventilation system in both theatres; as was the Anaesthetic room in Theatre 1. We have also installed Medical Air and have taken delivery of new upgraded anaesthetic machines provided by the Trust as an upgrade across the site for such machines

- Three en-suite birthing rooms with large baths, one new room with a birthing pool and en-suite and the refurbishment of our existing room with a birthing pool and en-suite also provided a new visitors waiting room. This has provided a more suitable environment conducive to the promotion of normality in labour for women experiencing low risk labours with the aim to have normal births

- A new mobile Fetal Monitoring System with wireless, waterproof transducers was purchased to permit more mobility for women and more extensive use of bath or pool in labour. High risk labours, for example vaginal birth after Caesarean Section that were previously excluded from the use of baths in labour now have more options to make their birthing process closer to normal

- New Nurse Call System for the labour ward as an upgrade to the previous system

- York Trust Midwives with user input (MSLC) and Trust Communications Team support have developed over 2013 a new Virtual Parenting Education package which commenced on 1 January and consists of nine Virtual Classes scripted and delivered by York Midwives, and covering, Early Labour, Coming into Hospital, Active Labour, Giving Birth, Complications, Physiotherapy Advice, Postnatal Physiotherapy, Life after Birth, these classes are accessed via the Trust website; these Virtual classes replace the two, two hours face to face sessions that were available to women, however we have maintained Face to face Group classes for teenagers (YorBabes), Twins and Multiple Births, Physiotherapy Exercise in

Pregnancy (Bump), and Group classes for our women from vulnerable groups (Bump Start and Time and Space), we also do one to one parenting education for vulnerable women. So far the response has been in the main positive and we will conduct an independent review of these new Virtual Classes at the six month point to ensure that our provision in this aspect of Parent Education is what our women want

- Hypnobirthing groups have continued to be delivered over 2013/14 on York site and at Malton Hospital. The numbers of women accessing this resource fluctuate but there is always a class booked and feedback is very positive

A specialist palliative care service for patients with Parkinson's disease

There is a widely recognised need for people with Parkinson's disease (PD) to have access to specialist palliative care and Parkinson's disease care requires collaboration between elderly care, neurology, rehabilitation and palliative care services from diagnosis to death. The Patients and families have complex needs and burdens similar to those in wider palliative populations and despite need and recommendation, access to specialist palliative care remains poor; with only 0.6% in England dying in a hospice.

The Specialist Palliative Parkinson's disease service based at Scarborough is collaboration between St Catherine's Hospice and the movement disorder clinic at Scarborough General Hospital. This is a unique collaborative service between the hospital and the hospice, where patients have access to the full range of hospice palliative care services (including, advanced care planning, respite care, day hospice, terminal care, physiotherapists / occupational therapists, complementary therapies and bereavement counselling.) They also have access to two palliative care neurology nurse specialists who will see patients in their own home. There is a seamless transition from secondary care Parkinson's clinic into the palliative care services for patients where we feel there is any palliative care need.

The verbal feedback from patients and carers has been highly positive. Many of these patients are in the final stages of Parkinson's and have difficulty attending outpatient clinics, so having specialist palliative nurse input in their own home and there also being a monthly multi-disciplinary team meeting that includes patients that can't get to clinic has benefited the patients.

Nationally 43% of patients with Parkinson's disease die in hospital. As a result of this service only 21% of patients with Parkinson's disease die in hospital in Scarborough. Most previous studies suggest that the overwhelming majority of patients would prefer to die at home or in a hospice, and not in hospital. Our local studies shows that far more of the patients (26%) that we serve die in a hospice as opposed to the national picture of 0.6%.

Develop stronger citizenship through our work with partners and the broader community

Hull and York Medical School (HYMS) team

Following its tenth anniversary year in 2013, the Hull York Medical School (HYMS) has continued the process of curriculum review. The Trust HYMS teams along with Trust

Clinical Departments, local General Practitioners and colleagues from the Leeds and York Partnership NHS FT and Tees, Wear and Esk Valley NHS FT have been involved in the development of recommendations and will be pivotal in their implementation going forward.

Beginning in September 2014, the implementation Phase will take three years and will ensure that the new curriculum is 'fit for purpose' recognising the developments contained with the General Medical Council document 'Tomorrow's Doctors 2009'.

The Trust continues to deliver high stakes summative clinical examinations for HYMS students in years two, four and five in addition to regular HYMS teaching and formative assessments that take place throughout the year. This continues in the main to be well-received.

The Trust's stock of accommodation to house HYMS students is being reviewed at both Scarborough and York and the development of a long-term solution is ongoing.

The emerging strategy of the new HYMS leadership team led by Professor Trevor Sheldon, Dean of HYMS is also taking shape and the Trust is responding and contributing where appropriate.

Partnership Working

The Organisational Development and Improved Learning (ODIL) team have continued to develop effective & valuable partnerships with a number of external organisations. These include:

- City of York Council where the team have had active involvement in various work-streams to support the development of the Council Strategy for Leadership Development. The ODIL team have also delivered a number of leadership training/development interventions to staff working in the Council which has attracted external income

- Joseph Rowntree Foundation Trust in supporting their staff development particularly around providing coaching and coaching training

- Army partnership working: a number of senior army personnel have attended all of our internal leadership programmes. Resilience training has been delivered in partnership for our staff. Provision of clinical placements for army personnel has been extended. Training rooms have been provided by the army for our use free of charge. The army has supported our leadership programme development as well as clinical skills simulation /training development by the provision of their expertise/placement of an army captain one day week

- NHS Elect where the partnership relationship has continued to be strengthened in designing and co-delivering a number of programmes including a Train the Trainer-Customer Care Programme, compulsory for all Ward Sisters/Matrons and Directorate Manager programme as well as a number of bespoke interventions for teams

The ODIL team have continued to develop effective and valuable partnerships with a number of internal colleagues including:

- Human Resources team/s-active membership of a number of work-streams including: Mental Health and Wellbeing, Adult Workforce Project

- Steering group membership of a number of groups e.g. Response to Francis recommendations

<u>Alliance and Partnership Working</u>

There is a corporate commitment to pursue alliance and partnership working with other organisations. In respect of neighbouring acute/community trust organisations (e.g. Harrogate and Hull Trusts) there are potential benefits in terms of mutual service sustainability (through pooling of population numbers and shared expertise and manpower) economies of scale and improved patient pathways.

Examples of services that are being looked at include Oncology, aspects of General Surgery, Ophthalmology, Renal Medicine and Sexual Health. Partnership/alliance Boards involving senior managers and clinicians from the respective organisations are overseeing developing work programmes. Similarly, partnership working with CCG colleagues via Care Collaborative meetings is being pursued to promote integrated Hospital/Community care working and more effective deployment of resources across the patient pathway.

Improve our effectiveness, capacity and capability

<u>Pharmacy across the Trust</u>

Pharmacy in Scarborough and York have seen some radical changes in the way services are delivered over the past 12 months. York dispensary saw the implementation of the pharmacy robot in June 2013. The robot is already providing real benefits to staff and patients through improving access to medicines and dispensing accuracy. Medicines availability has been further enhanced by the introduction of two remote dispensing units onto the acute wards in York. We will further capitalise on the robot project in the coming months with projects to centralise distribution services for the whole trust to the York site and an extension to the weekend ward based clinical service.

In Scarborough, a new chemotherapy prescribing package has been introduced. There is recognition nationally that all prescribing of high risk medicines of this nature be supported by the use of electronic decision support software and electronic systems to support accuracy and standardisation. But aside from the obvious benefits to patients through improving safety, there is also a benefit to the Trust from improved financial position as it allows more effective recovery of costs from NHS England. A review of staffing on the Scarborough site has seen the introduction of a new aseptic services manager post which has freed up capacity in the team to augment the clinical input into oncology and the further repatriation of high risk pharmaceutical compounding, from wards into the aseptic unit. In addition, the review has supported an increase in the number of ward based medicines management technicians on the Scarborough site, from two to five, and the introduction of a dedicated discharge team to streamline processes around the access to discharge medication.

On the clinical front, there has been an increased focus on the optimization agenda. This acknowledges the benefit both society and patients derive from ensuring the outcomes from taking their medicines are the best they can be. Examples include the introduction of counselling packs. These are delivered by the ward based pharmacy team, at the point of discharge, to ensure patients take their medicines effectively. Also, the introduction of revised antimicrobial treatment formularies with monthly audits to drive improvements in compliance, the launch of a shared formulary between primary and secondary care, and the formation of a joint medicines commissioning committee, development of pathways for new oral anticoagulants, and the introduction of enhanced processes to allow efficient adoption of NICE approved drugs.

Access to current information about patient's medicines has always been challenging but this year has seen a major leap forward with our IT department helping develop a system which allows access to the national Summary Care Record. The benefits this will bring to patient safety cannot be understated.

Finally, it is worth noting the considerable support from a small but highly productive team of individuals who deliver the governance and quality assurance aspects of the medicines management and pharmacy team. Projects they have been involved with include improving adherence of healthcare professionals to Trust allergy and patient ID policies, improving adherence to the Trust Medicines Code, further integrating and streamlining controlled drug processes across sites, and working with the ward based medicines management nursing team to raise awareness about the impact of missed doses.

Medicines Management (Nursing)

Throughout this year the Medicines Management Team have continued to work on improving the discharge processes to community units and Scarborough Hospital. The Trust uses an electronic discharge checklist which is currently being reviewed prior to it being used across the whole Trust. The checklist helps to ensure that key aspects of the patients' care have been considered prior to discharge, so supporting a high quality, safe and more holistic discharge.

Work has been undertaken to raise awareness of the impact of missed doses of medicines for patients. Staff took part in a missed doses quiz, highlighting the importance of making sure patients receive critical medicines in a timely manner and of reporting any errors that occur in order that learning can continue and prevention strategies be put in place. This work is part of the Nursing and Midwifery and Patient Safety Strategies.

The Medicines Management Team have continued to work with the Think Glucose Team to improve access to insulin and improve prescribing across the organisation, tightening links between hospital and community in order to improve the patient experience.

Continuing Professional Development study days were successfully held for Non-medical Prescribers to contribute towards maintaining safe prescribing skills. All Non-medical Prescribers were asked to complete annual declarations of competence. 100% of staff responded, demonstrating compliance with all prescribing standards.

The Trust Non-medical Prescribing Strategy has been revised and updated to reflect the ongoing development and expansion of Non-medical Prescribers across the organisation in

order to continue to enhance services provided to patients ensuring high quality, safe and timely care at the point of need.

The Team provide a responsive service delivered in order to accommodate the needs of individual areas with regard to the management of medicines by nursing, promoting high quality and safe care in all aspects.

A new specialist nurse for medicines management has been appointed specifically for community nursing. Work has commenced, with workforce development to review and develop the skills of the health care assistants working in the community environment. This is with the aim of enhancing the patient experience and improving quality.

<u>Emergency Department at York</u>

The Emergency Department (ED) at York Hospital provides a clinical service for people who require prompt, safe and effective first line treatment for their presenting condition, in order to alleviate symptoms, address underlying causes for symptoms and ensure appropriate outcomes are facilitated for each individual. Patients with any presenting condition or ailment will be assessed and if care is not possible through the ED, appropriate signposting or referral to the right place of care will occur in a timely and safe way. The current attendance rate is around 88,000 attendances per annum.

The ED provides systematic implementation of evidence based, best practice in emergency medicine and nursing delivery. It ensures consistency in ED care delivery irrespective of the treating clinician or specialty requirements. The ED works in collaboration with partners in care and offers effective leadership development opportunities to ensure sustainable improvements are made and kept throughout the years.

The ED at York provides around 37% of its attendances with care via the Urgent Care Centre (UCC) which is a part of the ED staffed by Emergency Nurse Practitioners (ENPs).

The ED works closely with the bed management team and the Acute Medical Unit (AMU) to ensure patients requiring admissions are given a bed as soon as is possible in a time ordered system unless clinical priority takes over.

The ED also provides a Rapid Assessment Team (RATs) who work 5 days per week 0900 to 1800 hours enabling many vulnerable patients to be given an alternative to hospital admission either through supported care packages at home or via a step down bed in the community.

Some of the ED developments from 13/14 are listed below;

- Protected streaming of patients into minors / majors/ UCC/ See and Treat

- Implementation of RATs for patients who could avoid a hospital admission if the right level of support (social / health) is put in place from the ED; around 20 patients per week are treated and avoid an acute hospital admission from the RATs involvement

- Improvements to patient flow within the department and subsequent performance against the four hour waiting time standard, resulting in fewer dissatisfied patients to the ED

- Direct admitting rights using locally agreed protocols where waiting time to see specialty exceeds 60 minutes

- Development of best practice for DVT and Stroke

- Whole system development and closer partnership working to improve the four hour waiting time standard. Use of winter monies has assisted here in that additional medical decision makers and ENPs have been rostered through the night

- Team development of the band 7 senior sister team
- Additional ED consultant appointed

- Additional ED consultant cover from 7pm to 11pm on weekday evenings

- Refurbishment of the resuscitation Room partly from Trust investment and partly from fundraising schemes

- Securement of capital development for dedicated ambulance handover and assessment area and a 100% increase in bed capacity for the Observation Area (bedded). Building commenced in 2014 for completion in 2015

- Cultural shift to 'can do' attitude amongst staff and moving towards whole trust contribution to achieving four hours

- Joint working party set up with Bootham park Hospital (mental health – MH) to facilitate improved access and assessment times for MH patients.

  - Suite 136 set up and opened
  - Single point of referral to Intensive Home treatment team
  - Education programme for ED nurses in MH skills.
  - Joint support to CCG for 24/7 MH presence in ED – agreed for early 2015.

Ophthalmology outpatient service

The department provides Vitreo retinal surgery in York, but an additional outpatient service is being set up at Scarborough so patients from the Scarborough area can receive their initial assessment and follow- up treatment nearer home. This service will be in place from July 2014.

The department is also in the process of setting up an outpatient service in the Harrogate area to reduce the amount of traveling that patients from the Harrogate area do that are referred to the Trust for Glaucoma treatment.

The department has recently changed the signage in the department as it was found that patients were having difficulty to navigate their way round. This revised signage will be extended to other areas in the hospital and in Scarborough.

Health Library and Knowledge Services

In September 2013 the Library Service provided a submission for the Library Quality Assurance Framework and achieved 99% compliance which is a 1% increase on the previous year.

The Library introduced two new services in 2013: York Library Information Gateway (YorLIG), a current awareness service to keep staff up to date in their specialty and a regular alerting service.

The Clinical Librarian team is now based at both York and Scarborough Hospitals and has continued to support the work of clinical and non-clinical departments and to provide an evidence base for cross Trust projects and activities.

The Clinical Librarians now regularly attend the community Clinical Governance meetings and have contributed towards the training of the first cohort of Advanced Care Practitioners by offering dedicated group and one-to-one information and study skills sessions.

Postgraduate Medical Education

Over the past twelve months the newly appointed Revalidation Support Officer has worked on providing Revalidation reports for doctors in training. Systems have been set up to collate data from various sources for Serious Incidents, Critical Incidents, Complaints, and Conduct data in order to submit interim and full reports twice yearly to Health Education Yorkshire and the Humber. Work is ongoing with Human Resources to collate and report data on sickness absence.

Two new Clinical Skills apprentices have been appointed. They, along with one existing employee, will be working towards completing the Level 2 Lab Sciences Apprentice Award.

Teams have jointly worked on the restructured Foundation Programme Professional Development Days, with York Trust delivering the newly created Teach the Teacher and Ethics and Communication days to the whole region.

Further work to standardise teaching programmes and offer courses to both sites has been completed.

The newly refurbished and extended Reception, Entrance and Office in Scarborough Postgraduate Centre has been completed; this was part-funded by Hull York Medical School (HYMS). Funding was secured for upgrading further training rooms (vacated by York University), extra Clinical Skills Equipment and replacement of Audio/Visual equipment and the development of a PC suite. Further funding has been secured for the Lecture Theatre upgrade, Library self serve system, carpeting and clinical skills equipment.

Improve our facilities and protect the environment

Maintenance of the estate

Over the last 12 months the maintenance teams at both York and Scarborough have been focusing on improving the safety and efficiency of our engineering infrastructure which is vital to the operation of our estate, but often goes unnoticed. The maintenance teams at

both sites are now at full strength, and we are making significant progress. Improvements during the year have included:

- External lighting replacement at York Hospital

- Improved Medical Gas System at York Hospital

- Roof replacement at both York and Scarborough

- Electrical infrastructure modernisation at both York and Scarborough

- A redecoration programme has been commenced at Scarborough hospital, following many years without

- A new standby generator has been installed at Bridlington hospital
- The installation of new fire alarm systems has been commenced at York, Scarborough and Bridlington

- Ventilation plant replaced in maternity units at both York and Scarborough

As we assumed responsibility for the Scarborough and Bridlington sites we have been able to build on our successful approach developed at York, and we have rolled out an engineering apprenticeship scheme and set up department-wide training schemes.

We have completed a condition survey of all of our estate, including the community hospitals, and we can now prioritise our maintenance based on that survey.

Catering across the Trust

Following the in-house team being awarded the catering contract last year, the team have been developing a new central production kitchen at York which will be ready in July 2014. The kitchen will have the capacity to supply all ten of our inpatient units, which means we will be in full control of the food that we serve to patients, and we will be able to guarantee the quality.

A major refurbishment of the staff and visitor restaurant at York was commenced last year, and is due to complete in August 2014.

Security and Car Parking

The security and car parking teams continue to demonstrate their value to the Trust with both staff and visitors taking the time to communicate how impressed they have been with the service provided.

The Scarborough team have settled in well to their new role. They have attracted praise from the local police commander regarding the benefits that the police are experiencing by not being called to any but the most serious incidents of violence or aggression at the hospital.

Scarborough and York security teams are working proactively together which has resulted in an 18% reduction in crime over the year at York and the detection of over 21 incidents of theft or burglary. The Crown Prosecution solicitors are currently examining the evidence provided by the security team.

In 2013/14 Security at York:

- Attended 637 security incidents in the ED department

- Responded to 2,202 internal alarm activations

- Received and escorted 123 high risk prisoners attending for treatment

- Received in excess of 405,000 vehicles through the multi storey car park.

A new car park at Scarborough is currently under construction and due to open in April 2014. This will provide 260 parking spaces for visitors.

Capital Developments

During 2013/14, the Trust invested £17.3m in capital projects across the estate. The major projects on site during that period included:

- Creation of a new visitor car park at Scarborough, which will ease parking problems and create a new development zone

- A major upgrade of the maternity theatre at Scarborough

- Upgrades to maternity ventilation at both York and Scarborough

- Improvements to the emergency department at York to reduce waiting times

- Replacement boiler plant and lighting to increase energy efficiency and reduce carbon emissions at York Hospital

- Ongoing major refurbishment of the staff and visitor restaurant ad main production kitchen at York

- A dispensing robot for the pharmacy at York

- Improved delivery rooms in maternity at York

- Improved decontamination facilities for Endoscopy at York

- Improvements to public toilets and the installation of a 'Changing Places' facility for severely handicapped patients and visitors

- Improvements to St Monica's hospital, (supported by the League of Friends)

- Improvements to Fitzwilliam ward at Malton

- An improved blood taking facility at York

- A new standby generator at Bridlington

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

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

One of the Trust's key strategic themes has been to continue to progress the integrated working across the Trust. York Teaching Hospital NHS Foundation Trust has continued to build on the integration work following the acquisition of Scarborough and North East Yorkshire Healthcare NHS Trust in July 2012.

Many of the corporate directorates are fully integrated and are now in the service transformation phase which seeks to provide continued focus on delivery of benefits realisation and management of interdependencies, which will continue to provide assurance and manage any risks to delivery.

Clinical integration is progressing at a pace which complements other strategies and initiatives within the Trust allowing directorates to come together in a considered and measured way which does not force integration but allows it to develop naturally. The majority of services are in the integration phase with a few having reached the transformational phase. The key outcome of this stage is to deliver the transformation of services to support the delivery of sustainable services that meet the needs of various populations, whilst maintaining safety and service quality.

The clinical directorates are in the process of drafting and consulting on strategies which have been used to inform the work on the operational plan 2014-16 for Monitor and will ultimately inform the revision of the Five Year Strategy.

The integration of the two Trusts has ensured that services can be sustained in the Scarborough and Bridlington locality. One of the Trust's priorities for integration was the ability to provide a breast service on both the York and Scarborough site, which has been achieved with the re-introduction of breast services at Scarborough for two days a week. A further success has been the achievement of interim stroke accreditation at Scarborough which has entailed a huge amount of work to ensure staffing levels and clinical pathways were correct and safe. The consequences of loss of the service would have meant that stroke patients would have to travel to alternative care providers for their treatment which may have had a detrimental impact on recovery rates.

Monthly Corporate and Clinical Progress reports are presented and discussed at the Clinical Strategy Delivery Group. The representation of the group encompasses a number of key individuals who are in a position to bring information from their area including strategy, partnership working, efficiency planning, workforce, community, acute board strategy and operational management. This ensures that information, interdependencies and risk is examined from a number of different perspectives.

Strategy for 2014/15

York Teaching Hospital NHS Foundation Trust aspires to be the main provider of acute hospital and community services to its local community and has developed a portfolio of services with some opportunities for growth over the next few years. The Trust remains committed to working in collaboration with healthcare organisations including both commissioners and providers. The Trust has mature clinical service alliance arrangements in place with Harrogate and District NHS Foundation Trust and Hull and East Yorkshire Hospitals NHS Trust and is developing a range of specialised services in its own right as part of an inter-Trust network aligned to NHS England specification requirements. The Trust is actively seeking to work in a collaborative way with other sectors such as social care to ensure a holistic approach to healthcare is provided for the community. The Trust's responsibility for community services is significant as it provides the mandate for the Trust to develop an integrated service with partners across the local health economy.

The Trust has been able to identify a number of threats that could impact on services. These threats are also seen as opportunities for the Trust to confirm its planning and its approach to working with the CCGs and other stakeholders in providing the desired service. The Trust sees quality and safety as a priority in the organisation and this is a theme that runs through all the services the Trust provides.

The Trust has developed a robust clinical strategy, which has its foundations in the Five Year Strategy, (formerly the Integrated Business Plan) developed as part of the Scarborough acquisition and which is revised annually. Informing the Five Year Strategy are a number of other key strategies including the human resources strategy and the approach the Trust takes to recruitment, workforce design and utilisation along with health and wellbeing. These strategies complement each other and support the efficiency agenda and the Trust's expectation that it will provide services that are required by the commissioners and the community it serves.

The vision of the Trust 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. The vision is underpinned by three key goals:

- To be an effective and sustainable provider of general acute, community and appropriate tertiary services

- To remove uncertainty in relation to healthcare services particularly for the population of the East Coast of Yorkshire

- To extend genuine public involvement opportunities from being part of an FT, giving the population of the East Coast the opportunity to be heard more formally through membership.

2014/15 financial outlook and principal risks
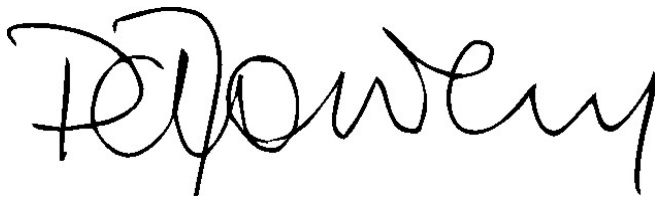
The outlook for the coming years is challenging, but achievable and will be heavily focused on collaborative working. It will require the Trust to continue to be innovative and creative about identifying savings and ensure that the Trust is using the resources in ways that

delivers high quality care standards, so the Trust is providing the best possible care within the available resources for the patient.

The Trust continues to operate within the context of the difficult national economic situation and its impact on the NHS. Although the commissioning landscape changed with effect from April 2013, local commissioners continue to be severely financially challenged, which has wider implications for the whole of the local health economy. It is recognised in the local health Economy that fundamental change to working practices is required to maintain services in a difficult financial climate whilst driving up quality and focusing on patient safety. The financial challenge is set within a context of increasing demand across all sectors including an elderly population whose needs are changing together with higher patient expectations across the board. Health and social care integration has been identified as an area which could provide opportunities for joined up pathways for patients whilst reducing duplication and the risks of patients falling between separate services.

The Better Care Fund has been set up to acknowledge the two main factors facing health and social care; an ageing population and an increasing number of people with long term conditions. The fund provides a financial incentive to Councils and NHS organisations to make joint plans to deliver integrated care. Community models will play a significant part of the short term financial and service sustainability solution for the local health economy and this features heavily on the agenda for the Trust and local CCGs and are the cornerstone of the use of the Better Care Fund.

The Trust has an excellent track record of delivering productivity and efficiency savings and the last financial year has been no exception. Achieving a balanced budget and organisational sustainability in the coming years, with the continued focus on further efficiencies and funding pressures will be challenging and require committed focus and engagement with all partners across the locality.

Patrick Crowley
Chief Executive
28 May 2014

Quality Report

Part 1 – Overview

Letter from the Chief Executive

The Government's 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 our response to the Francis Report places the patient at the centre of all that we do, with an emphasis on the quality and safety of the care delivered within our organisation.

That you feel both safe and cared for is important to us and 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. This is demonstrated in the Trust's Nursing and Midwifery Strategy 2013-16 which sets out our priorities for achieving high quality, patient focused care for all of our patients.   It provides a vision and direction for nurses and midwives, and emphasises that we are accountable for the care that we deliver.

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. The implementation of the Friends and Family Test has been important to us as it provides direct feedback on our patients views of the care that they receive. Looking forward, we will be considering how we provide feedback to patients on the views that they have expressed. We will also continue our work 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 for the Trust in a number of areas. We have worked closely with our commissioning partners to resolve issues of long waits in the 18 week pathways of some specialties, and the experience of some patients waiting over 52 weeks for treatment. This approach has seen good progress being made and reinforces the importance of partners working towards the common goal of improved health outcomes for the population we serve.

Whilst the Trust had relatively few incidences of Clostridium Difficile, (C Diff) we had more than was expected. A significant amount of work has been undertaken to identify the cause of this and the actions required to improve our performance, As a result, we are now seeing reductions in C Diff infection rates. The Trust has also experienced outbreaks of Norovirus, which put pressure on our bed capacity and impacted on patient flow. Control measures continue to be reviewed and monitored at each outbreak so that we are able to minimise the spread of infection where possible to ensure the safety of our patients, visitors and staff.

Performance against the four hour target in the Emergency Department (ED) has also been difficult. Increasing numbers of attenders have resulted in the need for the Trust to revisit its emergency care pathway. This work has been overseen by our Acute Care Board and has involved the appointment of Advanced Clinical Practitioners, who will enhance early clinical

decision making and timely access to treatment. This approach has already seen an improvement in Emergency Department waiting times in the period January – March 2014. Our approach to tackling difficult issues demonstrates our commitment to continuously driving up standards. Almost two years after the acquisition of the former Scarborough and North East Yorkshire Healthcare NHS Trust the organisation can demonstrate the development, growth and stability of services provided to the population it serves. As demand for emergency care increases, we continue to work on improving patient flow across the Trust. This has seen planned orthopaedic surgery move from Scarborough to Bridlington Hospital, in a change which will improve capacity at both sites and improve services for local patients.

This is further enhanced by the continuation of Clinical Alliances with Harrogate NHS Foundation Trust and the development of Clinical Alliances with Hull and East Yorkshire Hospitals NHS Trust. This aims to see patients treated for their individual needs in the right place at the right time, with access to expert services.

Moving forward into this next year we will continue to roll out the overall safety priorities that are identified in our recently approved Patient Safety Strategy. This aims to ensure that patient safety is at the core of all we do, with its principles embedded throughout the organisation. We will also continue to provide better, more coordinated care, closer to home. This will mean
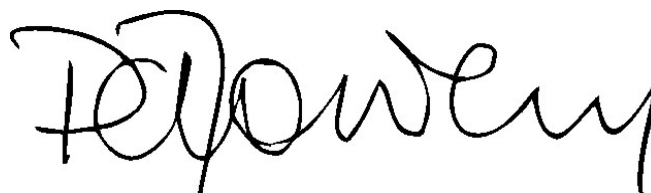
- That there will be more accessible and flexible services, via a single point of entry ('the Hub')

- There will be seamless and holistic health and social care in the right place at the right time and promotion of self care of long term conditions; maximising people's independence.

This will lead to supporting lively healthy and 'full' lives by reducing the need for intensive and costly interventions and support people to retain or improve levels of independence via short term re-ablement. In summary, together with our local partners and Commissioners we aim to ensure that the local priorities and expectations of patients and 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. As an organisation we have placed a focus through the 'Its My Ward' Programme of empowering nurse leaders through equipping them with the necessary skills to manage wards effectively and efficiently. Our Corporate Learning and Development and Information Technology Training teams are continuing to implement a 'learning hub', the organisations new online learning platform.

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
28 May 2014

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 2013-14
- The content of the Quality Report is not inconsistent with internal and external sources of information including:

  - Board minutes and papers for the period April 2013 to May 2014

  - Papers relating to the Quality Report to the Board over the period April 2013 to May 2014

  - Feedback from commissioners dated 2014

  - Feedback from governors dated May 2014

  - Feedback from Healthwatch East Riding of Yorkshire dated May 2014

  - Feedback from Healthwatch York dated 16 May 2014

  - The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 30 April 2014

  - The national patient survey dated 26 March 2014

  - The national staff survey dated 30 April 2014

  - The Head of Internal Audit's annual opinion over the Trust's control environment dated 28 May 2014

  - CQC Intelligent Monitoring Report dated 26 March 2014.

- 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) as well as the standards to support data quality for the preparation of the Quality Report (available at www.monitor-hsft.gov.uk/sites/all/modules/fckeditor/plugins/ktbrowser/openTKFile.php?id=3275)/

The Directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the Quality Report.
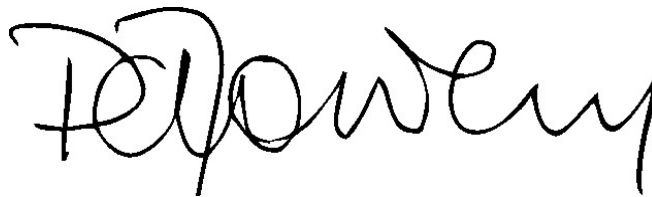
By order of the Board

28 May 2014 .... Chairman

28 May 2014 . Chief Executive

Quality and Safety

The Patient Safety Strategy has been developed following consultation with our staff. In addition, we have compared our systems and practices with other hospitals and considered national and international guidance on improving safety.

Our guiding principle is to provide safe, patient-centered care to a consistent, high standard. To achieve this we have established six key streams of work:

- Ensuring consistency of care, 24 hours a day, seven days a week

- Reduction of harm by early detection of the patient at risk of deteriorating

- Reducing mortality and improving mortality indicators

- Excellence in end of life care

- Infection prevention and control

- Action on areas of frequent harm

Many of us focus on improvement for our patients, every day. This strategy does not seek to exclude any of this work; rather it helps us collectively to focus on those things we know can have the most impact, for the greatest number of our patients.

Clinical leaders continually review 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 working towards delivering a seven day service with no variation in timeliness or safety and quality of experience.

We are striving to improve the safety of those who are vulnerable to unexpected deterioration by enhanced training and the implementation of systems to support early recognition of the risk of deterioration. This is being supported by policies and clinical guidelines for initiation of early responses, interventions and, where necessary, escalation. This includes recent guidance around urgent and effective response to sepsis.

We have developed and are refining systems for mortality review which will be consistently applied in all clinical areas including our community hospitals.

We will ensure that recognised strategies for reduction of mortality, such as multidisciplinary ward rounds and care bundles, are implemented in all clinical areas. Many are currently in place and their implementation will be audited by review of compliance.

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 people approaching the end of life receive care which is aligned to their needs and preferences, is compassionate and delivered in accordance with agreed principles.

We have begun work on the implementation of electronic prescribing and medicines administration (EPMA), recognised to improve aspects of patient safety and helping to address one of our most frequent causes of avoidable harm. We will audit compliance with administration of medicines focusing specifically on critical medicines and on antimicrobial stewardship.

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 and that repetition of avoidable harm is prevented.

The Serious Incident (SI) and Critical Incident (CI) procedures continue to evolve to ensure appropriate dissemination of change and learning, and work is now focusing on learning from litigation and complaints. In responding to these events we recognise the implication and responsibilities on our duty of candour.

We also take every opportunity to learn from national benchmarking including national audit publications such as the National Confidential Enquiry into Patient Outcome and Death (NCEPOD) and inspections from our regulators. We have developed along with our local commissioners, several patient safety initiatives which are being managed through the Commissioning for Quality and Innovation (CQUIN) aspect of the contract.

Patient Safety Walkrounds have provided valuable opportunities for senior leaders to discuss safety issues with frontline staff. As a commitment to developing our culture of safety, we aim to undertake four walkrounds each month and to provide a monthly summary report to the Trust Board.

Fundamental to building on the successes of the Trust's current work on patient safety, (as evidenced by a sequential fall in our mortality indicators), is placing it firmly and foremost on the agenda of all. At Trust Board, assurance of safe effective and compassionate care will continue to lead proceedings. The Board's subcommittees will develop, informed by an evolving Safety Booklet of data and similar scrutiny will prevail at Executive Board but with a focus on actions required by Directorates. Use of Clinical Governance sessions will be reviewed to ensure consistency and individual clinicians will be expected to demonstrate their commitment to improvement. We will work with our Governors and seek their help with this strategy. Mindful of our growing and dispersed organisation, we will examine ways of better sharing learning, consistently throughout the Trust, for example by Joint Performance Improvement Meetings. More and more do we recognize the importance of designing safe systems that reduce harm arising from human factors and behaviors.

We aim to make good use of peer review to support analysis and to facilitate learning, both within and outside of formal systems. CHKS provides us with healthcare intelligence to support the delivery of safe and effective care.

We are one of 13 Foundation Trusts who are members of NHS QUEST; a network for Foundation Trusts who wish to focus relentlessly on improving quality and safety.

The Trust has also developed working relationships with other organisations such as Hull Hospital on the clinical pathway alliance, The Improvement Academy on mortality reviews, York University on patient incident reporting and the Global Sepsis Alliance.

We want our patients to:

- Be involved as much as they want be in decisions about their care and treatment

- Let us know if anything of concern is noticed

- Be sure that we identify them correctly

- Ensure that they understand what we are planning to do before consenting to treatment

- Know what medicines they are taking and why

- Inform us of allergies

- To alert us to non compliance, for example with hand hygiene.

Quality of Care

The Trust's Nursing and Midwifery Strategy 2013-16 sets out our priorities for achieving high quality, patient focused care for all of our patients. It provides a vision and direction for Nurses and Midwives, and emphasises that we are accountable for the care that we deliver. By delivering key workstreams the strategy will provide measurable outcomes that give patients the best care, which is centred on their individual needs, using evidence-based practice and patient feedback.

The strategy is based around the Chief Nursing Officers for England's "Six Cs", which are compassion, courage, communication, competence, commitment and care. It links with our organisational values and strategic aims of patient safety, patient satisfaction, teamwork, honesty and open communication.

The strategy also incorporates recommendations from the Francis Report and will also address later recommendations from Hard Truths (The Journey to Putting People First), the National Quality Board (Ensuring the Right Staff are in the Right Place at the Right Time) and other national initiatives that are relevant to nursing and midwifery.

We continue to focus on the four key areas:

- Patient experience

- Delivering high quality safe patient care

- Measuring the impact of care delivery

- Staff experience.

In order to deliver the Nursing and Midwifery Strategy an annual work plan was developed to deliver the specific objectives aimed at improving the quality of patient care across the organisation. These are agreed at Board level with updates and assurance provided via the new Nursing Board and the Quality and Safety Committee.

Year 1 Review

During 2013/14, significant progress has been made towards achieving the objectives set for Year 1.

We have improved the scores of the national in-patient survey in specific target areas. The Trust is pleased to report that the number of patients asked to give their views on the quality of care has significantly improved. This reflects the work going on throughout the Trust which ensures that we seek the views of our patients and relatives, which are essential to improving the quality of care we provide.

The national Friends and Family Test has been rolled out across our Adult Inpatient Wards, Emergency Departments and our Maternity Departments. Feedback from the Friends and Family Test is monitored by the Trust's Friends and Family Steering Group, which is responsible for ensuring that feedback is used for improving services. In future, the group will also be considering how we keep patients informed of how we are acting on their feedback. Plans are in development for the further roll out of the Friends and Family Test across Outpatients, Day Cases and Community Services, and a staff questionnaire is also in development.

We continue to deliver the It's My Ward Programme, which strengthens nurse leadership and empowers ward sisters and charge nurses to ensure that all care is of a high standard and meets the values of the organisation.

We are continuing to review our nursing documentation to ensure we have a consistent approach and that record keeping adheres to both Trust and Nursing and Midwifery Council standards. Three workstreams have been developed which focus on pathways, single record of care and discharge.

Work continues on further developing the use of electronic staff rostering (e-rostering) to help ensure we are making the most efficient use of resources.

The Safety Thermometer, which provides a simple and quick method for surveying harm free care, has been rolled out across the Trust and is in use in our acute hospitals and community settings. Results are closely monitored to allow any remedial action to be taken promptly.

We have introduced Advanced Clinical Practitioner (ACP) roles in specific areas, to facilitate early decision making and timely access to treatment. The first cohort of ACPs have completed their training and will be working in our Acute Medical Units, Emergency Departments and Trauma and Orthopaedic wards at our acute sites in Scarborough and York.

The Trust has redefined the matron role, to ensure there is a renewed focus on quality, clinical standards and nursing leadership. A new Matron Group has been formed and a development programme began in April 2014.

Year 2 Priorities

In 2014/15, we will be focussing on year two of the work plan, with the following priorities identified:

- Development of a Patient and Public Involvement (PPI) strategy

- Introduction of 'Hello My Name Is' – a project which encourages all staff to introduce themselves to their patients and to tell them their name

- Greater inclusion of Matrons in the delivery of the Infection Prevention and Control agenda

- Introduce an on-going Dependency and Acuity Audit to inform safe staffing levels

- Replacement of Nursing Care Indicators with an Early Warning Trigger Tool and Nursing Quality Dashboard

- Review all Statutory and Mandatory training for Nurses and Midwives.

A Safer Staffing Project has been established to assess compliance against recommendations, implement any required changes, ensure six monthly acuity audits are undertaken and to review any systems and processes that are currently in place to ensure clinical areas have safe staffing levels.

In order to improve patient experience a full review of the Patient Experience Team (PET) has been commissioned. This aims to examine the current function of the team, establish the focus given to patient involvement, the processes around complaints management and the provision of training in all aspects of PPI. In addition, a PPI strategy will be developed with an implementation plan.

In addition, the safeguarding agenda will be reviewed in order to provide assurance that we are maintaining safety and responding to local and national obligations. The Safeguarding Adults team will receive further investment and examine the care of patients with Mental Health problems in acute settings

Significant focus will be placed upon the development of a falls reduction plan. This will include setting up an organisational steering group and gaining external expertise to minimise the risk of falls and reduce the incidence across all sites.

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 2013 are detailed below:

Celebration of Achievement Awards

Award Category	Winners
Excellence in Patient Experience	Awarded to the Special Care Baby Unit Outreach Nurses at York Hospital, who provide a high quality clinical service, but also provide emotional support, including bereavement support, to families and difficult times.
Living Our Values	Awarded to a Personal Assistant at Bridlington Hospital who assisted in organising the Trust's Open Health Road show and helped to make it a success.
Unsung Hero	Awarded to the Emergency Department Housekeeper at Scarborough Hospital, who ensures staff are supported in making sure they have everything they need to help their patients.
Volunteer of the Year	Awarded to the Breast Friends of Scarborough, a team of young mums who have attended a peer support course and now give their own time to help and support new mums to breast feed.
Enhancing Services	Awarded to the Cytology Department at York Hospital who worked through a number of practical and technical challenges with determination and a will to succeed during a tender process for a new service.
Efficiency Award	Awarded to the "Lean and Clean" project team working at Scarborough and York Hospitals to release cash savings whilst improving the quality and safety of patient care.
Patient Safety Award	Awarded to a Lead Sister and Consultant Anaesthetist who have been instrumental in rolling out and putting in place a number of mechanisms to ensure staff are able to recognise deteriorating patients.
The Patient's Award	Awarded to a Physiotherapist at York Hospital, for his constant caring and professional attitude and kindness to a patient and his family.
The Florence Nightingale Award	Awarded to a Staff Nurse at Scarborough Hospital, in recognition of demonstrating the personal and professional attitudes and behaviours that the Trust expects in a role model.
The Governor's Award	Awarded to a Programme Director and Secretary in the Directorate of Estates and Facilities, in recognition of the support provided to the Trust Governors during the recent integration of York and Scarborough.
The Chairman's Award	Awarded to an Arts Officer at York Hospital, in recognition of their partnership working with other organisations for the mutual benefit of the wider community.
The Chief Executive's Award	Awarded to the Head of Nursing, Organisation Development and Improvement Learning Team, York Renal Services and the Full Sutton Healthcare Team, in recognition of their significant individual or team contributions to enhancing patient services.
Lifetime Achievement Award	Awarded to the Chaplain, York Hospital and one of the Bed Managers/Royal College of Nursing Representative, York Hospital, who have given a long term commitment to the Trust through their continued contribution and excellent service.

National Awards

Awarding Body	Winners

	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.
NHS Apprenticeship Awards	Healthcare Assistant Apprentice of the Year awarded to a cadet nurse at Bridlington Hospital for displaying compassion in care and being a valued team member.
	Midwifery team at Scarborough hospital, who were joint winners of the Excellence in Supervision award for demonstrating leadership skills and the ability to encourage potential leaders while also maintaining high service standards.
	Award for Leadership awarded to the e-Rostering Manager for the ability to lead by example during the delivery of a key project in improving patient care.
	Lung cancer specialist nurse team at York Hospital awarded the forum's first prize for highlighting the importance of the role of the lung cancer care co-ordinator at the Trust.
	Best Energy Manager awarded to the Trust's Energy Manager for leading a project to reduce carbon emissions and cut energy costs.
	Don Greenslade Award for Emerging Talent, awarded to a Specialist Procurement Officer for commitment to health care, purchasing and supply, and demonstrating significant achievement.

Local Awards

Awarding Body	Winners
Volunteering York Partnership	Special award in the young adult category awarded to a volunteer dining companion.
	Best Finance Director of a Public Sector Organisation awarded to the Trust's Director of Finance.
University of York Annual Education Conference	Midwifery Mentors of the Year awarded to the York Midwifery Mentors Team.
	York Community Pride Press Health Hero Award, won by a chemotherapy nurse at York Hospital for going "above and beyond the call of duty " in their kindness and capability in helping patients cope with their conditions.

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 2013-14 reflects the performance of the enlarged Trust against the 2011-12 targets.

Key	Green	Target achieved	Amber	Reaching target	Red	Target not achieved

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

Patient Safety		
	By the End of March 2014, we said we would ensure that:	**Achieved**
Improving care of acutely ill and deteriorating patients	• 80% of all acute medical, elderly medical and orthogeriatric patients admitted through the Acute Medical Unit (AMU) would be seen by a senior clinician within 4 hours of admission.	Green
	• 80% of all acute medical, elderly medical and orthogeriatric patients would be reviewed by a consultant within 12 hours of admission. Whilst we have significant improvements towards achieving this standard, we have been unable to consistently reach 80% at Scarborough Hospital. We will continue with our work to improve performance against this indicator.	Green (Y) / Red (S)
	• The National Early Warning System (NEWS) for early identification and escalation of the deteriorating patient would be implemented on all general adult acute wards. The development and implementation of a suitable process for community hospitals will be undertaken in 2014/15.	Green
	By the End of March 2014, we said we would ensure that:	**Achieved**
Reduction in mortality rates	• We have established a system for review of all in-patient deaths in the acute and community hospitals.	Green
	• We would continue to work towards achieving an overall Summary Hospital Mortality Indicator (SHMI) of 100 with an achievement of a reduction in the SHMI to no more than 105 by March 2014. The last reported SHMI for July 2012 to June 2013 was 101, an improvement on the previously reported SHMI of 102. (April 2012 to March 2013).	Green
	• We would continue to work towards achieving an overall Hospital Standardised Mortality Rate (HSMR) of 95 with achievement of a reduction in the HSMR to 100 by March 2014. The HSMR for Trust remains within the "as expected" range and overall we achieved a reduction in mortality, although the HSMR for the Trust is 105.	Amber
	By the End of March 2014, we said we would ensure that:	**Achieved**
Improving care for patients with dementia	• Over 90% of patients acutely admitted with delirium or dementia aged 75 years or over have a dementia specific assessment and be referred for further diagnostic advice and specialist treatments.	Green

	By the End of March 2014, we said we would ensure that:	Achieved
Improving the use of the WHO surgical safety checklist	• We would achieve 100% compliance with the use of the World Health Organisation (WHO) surgical safety checklist. We continue to mandate the use of the WHO surgical safety checklist. The checklist is being used in all surgical specialities. We are achieving 99.1% compliance with the theatre safety briefing aspect of the surgical safety checklist. Monitoring of compliance with other aspects of the checklist is planned for 2014/15.	**Amber**

Clinical Effectiveness and Outcomes

	By the End of March 2014, we said we would ensure that:	Achieved
Reduction in the development of pressure ulcers	• The number of patients having a category 2-4 pressure ulcer (old or new) for York and Scarborough Hospitals and Community Services would reduce by 50% compared with the 2012/13 incidence. The Trust achieved a 30% reduction over the full year and a 34% reduction between October 2013 and March 2014 at York and Scarborough Hospitals. After discussion with our commissioners, the CQUIN target for Community Services was amended to a 15% reduction, which was achieved.	**Amber (Y&S)** **Green (Com. S)**
Improving management of patients presenting to the Emergency Department with asthma	• 75% of patients receive care in accordance with The College of Emergency Medicine bundle of care recommendations. We have improved our patient pathway for patients with asthma in the Emergency Department., which has resulted in significantly improved compliance for the individual elements of the care bundle. We have not been able to consistently achieve the 75% target for compliance with the full care bundle, but overall performance has increased from 20% (Quarter 2 baseline) to 49% (Quarter 4). We will continue with our work to improve performance against this indicator.	**Red**

Patient Experience

	By the End of March 2014, we said we would ensure that:	Achieved
Expanding systems for patients to provide feedback on care and treatment received (using the Family and Friends Test	• Systems for delivery of the family and friends test in nationally designated areas have been established throughout the Trust (excluding paediatrics).	**Green**
	• 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.	**Green**
	• We would have maintained the position of being in the upper quartile for the family and friends test in the National Staff Survey.	**Red**
	• Although the percentage of staff who would recommend the Trust showed a slight increase from 60.0% (2012 survey) to 61.1% (2013 survey), this performance was not in the upper quartile. We will be encouraging all of our staff to complete the Staff Friends and Family Test which is being launched across the Trust in May 2014. This will give valuable feedback which we will use to improve outcomes for our patients.	
	By the End of March 2014, we said we would ensure that:	Achieved
Enhancing supported discharge for patients following a stroke	• 90% of eligible patients discharged from our hospitals following a stroke have a newly developed enhanced supported discharge pathway. Since the new pathway was implemented at York Hospital in mid March 2014, 100% of eligible patients have received early supported discharge. This service is currently available to City of York Council Residents. In 2013, Scarborough Hospital achieved Provisonal Level 2 Stroke Accreditation, which includes a pathway for early supported discharge.	**Amber**

Integrating nursing risk assessments for patients with chronic conditions	By the End of March 2014, we said we would ensure that:	Achieved
	• 90% of patients with specified long term conditions have their discharge plans/risk assessment integrated with community services to ensure they experience a seamless care pathway.	**Green**

Additional Information

Although the monitoring of missed doses of medication and falls were not specified as specific priorities for 2013/14, we have continued with our patient safety improvements in these areas.

Missed doses of medication	• In 2013/14 we undertook a monthly audit of all patients to determine how many experienced missed doses of medications and how many of those were critical medicines. We seek to better understand this issue and in particular the barriers staff face which prevent medications being administered and put in place safer systems to prevent reoccurrence. To this effect we have worked with commissioners to include a CQUIN for 2014/15 on missed doses of critical medications.
Falls	• We have continued to work on reducing the incidence of patients falling in hospital. To ensure we reduce the number of patients who experience severe injury after a fall, we now declare all incidents as Serious Incidents, which are investigated and reported to Trust Board and to local commissioners. The learning from the extensive Root Cause Analysis has been incorporated in to the Falls Action Plan.

Priorities for the Trust's Quality and Safety for 2014/15

The rationale for the selection of the priorities is from a number of different sources including:

- Informal and formal discussions with service users when the Trust has received complaints
- The results of the National Patient Survey
- based on the Trust's Patient Safety Strategy
- The Patient Forum discussions
- The agreement with the commissioners on the priorities included in Commissioning for Quality and Innovation.

Patient Safety	
Improving care of acutely ill and deteriorating patients	**By the End of March 2015, we will ensure that:**
	• 80% of all acute medical, elderly medical and orthogeriatric patients will be reviewed by a consultant within 12 hours of admission, with a view to continuous improvement aligned with the Royal College of Physician' guidance.
	• The National Early Warning System (NEWS) for early identification and escalation of deteriorating patient is being used effectively on all general adult acute hospital wards and a modified version has been designed and introduced in community hospitals.
	• We have re-designed and tested the modified clinical pathway of care for patients with severe sepsis at both acute hospital sites.
Reducing harm to patients	**By the End of March 2015, we will ensure that:**
	• 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 on all our hospital sites.
	• We consistently achieve 100% compliance with the use of the WHO surgical safety checklist.
	• The Trust has established a standardised approach to assessment and interventions for patients at risk of falling in hospital and we will aim to achieve a 30% reduction in the number of patients who suffer serious injury following a fall in hospital.
Infection prevention and control	• We continue to monitor and benchmark rates of infection to ensure that we have the lowest possible incidence of infection. Specifically for C. diff, we will have less than 60 cases.
Clinical Effectiveness and Outcomes	
Monitoring the prevalence of pressure ulcers	**By the End of March 2015, we will ensure that:**
	• We report the prevalence of patients in our care who have a category 2-4 pressure ulcer (old or new) as measured using the Safety Thermometer tool and aim to reduce the development of pressure ulcers by 20%.
	• We learn from pressure ulcer development by reporting all category 3 and 4 pressure ulcers as Serious Incidents.

Monitoring critical medicines and antimicrobials	**By the End of March 2015, we will ensure that:**
	• We refine our systems for monitoring incidents associated with critical medicines; specifically to reduce the degree of harm from such incidents and to reduce the frequency of missed doses and/or incorrect prescribing and administration.
	• We will monitor the prescription of antimicrobials; specifically the indications for the prescription and the review dates and achieve 100% compliance with the antimicrobial prescribing policy.
Reduction in mortality rates	**By the End of March 2015, we will ensure that:**
	• We continue the consultant led, systematic review of all in-patient deaths in the acute and community hospitals.
	• We continue to reduce the SHMI, aiming to achieve 95 on both acute hospital sites.
	• We continue to work towards achieving an overall HSMR of 100 or less.

Patient Experience

Expanding systems for patients to provide feedback on care and treatment received (using the Family and Friends Test)	**By the End of March 2015, we will ensure that:**
	• Systems for delivery of the Family and Friends Test in nationally designated areas have been established throughout the acute Trust sites (excluding Paediatrics). • The Trust net promoter score has achieved a rate of 65.
	• We will increase the overall participation rates for acute in-patients to 50%.
	• We will implement systems for collection of feedback in Outpatients, Day Case Services and Community Hospitals and Community Services.
Responding to patient feedback	• We will implement systems across the Trust which are responsive to patient feedback. We will also create environments which enable patients and relatives to raise concerns without fear of repercussion or that care will be compromised.
Enhancing supported discharge for patients following a stroke	**By the End of March 2015, we will ensure that:**
	• 90% of patients discharged from our hospitals following a stroke will have a newly developed enhanced supported discharge pathway.
Excellence in end of life care	**By the End of March 2015, we will ensure that:**
	• All patients have appropriate, inclusive and well documented Do Not Attempt Cardiopulmonary Resuscitation (DNACPR) decision making.
	• All patients have appropriate and agreed ceiling of care decision making, detailing treatment options as appropriate to the patient including whether or not to transfer to a higher level of care or the application of a" Do Not Attempt Cardiopulmonary Resuscitation" (DNA CPR) Order.

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

During 2013/14 the York Teaching Hospital NHS Foundation Trust provided and/or sub-contracted 36 relevant health 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 receives details from the Medical Director and/or Chief Nurse on the quality of care in the organisation. The Council of Governors have access to that information and receive regular presentations on quality at their meetings held in public. The York Teaching Hospital NHS Foundation Trust has reviewed all the data available to them on the quality of care in 36 of these relevant health services.

The income generated by the relevant health services reviewed in 2013/14 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 Clinical Commissioning Groups, NHS England, and the Local Authorities.

Commissioning for Quality and Innovation Payment Framework (CQUIN)

A proportion of York Teaching Hospital NHS Foundation Trust income in 2013/14 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). The value locally is £9,000,000.

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

National - Friends and Family Test, NHS Safety Thermometer – 50% reduction in pressure sores, Dementia, VTE

Local – Care of the deteriorating patient – acute admissions, Care of the deteriorating patient – identification, response and management, Care of the deteriorating patient – implementation of NEWS system, Reduction in average length of stay in elderly bed base, Effective Discharge – sharing nursing assessments with NCTs, Effective Discharge – self management plans included in EDN and shared with patient, Asthma in ED – completion of

care bundle, asthma – completion of care bundle, Stroke – Level 2 accreditation to be achieved by Scarborough site by Quarter 2.

At the time of writing this report the Trust had agreed payment with the Commissioners for CQUINS. Further details of the agreed goals for 2013/14 and for the following 12 month period are available electronically at www.yorkhospitals.nhs.uk . The CQUIN is reported to the Board of Directors on a monthly basis and can be found as part of the Board papers.

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 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 Care Quality Commission has not taken enforcement action against York Teaching Hospital NHS Foundation Trust during 2013/14.

York Teaching Hospital NHS Foundation Trust has not participated in any special reviews or investigations by the CQC during the reporting period.

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 reliable and of the highest quality. Robust data quality is critical to the delivery of better healthcare.

York Teaching Hospital NHS Foundation Trust submitted records during 2013/14 to secondary User service for inclusion in the Hospital Episode Statistics which are included in the latest published data.

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

The percentage of records in the published data which included a valid NHS number or a General Medicine Practice Code (data for April 2013 to February 2014) were:

Valid NHS Number	
Admitted patient care	99.6%
Outpatient care	99.7%
Accident and emergency	95.1%
Valid General Medical Practice	
Admitted patient care	100.0%
Outpatient care	100.0%
Accident and emergency	100.0%

York Teaching Hospital NHS Foundation Trust Information Governance Assessment Report overall score for 2013/14 was 82% and was graded green from IGT grading scheme.

York Teaching Hospital NHS Foundation Trust was subject to the Payment by Results clinical coding audit during 2013/14 by the Audit Commission.   The following areas were selected for audit:

- National area – 100 Finished Consultant Episodes (FCEs) from the Healthcare Resource Group (HRG) subchapter HG – Musculoskeletal Disorder

- Local area (selected by the CCG) – 100 FCEs from the HRG subchapter AA – Nervous System Procedures and Disorders for non-elective (unplanned) admissions.

The error rates reported in the latest audit for that period for diagnoses and treatment coding (clinical coding) were 3.0% for primary diagnosis (main condition treated) and 3.3% for primary procedures (main treatment). These results should not be extrapolated further than the actual sample audited.

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 an action plan that will ensure the organisation is fully integrated.

Part 4 – 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

- Local service evaluations

- 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 are being embedded at Scarborough. This will support the participation in national and local audit, and will improve future compliance.

Financial Year 2013/14 – York Hospital Site

- During 2013/14, 43 national clinical audits and five national confidential enquiries covered relevant health services that York Teaching Hospital NHS Foundation Trust (York site) provides. Four national audits did not start in 2013/14, giving a total of 39 national audits. The Trust did not have enough patients to participate in one relevant audit, so the actual number of national clinical audits which the Trust could participate in was 38

- During that period York Teaching Hospital NHS Foundation Trust (York site) participated in 95% 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 York Teaching Hospital NHS Foundation Trust (York site) was eligible to participate in during 2013/14 are shown in Table 1

- The national clinical audits and national confidential enquiries that York Teaching Hospital NHS Foundation Trust (York site) participated in during 2013/14 are also shown in Table 1

- The national clinical audits and national confidential enquires that York Teaching Hospital NHS Foundation Trust (York site) participated in, and for which data collection was completed during 2013/14, are listed in Table 1 alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

- The reports of 0 national clinical audits were reviewed by the provider in 2013/14. The reports of national audits will be reviewed at the May 2014 meeting of the Clinical Standards Group

- All National Confidential Enquiries were reviewed by York Teaching Hospital NHS Foundation Trust

- The reports of 54 local clinical audits were reviewed by the provider in 2013/14 and York Teaching Hospital NHS Foundation Trust (York site) intends to take the actions detailed in Table 2 improve the quality of healthcare provided.

Financial Year 2013/14 – Scarborough Hospital Site

- During 2013/14, 40 national clinical audits and five national confidential enquiries covered relevant health services that York Teaching Hospital NHS Foundation Trust (Scarborough site) provides. Four national audits did not start in 2013/14, giving a total of 36 national audits. The Trust did not have enough patients to participate in one relevant audit, so the actual number of national clinical audits which the Trust could participate in was 35

- During that period York Teaching Hospital NHS Foundation Trust (Scarborough site) participated in 80% of national clinical audits and 100% of national confidential which it was eligible to participate in

- The national clinical audits and national confidential enquiries that York Teaching Hospital NHS Foundation Trust (Scarborough site) was eligible to participate in during 2013/14 are shown in Table 1

- The national clinical audits and national confidential enquiries that York Teaching Hospital NHS Foundation Trust (Scarborough site) participated in during 2013/14 are also shown in Table 1

- The national clinical audits and national confidential enquires that York Teaching Hospital NHS Foundation Trust (Scarborough site) participated in, and for which data collection was completed during 2013/14, are listed I Table 1 alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry

- The reports of 0 national clinical audits were reviewed by the provider in 2013/14. The reports of national audits are due to be reviewed at the May 2014 meeting of the Clinical Standards Group

- All National Confidential Enquiries were reviewed by York Teaching Hospital NHS Foundation Trust

- The reports of 24 local clinical audits were reviewed by the provider in 2013/14 and York Teaching Hospital NHS Foundation Trust (Scarborough site) intends to take the actions detailed in Table 2 to improve the quality of healthcare provided

Table One - **National Audits and National Confidential Enquiries**

The table below shows the percentage of audit cases submitted against required number of cases if a report for the audit was received in 2013/14. Where participation exceeds 100%, the Trust submitted more cases than required for the audit.

Where the comment states "data collection not completed", this means that the audit was still ongoing at the end of March 2014 and data collection was not due to be completed within the 2013/14 time period covered by the Quality Report.   Where the table indicates "DNP", the Trust did not participate in the audit during 2013/14. The Clinical Standards Group continues to monitor participation in national audits, and plans are in place to ensure full participation in all audits for which the Trust is eligible in 2014/15.

Audit Title	York	Scarborough	Comments
1. Peri-and Neo-natal			
NNAP National Neonatal Care	100%	100%	
2. Children			
CEM Moderate or severe asthma in children	70%	48%	
Paracetamol Overdose	100%	100%	
CHR-UK Child health programme	Participating	DNP	Data collection not completed
BTS Bronchiectasis	Not eligible	Not eligible	Not enough eligible patients
BTS Paediatric asthma	100%	100%	
National Childhood Epilepsy Audit	Participating	Participating	Data collection not completed
PICANet Paediatric intensive care	Not eligible	Not eligible	Service not applicable to Trust
National Paediatric Diabetes Audit	100%	100%	
Congenital heart disease (Paed. cardiac surgery)	Not eligible	Not eligible	Service not applicable to Trust
3. Acute care			
BTS Emergency Use Of Oxygen	100%	100%	
NCAA National Cardiac Arrest Audit	DNP	DNP	Registered to start May 2014
ICNARC Adult Critical Care	100%	100%	
CEM Severe sepsis & septic shock	100%	100%	
NELA National Emergency Laparotomy Audit	Participating	Participating	Data collection not completed
4. Long term conditions			
NDA - Pregnancy in Diabetes Audit	100%	100%	
NDA - Diabetes Foot care	Not started	Not started	Audit starting Summer 2014
NDA - Inpatient Audit (includes outpatients)	100%	100%	
NDA - Patient Experience of Diabetes Care	Not eligible	Not eligible	Primary Care audit
Rheumatoid and early inflammatory arthritis	Participating	Participating	Data collection not completed
NASH National Audit of Seizure Management	100%	DNP	
Pulmonary hypertension	Not eligible	Not eligible	Primary Care audit
Chronic Obstructive Pulmonary Disease	Participating	Participating	Data collection not completed
Chronic kidney disease in primary care	Not eligible	Not eligible	Primary Care audit

Audit Title	York	Scarborough	Comments
NAS National audit of schizophrenia	Not eligible	Not eligible	Mental Health audit
Inflammatory Bowel Disease Audit ** - Biologics	DNP	DNP	
Inflammatory Bowel Disease Audit - In-patient	100%	DNP	
5. Elective procedures			
NJR National Joint Registry	97%	106%	
PROMS - Hernia	59%		
PROMS - Hip	97%		
PROMS - Knee	107%		
PROMS - Varicose Veins	35%		
NICOR Coronary Angioplasty	100%	Not eligible	Not applicable to Scarborough
NVR National Vascular Registry	100%	Not eligible	Not applicable to Scarborough
6. Cardiovascular disease			
Myocardial Infarction National Audit Programme	100%	DNP (eligible)	Scarborough to start in 2015
ACS Adult cardiac surgery audit	Not eligible	Not eligible	Do not undertake Cardiac Surgery
NICOR National Audit of Heart Failure	22%	DNP	Scarborough to start in 2015
SSNAP Stroke National Audit Programme	Participating	Participating	Data collection not completed
NICOR Cardiac Rhythm Management	111%	133%	
7. Renal disease			
Renal Registry	100%	Not eligible	Not applicable to Scarborough
8. Cancer			
LUCADA National Lung Cancer Audit	100%	100%	
NBOCAP National Bowel Cancer Audit	94%	97%	
DAHNO National Head & Neck Cancer Audit	100%	100%	
National Oesophago-Gastric Cancer Audit	100%	100%	
NPCA National Prostate Cancer Audit	Not started	Not started	Commencing April 2014
9. Trauma			
FFAP Falls and Fragility Fractures Audit Programme	92%	110%	
TARN Trauma Audit and Research Network	100%	36%	Data collection not completed
10. Blood transfusion			
National Comparative Audit of BT Programme	Participating	Participating	Data collection not completed
11. Other			
Specialist rehab for patients with complex needs	Not started	Not started	Start date to be confirmed
National Ophthalmology Database	Not started	Not started	Start date to be confirmed
Prescribing Observatory for Mental Health	Not eligible	Not eligible	Not applicable, Mental Health
National Confidential Enquiries	**York**	**Scarborough**	**Comments**
NCEPOD Alcoholic Liver Disease	100%	100%	
NCEPOD Subarachnoid Haemorrhage	100%	100%	
NCEPOD Tracheostomy	100%	100%	
NCEPOD Lower Limb Amputation	100%	100%	

Audit Title	York	Scarborough	Comments
MBRRACE Maternal Infant and Perinatal	100%	71%	Data collection not completed
National Confidential Inquiry - Suicide / Homicide	Not eligible	Not eligible	Not applicable, Mental Health.

Key to acronyms not already expanded:

BTS – British Thoracic Society
CEM – College of Emergency Medicine
CHR-UK – Child Health Reviews UK
ICNARC – Intensive Care National Audit & Research Centre
NDA – National Diabetes Audit

NNAP – National Neonatal Audit Programme
NICOR – National Institute for Cardiovascular Outcomes Research
PROMS – Patient Reported Outcome Measures
PICANet – Paediatric Intensive Care Audit Network

Table 2 – Actions from Local Clinical Audits to Improve the Quality of Healthcare Provided

Actions to be Taken	No. of Audits - York	No. of Audits - Scarborough
Improve documentation	9	6
Change process	9	5
Re-audit	28	10
Additional training	16	11
Improve communication	5	4
Other e.g. additional equipment	12	0

Research and Development

The number of patients receiving relevant health services provided or sub-contracted by York Teaching Hospital NHS Foundation Trust in 2013/14 that were recruited during that period to participate in research approved by a research ethics committee was 3541.

Part 5 – New initiatives, targets and trajectories

Trust Performance against National Quality Indicators

Indicator	2012/13 achieved	2013/14 target	2013/14 actual	Target achieved	Target & trajectories 2014/15
Infection Prevention and Control					
Clostridium difficile – meeting the C Diff objective	54	43	67	X	59
MRSA – maintaining the annual number of. MRSA bloodstream infections at less than half the 2003	1	6	2	✓	6
Cancer Waiting Times (Maximum Waits)					
31 days from decision to 1st treatment	99.4%	96.0%	98.6%	✓	96.0%
31 days for 2nd or subsequent treatment for all cancers – anti cancer drugs	99.6%	98.0%	99.7	✓	98.0%
31 days for 2nd or subsequent treatment for all cancers – surgery	96.5%	94.0%	96.3%	✓	94.0%
62 days from all referrals to treatment for all cancers – urgent GP referral	89.8%	85.0%	89.6%	✓	85.0%
62 days from urgent referral to treatment for all cancers – cervical screening	92.8%	90.0%	92.8	✓	90.0%
14 days from referral to 1st seen for all urgent cancers	95.0%	93.0%	94.7%	✓	93.0%
14 days from referral to 1st seen for symptomatic breast patients	95.6%	93.0%	88.2%	X	93.0%
18 Week Pathway					
Admitted patients -18 week maximum wait from point of referral to treatment -	91.3%	90.0%	89.0%	X	90.0%
Non-admitted patients -18 week maximum wait from point of referral to treatment	96.6%	95.0%	96.0%	✓	95.0%
Maximum time of 18 weeks from point of referral to treatment – patients on an incomplete pathway	92.0%	92.0%	95.0%	✓	92.0%
Accident and Emergency Waiting Times					
Maximum waiting time of four hours in A & E from arrival to admission, transfer or discharge	94.7%	95.0%	94.9%	X	95.0%
Referral to treatment	100.0%	50%	100.0%	✓	50%
Referral Information	73.2%	50%	72.8%	✓	50%
Treatment activity information	99.7%	50%	99.7%	✓	50%
Learning Disabilities					
Certification against compliance with requirements regarding access to healthcare for people with learning disabilities**	Met	**Meet the six criteria detailed below	Met	✓	** Meet the six criteria detailed below

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

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 the set of core indicators mandated for inclusion in the quality report by the Department of Health is shown below.

For each indicator, the number, percentage value, score or rate (as applicable) for the last two reporting periods is shown. Where this data has been 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.

Summary Hospital-level Mortality Indicator (SHMI) and Banding	Trust Apr 12 – Mar 13	Trust Jul 12 – Jun 13	NHS Average Jul 12 – Jun 13	Highest Trust Jul 12 - Jun 13	Lowest Trust Jul 12 – Jun 13
Trust Score (lower score is better)	102	101	100	116	63
Banding (higher score is better)	2	2	2	1	3

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

- Information on both the Summary Hospital-level Mortality Indicator (SHMI) and the Hospital Standardised Mortality Ratio (HSMR) are reported to and scrutinised by the Quality and Safety Committee and 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 their Intelligent Monitoring Report. A summary of the Trust's Intelligent Monitoring Report is also reported to the Quality and Safety Committee and Board of Directors
- 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. All clinicians are required to validate the clinical coding of patients who died in hospital to ensure it accurately reflects the main conditions for which the patient was treated and investigated, and that all co-morbidities have been recorded.

The York Teaching Hospital NHS Foundation Trust intends has taken the following actions to improve this score , and so the quality of its services by:

- Rolling out a mortality review programme across the Trust. By reviewing the care and events prior to death, the hospital gains valuable insight in to potential improvements for safer delivery of healthcare. Quality improvement is a major driver of mortality reviews and is required of all clinicians. Results of mortality reviews are discussed as part of each directorate's clinical governance programme, with learning being fed back to ensure that we continually improve the quality of our care. The results of mortality reviews are also discussed at the Quality and Safety Committee
- Continuing to hold weekly Quality and Safety briefings and ensuring that appropriate action is taken in response to any issues raised. These meetings between the Medical Director, Director of Nursing, Deputy Director of Patient Safety, Deputy 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 mortality.

We will:

- Continue with our mortality review programme and ensure we act on the findings to improve the quality of our care as part of our Patient Safety Strategy. Going forward, results will be summarised in a quarterly report for the Trust's Executive Board and Board of Directors
- Continue to hold weekly Quality and Safety Briefings.

Palliative Care Coding	Trust Apr 12 – Mar 13	Trust Jul 12 – Jun 13	NHS Average Jul 12 – Jun 13	Highest Trust Jul 12 – Jun 13	Lowest Trust Jul 12 – Jun 13
% Deceased patients with palliative care coded	19.2%	19.5%	20.6%	44.1%	0.0%

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

- This data is consistent with the data reported on the monthly Patient Safety and Quality report presented to the Board of Directors.

The York Teaching Hospital NHS Foundation Trust intends has taken the following actions to improve this percentage, and so the quality of its services by:

- 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. In addition, the Clinical Coding team receive weekly information on any patients who have had a palliative care or contact with the palliative care team, so that this can be reflected in the clinical coding
- Quality of clinical coding in relation to deceased patients is also discussed at weekly Quality and Safety briefings, with action being taken to address any queries
- We continue to develop improved methods for recording information on chronic conditions. Our electronic patient data system is now being used at Scarborough Hospital, which means that data collection is more consistent across the Trust
- Rolling out mortality review programme, which includes validation of the clinical coding for the patient's spell of care
- We have included a presentation on the importance of clinical coding in the induction programme for new Consultants.

We will:

- Continue with our mortality review programme and ensure we continue to validate the clinical coding of deceased patients as part of our Patient Safety Strategy.

Patient Reported Outcome Measures (EQ-5D Index, Percentage of Patients Improving scores)	Trust Apr 12 – Mar 13	Trust Apr-Sep 13	England Apr-Sep 13	Highest Trust Apr-Sep 13	Lowest Trust Apr-Sep 13
Groin Hernia	40.2%	44.8%	50.3%	Not published	
Hip Replacement	87.4%	88.2%	89.9%	Not published	
Knee Replacement	81.7%	100.0%	82.9%	Not published	
Varicose Vein	51.1%	44.4%	52.2%	Not published	

Note: Patients undergoing elective inpatient surgery for the above elective procedures funded by the English NHS are asked to complete questionnaires before and after their operations to assess improvement in health as perceived by the patients themselves. As participation is voluntary, patients can choose not to participate. The percentage of patients reporting improvement after a procedure is only available at individual Trust level and at national level, therefore it is not possible to determine the highest and lowest score for Trusts.

The 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 discussed at the Trust's Quality and Safety Committee, and is also reported to the Board of Directors in the monthly Patient Safety and Quality Report. This data is consistent with locally reported data. This performance information is benchmarked against other Trusts in the Yorkshire and Humber region with Trust performance being within the expected range for all procedures.
- Information on PROMs performance is also included in the Care Quality Commission Intelligent Monitoring Report, which is analysed when published and reported to the Board of Directors via the quarterly Healthcare Governance Report.

The York Teaching Hospital NHS Foundation Trust intends to take/has taken the following actions to improve these scores, and so the quality of its services 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:

- Continue to ensure that the Trust Executive Board and Board of Directors received PROMs outcome and participation rates so that we can ensure that any areas of performance where the Trust may be an outlier are acted upon.

Readmissions within 30 Days of Discharge	Trust 2010-11	Trust 2011-12	NHS Average 2011-12	Highest Trust 2011-12	Lowest Trust 2011-12
Percentage of Readmissions aged 0 to 15	8.6% (10.7%)	9.7% (10.0%)	13.6%	5.1%	9.5%
Percentage of readmissions aged 16 and Over	10.8% (10.3%)	10.6% (9.8%)	13.5%	9.0%	11.2%

Note: This data is based readmissions for hospitals categorised as medium acute hospitals only. The lower the percentage the better the performance.

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

- The data is consistent with that reported locally on the Trust's electronic performance monitoring system.

The York Teaching Hospital NHS Foundation Trust intends to take/has taken the following actions to improve this percentage, and so the quality of its services by:

- Holding weekly Quality and Safety briefings and ensuring that appropriate action is taken in response to any issues raised. These meetings between the Medical Director, Director of Nursing, Deputy Director of Patient Safety, Deputy Director of Healthcare Governance and the Head of Risk and Legal Services are held to discuss a range of quality and safety issues. This 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
- From 1st April 2014, monitor readmission rates as part of our contract monitoring process with our commissioners and undertake any remedial work necessary of if the agreed rate is exceeded.

Responsiveness to Personal Needs of Patients	Trust 2011-12	Trust 2012-13	NHS Average 2012-13	Highest Trust 2012-13	Lowest Trust 2012-13
Ensuring that people have a positive experience	70.9% (63.5%)	70.4%	68.1%	84.4%	57.4%

The 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 Trust's Quality and Safety Committee, and by Board of Directors in the Chief Nurse Quality of Care Report
- Feedback from the Friends and Family test is also reported to the Friends and Family Test Steering Group, Quality and Safety Committee and Board of Directors
- Information on patient surveys is also reported by the Care Quality Commission (CQC) in their Intelligent Monitoring Report. This report is analysed when published, with a summary of the report and any areas of risk that are identified by the CQC being reported to the Board of Directors in the quarterly Healthcare Governance Report.

The York Teaching Hospital NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services by:

- Continuing to respond to feedback provided from Inpatient, Outpatient, Maternity, Emergency Department and Cancer Care surveys, and the Friends and Family Test, 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:

- Continue to roll out the Friends and Family Test in to Outpatients, Day Cases and Community and will continue to act on the feedback received to ensure patients have a positive experience
- Continue to develop our Patient Experience Steering Group as part of the Patient and Public Involvement Strategy.

Staff Recommending the Trust to Family and Friends	Trust 2012	Trust 2013	NHS Average 2013	Highest Trust 2013	Lowest Trust 2013
Percentage of staff who would recommend the Trust *	60.0%	61.1%	64.5%	88.5%	39.6%

* note – data represents acute Trusts only

The 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 2012 and 2013 staff surveys. The results of the annual staff survey are reported to the Board of Directors.

The York Teaching Hospital NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services by:

- Providing each directorate with a breakdown of the report for their area and highlighting recommended areas for action. Each Directorate Manager will develop and agree an action plan with support from the Trust's Human Resources Department. Trust themes from the staff survey are reported to the appropriate forum. For example, health and wellbeing outcomes have been reported to the Health and Wellbeing Steering Group to discuss and agree appropriate corporate actions. These will then feed in to an organisational action plan which will be centrally coordinated with progress being reported to the relevant meetings.

We will:

- Encourage all of our staff to complete the Staff Friends and Family Test which is being launched across the Trust in May 2014. This will give valuable feedback which we will use to improve outcomes for our patients
- Continue to develop and monitor the Trust's action plan in response to the findings of the Staff Survey.

Patients Admitted & Risk Assessed for Venous Thromboembolism	Trust Oct-Dec 2013	Trust Jan 2014	NHS Average Jan 2014	Highest Trust Jan 2014	Lowest Trust Jan 2014
Percentage of patients risk assessed	97.8%	98.0%	96.0%	100.0%	75.0%

Note- data is for acute Trusts only.

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

- Compliance with VTE assessments is reported monthly to the Board of Directors as part of the Patient Safety and Quality Report. Compliance is also reported on Signal, the Trust's electronic activity and performance monitoring dashboard, as part of compliance monitoring against CQUIN targets. The above data is consistent with locally reported data.

The York Teaching Hospital NHS Foundation Trust intends to take/has taken the following actions to improve this indicator/percentage/score/data/rate/number, and so the quality of its services 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 above to ensure that performance continues to meet and exceed the required standards.

Clostridium difficile Infection (for patients aged 2 and over)	Trust 2011-12	Trust 2012-13	NHS Average 2012-13	Highest Trust 2012-13	Lowest Trust 2012-13
Rate per 100,000 bed days	21.1%	15.2%	16.1%	30.8%	0.0%

Note – The Trust rate for 2013/14 is 17.5%, the national rate for this time period has not yet been published. For the first three quarters of the year the national rates were – Q1 15.6%, Q2 15.1%, and Q3 14.4%.

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

- Incidence of all healthcare acquired infections is reported weekly to the Director of Infection Prevention and Control (Medical Director), and other senior staff in the Trust.   The Director of Infection Prevention and Control provides a quarterly report to the Board of Directors.   This report includes an infection prevention performance dashboard, compliance against the Hygiene Code 2009, performance against the Trust Clostridium Difficile Infection (CDI) Policy key indicators and provides an update on progress with the Infection Prevention Annual Plan. The data quality of this indicator has been validated by the Trust's Internal Audit Department.

The York Teaching Hospital NHS Foundation Trust has taken the following actions to improve this rate, and so the quality of its services by:

- Continuing with our comprehensive CDI reduction strategy for 2012-2014. A number of enhanced initiatives from the strategy were implemented between October and December 2013, which have led to a reduction in the cases of C Diff. The initiatives included improving compliance with isolation and testing procedures, enhanced deployment of hydrogen peroxide vapour (HPV) disinfection where needed, improved antimicrobial stewardship, and re-emphasising the importance of hand hygiene and hand washing.
- Continuing to monitor progress against the C Diff strategy, which is the remit of CDI Operational Group and the Hospital Infection Prevention and Control Steering Group.   We continue to report performance against key indicators quarterly to the Board of Directors in the Director of Infection Prevention and Control Report. Feedback on healthcare associated infection performance is also reported at Directorate level. Assurance and accountability for action is managed through each directorate's Performance Improvement Meetings and the Corporate Performance Management Framework.
- Continually and critically monitoring our infection prevention practices to ensure they reflect best practice and enhance patient safety. This includes conducting a root cause analysis for every case 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. Compliance with antibiotic prescribing is reported to the Quality and Safety Committee and to the Board of Directors. Audit results are disseminated to consultants, clinical directors and matrons for action for action
- 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, Director of Nursing, 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 Apr-Sep 12	Trust Oct 12- Mar 13	NHS Average Oct12 – Mar13	Highest Trust Oct 12 – Mar 13	Lowest Trust Oct 12 – Mar 13
Rate of patient safety incidents	2.8% (Published) 9.0% (Actual)*	9.5%	7.7%	13.7%	3.2%
Number of incidents resulting in harm or death	21	35	23	74	2
% of incidents resulting in severe harm or death	1.2%	0.6%	0.4%	1.4%	0.1%

*Note – data represents acute teaching hospitals only. The rate of patient safety incidents published nationally for April to September 2012 is inaccurate, due to the fact that the Trust had separate incident management reporting systems in place prior to acquisition with Scarborough and there were some local system issues with reporting. As a result, the number of incidents stated as the numerator for this rate was too low. The actual rate of patient safety incidents for April to September 2012, calculated from local data, was 9.0%. This figure

is shown above to allow a true comparison to be made with the rate for the next reported period (Oct 12 to Mar 13). Rates of incident reporting within NHS Trusts are known to be extremely variable. In addition, benchmarking is further complicated by different contractual reporting requirements between commissioners and providers.

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

- All incidents of severe harm or death are validated by the Deputy Director of Patient Safety, Deputy Director of Healthcare Governance and the Head of Risk and Legal Services prior to being reported to the National Patient Safety Agency.

The York Teaching Hospital NHS Foundation Trust intends to take/has taken the following actions to improve this rate, number and percentage, and so the quality of its services 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, Director of Nursing, Deputy Director of Patient Safety, Deputy Director of Healthcare Governance and the Head of Risk and Legal Services are held to discuss quality and safety issues which includes deaths, serious incidents, critical incidents, adverse incidents, and safety alerts.

We will:

- Continue to hold our weekly quality and safety briefings and take action to address any issues raised, and continue to validate all incidents of severe harm and death.

Family & Friends Test Score (Patient Element)	Trust Jan 14	Trust Feb 14	NHS Average Feb 14	Highest Trust Feb 14	Lowest Trust Feb 14
Inpatient Score	73	73	72	94	18
Accident and Emergency Score	43	54	57	90	-5

*Note – data for acute hospitals only.

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

- The data on the Family and Friends Test (FFT) cards completed by patients is independently collated by our commissioned service provider, the Picker Institute. The Trust receives the collated data which is then uploaded in to Unify, the national system used for reporting. This data is therefore accurate.

The York Teaching Hospital NHS Foundation Trust intends has taken the following actions to improve this score, and so the quality of its services by:

- Monitoring the FFT score on a monthly basis, and highlighting any deterioration in performance directly to the relevant wards and departments for action. As part of the Chief Nurse Quality of Care report, the Trust Board receives monthly performance information on the FFT. This information is also included in the monthly Quality and Safety Dashboard, which is also reported to the Board of Directors. The FFT Steering Group also receives regular updates on performance, and this also forms part of all Directorate's Performance Improvement Meetings
- Significant work is currently underway in the York Emergency Department (A&E) to improve patient flow. These improvements are aimed at improving patient experience in the department, which should in turn improve the Trust's Accident and Emergency FFT score. We will continue to closely monitor this performance

We will:

- Recruit a project manager who will lead on developing the management of the FFT test across the Trust. This will involve working closely with Directorates to ensure that patient feedback is shared with both staff and patients, and that we use this feedback to continually improve the quality of our patient care
- Continue with the further roll out of the FFT across Outpatients, Day Cases and Community Services. The Staff Friends and Family Test is also being rolled out, which we will use to gain feedback from staff about how we can improve the quality of our service delivery for patients.

To ensure that systems and processes are in place to ensure that the Trust accurately records and reports clinical indicators, the Trust's Council of Governors are required to select an indicator for external audit. The Governors selected performance against the

National Early Warning System (NEWS), where patients who have observations recorded producing a NEWS score within one hour of prescribed time. The NEWS is based on a simple scoring system in which a score is allocated to physiological measurements undertaken when patients present to, or are being monitored in hospital.   The audit provided significant assurance that performance against this target is accurately reported. At the end of March 2014, the Trust's performance with this indicator was 82%.

Part 6 – Statements from Key Stakeholders

Statement on behalf of the Council of Governors (CoG)

Three members of the Council of Governors have, on behalf of the whole Council of Governors, met with representatives of the Trust to review, comment on and have input into the draft Quality Report 2013/2014 before the document is finalised and published. This report reflects the work by staff across the Trust to highlight and address issues in relation to the quality and safety of the patient care delivered. It identifies how far the agreed targets have been met and where work still needs to be undertaken to reach the targets agreed across the whole organisation. The information is presented in a clear and understandable format.

It is good to read within the document that recognition has been made by the Trust of staff who it is felt have gone above and beyond the call of duty to ensure patients receive the best possible, up to date care. Staff, as individuals and teams, have been recognised both locally and nationally for the work they have undertaken.

Last year the Council of Governors chose the World Health Organisations (WHO) Surgeons Checklist usage as the metric to continue to be reviewed and reported on by the external auditors. 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 by March 2015.

The metric that the Council of Governors has identified as the one to be measured this next year is the usage of the national early warning score (NEWS) chart implemented across the adult acute wards. A modified version of this tool is also to be rolled out to community hospitals. The use of a similar chart in Maternity Services is reviewed when the Clinical Negligence Scheme for Trusts (CNST) assessment takes place and the Paediatric tool is used as part of the departments escalation plan.

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 that continues to be undertaken to diagnose patients with dementia aged 75 years or over and to address the particular needs of this group of patients. It was felt by the Governors that this tool might also be used for patients who are younger than 75 years of age where dementia is a concern. It is however acknowledged that the use of the tool in those patients 75 years and over is one of the national CQUIN targets.

The Council of Governors are very pleased to be working with the Trust in relation to the quality of the patient care being delivered by staff working within the organisation and the safety of patients being cared for. They are very appreciative of the request for them to identify a metric to be audited in this next year. The Council of Governors looks forward to learning about the progress being made to achieve all the targets agreed and will continue to work with the Trust on behalf of patients and their families in any way that is helpful to work towards this.

Statement on behalf of Healthwatch York

Thank you for giving Healthwatch York the opportunity to comment on your Quality Report for 2013-14. We feel that the report has been designed with the public in mind and the way the data is laid out is clear and easy to read. The glossary of terms with full explanations is very helpful.

It is particularly pleasing to see that patient care is at the centre of the report and feedback from both staff and patients is highly valued.

The planned introduction of a seven day service to ensure consistency of care is welcomed, as is the further investment for the Safeguarding Adults Team.

We very much welcome the Trust's commitment to improving patient experience and the development of a Patient and Public Involvement (PPI) strategy.

Healthwatch York looks forward to continuing the productive working relationship we have established with the Trust during the coming year.

Statement from Healthwatch East Riding of Yorkshire

Accident & Emergency - We recognise the improvements made to Accident & Emergency waiting times. We do however have grave concerns at the Trust's failure to reach the 75% target for asthma patients to receive care in accordance with The College of Emergency Medicine bundle of care recommendations.

Bridlington Hospital - We are disappointed that despite some significant issues and concerns raised by both Healthwatch and by members of the public about service quality and provision at Bridlington Hospital the site is not mentioned in this report.

Statement from Healthwatch North Yorkshire

Healthwatch North Yorkshire was invited to provide a statement to include in the report, but the Trust did not receive a statement from them.

Statement from Vale of York Clinical Commissioning Group in conjunction with the Commissioners from NHS Scarborough and Ryedale Clinical Commissioning Group and NHS East Riding of Yorkshire Clinical Commissioning Group

YORK TEACHING HOSPITAL NHS FOUNDATION TRUST QUALITY ACCOUNT STATEMENT 2013/14

As lead commissioner the NHS Vale of York Clinical Commissioning Group (CCG) is pleased to have been given the opportunity to comment on York Teaching Hospital NHS Foundation Trust's Quality Account for 2012/13 in conjunction with our Associate Commissioners, NHS Scarborough and Ryedale CCG and NHS East Riding of Yorkshire CCG.

Over the past 12 months we have worked in partnership with the Trust to improve the quality and safety of patient services. The CCGs remain assured that the quality of services provided by the Trust is good and continuously improving. We are especially pleased to note the following achievements:-

- An improvement in the Inpatient survey results on quality of care

- Rollout of the Friends and Family Test in Emergency Department, Inpatient and Maternity Services

- Rollout of the NEWS reporting system and improvements in the care of deteriorating patients

- Achievement of Level 2 Accreditation for Stroke at York and Scarborough

- Patient safety leadership walk rounds by senior managers, directors and non-executives to wards and departments.

York Teaching Hospital NHS Foundation Trust has also demonstrated significant improvements across the majority of CQUIN indicators for 2013/14.

The 2014/15 CQUIN schemes (National and Local) will focus on care of the deteriorating patient, in particular identifying sepsis, and ensuring that every patient is seen by a Consultant within 12 hours of admission. The Trust will also be focusing on quality improvement in areas such as medication errors, falls and the care of patient with pressure ulcers in both acute and community settings. The national and local indicators for the 2014/15 CQUIN scheme have a real synergy with what the CCGs, in partnership with providers are trying to achieve to ensure high quality, safe patient care across the Economy in line with 5 Year Strategic Commissioning Plans .

The Trust have faced a number of challenges over the past 12 months including Accident and Emergency Performance, Ambulance Turnaround and Handover Times, Referral to Treatment and Cancer waiting times and issues related to infection control rates (Norovirus, CDifficile). We would like to commend the Trust for working closely with the three CCGs to improve the quality of care related to these areas.

The priorities identified in the Quality Account for 2014/15 clearly identify with the three main elements of quality assurance: patient safety, clinical effectiveness and patient experience. The priorities also incorporate the recommendations from the Francis Report that are relevant to nursing.

As lead commissioner for York Teaching Hospital NHS Foundation Trust the Vale for York CCG would like to commend the work of the trust in 2013/14.
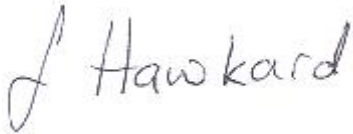
We can confirm that with NHS Scarborough and Ryedale CCG and NHS East Riding of Yorkshire CCG, the Vale of York CCG is satisfied with the accuracy of this Quality Account. We recognise that York Teaching Hospital NHS Foundation Trust delivers good quality patient care, and we look forward to working with the Trust to address areas of quality improvement during 2014.

Lucy Botting
Chief Nurse
NHS Vale of York Clinical Commissioning Group

Carrie Wollerton
Executive Nurse
Scarborough & Ryedale Clinical Commissioning Group

Jane Hawkard
Chief Officer
East Riding of Yorkshire Clinical Commissioning Group

Independent Auditor's 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 2014 (the "Quality Report") and certain performance indicators contained therein.

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

- C. difficile

- maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers.

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 Monitor's 2013/14 Detailed Guidance for External Assurance on Quality Reports; and

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

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

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

- Board minutes for the period April 2013 to April 2014

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

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 2014, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and 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 ('ISAE
3000'). Our limited assurance procedures included:

- Evaluating the design and implementation of the key processes and controls for managing and reporting the indicators
- Making enquiries of management
- Testing key management controls
- Analytical procedures
- 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 2014:

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

Grant Thornton UK LLP

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28 May 2014

Glossary

Term	Description
Advanced Clinical Practitioners	Advanced clinical practitioners are highly experienced and educated members of the care team who are able to diagnose and treat health care needs or make a referral to an appropriate specialist if needed. They can take a comprehensive patient history, carry out detailed assessments and use their expert knowledge and clinical judgement to identify potential appropriate plans of treatment and care. They have knowledge of clinical practice that allows them to carry out treatment, including the prescribing of medicines, use their extensive practice experience to plan and provide skilled and competent care and evaluate the effectiveness of interventions.
Antimicrobial Stewardship	Antimicrobial stewardship refers to coordinated interventions designed to improve and measure the appropriate use of antimicrobials. Its aim is to achieve optimal clinical outcomes related to antimicrobial use, minimize toxicity and other adverse events, reduce the costs of health care for infections, and limit the selection for antimicrobial resistant strains.
Audit Commission	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.
Board of Directors	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.
CHKS	CHKS is a provider of healthcare intelligence information and quality improvement services.
Care Bundles	A care bundle is a structured way of improving the processes of care and patient outcomes, based on a small, straightforward set of evidence-based practices that, when performed collectively and reliably, have been proven to improve patient outcomes.
Clinical Commissioning Groups (CCGs)	CCGs are clinically led groups that include all of the GP groups in their geographical area. The aim of this is to give GPs and other clinicians the power to influence commissioning decisions for their patients.
Clinical Standards Group	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

Term	Description
	clinical audits, and challenging the actions required to implement changes in practice.
Clostridium Difficile (C Diff)	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.
College of Emergency Medicine	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.
Commissioning for Quality and Innovation Payment Framework (CQUIN)	The Commissioning for Quality and Innovation (CQUIN) scheme was announced in *High Quality Care for All* (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.
Comfort Rounds	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.
Department of Health (DH)	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.
Deteriorating Patient	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.
Do Not Attempt Cardiopulmonary Resuscitation (DNA CPR)	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

Term	Description
	direct and written order not to attempt CPR, a "DNACPR" decision.
Early Warning Trigger Tool	The Early Warning Trigger Tool is a tool based on the principles of other early warning scoring systems which is used to provide information on the quality of care.
Family and Friends Test	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.
Financial Risk Rating (FRR)	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.
Finished Consultant Episode (FCE)	A finished consultant episode is the period of care which a patient spends under a specific consultant. If care is transferred to a new consultant, a new episode is started.
Francis Report	The Francis Report is the published findings of the investigation carried out by Sir Robert Francis QC, in to concerns of poor care and high mortality rates at Mid Staffordshire NHS Foundation Trust.
Hard Truths	Hard Truths (The Journey to Putting People First) is the Government's response to the public enquiry in to the events at Mid Staffordshire NHS Foundation Trust.
Healthcare Resource Groups (HRGs)	Healthcare Resource Groups (HRGs) are standard groupings of clinically similar treatments which use common levels of healthcare resource. HRGs help organisations to understand their activity in terms of the types of patients they care for and the treatments they undertake. They enable the comparison of activity within and between different organisations and provide an opportunity to benchmark treatments and services to support trend analysis over time. They are also used as a means of determining fair and equitable reimbursement for care services delivered by providers.
Healthwatch	Healthwatch England is the national consumer champion in health and care. It has significant statutory powers to ensure the voice of the consumer is strengthened and heard by those who commission, deliver and regulate health and care services. Each local Healthwatch is part of its local community and works in partnership with other local organisations.

Term	Description
Hospital Episode Statistics (HES)	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 (for non-clinical purposes) of administrative data.
Hospital Standardised Mortality Ratio (HSMR)	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.
Information Governance Toolkit	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.
Intelligent Monitoring Report	The Intelligent Monitoring Report reflects the Care Quality Commission's newly developed model for monitoring a range of key indicators about NHS acute and specialist hospitals. The indicators are used to raise questions about the quality of care. Together with local information from other agencies partners and the public, it helps the CQC to decide when, where and what to inspect. The results of the CQC's intelligent monitoring work is used to group NHS trusts into six bands based on the risk that people may not be receiving safe, effective, high quality care - with band 1 being the highest risk and band 6 the lowest.
Multidisciplinary Ward Rounds	The delivery of high-quality, patient-centred care involves many health care professionals such as doctors, nurses and therapy staff. There is growing evidence that effective multidisciplinary team working improves patient care and outcomes, and this includes the use multidisciplinary ward rounds involving a range of staff.
Monitor	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: • Determining whether NHS Trusts are ready to become NHS foundation Trusts • Ensuring that NHS foundations Trusts comply with the conditions they signed up to – that they are well-led and financially robust • Supporting NHS foundation Trusts development

Term	Description
Methicillin-resistant Staphylococcus aureus (MRSA)	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.
National Clinical Audits	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.
National Confidential Enquiry into Patient Outcome and Death (NCEPOD)	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.
National Early Warning System (NEWS)	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.
NHS Quest	NHS QUEST is a member-convened network for Foundation Trusts who wish to focus relentlessly on improving quality and safety. It is currently made up of 13 Foundation Trusts from across England.
National Institute for Clinical Excellence (NICE) quality standards	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. 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.

Term	Description
National Confidential Enquiry in to Patient Outcome and Death (NCEPOD)	NCEPOD is an independent charitable organisation that reviews medical and surgical clinical practice and makes recommendations to improve the quality of the delivery of care for the benefit of the public. They do this by undertaking confidential surveys and research covering many different aspects of care and making recommendations for clinicians and management to implement.
Patient and Public Involvement Strategy (PPI)	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.
Patient Reported Outcome Measures (PROMS)	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.
Pressure Ulcers	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. Pressure ulcers are graded from 1 to 4 as follows: ▪ Grade 1 - no breakdown to the skin surface ▪ Grade 2 - present as partial thickness wounds with damage to the epidermis and / or dermis. Skin can be cracked, blistered and broken. ▪ Grade 3 - develop to full thickness wounds involving necrosis of the epidermis/dermis and extend into the subcutaneous tissues. ▪ Grade 4 - present as full thickness wounds penetrating through the subcutaneous tissue
Quality Governance Framework	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.
Root Cause Analysis	Root cause analysis is a method of problem solving which tries to identify the root causes of faults or problems. A root cause is a cause that once removed from the problem fault sequence, prevents the final undesirable event from recurring.

Term	Description
Safety Thermometer	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'.
Secondary Uses Service (SUS)	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.
Sepsis	Sepsis is a common and potentially life-threatening condition triggered by an infection. In sepsis, the body's immune system goes into overdrive, setting off a series of reactions including widespread inflammation, swelling and blood clotting. This can lead to a significant decrease in blood pressure, which can mean the blood supply to vital organs such as the brain, heart and kidneys is reduced. If not treated quickly, sepsis can eventually lead to multiple organ failure and death
Summary Hospital-level Mortality Indicator (SHMI)	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.
Supported Discharge	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.
Upper Quartile	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
Venous thromboembolism (VTE)	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. 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.
World Health Organisation (WHO) Surgical Safety Checklist	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.

Performance Report

Performance Report

Key facts

York Teaching Hospital NHS Foundation Trust provides acute services for approximately 800,000 people living in and around the area of North Yorkshire and York. The Trust has responsibility for community services in York, Selby, 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

<u>Patient safety</u>

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 reviews that includes our community hospitals. We will continue to 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 is 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 Board of Directors.

Details of our quality objectives can be found in the quality report included in this report at page 35.

Patient Experience

Patient Experience is a key aspect of quality. Patients tell us that they care about their experience of care as much as clinical effectiveness and safety. They want to feel informed, supported and listened to so that they can make meaningful decisions and choices about their care. They want to be treated as a person and they value efficient processes.

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.

The Trust welcomes feedback from patients, relatives and carers and there are a number of different ways we capture this feedback including national and local surveys; concerns and complaints as well as positive feedback, and involving service users through our Patient and Public Liaison (PPL) forums. This 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

Quarterly Trust-wide Patient Experience Reports are reviewed by the Board of Directors. The reports continue to bring together a range of patient experience information from across the Trust. This ensures that key patient experience monitoring information is routinely considered at the most senior level.

Communication and staff attitudes continue to feature as a regular theme in both complaints and compliments. The Patient Experience team deliver sessions focussing on customer care, compassion and professional values on the Trust's induction programme for all newly appointed Health Care Assistants and Registered Nurses.

Customer services training for staff has been delivered to groups of staff around the organisation in response to concerns and complaints concerning the attitude and behaviour of staff.

NHS Elect have, in partnership with the Patient Experience Team and Organisational Development and Improved Learning (ODIL), delivered Customer Care training aimed in the first instance at Matrons and Ward Sisters.

Complaints and compliments received are anonymised and used in training to help staff at all levels of the organisation understand what matters to our patients and their families.

Concerns, Complaints and Compliments

The Trust places a high value on concerns, complaints and compliments as a resource to provide assurance that the care and treatment provided at our hospitals and community services meets the needs and expectations of patients and the public in terms of quality, outcome and safety. We recognise that complaints can provide us with valuable insight into where further improvements can be made. Compliments 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 NHS Complaints Advocacy Service. 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

All complaints received are reviewed weekly by the Chief Executive and the Patient Experience team.

Complaints

Between 1 April 2013 and 31 March 2014 the Trust as a whole received 564 registered complaints. A further 123 complaints were resolved outside the complaints procedure.

Hospital site	2013/14	2012/13
York	303	328
Scarborough	261	294
Registered complaints	**564**	**624**
Complaints resolved outside the complaints procedure	123	58
Total	**687**	**680**

Each complaint received a written response from the Chief Executive.

The graph below shows complaints by month received across the whole Trust.
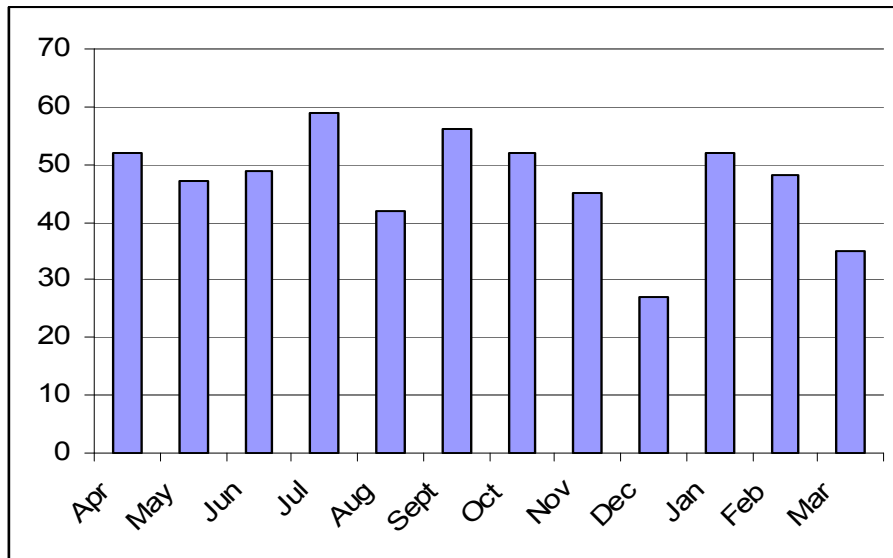
Of the 564 registered complaints received, 64 are still current as at 31 March 2014. Of the completed cases, 80% generated actions for improvement.

These plans highlight the key issues identified in the complaint investigation and define the improvement actions agreed at clinical team level.

Examples of actions implemented as a result of complaints include:

- Complainant raised concerns regarding signage in the Medical Elective Suite and discrepancies between the content of the patient information leaflet for lumbar puncture and their actual experience. Actions included a review of signage. The patient information leaflet was reviewed and amended to ensure consistency with the care pathway

- A patient complained about a delay in discharge due to medicines being sent to the wrong ward. Following the investigation Pharmacy implemented a number of actions for improvement, these included an additional check to ensure ward labelling is correct, a change in delivery arrangements to ensure ongoing deliveries to wards throughout the working day, and ward staff being reminded of their responsibilities in accepting deliveries

- A patient's relative was unhappy with their attendance at the Emergency Department. Issues included reception service and lack of information for different clinics/areas. Action taken included ongoing awareness updates for staff regarding effective customer care, and review and improvement of public/patient information – the relative and patient have been invited to contribute to this

- In light of concerns raised about medication needed for specific treatments not being available in the dermatology clinic, a fridge has now been installed to ensure the medication is available when needed, thereby reducing delays for patients and improving their experience of the service

The Patient Experience team remain committed to working with all Directorates and Departments to follow up on actions arising from complaints to mitigate against future issues and gain assurance for external commissioners and inspectors of a robust and effective procedure.

The Directorates receive information on the issues from each complaint and the actions identified through the investigation. The Directorates are asked to provide an update into whether actions have been completed and, if so, where the evidence of this is held.

Feedback has been very positive, with the majority of Directorates now being up to date regarding provision of action plans and increasingly compliant with evidencing completion.

Lack of cross-site software has prevented this from being rolled out across the Scarborough site but this is being gradually addressed. In 2014 we want to replicate this good practice across the whole Trust.

In 2013/14 14 complainants referred their complaint to the Ombudsman on completion of the Trust's investigation. Following review and or investigation by the Parliamentary Health Service Ombudsman (PHSO), two complaints were partly upheld, two complaints were not upheld, one complaint is closed for further work. In the remaining nine cases, the Trust is still awaiting the outcome of the initial review.

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.

In addition, as referenced above, an increasing number of complaints are now resolved at an early stage and we regularly receive positive feedback from complainants on being able to achieve speedy and satisfactory resolution of their issues.

In response to feedback from complainants we are currently reviewing our processes in relation to handling complex complaints where aspects of the complaint are investigated under the Trust's Serious Incident Procedure or under Safeguarding Processes. We have already agreed that complaint, safeguarding and serious incident investigations should run alongside each other and we recognise the need for a coordinated approach in such cases.

Positive feedback

A total of 6875 positive patient feedback was recorded by the Patient Experience Team across the whole Trust, in the form of letters, cards and emails. The following comments are typical of those expressed by many patients:

Mr F wrote "*At a time when the NHS in general and the hospitals in particular are presented so negatively in the Press and the Media I write this letter as a token of my thanks and gratitude to your Hospital for the excellent care and attention I received…From the moment of arrival…I was treated with the utmost courtesy and had the most excellent clinical, medical and nursing care.*"

Mr C wrote "*None of us relish a visit to the hospital, we often don't look forward to some of the treatment we have to receive and I'm sure, like myself, many patients are very anxious about what is before them. We are also very aware of the bad press that shadows our NHS hospitals. I hope in writing to you and the staff, that you will enjoy receiving this letter in recognition of the excellence of your service.*"

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 2013/2014, PALS handled 5658 patient contacts across the whole Trust.

Hospital site	2013/14	2012/13
York	4,139	4,368
Scarborough	1,519	1,374
Total	**5,658**	**5,742**

The graph below shows PALS contacts by month across the whole Trust
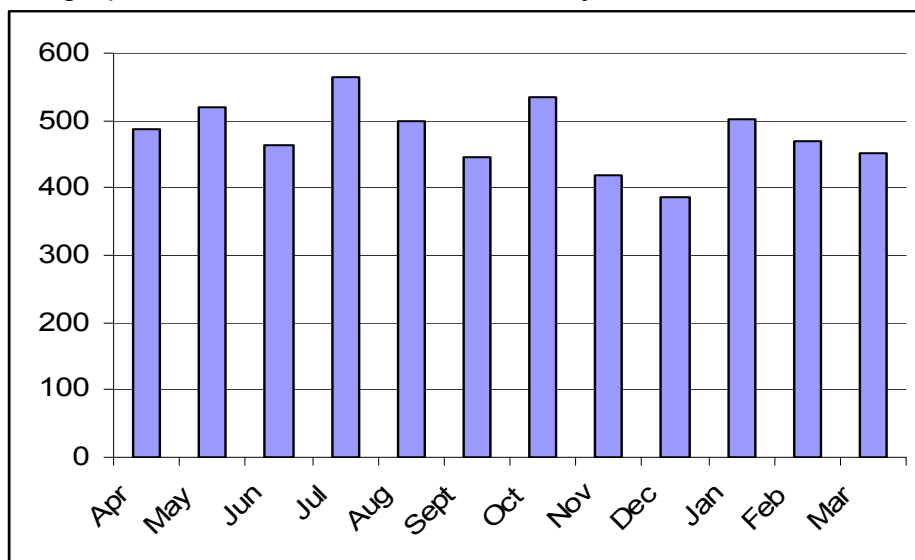
Actions taken as a result of PALS intervention include:

- Parent concerned that child is not receiving appropriate follow up appointments in line with guidance for their condition.

Directorate met to agree a plan (including setting up a specific clinic) which will enable the service to meet recommendations in future

- Patient did not want to make a complaint but wished to put in writing her experience in the hope that practices were reviewed and to help improve the service. The user did not need to know the outcome of the investigation

- Matron investigated in a robust manner. The outcome showed that all clinical care was delivered as per good practice and guidance; however, other aspects will be addressed to raise staff awareness of patient perceptions

- Action plan implemented for a very anxious patient who has mental health issues and a complex medical regime - the specialist nurse is liaising with all health care professionals involved so that everyone is aware and signed up to the plan. It has been arranged for the patient to have a monthly appointment for the next three months, with a weekly follow up phone call by the specialist nurse to help alleviate anxiety and address any concerns

National Patient Survey

A series of annual surveys required by the Care Quality Commission for all NHS Acute trusts in England are carried out each year.

The purpose of the annual surveys is to understand what patients think of healthcare services, provided by the Trust.

Inpatient Survey 2013

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 second 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:

	2011*	2012	2013
Overall: rating of care 7+ out of 10	90%	77% **	77%
Overall: treated with respect and dignity	89%	78%	81%
Doctors: always/sometimes had confidence and trust	84%	81%	81%
Hospital: room or ward was very/fairly clean	95%	95%	98%
Hospital: toilets and bathrooms were very/fairly clean	94%	95%	96%
Hospital: hand-wash gels visible and available for patients and visitors to use	93%	91%	91%
Care: always enough privacy when being examined or treated	88%	88%	89%

*York Hospital figures only
** question replaced in 2012 with a net promoter score

The results also highlight where improvements are needed and the Directorates each develop an action plan for improvement from the National Inpatient Survey for their specific areas.

National Cancer Patient Experience Survey 2012/13

One hundred and fifty five acute hospital NHS Trusts providing cancer services took part in the survey, accounting for every Trust that provides adult cancer care in England. All adult patients with a primary diagnosis of cancer, who had been admitted to hospital as an inpatient or as a day case patient, and were discharged between 1 September 2012 and 30 November 2012, were invited to take part in the postal survey.

The Survey was carried out on behalf of the Department of Health.

Like the National Inpatient Survey the findings are very positive, with patients reporting that:

- 91% of respondents rated their care as either excellent or very good

- 91% of respondents said that they were given easy to understand written information about their test

- 94% of respondents reported that the Clinical Nurse Specialist (CNS) definitely listened carefully

- 93% of respondents reported that the CNS gave understandable answers to important questions all/most of the time

- 95% of patients reported that staff told them who to contact if worried post discharge

A two year action plan is in place which focuses on the priorities identified from the survey. It was highlighted, following the previous year's survey, that we did not communicate not provide information to patients equitably across the whole Trust. The 2012/13 survey showed that actions to improve in this area have been successful and our results have improved in this area.

The Friends and Family Test

On 25 May 2012, the Prime Minister announced the introduction of the NHS Friends and Family Test (FFT) to improve patient care and identify the best performing hospitals in England. The introduction of the test was based on recommendations from the Nursing and Care Quality Forum. The FFT is a simple, comparable test of patient satisfaction. It will enable patients to compare services, identify those who are performing well and drive others to take steps to improve. (NHS England, 2013).

From April 2013, all adult acute inpatients and those attending ED are asked the question:

"How likely are you to recommend our ward/A&E department to friends and family if they needed similar care or treatment?"

In October 2013 this was further rolled out across the maternity pathway and women at four touch-points are asked the question about their maternity care.

All patients are further asked a follow-up question asking for them to explain the main reason for the answer they have given to the FFT question.

The Trust chose to use an A5 card and an online survey. Patients are given the card as early as possible during their hospital stay, and complete the card at the point of discharge or within 48 hours of leaving the hospital.

The Friends and Family Test is designed to measure patient feedback on a specific question, with some supporting information about why they have given that response. Patients can still use the other methods of giving feedback, and the process for contacting PALS, or giving a complaint or compliment through the patient experience team is still in place.

A response rate of 15% across the Trust was required in Quarter 1 rising to 20% + in Quarter 2. The graph below shows the response rate from the commencement of FFT for Inpatients and A&E.

Trusts are required to roll-out the FFT across all NHS funded services in 2014/15 which will include outpatients, day case and community services.

Response Rate %
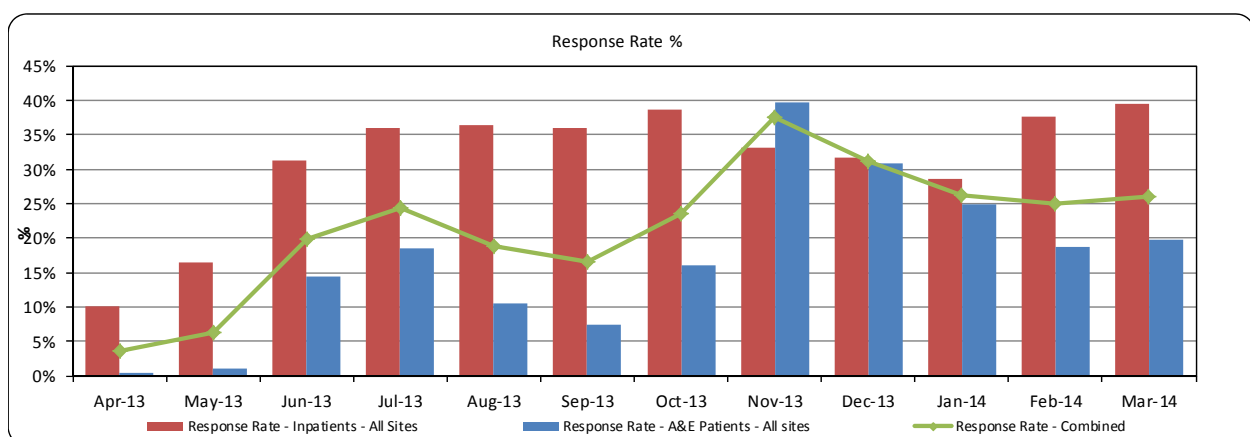
Friends and Family Test ward champions have been identified on all wards and these champions act as the main contact on the wards for FFT for patients and staff. The FFT champions receive qualitative comments each month from patients and share with the wards across the Trust.

The Hospital Governors work with other Trust volunteers within our Emergency Department supporting to staff with the Friends and Family Test and ensuring that patients are given the opportunity to take part in the Friends and Family Test. The support and help of both Governors and volunteers has been instrumental in increasing our responses from patients in the Emergency Department.

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

Shared Decision Making Aids – MSK Service

Shared decision-making is a process in which clinicians and patients work together to select tests, treatments, management or support packages, based on clinical evidence and the patient's informed preferences.

Shared decision-making is about clinicians and patients working in partnership, informing and involving patients whenever possible. It is important for patients because patients want to be more involved in making decisions about their own health and health care. Additionally, there is compelling evidence that patients who are active participants in managing their health and health care have better outcomes than patients who are passive recipients of care.

During 2013 York NHS Teaching Hospital Foundation Trust was commissioned by the Vale of York Clinical Commissioning Group to carry out a four month pilot into the effect of introducing a patient decision aid (PDA) appointment at the point of referral by a York MSK CATT Service Extended Scope Practitioner to secondary care for patients with osteoarthritis of the hip or knee.

Prior to the introduction of a PDA appointment, patients would have previously been referred for an orthopaedic opinion regarding onward management of their osteoarthritis; patients would not have been given the opportunity to explore their treatment options with the use of a video/text patient decision aid explained to them by an MSK ESP specialist clinician prior to their onward referral.

The pilot took part over a four month period where all 146 patients who accepted a PDA appointment prior to their referral to secondary care, took part in the survey. The survey was carried out using electronic tablets at the end of their appointment, prior to leaving the hospital.

The patient decision aid pilot conducted by the York MSK CATT service demonstrated that one hundred percent of patients surveyed felt that they had discussed what mattered to them, were aware of their treatment options and the likelihood of any risk/benefit of those options and were happy to proceed down their chosen management pathway at the conclusion of their PDA appointment.

It resulted in 88.3% of patients being referred to secondary care for direct listing or an orthopaedic opinion and the remaining 11.7% of patients being referred for non-surgical management in the form of physiotherapy/injections, orthotics and medication use reviews or being discharged.

This pilot highlighted that patients feel they have discussed what matters to them and are fully aware of the risk/benefit profile of their treatment options and the likelihood of those risks. It further allows for fully informed patient decision making which aims to reduce anxiety and improve outcomes.

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 and District Pain Management Support Group

- York District Cancer Partnership Group

York Limbless Support Group

The York Limbless Support Group is a group of people who have all experienced the loss of a limb through amputation. The group was launched in May 2012 after a number of patients had spoken about the difficulties they had faced in the early stages of adjusting to life with an amputation. Staff within the service suggested that patients set up a support group for not only themselves, but for others who had had an amputation.

Patients believed that following their own amputation, it would have helped them to have met with other people who had already been through the experience of limb amputation and rehabilitation and give others the opportunity to benefit from their experience of amputation. The group was then set up and now offers support to other amputees, their partners or carers in an informal atmosphere.

A number of members of the support group have also undergone training to become volunteer visitors to patients who are either awaiting an elective amputation or following an emergency amputation. They are supported by the Amputee Specialist Nurse who delivers and supports the volunteer visitor through the training. The volunteer visitors offer patients the opportunity to talk about their concerns and to ask questions about life following an amputation.

Older People's Liaison Group

The Older People's Liaison Group (OPLG) is a long established group with membership from a wide range of community and voluntary organisations including The Alzheimers Society, Age UK, York Older People's Assembly, Carers Centre and staff from across both health and social care.

The OPLG provides a forum for members to receive updates about the services provided by the Trust and discusses issues related to services provided, which affect and concern older people. The Group can additionally influence the planning, commissioning and delivery of services provided by the Trust which are of particular interest to older people.

Healthwatch

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 the three Healthwatch organisations which are part of our geographical area, these include York, East Yorkshire and North Yorkshire.

Healthwatch replaces the Local Involvement Networks (LINks) from April 2013. Healthwatch will, where LINks finished, continue to be the consumer champion for health and social care. All Local Authority areas have commissioned a local Healthwatch which will work with local communities to enable patients and the public to share their views about health and social care. Healthwatch will ensure that the experiences of members of the public are understood and taken into account in the commissioning and delivery of health and social care.

The Healthwatch role is responsible for signposting to local health and social care services and additionally to independent advocacy in relation to NHS complaints.

Healthwatch has (unlike LINks) a strategic seat and voice on the Health and Wellbeing Board. Healthwatch will use this seat to ensure that the population have their say on issues that they feel are important to them through the Health and Wellbeing Board.

There are three local Healthwatch organisations which the Trust will have direct contact with; ER of Yorkshire, City of York and North Yorkshire.

During this year members of staff and the Chairman visited all three Healthwatch organisations to develop closer working arrangements.

The Trust and Healthwatch met regularly over the year and is part of the Healthwatch Assembly which sees over 30 partner organisations meeting together to share information and best practice.

An area of work that Healthwatch and the Trust are working together is on the report '*Access to health and social care services for Deaf people'.*

A number of recommendations made by Healthwatch included:

1   Provide deaf awareness training for all staff who have contact with the public. Deaf awareness training would enable staff to:

   • Understand the communication needs of deaf people

   • Understand who is responsible for booking interpreters

   • Know how to book interpreters and the standards required.

2   Advertise and promote interpreting provision

3   Review how providers become aware of the preferred language or preferred method of communication of their patients and carers who are Deaf

4   Review how Deaf patients book appointments and how appointments are confirmed

5   Consider how public meetings can be made accessible to the Deaf community

6   Consider creating a central fund to provide a shared pool of interpreters

7   Adopt simple visual indicators in waiting rooms and reception areas

8   Review the accessibility of standard letters and consider making video clips of them.

The Trust accepted the recommendations made by Healthwatch York and is taking forward the actions through the Access to Health group which is a sub group of the Equality and Diversity group which additionally looks at access to services for other patients including the deaf community and those with visual impairment.

Patient Experience Steering Group

The Trust has a Patient Experience Steering Group, chaired by the Director of Nursing which brings together key staff from across the Trust, along with Governor and Healthwatch representation.

The Group is responsible for the implementation of the Patient Experience priorities set by the Board of Directors and further provides assurance to the Board that the Patient Experience agenda is being managed in accordance with all key policy and delivery drivers.

Part of the Group's remit is to receive all National Patient Surveys and oversee the Trust response to actions arising from the surveys. It also provides a formal mechanism for service and user groups to contribute to the Patient Experience agenda and receives information and data from the national Friends and Family Test, along with Complaints and PALS feedback.

Community services

Both Vale of York and Scarborough and Ryedale Clinical Commissioning Groups are seeking to 'test out' a local hub concept at both Malton and Selby Community Hospital, providing health and social care services to a defined population across the district. York Teaching Hospital NHS Foundation Trust has been commissioned to develop and deliver this approach.

The purpose of the hubs will be to ensure that frail, elderly and vulnerable older people are supported and enabled to be as healthy, active and independent as possible in their own home (for as long as possible); to support these individuals in a crisis and to ensure that there is a timely and efficient multi agency response as required.

Through providing better, more coordinated care, closer to home the project will deliver:

- This will mean that there will me more accessible and flexible services, via a single point of entry ('the Hub')

- There will be seamless and holistic health and social care in the right place at the right time and promotion of self care of long term conditions; maximising people's independence

- This will lead to supporting lively healthy and 'full' lives by reducing the need for intensive and costly interventions and support people to retain or improve levels of independence via short term re-ablement.

Partners in this initiative/partnership working

York Teaching Hospital NHS Foundation Trust is committed to working with partner organisations to develop and deliver the proposed Selby and Malton Community Hub model. Work is progressing to engage with Selby and Ryedale GPs to secure their commitment and support in working collaboratively to deliver this model.

Preliminary conversations have taken place with North Yorkshire County Council (NYCC) and further discussions are due to take place in the near future. The intention of this model is to reduce the number of people who need to visit hospital and to reduce the length of stay for people in hospital by providing more care locally, delivered by integrated health and social care teams.

Approach/design principles of hubs

An integrated care system will be developed, based on delivering three types of community 'care services'.[1]

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[1] Hounslow and Richmond Community Health Care; Moving towards Integrated Care February 2013

Type of Care Service	Description
Short term care	First contact and integrated urgent response services
Medium term care	A community support service
Long term care	Long term care and support and case management

The proposed outcomes and functions of the 'system' are:

Outcomes:

Short Term Care	Medium Term Care	Long Term Care
A timely response to a crisis An avoided hospital admission (where appropriate) Access to diagnostics Senior decision making Patients get what they need to support them to stay at home	Avoided hospital admission (where appropriate) Patients stay at home or their place of residence for longer Safe, planned and coordinated care Supported and planned discharge from hospital Supported carers	Vulnerable adults are supported to stay safe Well managed and supported health conditions (including Long term Conditions) Carers are supported to maintain their role

Functions:

Short Term Care	Medium Term Care	Long Term Care
Triage/referral/treatment and intelligent signposting	Co created care plans	Provision of information and support
Gathering of information (multi agency)	Referral/signposting to long term care	Making decisions for people requiring long term support

Short Term Care	Medium Term Care	Long Term Care
Provision of an immediate response (4 hours); to assess and coordinate care	Connecting with communities and support networks; close working with local GPs and voluntary sector	Ongoing support for carers
Provision of a crisis response e.g. safeguarding	Coordinating further support, assess and adapt the physical environment if required. Provision of short term	Managing Long Term Conditions via case management support Providing choice about end of life care and carer

	intensive support in the community to regain skills and independence	support Specialist support and intervention

Service Model

The service model is focused on four key service areas:

- First Contact

- Urgent/Crisis response (in reach and out reach from the community hub)

- An integrated community support service

- Long term care and support.

First Contact

Work is already underway to pilot/develop a Single Point of Access into adult community services. The service due to launch in the next few weeks will deliver an effective and efficient call handling service that will accept referrals from GPs and other health care professionals, deal with patient queries and coordinate an appropriate response from community health services.

Single Point of Contact (SPA)
Initially a single point of contact/access into adult community services, moving over time to a single point of contact into adult health and social care services (integrated teams)
A call handling service that can provide information, sign post and refer onto community services
A technologically enabled service that can provide accessible and 'live' information
Intelligent support to ensure the most effective coordination of patient support

Urgent/Crisis Response

Existing rapid response services will be enhanced to enable an integrated team response within four hours. This will be provided in three ways:

- The patient will be transported into the Selby Community Hub for assessment, diagnostic intervention and treatment

- A team will be dispatched to assess/treat a patient in their usual place of residence

- A combination of the above.

Urgent/Crisis Response
An immediate and rapid response will be provided within 4 hours
This service will provide an initial first response and assess requirements for support and intervention
The team will make onward referrals as required and coordinate the immediate health and social care response to ensure an avoided hospital admission (where appropriate)
The service will be delivered by an integrated multi professional team including doctors, nurses, therapists, social workers and mental health professionals

The Integrated Community Support Service

This service will support people to develop and maintain their independence. This service will aim to support recovery and provide rehabilitation within a 12 week period. This could also include a period of re-ablement or specialist therapeutic intervention. The service will:
Support organised and early discharge from hospital
Prevent inappropriate hospital admissions

Community Support Service
An integrated multi professional service delivered by nurses, therapists, social workers and health and social care support workers
Re-ablement services
Rehabilitation services
Referrals/signposting to long term support
Coordination of ongoing support including community based services
Proactive and organised hospital discharge

Long Term Care and Support

This service will provide continuing health and social care support to people with ongoing health and social care needs.

Case managers will work with social care staff who will help people to manage their care by providing personal budgets and/or through arranging access to residential and nursing care as appropriate. This service will also assist people to manage their long term conditions working with a nominated case manager; in addition, staff will coordinate support across a range of services including palliative care when required.

Long Term Care and Support
Continuing health care
Residential and nursing care
Palliative and end of life care
Specialist advice and intervention
Management of Long Term Conditions by Case Managers
Personal budgets

Our staff

The tables below show the number of full time equivalent staff we have in post during the year in the Trust:

Staff in post 2014

Value	Category
154.08	Healthcare Scientists
278.25	Add Prof Scientific and Technic
472.57	Allied Health Professionals
690.13	Medical and Dental
710.82	Estates and Ancillary
1,242.33	Additional Clinical Services
1,460.61	Administrative and Clerical
2,071.22	Nursing and Midwifery Registered
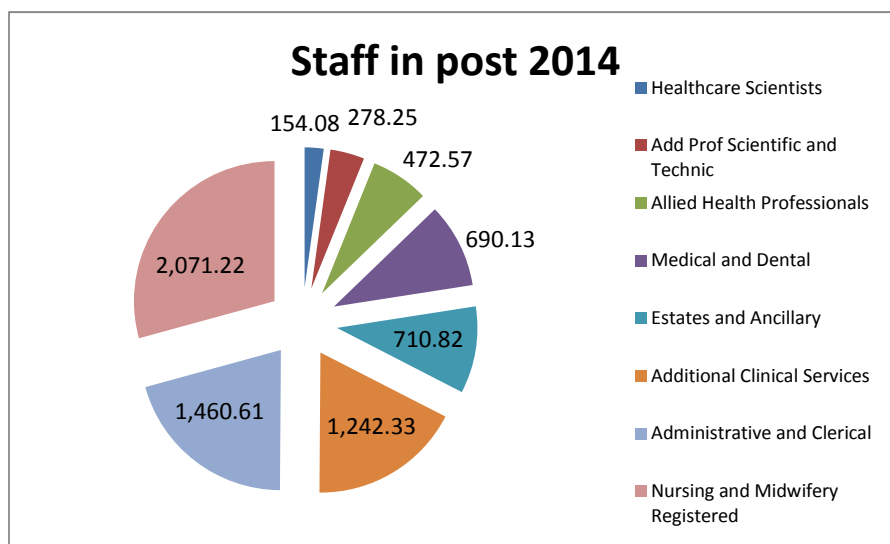
(The information is taken as at 28 February 2014)

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

Below is the breakdown of staff at the end of the year in terms of male and female, directors, other senior managers and employees

	Female		Male		Total
	Headcount	% of group	Headcount	% of group	
Directors	6	42.86	8	57.14	14
Senior Managers	44	69.84	19	30.16	63
All other staff	6746	79.87	1700	20.13	8446

Staff sickness

NHS sickness absence figures for 2013-14 have been supplied by the Health and Social Care Information Centre based on data from the Electronic Staff Record Data Warehouse, and cover the period January to December 2013.

	OCS code	Average of 12 Months sickness rate	Average full time equivalents (FTE) 2013	FTE-Days Available	FTE-Days Lost to Sickness Absence	Average Sick Days per FTE
York Teaching Hospital NHS Foundation Trust	RCB	3.6%	6,961	1,566,138	56,459	8.1

The average sick days per full time equivalent (FTE) for 2012-13 was 6.7. This data covered the financial year 1 April 2012 to 31 March 2013 and as such is not directly comparable with the data above which covers the calendar year 2013.

Operational HR

Our workforce is at the centre of our success in delivering top quality services.   The Trust has a robust HR Strategy which covers four key areas:

Entry to the Trust
Workforce Utilisation
Workforce Design
Workforce Health and Wellbeing

The Trust has implemented a Workforce Strategy Committee which is a direct reporting committee to the Board and chaired by a Non Executive Director. The workforce strategy continues to build on work already being undertaken whilst scoping new opportunities to innovate and transform staffing.

Entry to the Trust

As an organisation we have continued to enhance and improve our values based recruitment approach and have targeted the recruitment of qualified nurses specifically this year with the increase in establishment leading to an innovative recruitment campaign. The new approaches have seen a shift from more traditional methods through 'One Stop Shop' events on both York and Scarborough site leading to 46 appointment offers being made in one day through to trialling recruitment in cities further afield such as Glasgow. This has resulted in our lowest vacancy position for years with regards to registered nursing posts.

Workforce Design

The organisation has continued to develop and expand the new role of the Advanced Clinical Practitioner (ACP) with a second cohort of twelve trainees recruited in January. This provides us with the potential for a sustainable new workforce with a total of eighteen trainees and three qualified practitioners to work across sites in key specialties including Emergency Department and Acute Medicine. The organisation has taken a lead in introducing these roles and is sharing this across the region as an example of best practice.

Workforce Utilisation

In line with our workforce strategy we have looked at ways to understand and reduce our spending on temporary workforce. The implementation of the electronic rostering system has been introduced at Scarborough and the next year should see this work completed. This has enabled us to bring together this system with our internal bank through more effective use of software. The efficiencies and savings demonstrated through the internal locum bank continue be significant.

Workforce Health and 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. However, managing staff health and wellbeing is much broader than the traditional parameters of sickness absence management. There are many factors that

impact on health and wellbeing such as lifestyle choices, reward, recognition, work-life balance, staff engagement and the environment. The Trust has developed a three year Staff Health, Wellbeing and Engagement Strategy (and associated action plan) which encompasses more of a holistic approach around health and wellbeing. To ensure delivery of the Strategy the Trust has a Health and Wellbeing Steering group chaired by an Executive Director.

Consulting with our Staff

The listening exercise

The listening exercise was conducted to gain a snapshot of staff opinion in the Trust a year after the formal acquisition of Scarborough Trust and two years since community services became part of the organisation.

Comments were invited on any and all aspects of working life, from the Trust environment, to performance, to the culture of the organisation.

To keep the opportunities for feedback as broad as possible, the questions were open-ended and asked for feedback under three main themes:

- care (for example, quality, safety, services offered)
- resources (for example, our finances, the estate, logistics)
- culture (for example, the way we do things, staff morale, organisational style, management of the Trust)

The survey was open throughout September 2013, and responses could be given in writing, via email, or via an online survey tool.

226 valid responses were received, constituting around two per cent of our total workforce. Whilst not large enough to be statistically significant, there were sufficient responses to enable themes to be identified.

The main themes, and the percentage of responses that included them, are as follows.

- Staff and equipment (38 per cent of responses)

- Pressures on time/feeling stretched (10 per cent)

- Logistics and infrastructure (travel, buildings and facilities) (10 per cent)

- Systems and processes (notably HR and IT) - 19 per cent

- Staff morale (18 per cent)

- 'the York way' (10 per cent)

- Communication and consultation (10 per cent)

- Becoming a single organisation: whether we are one Trust or several separate parts (10 per cent)

- Bullying (5 per cent)

- Management visibility (3.5 per cent).

A number of staff reported that the merger is going well, and that they had noted changes and improvements, for example in patient safety and the culture of the organisation.

Others reported benefiting from being part of a larger organisation, with access to bigger teams giving the opportunity to share resources and experience.

"I genuinely feel the merger has provided an ideal opportunity to share best practice."

"I think the relationship we have with our new colleagues in York is a good one. It has been useful to be able to converse and swap ideas with our opposite numbers in York."

Some talked about the benefits of better training opportunities, and that the support they now receive from the management team at York is appreciated.

Many staff talk about their pride in their role and service, and how they deliver good care despite the challenges they face.

"Whilst there is still lots of work ongoing post merger, I think what has been accomplished so far is amazing. I have always been proud to work for the NHS and this has not altered, despite the very challenging times we live and work in."

Based on the responses to the listening exercise, the following steps have been taken:

- Feedback has been cross-referenced with results from other surveys to give a full picture of the current state of the Trust, for example the annual staff survey, the Your Voice exercise and focus groups, and other feedback given directly to managers and directors.

- Specific recommendations and suggestions from staff about potential improvements and efficiencies have been collated and shared with the relevant teams.

- The themes identified in this feedback give an indication as to where certain messages are not getting through. To counter this, the key messages from the acquisition have been reviewed and refreshed, and areas identified from the feedback have informed the content of the chief executive's staff briefings. Each brief focuses on a particular theme in a bid to restate some of the key messages and correct some misinformation.

- The principles of the listening exercise have continued, with plans being developed for the chief executive to carry out a series of drop-in 'surgeries' for staff. These will take place during 2014/15 at all sites, enabling staff to raise issues.

- Clearer communication about future plans, including realistic timescales, might help this. This is equally as important for corporate integration plans as it is for clinical plans.

Research and Development

During this year (2013/14), the number of research studies running in York Teaching Hospital NHS Foundation Trust remained at about the same level as the previous financial year although notably the proportion of National Institute for Health Research (NIHR) portfolio adopted studies increased for the fourth consecutive year.

In York:

- 66 studies began (13% decrease from 2012/13)

- 261 studies were actively running (3% increase on 2012/13)

- 76% of active studies (198) were on the NIHR Portfolio (compared with 71% in 2012/13 and 63% in 2011/12)

- 17% of active studies were commercially sponsored (compared to 13% in 2012/13 and 18% in 2011/12)

- Ten Trust sponsored studies were running in the year

In Scarborough:

- 25 studies began (compared to 27 in 2012/13)

- 94 studies were actively running (compared to 93 in 2012/13)

- 81% of active studies (76) were on the NIHR Portfolio (compared with 71% in 2012/13)

- 3% of active studies were commercially sponsored (compared with 5% in 2012/13)

- Four Trust sponsored studies were running in the year (compared to 0 in 2012/13).

The Trust has in place a Research and Development (R&D) Group, the membership of that group includes:

- Representatives from the Trust

- Health professional academics

- Lay members.

It has met monthly to oversee research governance on behalf of the Trust in its role as the sponsor, funder or host of research studies.

The R&D Unit supported the R&D Group to provide services to the Trust under contract to the University of York, so enabling them to meet their legal obligations. Communication with research-active staff was maintained via email newsletters and the R&D website 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. Our CTIMP SOPs are used as models by many NHS organisations across the country. A section on R&D was also included in the Trust's new website:

http://www.yorkhospitals.nhs.uk/our_services/research_development/

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. However NEYNL CLRN will shortly be disbanded as part of major changes to the national research infrastructure. These changes include the reconfiguration of the existing topic specific and comprehensive local research networks (currently 102 in total) into 15 local Clinical Research Networks (CRNs).

York Teaching Hospital NHS Foundation Trust will sit within the Yorkshire and Humber local CRN. The host organisation of this CRN will be Sheffield Teaching Hospital NHS Foundation Trust. The latter will have responsibility, amongst other things, for distributing funding for research delivery across the member organisations of our local CRN.

The new local CRNs come into place formally in April 2014 and a transition process to take us from the old to the new structure is currently in place. However it is expected that the delivery of research at the coal face will remain much the same for the next financial year. The move to the new CRN is a major undertaking and we will need to be flexible and respond appropriately to the opportunities and challenges this brings in the coming year.

The changes to the nation research infrastructure also include

- The creation of nine 'Collaboration in Leadership for Applied Health Research and Care' networks (CLAHRCs)

- The creation of 15 Academic Health Science Networks (AHSNs).

Lead Research Nurse Co-ordinators

The research staff workforce continues to grow and develop within the Directorate, co-ordinated and managed by the Lead Research Nurses (LRNCs). The number of Research Nurses and supporting Administrative staff in York and Scarborough has continued to grow from 23 to 32 Research Nurses and from seven to 13 Clinical Trials Assistants (CTAs), further supporting the way clinical trials and other complex research projects are managed to a high standard in the organisation. Included in the workforce is a new data manager and a developmental research nurse.

As a Department, we are moving into other specialities where research activity is growing, such as neurology and respiratory disease and hope to become active in diabetes and orthopaedic research.

The LRNCs are also playing an active role in seeking to the increase the number of industry trials undertaken in the Trust, supporting the NIHR's high level objectives and increasing income for the Trust. As a Trust we have met 90% of the recruitment targets set for our commercial activity.

During the year the LRNCs, together with the R&D Unit and research teams have worked together to raise the profile of research activity in the Trust for members of staff, patients and the public. This has been achieved by making information about research more readily available and by running events such as International Clinical Trials day and coffee mornings.

York Clinical Research Facility

The HYMS Experimental Medicine Unit, now known as the York Clinical Research Facility, (CRF) is well established and generating research income in its own right. It is successfully running, and has already run, a number of early phase studies including a 'First in man' study of a treatment vaccine for Leishmaniasis; a study funded by the Wellcome Trust and co-sponsored by York Teaching Hospital NHS Foundation Trust and the University of York.

York CRF was successful in applying for and being allocated a Pharmaceutical Graduate Management trainee for nine months. Her project looked at promoting the CRF's services and increasing commercial activity. As a result of this work the CRF was re-launched in October 2013 with a new name and new website. The University of York has entered into a risk sharing strategy with the Trust in order to secure the future funding of the CRF for the next five years.

Corporate Learning and Development

The Corporate Learning and Development Team have worked to restructure and realign the Corporate Induction, in line with the wider organisational need; all new employees are now inducted at York.

The team has worked on providing a streamlined, intuitive Training Needs Analysis (TNA), working with both subject leads and staff group leads. All statutory and mandatory training will be delivered face to face initially, with online knowledge assessments and self declaration every three years. The team worked closely with the Learning Technologies Team to support the implementation of Learning Hub, the Trust's new learning platform.

Work streams have been re-organised; Mentor Register, TNA and Corporate Induction now sit at York site, Learning Leave, Verification of Learners and Managers for Learning Hub at Scarborough.

The team continues to support the Organisational Development and Improvement Learning (ODIL) Department in marketing and booking courses.

Work Based Learning (WBL)

The Business and Administration Team have been working on developing a new 'York Trust' specific apprenticeship. A programme has been developed to ensure business and administration apprentices throughout the Trust work to a high standard.

The Healthcare team has supported Cathy Skilbeck, Senior Nurse, Workforce, and the National Open College Network (NOCN) to gain accreditation for the Healthcare Assistants (HCA) Band 2 Programme. The programme consists of values based recruitment, induction and an assessment workbook. It is likely this will be accredited as a Level 2 QCF (Qualifications and Credit Framework, previously NVQ) Certificate, ensuring all HCAs, Trust wide, reach the same high standard.

Learning Technologies

In June 2013 the Trust started to implement Learning Hub the Trust's new online learning management system.

The first stage of this process was migrating three years of training history from the Electronic Staff Record/Oracle Learning Module to Learning Hub and building all courses facilitated by the Corporate Learning and Development teams. Electronic Staff Records (ESR)/National Learning Management System has continued to be used throughout the year by staff wanting to complete eLearning.

At the same time work began on matching staff records from ESR and Active Directory trust systems to enable single sign-on and create one staff database for staff undertaking learning regardless of the type of learning.

In November 2013 Learning Hub was upgraded to incorporate new functionality enabling better tracking for compliancy data e.g. everyone must complete their Health and Safety

training every three years. This functionality also gives staff access to a personal training profile.

The Corporate Learning and Development Team started learner verification in November 13 whereby the details of every member of staff needs checking with them to make sure the ESR/AD match is correct, this work continues. Staff will not be able to access Learning Hub until their account has been verified.

Corporate Learning and Development also started to build staff/manager relationships so that managers will get their own access to view their staff learning and compliancy status, this work continues.

Over the last six months members of the Learning Technologies team have been working closely with Subject Matter Experts and the Corporate Learning and Development team to produce e-learning to support the organisation's new statutory/mandatory training program.

In February 2014 automated notifications were switched on since which time Learning Hub has been sending out course bookings, cancellations and reminders automatically.

Throughout March 2014 compliances have been created and course completion settings amended to support full go-live of self-service including booking of courses and playing of e-learning via this system from early in 2014/2015.

Corporate Improvement

The NHS of today is under increasing pressure to deliver more with less. It is incumbent on all of us to continually look at the way we deliver services and seek to improve that delivery across the three domains of performance (Quality and safety, Access and flow, Finance and efficiency).

More than 75% of change projects in the NHS fail to deliver long term benefits - thus compromising the services we offer to our patients.

Changing things for the better (Improvement) does not happen by chance - it requires planning, leadership, engagement of key stakeholders and an understanding of the "whole system" (amongst other things) if success is to be achieved.

The Corporate Improvement Team (CIT) was established to meet this need, from existing corporate resources in January 2013. The new team "went live" on 1 April 2013.

The CIT is based on both the main Acute sites and works across the whole organisation.

The purpose of the CIT is to provide service improvement/ project management skills, expertise and capacity to services across the Trust as they strive to continually improve services to patients.

The CIT can be commissioned to help deliver and/or support three levels of improvement work:

- Level 1 - Commissioned and sponsored by the Executive team (through the Clinical Strategy Delivery Group) to provide dedicated support to trust wide projects in response to managing corporate priority risks

- Level 2 - Commissioned through CIT for smaller scale projects. The CIT will provide specific support for a limited and agreed time period, e.g. facilitation of process mapping/ workshop

- Level 3 – Supporting the development of improvement skills and knowledge through training and/ or mentoring

  - improving Care Delivery and Services - one day and three day programme
  - Mentoring and support for individuals involved in improvement projects.

The successful establishment of the Team and subsequent team development programme has enabled the CIT to undertake a significant programme of work in support of operational teams.

There are currently 12 "live" level one projects (80+ separate workstreams). A further 20 level one projects have been completed.

Amongst the projects ongoing, there are some significant pieces of work, including:

- The development of an elective orthopaedic service at Bridlington Hospital

- Acute Board work (York and Scarborough) capacity and demand, acute assessment area, ambulatory care and deteriorating patient workstreams)

- The development of options for an improved pre operative service for elective surgery (York)

- The design and implementation of a Single Point of Access for Community services

- Rapid improvement event (Perfect Week) for ED in Scarborough

Other successes include (Trust wide):

- The development of a toolkit for Service Improvement (Dial I) that underpins the CIT approach to improvement

- The development and refinement of a Programme management methodology (tools, reports and other documentation) – imperative for the successful delivery of our large and complex change programme

- Introduction of an "evidence based" (improvement measures) approach to business case development and post implementation review to ensure that there can be an objective assessment of return on investment

Improvement community

The CIT has been successful in building networks and alliances with other providers of improvement expertise (CSU, NHSIA, NHS Elect, CCG Improvement teams) that has allowed these other providers to work alongside our own teams, following the CIT approach and methodologies, and so ensuring a consistent improvement language at operational level.

The CIT works closely with the Clinical Efficiency team and Patient Safety team to reduce the risk of duplication of effort.

Capacity and Demand

Active programme and resource management allows the CIT to be responsive to the demands of the organisation. Resources are flexed to meet the priorities of the organisation through the Clinical Strategy Development group. This ensures that the capacity in the team is used optimally.

The team is expending through the introduction of new posts to support specific programmes (e.g. the Community Hubs will see the introduction of two new posts).
A business case is under development to expand the business analyst capacity available to improvement projects.

Review of Financial performance

Fair view of the Trust

The table below provides a high level summary of the Trust's financial results for 2013/14.

Summary financial performance 2013/14

	Plan £million	Actual £million	Variance £million
Clinical income	382.6	387.1	4.5
Non-clinical income	40.4	44.8	4.4
Total income	**423.0**	**431.9**	**8.9**
Pay spend	-286.3	-289.6	-3.3
Non-pay spend	-140.5	-148.3	-7.8
Total spend before dividend, and interest	**-426.8**	**-437.9**	**-11.1**
Operating deficit before exceptional items	-3.8	-6.0	-2.2
Transition Support	12.0	12.0	0
Dividend, finance costs and interest	-5.8	-5.9	-0.1
Net surplus	**2.4**	**0.1**	**-2.3**

Statement of Comprehensive Income 2013/14

Clinical income totalled £387.1m, and arose mainly from contracts with NHS Commissioners, including Vale of York CCG, Scarborough CCG, East Riding CCG, NHS England and Local Authorities (£384.2m), with the balance of £2.9m from other patient-related services, including private patients, overseas visitors and personal injury cases.

Other income totalled £44.8m and comprised funding for education and training, for research and development, and for the provision of various non-clinical services to other organisations and individuals.

Under the terms of the agreement to take over the former Scarborough and North East Yorkshire Healthcare NHS Trust, the Foundation Trust has received additional transition funding of £12m in 2013/14. This figure is included in the annual accounts in the Statement of Comprehensive Income as transition funding and shown as exceptional income. In 2014/15, the Trust will continue to receive transitional support in relation to the SNEY integration programme.

In April 2013, a number of Community premises were transferred to the Trust from the former North Yorkshire and York PCT, under the transforming community care initiative. These assets were valued at £32.6m. Under modified absorption accounting, this transfer was accounted for through the income and expenditure reserve as other comprehensive income.

The Trust re-values all of its property fixed assets, including land, buildings and dwellings 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 2013/14 this revaluation, together with adjustments to the former PCT assets as a result of

harmonising accounting policies, gave rise to an impairment loss included in the operating surplus above of £2.6m

At the end of the financial year, the Trust reported an income and expenditure surplus of £0.1m, compared with a planned surplus of £2.4m, mainly due to the loss from the asset impairment.

Accounting policies

The Trust has adopted international financial reporting standards (IFRS), to the extent that they are applicable under the Monitor Annual Reporting Manual.

Cash

The Trust's cash balance at the end of the year totalled £25.3m.

Monitor risk rating

During the year Monitor revised their approach to the risk rating process and introduced a Continuity of Services rating. The Continuity of Services rating is intended to reflect the likelihood of a financial non-compliance of the licence. This change came into effect after quarter 2. More detail about the ratings can be found on page 180 of this report.

Capital investment

During 2013/14, the Trust invested £17m in capital projects across the estate. The major projects on site during that period included:

- Creation of a new visitor car park at Scarborough, which will ease parking problems and create a new development zone

- A major upgrade of the maternity theatre at Scarborough

- Upgrades to maternity ventilation at both York and Scarborough

- Improvements to the emergency department at York to reduce waiting times

- Replacement boiler plant and lighting to increase energy efficiency and reduce carbon emissions at York Hospital

- Ongoing major refurbishment of the staff and visitor restaurant and main production kitchen at York

- A dispensing robot for the pharmacy at York

- Improved delivery rooms in maternity at York

- Improved decontamination facilities for Endoscopy at York

- Improvements to public toilets and the installation of a 'Changing Places' facility for severely handicapped patients and visitors

- Improvements to St Monica's hospital (supported by the League of Friends)

- Improvements to Fitzwilliam ward at Malton

- An improved blood taking facility at York

- A new standby generator at Bridlington

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.

Planned capital investment

Capital investment plans for 2014/15 include:

We are planning new facilities to allow the development of acute assessment areas at both York and Scarborough, which will be integrated with the emergency departments and improve the way in which acute patients are managed.

We have begun work on the construction of a new surgical ward at Scarborough, which will be on site in April 2016.

A key Trust focus remains on reducing backlog maintenance by replacing essential parts of the estate infrastructure such as the lifts at Scarborough, electrical distribution panels, and medical gas system improvements.

Land interests

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

Investments

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

Value for money

The Trust has a proven record of implementing resource management cost improvement programme 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 2013/14 the Trust was required to delivery an efficiency target of £23.4m. This was devolved to directorates based on their available budgets. The amount achieved in 2013/14 was £26.8m; £2.8m above plan.

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 are no significant events since balance sheet date.

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.

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 unannounced inspections as part of the CQC's routine inspection programme. In July and August 2013, the CQC inspected five outcomes at each of the sites inspected. The sites inspected were York Hospital, Scarborough Hospital and Archways Intermediate Care Unit. The CQC found the Trust to be compliant with all standards inspected at York Hospital and Archways, with Scarborough being compliant with three standards inspected but action was needed on two further standards.

A full action plan was implemented and Scarborough Hospital was found to be compliant with these standards after the CQC re-inspected in December 2013.

The Trust has not been subject to any themed inspections in this financial year.

A summary of the unannounced inspections and findings is listed below.

Outcome	Result of the inspection at York Hospital July and August 2013
Outcome 1: **Respecting and involving service users** People should be treated with respect, involved in discussions about their care and treatment and able to influence how the service is run	Fully Compliant
Outcome 4**: Care and welfare of people who use services** People should get safe and appropriate care that meets their needs and supports their rights	Fully Compliant
Outcome 8 **: Cleanliness and infection control** People should be cared for in a clean environment and protected from the risk of infection	Fully Compliant
Outcome 13**: Staffing** People who use services are safe and their health and welfare needs are met by sufficient numbers of appropriate staff	Fully compliant
Outcome 16: **Assessing and Monitoring the Quality of Service Provision** 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	Fully Compliant

Outcome	Result of the inspection at Scarborough Hospital July 2013
Outcome 1: **Respecting and involving service users** People should be treated with respect, involved in discussions about their care and treatment and able to influence how the service is run	Fully Compliant

Outcome	Result of the inspection at Scarborough Hospital July 2013
Outcome 4: **Care and welfare of people who use services** People should get safe and appropriate care that meets their needs and supports their rights	Action Needed
Outcome 8 : **Cleanliness and infection control** People should be cared for in a clean environment and protected from the risk of infection	Action Needed
Outcome 13: **Staffing** People who use services are safe and their health and welfare needs are met by sufficient numbers of appropriate staff	Fully compliant
Outcome 16: **Assessing and Monitoring the Quality of Service Provision** 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	Fully Compliant

Outcome	Result of the Re-inspection at Scarborough Hospital December 2013
Outcome 4: **Care and welfare of people who use services** People should get safe and appropriate care that meets their needs and supports their rights	Fully Compliant
Outcome 8 : **Cleanliness and infection control** People should be cared for in a clean environment and protected from the risk of infection	Fully Compliant
Outcome	Result of the inspection at Archways Intermediate Care Unit August 2013
Outcome 1: **Respecting and involving service users** People should be treated with respect, involved in discussions about their care and treatment and able to influence how the service is run	Fully Compliant

Outcome	Result of the inspection at Archways Intermediate Care Unit August 2013
Outcome 4**: Care and welfare of people who use services** People should get safe and appropriate care that meets their needs and supports their rights	Fully Compliant
Outcome 8 **: Cleanliness and infection control** People should be cared for in a clean environment and protected from the risk of infection	Fully Compliant
Outcome 13**: Staffing** People who use services are safe and their health and welfare needs are met by sufficient numbers of appropriate staff	Fully compliant
Outcome 16: **Assessing and Monitoring the Quality of Service Provision** 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	Fully Compliant

Governance Report

Governance Report

NHS Foundation Trust Code of Governance

Monitor released the latest version of the Code of Governance during 2013/14. 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 five Executive Directors. During the year the Board added an additional Executive Director to its members, and two Executive Directors left the Board. The Board of Directors provides active leadership within a framework of prudent and effective controls and ensures it is compliant with the terms of its licence. 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 NHS England, 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 the terms of the licence. 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. The next elections will be held during summer 2014.

The Council of Governors has in place a process for the appointment of the Chairman which includes understanding the other commitments a prospective candidate has.

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 135. 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 153.

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 129.

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
Paragraph B1.1 The Board 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 judgement and whether there are relationships or circumstances which are likely to affect, or could appear to affect, the director's judgement. The Board of Directors should state its reasons if it determines that a director is independent despite the existence of relationships or circumstances which may appear relevant to its determination, including if the director:	
has close family ties with any of the NHS Foundation Trust's advisors, directors or senior employees	One of the Non-executive Director's spouses was a Clinical Director working for the Trust.
has served on the Board of the NHS Foundation Trust for more than six years from the date of their first appointment	The Chairman is coming to the end of his terms of office where he will have served nine years. The Chairman's period of office will conclude on 31 March 2015.

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 general duty of the Board of Directors and of each director individually, is to act with a view to promoting the success of the Trust so as to maximise the benefits for the members of the Trust as a whole and for the public.

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

<u>External Board effectiveness</u>

The Board undertook an effectiveness review during 2011/12 as part of the process for the acquisition of Scarborough and North East Yorkshire Healthcare NHS Trust. The subsequent report showed the Board was effective in its style and that it was a well functioning Board. The Trust also underwent an Annual Planning Stage 2 Review risk to quality during 2012/13. The report produced following the review confirmed the Board was well run and effective in style and functionality. It also demonstrated that the Trust had appropriate quality systems in place.

The Board has an action plan in following an internal review which was last updated in December 2012. The Board is intending on commissioning a further Governance Review during 2014/15.

The Board membership is as follows:

Mr Alan Rose – Chairman
Mr Patrick Crowley – Chief Executive
Mr Philip Ashton – Non-executive Director, Chairman of the Audit Committee and Senior Independent Director
Mrs Jennifer Adams – Non-executive Director
Mr Mike Keaney – Non-executive Director
Ms Libby Raper – Non-executive Director
Mr Michael Sweet – Non-executive Director
Professor Dianne Willcocks – Non-executive Director and Vice Chairman
Mr Andrew Bertram – Executive Finance Director
Mr Peta Hayward – Executive Director of Human Resources (Resigned 31 March 2014)
Ms Elizabeth McManus – Executive Chief Nurse (Resigned 8 September 2013)
Dr Alastair Turnbull – Executive Medical Director

Mr Mike Proctor – Deputy Chief Executive, Chief Operating Officer and Chief Nurse (from 8 September 2013)
Mrs Sue Holden- Executive Director of Applied Learning and Research and (Interim Director of HR from 31 March 2014)

The Board took the decision during the year to introduce a number of key advisors to the Board meeting from September 2013, and Mrs Geary from December 2013. The three Corporate Directors are:

Mrs Sue Rushbrook, Corporate Director of Systems and Networks
Mr Brian Golding, Corporate Director Estates and Facilities
Mrs Beverley Geary, Corporate Director of Nursing

<u>Attendance of Board members at Board of Directors meetings</u>

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

Member	Attendance record
Alan Rose Chairman	13/13
Patrick Crowley Chief Executive	12/13
Philip Ashton Non-executive Director and Senior Independent Director	1213
Jennifer Adams Non-executive Director	12/13
Mike Keaney Non-executive Director	13/13
Libby Raper Non-executive Director	13/13
Michael Sweet Non-executive Director	13/13
Dianne Willcocks Non-executive Director	12/13
Mike Proctor Deputy Chief Executive, Chief Operating Office and Chief Nurse	11/13
Andrew Bertram Executive Finance Director	12/13
Peta Hayward Executive Director of Human Resources	12/13
Elizabeth McManus Chief Nurse (Executive)	3/5
Alastair Turnbull Medical Director (Executive)	12/13
Sue Holden	11/13

Member	Attendance record
Executive Director Corporate Development	
Sue Rushbrook Corporate Director Systems and Networks	5/7
Brian Golding Corporate Director Estates and Facilities	6/7
Beverley Geary Corporate Director of Nursing	5/5

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 at the end of the financial year includes 11 voting Directors of which there is a Non-executive Chairman, six Non-executive Directors and five Executive Directors. Of those eight are male of which four are Non-executive Directors and four are female of which three are Non-executive Directors. There are three Corporate Directors who attend the Board meeting as advisors, two of whom are female and one male.

The age profile of the Board is as follows:

- one member is between the age of 18-50

- eight members are between the age of 50-65

- three 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.

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 private sector industry.

Non-executive Director – Jennifer Adams
Initially appointed 1 September 2012 to 31 August 2014

Jennifer 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 16 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.

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 – Libby Raper
Initially appointed 1 August 2009 to 31July 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 five 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 Trust. At the Trust he chairs the Finance and Performance Committee, sits on the Audit Committee and the Clinical Ethics Committee, he 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 21 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.

Peta left the Trust in March 2014.

Executive Chief Nurse – Elizabeth McManus
Appointed June 2003 – September 2013

"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.

Libby left the Trust in September 2013 to take up the role of Chief Nurse at another Foundation Trust.

Executive Deputy Chief Executive / Chief Operating Officer/ Chief Nurse – Mike Proctor
Appointed 1993
Seconded to SNEY in February 2011 to July 2012.
Rejoined the Board from 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 at the Northern General Hospital, Sheffield in 1987. Between 1989 and 1993 Mike worked as a Nurse Tutor. Mike left Sheffield and joined 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. Mike rejoined the Board of Directors as an Executive Director from July 2012. Mike also took on the role of Chief Nurse from September 2013 following the resignation of Ms E McManus.

Executive Medical Director – Alastair Turnbull
Appointed January 2010

Alastair has worked in the NHS for over 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 six years and has a special interest in patient safety. He is a member of several groups including infection control, art and environment, and trust drugs committees amongst others. Alastair chairs the clinical Quality and Safety group and is the Director of Infection and Prevention and Control and also the Caldicott Guardian.

Executive Director Corporate Development – Sue Holden
Appointed to the Trust 2004
Appointed as Executive Director April 2013

Sue first started her NHS career in 1983 following a period as a librarian. She trained as a nurse and midwife, working 13 years in Midwifery before moving into education and development. Prior to joining York Sue worked for the Learning Alliance working with teams and boards developing improvement knowledge and capability across the old Northern and Yorkshire Region. She worked briefly as a PCT Director in Wakefield before nationally delivering the modernisation programme as part of the Modernisation Agency. Sue joined York in 2004 as Head of Learning and Development and has created the organisational development capability to support the recent acquisition of Scarborough. Sue is also a Chartered Fellow of the Institute of Personal Development (CIPD) and was awarded Leadership Development Champion of the year 2013 for Yorkshire and Humber. Sue has taken up interim responsibility for the Human Resources Directorate following the resignation of the Director of HR Peta Hayward in March 2014.

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 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

As at 31 March 2014, 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**:**

Sue Holden
Director – S.S.H. Coaching Ltd

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

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 (this declaration terminated from 1 April 2014)

Dianne Willcocks
Director - London Metropolitan University
Vice Chairman - Rose Bruford College of HE

Mike Proctor
Spouse a senior staff member in Community Services

Peta Hayward
Vice Chairman HPMA

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
  - Clostridium difficile reduction year on year
  - MRSA
- Cancer treatment
  - 31 days form decision to 1st treatment
  - 31 days fro 2nd or subsequent treatment for all cancers – anti cancer drugs
  - 31 days for 2nd 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 1st seen for all urgent cancers
  - 14 days from referral to 1st seen for 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
- 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 five 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 2013/14 consisted of:

Philip Ashton – Non-executive Director and Chairman of the Committee
Michael Sweet – Non-executive Director
Libby Raper – Non-executive Director
Mike Keaney – Non-executive Director

The Committee was supported by a number of officers from the Trust including:

Mr A Bertram – Director of Finance
Mr N Booth – Chief Accountant
Mrs A Pridmore – Foundation Trust Secretary
Mrs S Wilson – Head of Corporate Finance

The Trust and the Committee is further supported by the Internal Audit Service provided by North Yorkshire Audit Services.:

Ms I Hall – Audit Manager
Mrs H Kemp-Taylor – Head of Internal Audit
Mr S Moss – Counter Fraud Officer

Externally the Trust and Committee is supported by the external auditors – Grant Thornton:

Mr G Mills – Audit Manager Grant Thornton
Mr G Nunns – Audit Partner Grant Thornton

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
Libby Raper, Non-executive Director	5/6
Michael Sweet, Non-executive Director	6/6
Mike Keaney, Non-executive Director	6/6

The Trust has an independent Internal Audit function which is managed by the Director of Finance. The Trust hosts the service for the region. The Internal Audit service also provides audit services to a number of other foundation trusts and CCGs in the region and there is an Alliance Board that meets on a quarterly basis and includes membership (Finance Director and Chairman of the Audit Committee) from each organisation the service has a contract with.

The Internal Audit service agrees a work programme at the beginning of the financial year with the Trust. The service reports to each Audit Committee meeting on the progress of the

work programme and provides detailed reports on the internal audits that have been completed during the previous quarter.

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

- Considered 56 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

- Discussed and received assurance about the Clinical Audit processes in place in the Trust

- 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 considered the year end financial statements, operational and compliance issues during the year and drew the Board's attention to the technical adjustments as a result of the introduction of modified absorption costing. The Audit Committee also considered the implications of the removal of the Working Capital Facility and the introduction of the consolidation of Charitable Funds. The Audit Committee confirmed the support for the Trust not consolidating the Charitable Funds with the Trusts accounts on the basis of materiality.

The Council of Governors approved an extension to the existing contract with the external auditors in September 2012. This has resulted in a maximum term for the current external auditors of five years. During 2014/15 the Trust will be with the Council of Governors seeking to let a new contract with external auditors for the provision of an external audit service which it is anticipated would be on a three year basis with a further option of two more years if approved by the Council of Governors.

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.

The Data Quality Work Group

The Data Quality Work Group, a sub-group of the Audit Committee has commenced a programme of work during 2013/14 to examine and understand data quality issues relating to financial, human resource, risk and legal services 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 2014/15

The Data Quality Work Group met six times 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
Sue Rushbrook – Director of Systems and Networks

Other senior managers and executive directors attend as appropriate.

Attendance at the meetings was as follows:

Members	Attendance
Philip Ashton, Non-executive Director	6/6
Mike Keaney, Non-executive Director	6/6
Andrew Bertram, Executive Finance Director	6/6
Helen Kemp-Taylor, Head of Internal Audit	6/6
Sue Rushbrook, Director of Systems and Networks	5/6

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 and Non-executive Director
Mr P Ashton – Non-executive Director (until May 2013)
Mr M Keaney- Non-executive Director

Attendance from members was as follows:

Members	Attendance
Mr M Sweet	10/10
Mr M Keaney	10/10
Mr P Ashton	1/1

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

Mr A Bertram – Executive Finance Director
Mrs D Hollings-Tennant –Head of Resource Management
Mr G Lamb – Deputy Director of 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
Mr P Ashton – Non-executive Director (from June 2013)

Attendance from members was as follows:

Members	Attendance
Ms L Raper	10/10
Mrs J Adams	10/10
Mr P Ashton	5/8

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

Ms E McManus – Chief Nurse (until September 2013)
Mrs B Geary – Director of Nursing (from September 2013)
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 four 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	4/4
Libby Raper, Non-executive Director	4/4
Patrick Crowley, Chief Executive	2/4
Elizabeth McManus, Chief Nurse (until September 2013)	1/4
Lucy Connolly, Assistant Chief Nurse, Workforce	4/4
Sue Holden, Director of Applied Learning and Research	4/4
Peta Hayward, Director of Human Resources (until March 2014)	4/4
Natalie McMillan, Assistant Director, Resourcing	4/4

Jonny Thow, Clinical Strategic Lead	4/4
Melanie Liley	2/4
Deborah Hollings- Tennant	3/3

Remuneration Committee

The Committee met six times during the year.

The membership of the Committee was as follows:

Alan Rose -- Chairman of the Trust
Philip Ashton – Non-executive Director
Libby Raper – Non-executive Director
Michael Sweet – Non-executive Director
Dianne Willcocks – Non-executive Director
Jennie Adams – Non-executive Director
Mike Keaney – Non-executive Director

Attendance at the meetings was as follows

Members	Attendance
Alan Rose, Chairman	6/6
Phillip Ashton, Non-executive Director	5/6
Libby Raper, Non-executive Director	6/6
Michael Sweet, Non-executive Director	6/6
Dianne Willcocks, Non-executive Director	5/6
Mike Keaney, Non-executive Director	6/6
Jennifer Adams, Non-executive Director	6/6

As appropriate, the Committee is joined for selected agenda items by the Chief Executive (Mr Patrick Crowley) and/or the Human Resources Director (Ms Peta Hayward).

During the year, issues covered included:

- Annual Review of Executive Remuneration. This year, the Executives were awarded a 1% rise, commensurate with the national award to NHS staff and the NEDs. Remuneration decisions are based upon knowledge of the latest national NHS awards and the annual review of benchmarking information available concerning executive pay in comparable NHS Trusts

- During this year, information about last year's executive remuneration award became available in the normal manner through the Trust's Annual Report and Accounts; this attracted a degree of public and staff scrutiny, as there had been uplifts to reflect the significant rise in size and complexity of the Trust following acquisition of the Scarborough Trust. The Chairman, on behalf of the Committee, met at the request of the staff side union representatives to explain the process whereby the awards for 1/4/12 were reached by this Committee. As a result of this discussion, the Committee agreed that the process of deciding executive remuneration should be publicly-available and the result of the Annual Review be

reported in publicly-available Board of Directors minutes as soon as possible after the award has been made. The Board of Directors have been apprised of this change in practice. It has been the practice of the Chairman to apprise the Governors, in private, as a courtesy, of executive remuneration awards, although the Governors have no formal role in this process

- A formal succession planning discussion with the Chief Executive, covering all members of the Executive team. This will become an annual part of the Committee's work programme. The Committee also requested that the Workforce Strategy Committee actively report to the Board on its work to develop a range of leadership development programmes throughout the Trust, including "talent management". The combination of the above items is designed to help the Trust anticipate key leadership issues earlier and to help it develop an enhanced depth of leadership talent to support the larger and more complex set of activities the Trust is engaged in

- A discussion with the Chief Executive of the highlights of the appraisals performed by him of the corporate directors. The committee agreed with the Chief Executive that in the coming year this would include written reports summarising the appraisals

- The Committee agreed that Sue Holden, Director of Corporate Development and Research, should become a full voting member of the Board

- The Committee requested that the Corporate Directors (Sue Rushbrook, Brian Golding) that are not full voting Board members should be asked to attend Board meetings, to assist alignment between the strategic oversight of the Trust and the operational management

- On the resignation of the Chief Nurse (September 2013) to move to another Foundation Trust, the Committee agreed with the Chief Executive an interim arrangement for the mandatory Chief Nurse role. It was agreed that this should be subject to a Review after 6 months. This review was conducted by the Chief Executive and the Senior Independent Director (Philip Ashton), leading to further changes in the Executive portfolios in 2014/15

- The Chairman shared the text of the appraisal of the Chief Executive for discussion

- On the resignation of the Human Resources Director (March 2014), the Committee agreed with the CE an interim arrangement and a proposal to externally review the Directorate within the following three to six months.

The minutes of the Remuneration Committee are private.

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 Board of Directors through the Chief Executive and the Chairman provide regular updates to the Council of Governors on the developments being undertaken in the Trust. The Board of Directors encourages the Governors to raise questions and concerns during the year and ask for further discussions at their public meetings where they feel further detail is required. The Chief Executive and any invited Executive Director or Non-executive Director will ensure that the Council of Governors are provided with any information when the Trust has materially changed the financial standing of the Trust or the performance of its business has changes or where there is an expectation as to performance which, if made public, would be likely to lead to a substantial change to the financial wellbeing, health care delivery performance or reputation and standing of the Trust.

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.

The Board of Directors makes decisions about the functioning of the Trust and where appropriate consult with the Council of Governors prior to making a decision. Any major new development in the sphere of activity of the Trust which is not public knowledge is reported to the Council of Governors in private session and to Monitor.

The Council of Governors are responsible for the decisions around the appointment of the Non-executive Directors, the appointment of the External Auditors in conjunction with the Audit Committee, the approval of the appointment of the Chief Executive and the appointment of the Chairman. The Council of Governors set the remuneration of the Non-executive Directors and Chairman. The Council of Governors are encouraged to discuss decisions made by the Trust and highlight any concerns they have. The Council of Governors also has in place a statement that identifies at what level the Board of Directors will seek approval from the Council of Governors when there is a proposed significant transaction or when the Trust adds additional private work above.

Board balance, completeness and appropriateness

As at year ending 31 March 2014, the Board of Directors for York Teaching Hospital NHS Foundation Trust comprised of five Executive Directors, six Independent Non-executive Directors and an Independent Non-executive Chairman.

Mr Alan Rose was initially appointed as a Non-executive Director in March 2006. He was appointed as the Chairman of the Trust from 1 April 2010 and at their meeting March 2013 the Council of Governors approved the appointed of Mr Rose for a further two year term which will terminate on 31 March 2015. The Chairman will have then completed nine years of service as a Non-executive Director and Chairman.

Professor Dianne Willcocks was initially appointed as a Non-executive Director in May 2010. Her term of office came to an end on 30 April 2013. The Council of Governors reappointed Professor Willcocks for a further three year term from 1 May 2013.

Mrs Sue Holden joined the Board of Directors as an Executive Director from 1 April 2013.

During the year Ms Elizabeth McManus, Chief Nurse left the Trust to take up a Chief Nurse role at another Foundation Trust. Mr Mike Proctor, Deputy Chief Executive and Chief Operating Officer was appointed by the Board as Chief Nurse on an interim basis. Ms Peta Hayward, Director of HR left the Trust in March 2014.

The remainder of the composition of the Board of Directors has not changed during the financial year 2013/14.

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 2013/14 and all Non-executive Directors have undergone an annual appraisal as part of the review.

The appraisal of the Chief Executive is undertaken on an annual basis by the Chairman. The Chairman has put in place a robust system where he met and discussed the performance of the Chief Executive with the Executive Directors, Non-executive Directors, appropriate external contacts and some senior managers that work closely with the Chief Executive. The appraisal was discussed with the Chief Executive and a set of objectives were drawn up. The Remuneration Committee reviewed the appraisal and the objectives and approved the document.

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.

All Board members have confirmed that they are fit and proper persons to hold the office of Director in the Trust and have no declarations to make that would be contrary to the requirements. All Board members have confirmed that they do not hold any additional interests that are not declared in the Trust's Declaration of interest.

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 121 of the Annual Report and Accounts 2013/14.

<u>Statement of the division of responsibility between the Chairman and the Chief Executive</u>

<u>The Chairman</u>

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.

<u>The Chief Executive</u>

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.

<u>The operation of the Board of Directors and Council of Governors including high-level statement of decisions taken by each</u>

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.

<u>Appointment of the Chairman and Non-executive Directors</u>

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.

<u>The process for the appointment of the Non-executive Directors</u>

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. Short listed 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.

<u>Going concern statement</u>

A full statement is included in this report at page 167.

<u>Preparation of the annual report and accounts</u>

The Directors of the Trust are required to produce an annual report and accounts for the year. The Directors have considered the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess York Teaching Hospital NHS Foundation Trust's performance, business model and strategy.

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 general duties of the Council of Governors are:

- To hold the Non-executive Directors individually and collectively to account for the performance of the Board of Directors and

- To represent the interests of the members of the Trust as a whole and the interests of the public

The Council of Governors is specifically responsible for:

- The appointment and removal of the Chairman and other Non-executive Directors

- The approval of the appointment of the Chief Executive

- The appointment and removal of the External Auditors

- Requiring one or more of the Directors to attend a meeting of the Council of Governors for the purpose of obtaining information about the Trust's performance, of its functions, or the Directors' performance of their duties.

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

All governors, both elected and appointed, 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 receives the agenda of the Board of Directors prior to each meeting; the Council of Governors also receives a copy of the minutes of each meeting.

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

- Referring questions to the independent panel

The Council of Governors at York Teaching Hospital NHS Foundation Trust currently has 28 governor seats in the constitution:

Public Governors	Sixteen elected seats
Staff Governors	Five elected seats
Partner Governors: Local Authorities Local Universities Voluntary groups	Five appointed: • Three seats • One seat • One seat

Elections

The Trust has not held any elections during the last financial year. The next elections will be held during the summer of 2014. The following seats will be included in the elections:

- York constituency – 1 seat

- Selby constituency - 1 seat

- Ryedale and East Yorkshire constituency – 1 seat

- Scarborough constituency – 1 seat

- Bridlington constituency – 1 seat

- Staff constituency – 4 seats (two vacant seats at York and 1 vacant seat at Scarborough, plus 1 term seat)

The elections process will begin at the end of June 2014 and the election results will be announced at the end of September 2014

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.

The table below lists the current members of the Council of Governors

Name	Initial appointment year	Date appointed	Term of office	End of Term date
Hambleton (1 seat)				
Jane Dalton	2008	01.04.13	3 yrs	31.03.16
Scarborough and Bridlington Constituency (2 seats in Scarborough, 2 seats in Bridlington)				
James Carder	2012	01.10.12	2 yrs	30.09.14
Terry Atherton	2012	01.10.12	3 yrs	30.09.15
David Wheeler	2012	01.10.12	2 yrs	30.09.14
Sue Wellington	2012	01.10.12	3 yrs	30.09.15
Selby Constituency (2 seats)				
Ann Bolland	2012	01.10.12	3 yrs	30.09.15
Andrew Butler	2012	01.10.12	2 yrs	30.09.14
Ryedale and East Yorkshire Constituency (3 seats)				
Jeanette Anness	2012	01.10.12	3 yrs	30.09.15
Sheila Miller	2012	01.10.12	2 yrs	30.09.14
Jenny Moreton	2013	01.04.13	3 yrs	30.03.16
Whitby Constituency (1 seat)				
Stephen Hinchliffe	2012	01.10.12	3 yrs	30.09.15
York Constituency (5 seats)				
Paul Baines	2006	01.04.12	3 yrs	31.03.15
Helen Fields	2013	01.04.13	3 yrs	31.03.16
Margaret Jackson	2012	01.10.12	2 yrs	30.09.14
Helen Mackman	2006	01.04.12	3 yrs	31.03.15
Penelope Worsley	2012	01.10.12	3 yrs	30.09.15
City of York Council (1 seat)				
Joseph Riches	2011	27.05.13	3 yrs	26.05.16
North Yorkshire County Council (1 seat)				
Caroline Patmore	2005	01.04.12	3 yrs	31.03.15
East Riding of Yorkshire Council (1 seat)				
Kay West	2013	07.01.13	3 yrs	06.01.16[$]
Dee Sharp	2013	01.12.13	3 yrs	30.11.16
University of York (1 seat)				
Rowena Jacobs	2012	01.03.12	3 yrs	28.02.15

The North Yorkshire Forum				
Michael Beckett	2012	01.10.12	3 yrs	30.09.15
Community (1 seat)				
Les North	2012	01.10.12	3 yrs	30.09.15
Scarborough and Bridlington (2 seats)				
Helen Noble	2012	01.10.12	2 yrs	30.09.14
Andy Volans	2012	01.10.12	3 yrs	30.09.15[$]
York (2 seats)				
John Roberts	2012	01.10.12	3 yrs	30.09.15[$]
Vacant				

$ Denotes Governors that have resigned during the year.

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.

Training for Governors

To ensure the Governors are equipped with the skills they need to undertake their role, the Trust has been developing a programme of training for Governors during the year. During the year the Governors have received a session from the Director of Finance, the programme Director for Estates and Facilities and the Director of Nursing.

Attendance at Meetings

The Council of Governors meet as a minimum four times a year. The Governors also met on a number of other occasions during the year to receive informal updates and additional training and information. The Governors met with the Director of Finance for a presentation around finance in the NHS. The Governors also met with the Chief Executive and Chairman during the year to receive briefings on strategy developments.

The table on the next page shows the attendance of Governors at the formal Council of Governor meetings.

Attendees	19 June 13	18 Sept 13	11 Dec 13	12 March 14	Total meetings attended
PUBLIC CONSTITUENCIES					
Hambleton Constituency (1 seat)					
Jane Dalton	A	1	1	1	
Scarborough and Bridlington Constituency (2 seats in Scarborough, 2 seats in Bridlington)					
Terry Atherton	1	1	1	1	4/4
James Carder	A	A	A	Resigned 12 March 2014	0/3
David Wheeler	1	A	1	1	3/4
Sue Wellington	1	A	1	1	3/4
Selby Constituency (2 seats)					
Ann Bolland	1	1	1	1	4/4
Andrew Butler	1	1	1	1	4/4
Ryedale and East Yorkshire Constituency (3 seats)					
Jeanette Anness	1	1	1	1	4/4
Sheila Miller	1	1	1	1	4/4
Jennifer Moreton	1	1	1	1	4/4
Whitby Constituency (1 seat)					
Stephen Hinchliffe	1	1	1	1	4/4
York Constituency (5 seats)					
Paul Baines	1	1	1	1	4/4
Helen Fields	1	1	1	1	4/4
Margaret Jackson	1	1	1	1	4/4
Helen Mackman	1	1	1	1	4/4
Penelope Worsely	1	1	1	A	3/4
PARTNERSHIP ORGANISATIONS					
City of York Council (1 seat)					
Joseph Riches	1	A		1	
North Yorkshire County Council (1 seat)					
Caroline Patmore	1	1	1	1	4/4
East Riding of Yorkshire Council (1 seat)					
Kay West	1	A	Resigned from being a Governor		1/4
Dee Sharp	N/A	N/A	A	A	0/4

University of York (1 seat)					
Rowena Jacobs	1	A	1	1	3/4
The North Yorkshire Forum					
Michael Beckett	1	1	1	1	4/4
STAFF CONSTITUENCIES					
Community (1 seat)					
Les North	A	1	1	A	2/4
Scarborough and Bridlington (2 seats)					
Helen Noble	1	1	1	A	3/4
Andrew Volans	A	Resigned from being a Governor			0/4
York (2 seats)					
John Roberts	1	1	1	Resigned from being a Governor	/4
Vacant seat					

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 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

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:

Michael Beckett
Caring for Businesses Ltd (50% owner), Next Steps Health Resource Centre and North Yorkshire and York Forum

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

Michael Beckett
Caring for Businesses Ltd (50% owner)

<u>Majority or controlling share holdings in organisations likely or possibly seeking to do business with the NHS</u>

Michael Beckett
Caring for Businesses Ltd (50% owner)

<u>A position of authority in a charity or voluntary organisation in the field of health and social care</u>

Michael Beckett
Chair, Ryedale and District Mencap, specialist advisor Magnetics Arts CIC

<u>Any connection with a voluntary or other organisation contracting for NHS services or commissioning NHS services</u>

Jeanette Anness
 Member, Derwent Practice Representative.
Member NY Health Watch.

Michael Beckett
Non-executive Director, North Yorkshire and York Forum
Councillor, Malton Town Council
Next Steps Mental Health Resources Center
Ryedale and District Mencap

Helen Mackman
Member, Vale of York Clinical Commissioning group's Public Engagement Steering Group

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
Senior Research Fellow, Centre for Health Economics, University of York

Jenny Moreton
Member, Patient Forum Ampleforth/ Hovingham Practice
Member, Scarborough, Ryedale CCG Patient Group
Member, Healthwatch North Yorkshire
Member, Online Consultation group of CQC

<u>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</u>

Michael Beckett
Member, South Yorkshire Credit Union
Member, Yorkshire Building Society
Member, Smile
Member, Co-operative Bank

Jane Dalton
Researcher, University of York (Centre for Reviews and Dissemination).

Caroline Patmore:
Councillor, North Yorkshire County Council

Joseph Riches:
Councillor, City of York Council

Rowena Jacobs:
Senior 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 2013 to 31 March 2014 by governors was £4,900. More detail can be found on page 167.

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 2013 to 31 March 2014.

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 remained the Lead Governor for the Trust for a further 12 months until March 2014.

The Council of Governors appointed Margaret Jackson as Lead Governor from 1 April 2014.

Lead Governor Annual Report

Our Foundation Trust's main conduit for public accountability is its governors with our publicly-elected governors forming a majority on the Council of Governors. Over the last year we have been particularly mindful of the Clwyd report (a review of NHS hospitals' complaints systems), the parliamentary and health service ombudsman report (NHS governance of complaints handling), the Keogh Review and the Francis Report (the final report of the Mid Staffordshire Public Inquiry).These bring into sharp focus for us the importance of a robust and transparent patient experience strategy and how patients and the public are involved across the organization.

We have been assured, through access to Trust Board papers, our attendance at Board meetings and through regular reports to the Council of Governors, that the organisation has responded quickly and effectively to the Inquiries by undertaking a review of the key themes underpinning a good patient experience (e.g. patient safety, risk management, performance data, learning and listening, training) and to have strategies in place to detect problems and take action quickly.

As Lead Governor, I recommended to the Chairman, at the beginning of this reporting period, that the topics and discussions within our Council of Governors' agendas should always reflect the Trust's values.

I'm pleased to report that these core values appear on the agendas for all our meetings in public and they are now also stated on the Trust Board meeting agendas. This provides a constant reminder to maintain a focus on these values in all our discussions.

Our Nomination and Remuneration Committee has carried out a key responsibility to make recommendations to the Council of Governors about the effectiveness of the Board's Non-executive Directors and the Chairman. 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. An appraisal of the Chairman's performance was carried out against the previously agreed set of measurable objectives and the results were overwhelmingly positive. Because 2014/2015 will be our Chairman's last year of office, we agreed three specific focus areas for him going forward:

- To prepare an analysis of the Chairman's activities in terms of time and role and to consider the time, role and focus of the non-executive directors

- To clarify and communicate the re-worked set of linkages for the non-executive team

- To work with the Chief Executive and Senior Independent Director to enhance and clarify the high-level governance arrangements of the Trust

These will support the process towards setting out expectations for Alan Rose's successor. This was ratified by the Council of Governors on the Nomination Committee's recommendation at our March 2014 meeting in public.

We have a duty to approve and appoint the Trust's external auditors, which we exercised during this year. The Trust is due to appoint new auditors in 2014 with the new contract being operational from the start of the financial year 2015/16. A particular group of

governors is to join with a number of managers and Trust Board members to work on the background information prior to any appointment process.

With two elected representatives from the Council of Governors on the Trust's Patient Experience Steering Group, we continue to identify and explore issues that affect patients across the Trust's areas of responsibility. This Steering Group is a sub-group of the Nursing Board and is headed up by the Director of Nursing. It has a key role to address issues relating to the Francis Report, patient engagement, complaints management, all Trust patient survey results and Friends and Family Test updates. This is a particularly important area of involvement for governors in monitoring the patient experience strategy across the organisation.

The Francis Report recommended greater involvement of peer review. One of our Trust's responses to this has been to introduce Patient Led Assessments of the Care Environment (PLACE). A number of our governors, as Patient Assessors, have been taking part in PLACE visits. These provide a snapshot of how the organisation is performing against a range of non-clinical activities that patients and the public have identified as important and which professionals have identified as good practice. These include cleanliness, privacy and dignity, the quality and availability of food and drink and the condition, appearance and maintenance of the environment. This data is submitted to the Department of Health which publishes comparative scores on the Health and Social Care Information Centre website.

Our Governors' Community Services Group, working closely with a non-executive director and linking with senior management, has been seeking assurance that strategies and processes are in place for the benefit of the whole community. These governors have been kept informed about North Yorkshire's Joint Strategic Needs Assessment and held discussions with the Community Services Manager as to ways that governors may support plans for any future service developments to meet the needs identified by the community. The group has also formulated a patient survey that is being undertaken at Selby and Malton Hospitals.

The NHS Consultants' Clinical Excellence Awards Committee: for the first time, two governors were invited to join this committee as lay members to agree the awards allocation. These awards form part of a contractual obligation on the Trust to recognize the contribution that individual consultants make over and above their expected level of work.

We continue to be briefed on planned capital improvements and investments. We were assured when York Trust acquired Scarborough Trust that this would offer the new enlarged Trust some innovative estates and service development and we are pleased to report significant investment in paediatric services and ward upgrades at Scarborough and the increased provision of elective orthopaedic surgery at Bridlington. At the Trust's annual Celebration of Achievement evening, *the Governors' Award* was presented to the Programme Director for Capital and Infrastructure and his Team Administrator in appreciation of the support given to governors to help us understand the geography of the enlarged Trust and the environments in which patients are cared for.

We have appreciated *the Trust's provision of briefings* on a number of selected issues during the year, over and above the presentations that we receive at our meetings in public. These offer informal opportunities to ask searching questions and give us a broader perspective with which to understand the progress and developments of strategies that affect patients.

Governors have been welcomed onto a number of groups across the organizations where we can raise issues that have come to our attention from our constituencies. These include The Eye Partnership Group, the Renal Partnership Group and the Cancer Partnership Group all include staff, patients and carers and offer a real opportunity to make a difference to the patient experience. Through our membership of the Equality and Diversity Group all governors have been able to review the Trust's Equality and Diversity draft strategy. We continue to maintain our interest in The Arts at each of our hospital sites where the environment can be greatly enhanced for the benefit of patients, visitors and staff. Paintings are not only in the corridors and non-clinical areas but also in clinical areas and high risk spaces. This year I have been involved in the opening of a Cancer Care Centre Garden which helps to support the needs of those coping with difficult emotions as a result of illness.

Healthwatch Assembly: I have attended all three York Assembly meetings across this reporting year. This is a very useful opportunity to engage with the voluntary sector and with City of York Council representatives and does demonstrate that governors are making connections with the local community and feeding back issues to the Trust.
We've been highlighting the need for organizations to issue simple narratives of complex reports. This particularly applies to the Better Care Fund documentation. This Fund is to give patients and the public more control and places them at the centre of their care and support, with local government partners and Clinical Commissioning Groups (CCGs) being given single pooled budgets for health and social care services. Public and patient opinion and feedback is an important factor and as governors of our local acute and community hospitals, we will need to be particularly attentive to what our local community is telling us about their health needs.

Our organisation is participating in pilot schemes with local CCG colleagues to develop *'Community Hubs'* to enable single points of access for triage at neighbourhood level and liaison with Trust staff for the elderly and those with long-term conditions. Again, it is particularly important that we, as local voices within the Trust, use every opportunity to seek out local ideas and opinions about the emerging schemes.

Our attendance at local authority Health Overview and Scrutiny Committees provide us with an additional perspective which takes in the whole 'NHS Family', not only with reports from our own executives, but also from the CCG, the ambulance trust and the mental health trust. These other organizations may each affect the patients who need to come into one of our hospitals.

Governors continue to take the opportunity to talk to members of the public in their constituencies, not only at this year's open days and road-shows, but also to present at various Area and District community and public forums. We have been meeting with the Trust's Communications Manager to formulate a system whereby we can communicate more effectively with the Trust Membership. To encourage members to put themselves forward for the 2014 elections for vacancies on the Council of Governors, established Governors will be supporting the Trust in touring the hospital sites to meet with members, recruit new members and to explain the role of publicly elected governors. And importantly, we hope to see the vacancies for staff governors filled as soon as possible. Staff governors are an important component in our Trust's governance with its strategic challenges and decisions for the Trust which may require governor approval.

We welcome the excellent working relationship that this Council of Governors continues to enjoy with those who manage and deliver services at this Trust 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.

The membership of the Committee was as follows:

Alan Rose – Chairman of the Trust (Chair)
Anna Pridmore – Foundation Trust Secretary (Secretary and Governance advisor)
Helen Mackman – Lead Governor (Vice-Chair)
Paul Baines – Public Governor, City of York
Jane Dalton – Public Governor, South Hambleton
Jeanette Anness – Public Governor, Ryedale and East Yorkshire
Ann Bolland – Public Governor, Selby
Steven Hinchliffe – Public Governor, Whitby
David Wheeler – Public Governor, Scarborough
Michael Beckett – Appointed Governor, North Yorkshire and York Forum
Rowena Jacobs – Appointed Governor, University of York
Les North – Staff Governor, Community Services

During the year, issues covered included:

- Annual review of remuneration of the seven Non-Executive Directors (including the Chairman). This year, the remuneration change mirrored that of staff in general and the executive team in being a 1% rise

- Annual appraisal of all seven Non-executive Directors (including the Chairman). The Chairman's appraisal is conducted by the Lead Governor and the Senior Independent Director (Philip Ashton). The Non-executive Director appraisals are conducted by the Chairman. All appraisals include the opportunity for any Governor to contribute. In each of the above cases, the Committee made recommendations that were discussed and ratified by the full Council of Governors at subsequent meetings. These recommendations include a set of written priorities for each Non-executive Director to focus on and be evaluated against in their next appraisal

- In this period, there were no requirements for re-appointment or recruitment of Non-executive Directors. However, at each meeting, the Committee reviews the Non-

executive Director tenure timeline and anticipates the potential for upcoming reappointment or recruitment decisions. It has been recognised that the coming year (2014/15) will be significant one, as four of the Non-executive Director team, including the Chairman, are reaching the end of their current term of office. In the case to the Chairman, he will be term-limited at this point and therefore not eligible for reappointment

- The Committee participated in a training session, run by the Human Resources Department, in the method, timeline, etc. used for Non-executive Director recruitment

- Review and amendment to the "Code of Conduct" procedure for reviewing any Governor whose conduct is reported to the Committee as being allegedly "unsatisfactory" in any way. This amended Code was ratified by the full Council of Governors. One case occurred during the year, which did not require the full policy to be completed, but did offer valuable experience for the Committee in how to handle such matters

- The Lead Governor role was reviewed and updated. The amended description was ratified by the full Council of Governors. This process was completed prior to the election of a new Lead Governor, with effect from 1 April 2014.

The minutes of the Nominations/Remuneration Committee are circulated to the private session of the full Council of Governors and the Chairman offers time for discussion. In the Council's subsequent meeting in public, the Chairman briefly summarises the decisions taken by the Committee and their ratification by the full Council.

It has been proposed that following the Governor elections in the summer of 2014, an opportunity will be given to refresh the membership of the Nominations/Remuneration Committee.

The Committee met four times during the year, as planned.

Alan Rose Chairman of the Committee

Community Engagement Group

The group was founded in February 2013 with the interest of a team of six Governors, who were interested in understanding more about the community services provided by the Trust and in turn helping the Trust to achieve its aims around the service.

During the year we started on a project which we felt would assist the trust in finding out what patients really thought of their treatment and stays in Hospital. This was to follow on from the Friends and Families survey.

The design, after much investigation, was finally accomplished at the end of December, and is now being piloted in both Selby and Malton Hospitals which finishes at the end of April.

The results of this Survey will be handed to Patient Experience Team for analysis.

Terry Atherton Chairman of the Group

<u>Constitution review Group</u>

The membership of the Constitutional Review Group includes:

Andrew Butler, Governor for Selby
Ann Bolland, Governor for Selby
Jeanette Anness, Governor for Ryedale and East Yorkshire
Michael Beckett, Governor for the North Yorkshire Forum
Anna Pridmore, Foundation Trust Secretary

The Constitutional Review Group has met during the year to discuss the aspects of the Health and Social Care Act that have not been included in the Constitution, but must be addressed.

The Group has developed a work programme that includes the key pieces of work such as ensuring that Governors are fully informed and appropriately trained by the Trust.

The Group has been discussing how the value of undertaking a skills audit and the processes that might be put in place to ensure all Governors are supported by the Trust to gain any additional skills or training they may need.

The Group has also developed a business card that can be used by Governors to summarize their role when they are talking to members of the public.

Finally the Group is in the process of developing a process for the Council of Governors to follow when it is considering an issue and may wish to escalate it to Monitor's independent Panel.

Andrew Butler Chairman of the Group

Foundation Trust membership

<u>Introduction</u>

The focus of the past year has been to consolidate our membership following the development of the membership in 2012/13.

<u>Our current catchment area</u>

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
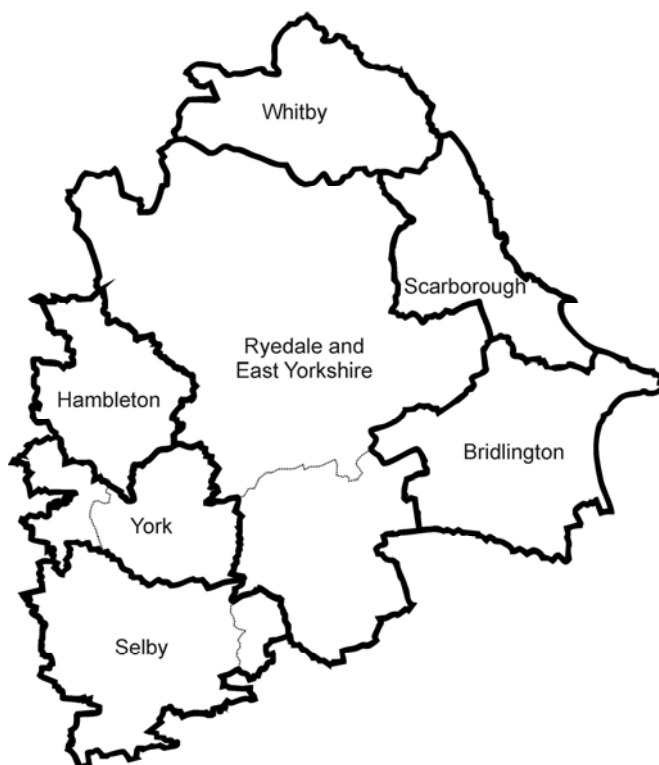
We have defined our public constituency boundaries to fit as far as possible with clearly defined local authority boundaries and "natural" communities. Each of the seven constituencies contains at least one hospital facility run by the Trust – places that the local population clearly identify with and 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 seven 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 seven 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 and District Hospital (general acute hospital)

The Bridlington constituency includes all 3 wards of Bridlington Town Council, and the twowards East Riding Council, Driffield and Rural and East Wolds and Coastal. The hospital facility is:

- Bridlington and 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 at 31 March 2014

	York	Selby	Hambleton	Ryedale and East Yorks	Bridlington	Scarborough	Whitby	Out of Area
Total Members	6262	1765	633	1700	467	437	260	889
Age Range (Monitor age banding)	York	Selby	Hambleton	Ryedale and East Yorks	Bridlington	Scarborough	Whitby	Out of area
0 to 16	1	0	0	0	4	1	0	0
17 to 21	46	23	6	10	24	10	6	38
22 or Over	5989	1711	604	1645	412	413	245	136
Unknown	226	31	23	45	27	13	9	115
22+ breakdown								
22-29	154	36	6	27	23	14	5	46
30-39	229	46	14	36	23	22	11	45
40-49	700	195	48	167	32	39	12	110
50-59	924	269	91	224	46	49	28	135
60-69	2151	678	222	655	165	181	114	243
75+	1831	487	223	536	123	108	75	157
Gender	York	Selby	Hambleton	Ryedale and East Yorkshire	Bridlington	Scarborough	Whitby	Out of area
Female	3519	1013	367	969	327	304	175	520
Male	2718	749	262	723	140	132	82	325
Transgender	0	0	0	0	0	0	0	0
Unknown	25	3	4	8	0	1	3	44

Ethnicity Types	York	Selby	Hambleton	Ryedale and East Yorks	Bridlington	Scarborough	Whitby	Out of area
White English, Welsh, Scottish, N Irish, British	2088	565	246	672	403	375	205	351
White Irish	8	3	0	4	1	1	2	4
White Gypsy or Irish Traveller	0	0	0	0	0	0		0
White Other	36	3	3	5	2	3	2	3
Asian Indian	4	3		0	0	1	0	5
Asian Pakistani	3	0	0	0	0	0	0	3
Asian Bangladeshi	0	1	0	0	0	0	0	0
Asian Chinese	2	0	0	0	0	0	0	1
Asian Other	7	0	1	0	2	1	0	1
Black African	3	0	0	0	0	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	3	0	1	2	0	2	0	0
Mixed White and Black African	2	0	0	1	0	0	0	0
Mixed White and Black Caribbean	2	0	0	1	0	0	0	1
Mixed Other	2	0	1	0	0	0	0	1

Ethnicity Types	York	Selby	Hambleton	Ryedale and East Yorks	Bridlington	Scarborough	Whitby	Out of area
Other Ethnic Group – Arab	0	0	0	0	0	0	0	0
Other Not Stated	1	0	1	0	1	0	0	0
Unknown	4099	1190	380	1015	58	53	51	518

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 2013	Membership at 31 March 2014	Net gain/loss
York	6,745	6,262	-483 (7.16%)
Selby	1,907	1,765	-142 (7.45%)
Hambleton	680	633	-47 (6.91)
Ryedale & East Yorks	1,814	1,700	-114 (6.28%)
Bridlington	482	467	-15 (3.11%)
Scarborough	458	437	-21 (4.58%)
Whitby	268	260	-8 (2.99%)
Out of area	924	889	-35 (3.79%)
Staff	8,927	9,076	149 (1.67%)
Total	**22,205**	**21489**	

Membership recruitment targets

One of the Trust's main objectives in 2013/14 has been to maintain the membership in the new constituency areas. This has been largely successful. The Trust achieved an acceptable membership pool in all the new constituencies prior to the completion of the acquisition with Scarborough and North East Yorkshire Healthcare NHS Trust. 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.

Membership recruitment activity during 2013/14

The Trust has not undertaken any specific recruitment activities during the year. Following the retirement of the Membership Manager the Trust has been reviewing how membership recruitment activities will be undertaken.

The Trust has held a number of open days were Governors and staff have recruited members.

Members are also encouraged to contact Governors and details are included on the Trust's website. Members of the public are encouraged to join the Trust and this can be achieved by completing the online application form or requesting an application form to be sent in the post. Members of the public are entitled to become a member of the Trust if they live within the catchment area of the constituencies and are over the age of 16. Details of the constituencies are found in this report at page 143.

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

Socio-economic groupings:	Number of members	Public Total
ABC1	3,948	38,368
C1	3,609	50,943
C2	2,471	39,467
DE	2,308	1,391
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

Age(years):	Number of members	Public Total
0 – 16	6	102,877
17 – 21	163	36,049
22+	11,755	437,776
Unknown	489	

Gender:	Number of members	Public Total
Female	7,194	295,076
Male	5,131	281,626
Transgender	0	
Unknown	88	

- 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

Ethnicity	Number of Members	Public Total
White	4,985	551,334
Asian	35	9,730
Black	17	1,954
Mixed	19	4,995
Other	3	1,391
Unknown	7,364	

- 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, during the year the membership of the Board changed. At the end of the year the membership included the Chairman, six other Non-executive Directors, and five Executive Directors.

Non-executive Directors

The Chairman is Alan Rose

The six other Non-executive Directors are Mr Phillip Ashton (Senior Independent Director), Ms Libby Raper, Mr Michael Sweet and Professor Dianne Willcocks, Mrs Jennie Adams and Mr Mike Keaney.

Executive Directors

During the year the Executive Directors were 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), Mrs Sue Holden (Director of Corporate Development).

Ms Elizabeth McManus left the Trust in September 2013 and Ms Peta Hayward left the Trust in March 2014.

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 2012, 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

2013/2014 has seen the Trust progress its carbon reduction strategy in partnership with the Carbon and Energy Fund, developing significant carbon reduction opportunities at York Hospital, Scarborough Hospital and Bridlington Hospital. Annual carbon reductions of 3,000 tonnesC02e will realised with effect from July 2014 at York Hospital. Further annual carbon reductions of 1,650 tonnesC02e are expected to be realised at Scarborough/Bridlington Hospitals with effect from November 2015.

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 they 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	102,570	135,217
Total Non-NHS trade invoices paid within target	81,304	103,373
Percentage of Non-NHS trade invoices paid within target	79.3	76.5
Total NHS trade invoices paid in the year	4,057	30,603
Total NHS trade invoices paid within target	2,910	24,040
Percentage of NHS trade invoices paid within target	71.7	78.5

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 £87,000 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 2014. Grant Thornton has not provided any non-audit services during the year.

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.

Expenses for Governors and Directors

Section 156(1) of the Health and Social Care Act 2012 requires the Trust to provide the following information

	2013-14		2012-13	
	Governors	**Directors**	**Governors**	**Directors**
Total Number	22	14	27	15
Total Number Receiving Expenses	18	13	20	11
Aggregate Sum of Expenses Paid	£4,900	£15,300	£3,100	£14,800

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 153 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 page135.

During the financial year 2013/14 the Remuneration Committee met on six occasions. The Remuneration Committee comprised of 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. The Chief Executive attended five of six of the meetings and the Director of HR attended one of six 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 2013/14 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 nationally agreed increase for all Agenda for Change Staff.

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 five other Executive Directors and two Corporate Directors is determined by the Board of Directors' Remuneration Committee.

The Chief Executive and the three whole-time Executive Directors (Director of Finance, Chief Nurse and Director of Corporate Learning and Development) 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

Salaries and pension entitlements of senior managers

a) Salary

Name and Title	2013-14					
	Salary and Fees	Taxable benefits	Annual Performance Related Bonus	Long Term Performance Related Bonus	Pension Related Benefits	Total
	Bands of £5,000	Nearest £100	Bands of £5,000	Bands of £5,000	Bands of £2,500	Bands of £5,000
Executive Directors						
Mr P Crowley Chief Executive	190-195	4,900			90-92.5	280-285
Mr A Bertram Director of Finance	130-135	6,000			107.5-110	250-255
Mr M Proctor Deputy Chief Executive	145-150	4,900			217.5-220	365-370
Ms E McManus Chief Nurse	55-60				67.5-70	125-130
Dr A Turnbull Medical Director	190-195			35-40	102.5-105	330-335
Ms P Hayward Director of HR	150-155*				65-67.5	215-220
Mrs S Holden Director of Corporate Learning and Development	110-115	5,000			175-177.5	295-300
* The increase in the HR Director's salary relates to a contractual termination settlement.						
Non-executive Directors						
Mr A Rose Chairman	50-55					55-60
Mr P Ashton Non-executive Director	15-20					15-20
Professor D Willcocks Non-executive Director	10-15					10-15
Ms L Raper Non-executive Director	10-15					10-15
Mr M Sweet Non-executive Director	10-15					10-15
Mrs J Adams Non-executive Director	10-15					10-15

Mr M Keaney Non-executive Director	10-15					10-15
Band of highest paid director's total salary (£'000)	225-230					
Median Total Remuneration	£24,658					
Remuneration Ratio	9.2					

Long term Performance related bonus comprises the Clinical Excellence Award awarded to Dr Turnbull, the Trust's Medical Director.

Pension Related Benefits relate to the annual increase in accrued pension entitlement, they do not relate to sums paid during the year.

Mrs S Holden, Director of Corporate Learning and Development, joined the Board of Directors on 1 April 2013.
Ms E McManus left the Board of Directors on 8 September 2013.
Ms P Hayward left the Board of Directors on 31 March 2014.

Name and Title	2012-13					
	Salary and Fees	Taxable benefits	Annual Performance Related Bonus	Long Term Performance Related Bonus	Pension Related Benefits	Total
	Bands of £5,000	Nearest £100	Bands of £5,000	Bands of £5,000	Bands of £2,500	Bands of £5,000
Executive Directors						
Mr P Crowley Chief Executive	190-195	4,900			65-67.5	260-265
Mr A Bertram Director of Finance	130-135	5,300			72.5-75	205-210
Mr M Proctor Deputy Chief Executive	105-110	3,200			122.5-125	235-240
Ms E McManus Chief Nurse	125-130				62.5-65	190-195
Dr A Turnbull Medical Director	190-195			35-40	2.5-5	230-235
Ms P Hayward Director of HR	95-100				25-27.5	120-125
Non-executive Directors						
Mr A Rose Chairman	55-60					55-60
Professor J Hutton Vice Chairman and Non-executive Director	0-5					0-5
Mr P Ashton Non-executive Director	15-20					15-20

Name and Title	Salary and Fees	Taxable benefits	Annual Performance Related Bonus	Long Term Performance Related Bonus	Pension Related Benefits	Total
	Bands of £5,000	Nearest £100	Bands of £5,000	Bands of £5,000	Bands of £2,500	Bands of £5,000
Mrs L Palazzo Non-executive Director	5-10					5-10
Professor D Willcocks Non-executive Director	10-15					10-15
Ms L Raper Non-executive Director	10-15					10-15
Mr M Sweet Non-executive Director	10-15					10-15
Mrs J Adams Non-executive Director	10-15					10-15
Mr M Keaney Non-executive Director	10-15					10-15
Band of highest paid director's total salary (£'000)	225-230					
Median Total Remuneration	£24,566					
Remuneration Ratio	9.3					

Mr Proctor returned to the Board of Directors from 1 July 2012, after a period of secondment as Interim Chief Executive at Scarborough and North East Yorkshire NHS Trust.

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 2013-14 was £225k-230k (2012-13 £225k-230k). This was 9.2 times (2012-13 9.3) the median remuneration of the workforce, which was £24,658 (2012-13 £24,566).

In 2013-14 1 employee (2012-13 1) received remuneration in excess of the highest paid director. Remuneration ranged from £903 to £260,262 (2012-13, £1,152 to £263,317).

Employees receiving 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.

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

b) Pensions

Name	Total accrued pension at age 60 at 31 March 2014 Bands of £5000	Total accrued pension lump sum at age 60 at 31 March 2014 Bands of £5000	Real increase in pension at age 60 Bands of £2500	Real increase in pension lump sum at age 60 Bands of £2500	Cash Equivalent Transfer Value at 31 March 2013 £000	Cash Equivalent Transfer Value at 31 March 2014 £000	Real Increase in Cash Equivalent Transfer Value £000
Mr P Crowley Chief Executive	55-60	170-175	2.5-5.0	10.0-12.5	1,008	1,229	198
Mr A Bertram Director of Finance	35-40	115-120	2.5-5.0	12.5-15.0	493	590	86
Mr M Proctor Dep Chief Executive	65-70	200-205	7.5-10.0	27.5-30.0	1,209	1,482	247
Ms E McManus Chief Nurse	40-45	125-130	2.5-5.0	7.5-10.0	563	705	57
Dr A Turnbull Medical Director	80-85	245-250	2.5-5.0	12.5-15.0	1,549	1,724	142
Mrs S Holden Director of Applied Learning and Research	45-50	130-135	7.5-10.0	22.5-25.0	631	805	160
Ms P Hayward Director of HR	25-30	75-80	2.5-5.0	7.5-10.0	331	391	53

As Non-executive Directors do not receive pensionable remuneration, there are no entries in respect of pensions for Non-executive Directors.

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.

<u>Off-payroll engagements as of 31 March 2014, for more than £220 per day and that last for longer than six months</u>

No. of existing engagements as of 31 March 2014	1
Of which...	
No. that have existed for between two and three years at time of reporting.	1

The Trust had one off-payroll engagement with a daily cost in excess of £220 and this has been re-negotiated to include contractual clauses allowing the Trust to seek assurance as to their tax obligations.

The NHS Foundation Trust has no new off-payroll engagements, or any existing engagements that reached six months in duration, between 1 April 2013 and 31 March 2014, for more than £220 per day and that last for longer than six months.

The NHS Foundation Trust has no off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2013 and 31 March 2014.

Patrick Crowley
Chief Executive
28 May 2014

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.

Progress of Sustainable Development within the Trust has been significantly affected in recent years by changes to the property portfolio. In July 2012, the Trust took over the Scarborough and North East Yorkshire Healthcare NHS Trust adopting two additional acute hospitals at Scarborough and Bridlington and a number of satellite properties. In April 2013, the Trust took over a further ten properties, including four community hospitals from the former North Yorkshire and York Primary Care Trust. The four community hospitals serve Easingworld, Selby, Malton and Whitby.

As a result, the Trust now provides healthcare facilities to the largest geographic area in England. The extended geographic area and increased property portfolio brings with it its own additional Sustainability challenges.

Summary Performance

Area		Non Financial Data (Applicable Metric) 2012/13	Non Financial Data (Applicable Metric) 2013/14		Financial Data (k£) 2012/13	Financial Data (k£) 2013/14
Waste Minimisation and Management	Absolute values for total amount of waste produced by the Trust	1496 tonnes	1844 tonnes	Expenditure on waste disposal	521.7	635.8
	Methods of disposal (optional)					
Finite Resources	Water	178,061 cu m	264,557 cu m	Water	325	562
	Electricity	68,126 G joules	85,328 G joules	Electricity	1,943	2,621
	Gas	188,709 G joules	197,042 G joules	Gas	1,562	1,890
	Other Energy Consumption	241.4 G joules*	1033.1 G joules	Other Energy Consumption	5.4*	22.5

* No former Scarborough and North East Yorkshire Healthcare NHS Trust information included

Summary Performance Comment:

Waste Management information is based on validated invoiced data from suppliers with an element of profiled assessment pending finalised supplier submissions.

Water, Electricity, Gas and Other Energy Consumption are based on validated invoice data from suppliers with an element of profiled assessment pending finalised supplier submissions.

Year on year, electricity consumption has performed broadly in line with expectations. Increases in electricity charges have been incurred through higher commodity prices and increased distribution costs.

Year on year, gas consumption has performed broadly in line with expectations as weather conditions experienced returned to more normal seasonal averages. Increases in gas charges have been incurred through higher usage and higher commodity prices and increased distribution costs.

Other energy consumption in the former of gas oil has increased as a result of standby boiler operation at York Hospital in order to facilitate essential gas network equipment maintenance.

Future Priorities and Targets

A new Sustainable Management Steering Group has been established to represent and reflect the wider property portfolio under the chairmanship of the Director of Estates and Development and expects to complete the new extended Good Corporate Citizenship Assessment during April 2014.

In partnership with the Carbon and Energy Fund, the Trust significantly advanced in implementing a major capital project at York Hospital. The primary objectives of the York project are:

- To reduce carbon emissions.
- To reduce energy costs.
- To enhance site operational resilience.

The project costing around £4.6m is guaranteed to deliver substantial operational benefits during 2014/15, typically:

- Reduced carbon emissions of around 3,000 tonnes.
- Reduced energy costs of around £848,000.

The CEF contract operates over a 15 year period and delivers a project NPV of £ 5.1M.

As the spark gap between electricity and gas widens, the annual energy saving costs are expected to increase.

The trust is currently reviewing similar options at Scarborough Hospital and initial feasibility studies indicate potential annual carbon reduction opportunities of around 1,650 tonnes with annual savings expected to around £300,000.

The Trust short term aspiration is to reduce all waste to landfill to nil over the next twelve months. Procurement options and contract discussions with contractors are well advanced to support the Trust aspirations.

Equality Report

York Teaching Hospital NHS Foundation Trust is committed to promoting equality, diversity and human rights in all its activities for all patients, visitors and staff. Everyone who comes into contact with the Trust can expect to be treated fairly and with respect.

The Trust Lead for equality and diversity is the Director of Corporate Development and is supported the Equality and Diversity Facilitator whose role is to encourage and stimulate action to ensure the Trust is conscious of its responsibilities and every opportunity is taken to embed equality and diversity considerations into processes and developments to enable inclusive and responsive services. At Board level Equality and Diversity is championed by the Trust lead and a Non-Executive Director.

The Trust Equality and Diversity Group has a membership from across the organisation including Trust Governors and a Healthwatch representative. It meets every quarter and reports to the Workforce Strategy Committee which reports to the Board of Directors.

Changes to the membership of the Equality and Diversity Group during 2013/2014 has enabled greater inclusion of debate and discussion; acting in an advocacy role giving voice to those who may not be heard and connecting the legal, business and moral aspects of equality and diversity.

Performance against Equality Objectives

	Objective	Progress
1	Improve data collection, analysis and monitoring of protected characteristics	• Raising awareness of the importance of recording protected characteristics and the benefits this brings during staff training and at awareness events mentioned in achievements.
2	Further develop engagement and involvement of patients, carers, governors and staff to reflect local demographics	• Inclusion of a translation tool on the Trust website • Review of PoPPIY guide (Publication of Patient and Public Information in York Teaching Hospital NHS Foundation Trust) • Patient stories of experiences with the Trust included at Board Meetings and other staff forums.
3	Develop strong partnerships with social care and GPs to ensure patient pathways are free from barriers between providers for everyone	• Continued development of partnership work with local councils and Health and Well Being Boards • Healthwatch representative member of Equality and Diversity Group
4	Continue the 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 relations	• Unconscious Bias training delivered to the Board and workshops to develop the role of Unconscious Bias Champions planned for March and April 2014

Other Achievements

- Based on feedback from Equality and Diversity Week a greater understanding of what equality, diversity and human rights means to the communities the Trust serves. The key messages being fairness and respect with use of plain language free from jargon

- An Equality and Diversity Strategy written in plain language

- The Trust was selected as member of York Fairness and Equalities Board, a partnership between private, public and voluntary sector organisations working together to create a fairer York which celebrates diversity and ensure workforces reflect the community in which we live

- Continued membership of Innov8 a regional NHS scheme to reframe diversity leadership

- The Trust has become a corporate member of York Lesbian, Gay, Bisexual and Transgender (LGBT) Forum with mutual benefits of partnership working

- Development of a Guide to Inclusive Learning for Trust Trainers

- Training and awareness events including corporate induction, NHS Employers Equality and Diversity Week in May, World Sight day in October, Inter-faith week in November and LGBT History month in February

- Scoped level of interest and demand for developing a staff LGBT network including identification of key areas of focus which will be analysed and auctioned in due course

- The Trust has agreed to implement the living wage in 2014/2015 financial year

Challenges and Future Developments

- To review the options for capture and monitoring of patient information on the Core Patient Database (CPD) This is an enormous piece of work and will involve many areas of the Trust but vital to improve patient experience, quality and continuity of care

- Alignment and consistency of access to interpretation services across the Trust. Improved information and flagging on the CPD will help support this

- To ensure the Trust uses plain language to communicate effectively

- Develop the "Unconscious Bias" champion role across all directorates / hospitals to enable inclusive and accessible services. The role will enable sharing of vision, visibility, and voice.

Workforce profile

	Staff 2012/13	%	Staff 2013/14	%
Age				
0 -16	0	**0.00**	1	**0.01**
17-21	121	**1.43**	139	**1.63**
22+	8324	**98.57**	8382	**98.36**
Unknown	0	**0.00**	0	**0.00**
Ethnicity				
White	7692	**91.08**	7,735	**90.77**
Mixed	74	**0.88**	69	**0.81**
Asian or Asian British	296	**3.51**	300	**3.52**
Black or Black British	74	**0.88**	85	**1.00**
Other	133	**1.57**	126	**1.48**
Gender				
Male	1722	**20.39**	1,724	**20.23**
Female	6723	**79.61**	6,798	**79.77**
Not stated	0	**0.00**	0	**0.00**
Trans-gender	0	**0.00**	0	**0.00**
Recorded disabilities				
Yes	74	**0.88**	89	**1.04**
No	2767	**32.76**	2,654	**31.14**
Not stated	627	**7.42**	557	**6.54**
Unknown	4977	**58.93**	5,222	**61.28**

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.

Staff Survey

The staff survey includes an overall indicator of staff engagement. The indicator is 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 3.66 was slightly lower than the score of 3.71 in the previous year. The Trust's score was below average when compared with other acute trusts.

Summary of performance

Response rate	2012 staff survey		2013 staff survey		Trust improvement/ deterioration
	Trust	National average	Trust	National average	
	51%	50%	54%	49%	Improvement of 3%
Top 5 Key Findings (best ranked in comparison to other acute trusts)					
Key Finding (KF) 5 - % of staff working extra hours (lower score is better)	66%	70%	68%	70%	No statistically significant change since 2012 survey
KF13 - % of staff witnessing potentially harmful errors, near misses or incidents in the last month (lower score is better)	30%	34%	31%	33%	No statistically significant change since 2012 survey
KF28 - % of staff experiencing discrimination at work in last 12 months (lower score is better)	8%	11%	9%	11%	No statistically significant change since 2012 survey
KF27 - % of staff believing that the trust provides equal opportunities for career progression or promotion (higher score is better)	91%	88%	90%	88%	No statistically significant change since 2012 survey
KF19 - % of staff experiencing harassment, bullying or abuse from staff in last 12 months (lower score is better)	21%	24%	22%	24%	No statistically significant change since 2012 survey
Bottom 5 Key Findings (worst ranked in comparison to other acute trusts)					
KF10 - % of staff receiving health & safety training in last 12 months (higher score is better)	72%	74%	68%	76%	Deterioration since 2012
KF1 - % of staff feeling satisfied with the quality of work and patient care they are able to deliver (higher	74%	78%	74%	79%	No statistically significant change since 2012 survey

Response rate	2012 staff survey		2013 staff survey		Trust improvement/ deterioration
	Trust	National average	Trust	National average	
score is better)					
KF26 - % of staff having equality & diversity training in last 12 months (higher score is better)	43%	55%	46%	60%	No statistically significant change since 2012 survey
KF12 - % of staff saying that handwashing materials are always available (higher score is better)	54%	60%	50%	60%	No statistically significant change since 2012 survey
KF15 – Fairness and effectiveness of reporting procedures (higher score is better)	3.49	3.50	3.45	3.51	No statistically significant change since 2012 survey

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 HR. 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 five 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 HR 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 licence. Monitor's compliance-based framework was introduced during the year. This replaced the risk-based framework used to date. The compliance framework assigns two ratings, a financial rating in the form of a continuity of services and a governance rating to each NHS Foundation Trust on the basis of its annual plan and in-year performance against that plan.

Monitor uses these ratings to inform 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 non-compliance with the licence. 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 non-compliance with the licence has occurred. Monitor expects NHS Foundation Trusts to respond to any such issues.

Financial risk rating

When assessing Continuity of Services ratings, the Foundation Trust regulator Monitor will assign a rating using a scorecard that compares key financial metrics on a consistent basis across all

NHS Foundation Trusts. The Continuity of Services rating is intended to reflect the likelihood of a financial non-compliance of the licence. This change came into affect after quarter 2. For quarter 1 and 2 Monitor required the Trust to report on a financial risk basis as defined by the Risk Assessment Framework. The Trust therefore declared the shadow Continuity of Services rating during quarter 1 and 2.

Governance risk rating

During the year Monitor changed the rating regime from the Compliance Framework and Terms of Authorisation to the Risk Assessment Framework and the Licence. Monitor assigns a governance risk rating to reflect the quality of governance at a Trust. From 1 April 2013 the Trust has held a licence with Monitor. The licence introduced 4 key conditions. Conditions 1-3 contain important administrative and other requirements, while condition 4 sets out the overall standards set for different aspects of NHS Foundation Trust governance.

Where there is evidence that the Trust may be failing to meet the requirements of the condition, Monitor is likely to investigate whether a breach of the governance condition may have occurred and if so consider whether to take regulatory action.

In forming their view, Monitor incorporates information from a number of areas including:

- Performance against selected national access and outcomes standards

- CQC judgements on the quality of care provided

- Relevant information from third parties

- A selection of information chosen to reflect quality governance at the organisation
- The degree of risk to continuity of services and other aspects of risk related to financial governance

- Any other relevant information

Summary of performance

In 2013/14, the plan was for the Trust to maintain a green governance rating throughout the year. The Trust was rated green for governance for quarter three and four of the year. The Trust did vary from plan in quarter one and two.

In quarter one the governance rating was amber-green as a result of the Trust not achieving the four hour wait target in A&E and for breaching the Clostridium Difficile trajectory.

In quarter two, the Trust was given a narrative rating following the continuing challenges being experienced in the four 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. The Trust also continued to experience problems around the delivery of the Clostridium Difficile trajectory. The Trust had put in place additional measure to increase vigilance around infection control practices.

The Trust achieved early results in driving down Clostridium Difficile numbers by the successful implementation of a Clostridium Difficile reduction strategy including strict adherence to an

antimicrobial formulary. The Root Cause Analysis process has revealed that antimicrobials remain the principal attributable cause of cases. The Trust at the end of the year was over the trajectory of cases for Clostridium Difficile. 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 2013/14	Q1	Q2	Q3	Q4
Under the Compliance Framework					
Finance risk rating	3	3	3	3 (Shadow form)	3 (Shadow form)
Governance rating	Green	Amber-Green	Narrative	Green	Green
	Annual Plan 2013/14	**Q1**	**Q2**	**Q3**	**Q4**
Under the Risk Assessment Framework					
Continuity of Services Rating	4	4 (shadow form)	4 (Shadow form)	4	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 quality 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. The Occupational Health (OH) Service now has a working service level agreement with the Trust ensuring clarity of the services and volumes to be managed. We achieved an A1 rating for the national accreditation inspection undertaken in March 2014, for the Royal College of Physicians ensuring we meet the standards expected of a Safe effective Quality OH Service (SEQOHS).

The national recession picture and the resulting fall in our market share of business has been evident as we lost a small number of contracts over 2012/13. We are now in a stronger position and beginning to note signs of recovery in the market. The ATOS contract to undertake disability assessments have commenced and the volumes expected although slow to begin have now reached expected levels of income stream. We continue to provide services for multiple companies in both the government and private sectors maintaining a level of income that continues to underpin the cost of the service to the Trust by 50%.

The volume of activity for the Trust has risen again; 2012/3 saw a 34% rise on the previous year, 2013/4 a rise to 54% over the previous year. We have managed this increase by a full service review, skill base restructure, leaner smarter working and a move to paper light systems. This will continue in 2014/5 as we move to a web based IT programme allowing for remote access to the system by managers and eliminate 80% of paper based communication. We continue to be an active partner with HR in the management of absence and in the implementation of the "wellbeing strategy" meeting the requirements of the Royal College of Physicians, NICE and NHS Employers guidance and the recommendations of the Boorman and Black reports of 2009/10 respectively.

2013/4 saw the Department of Health attach the Winter Funding of approx. £2.4m for the Trust to the uptake of flu vaccine in front line health care workers. This resulted in a radical and at times difficult path to persuading staff to receive vaccine in order to secure the funding for Emergency Department over the winter period. In 2012/3 we achieved 48% uptake in 2013/4 we achieved 78% uptake ensuring the funding.

2013/14 saw the introduction of the "Help YOR Health Course" and the Staff Prescription process which is aimed at early intervention for those staff with long term conditions. This is to provide a different approach to the management of the ageing workforce and the inevitable rise in long term health issues likely to increase sickness absence rates over the next decade. The course and prescription have so far been well received.

The Internal counselling service that provided face to face support to 2% of the Trust staff has been transferred to a private sector partner and now support up to 20% of the staff with the added bonus of 24/7 support and includes a financial and legal helpline, family support and on line information, group chats etc all provided at the same cost as the previous limited service.

We will continue to develop the service and our external income streams in 2014/5 to maintain the SEQOHS standards and to provide the best service we can to the Trust and to our customers.

Counter-fraud policies and procedure

The Foundation Trust's counter fraud arrangements are in compliance with the NHS Standards for providers: fraud, bribery and corruption. 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 counter fraud 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

York Teaching Hospital NHS Foundation Trust delivers acute and community services from ten 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 Intermediate Care Unit
- 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:

- Health Scrutiny Committees
- Health and Wellbeing Board (York)
- Healthwatch (from 1 April 2013)
- Yorkshire Cancer Network
- HYMS North Yorkshire Local Steering Group
- Healthy City Board (York)
- Foundation Trust Network (FTN) Chairs and Chief Executives meeting
- Collaborative Improvement Board
- Yorkshire and Humber Learning Education and Training Board (LETB)
- Alliance relationships with local hospitals

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 (YTH)

- 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 2014 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/ Executive Chief Nurse
• Quality risk	Executive Chief Nurse
• Financial risk	Executive Director of Finance
• Workforce risk	Executive Director of Corporate Development
• Non-Clinical and organisational risk	Director of Estates and Facilities
• Environmental risk	Director of Estates and Facilities
• Corporate learning and development	Executive Director Corporate Development
• Integration risks	Chief Executive
• Operational risk	Chief Operating Officer
• IT risk	Director of Systems and Network
• Strategic risk	Chief Executive

All Directors are responsible for ensuring there are appropriate arrangements and systems are in place to achieve:

- Identification and assessment of risks and hazards

- Compliance with internal polices 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 Board and Corporate Risk Management Group (now replaced by the Corporate Risk 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 Ltd to support benchmarking exercises.

Building on the acquisition of Scarborough and North East Yorkshire Healthcare NHS Trust completed in July 2012, the Trust has continued to integrate directorates and develop systems that ensure all ten sites work as one organisation. The introduction of the Business Intelligence Unit has helped to ensure there is alignment between the strategic priorities of the Trust and the integration work. The Unit's work 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.

The Trust has appointed eight 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. They work closely with the Executive Team.

4   The risk and control framework

Risk Management

The Trust has a Risk Management policy document in place, which is reviewed and endorsed by the Board. The policy is kept under review 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 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 kept under review; 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) now replaced by the Corporate Risk Committee (CRC), Audit Committee and Board of Directors.

The Audit Committee (AC) receives the Assurance Framework (AFW) and CRR on a quarterly basis 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 AFW and the CCR have undergone a full review during the year and the documents have been adjusted so that they are aligned to the directors' accountability portfolios. The director will be held accountable for any outstanding risks or gaps in assurance by the Corporate Risk Committee. This has strengthened the assurance systems and strengthened the system that links the risks and assurances to the strategies and objectives of the organisation. During 2014/15 this system will be embedded into 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 (now replaced by the CRC) 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 (the system used in the Trust for collating incidents) 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, Director of Nursing, 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 clinical and quality risk to the organisation.

The Trust reported four never events (three in 2012/13) related to surgical procedures during the year. Two related to retained foreign objects and one related to an air embolism event and one related to wrong site surgery. All never events are investigated in detail and the Trust aims to learn from the events. The results of these investigations are reported to the Quality and Safety Committee and the Board of Directors.

During 2012/13 weaknesses were identified in risk management processes; this was confirmed by an internal audit report. As a result a review of risk management processes across the Trust is being undertaken by the Risk Management Department. Specifically the Internal Audit Report identified weaknesses in the following areas:

- The management of the Serious Incidents (SI) process, particularly the follow up of actions
- The non-validation of data uplifted to the National Reporting and Learning System (NRLS) that inaccurately reflected levels of serious harm or death within the organisation.

During the year the Risk Management Department responsible has been addressing the weaknesses identified.

<u>SI process</u>

The Trust has during the year, reviewed the current SI investigation process and made a key change to the lead investigator role. The focus of this was to move from a risk based team investigation to investigations being undertaken locally with support for the investigation and follow up of the recommendations being provided by the Risk Team. This has helped foster ownership of both the issues and the resultant action plan. Importantly, the organisation needs to focus on raising the nature of investigation, investigations should be evidence based and not based on personal view.

More work needs to be undertaken to gain additional focus on patient liaison during the course of an investigation and when sharing the final report. This will ensure that the patient and their family are kept informed of the progress of the investigation and ensure that their questions are answered. They will also offer the opportunity to discuss the final report and its recommendations.

For 2014/15 the contractual requirements of CCGs will mean that all Grade 3 Pressure Ulcers, and falls resulting in harm, will also be classified as Serious Incidents. In reality this will mean around 150 additional SIs a year, and consequently this will force a further review of the SI process with some additional resource requirements to manage the process.

<u>National Reporting and Learning System (NRLS) process</u>

Data produced in 2013 by the NRLS indicated that the Trust was an outlier in our peer group in the number of 'serious harm' and 'death' incidents relating to patient safety. It has become clear that there is inconsistency in the coding and grading of Datix web forms and insufficient scrutiny of the data prior to its uplift to the NRLS. In addition, the ratio of serious harm and death incidents was increased as not all incidents were uplifted to the NRLS by the cut off date.

We have immediately established a process where there is validation of those Datix incidents categorised as 'serious harm' or 'death'. This includes review by the Deputy Director of Healthcare Governance and Medical Director of those incidents graded in this category, and sign off at the Quality and Safety meeting. We have also established a process for the regular follow up of outstanding Datix forms.

The latest release of NRLS data shows the Trust within the peer group range for 'severe harm' incidents and that we report more moderate harm patient safety incidents than some other trusts, but this is because we code and grade G3 Pressure Ulcers as moderate harm, where some trusts report these as 'low harm'.

The NRLS report also indicates that our average clearance time for Datix web upload (the time from raising of the web form to upload to NRLS) has reduced from 152 to 112 days. Of course this is still not timely enough, and to ascertain the reasons for the delay in processing incident reports at directorate level, a survey was issued to Datix users. The results of the survey have been analysed and provide some learning for the targeting of remedial training and re alignment of processes.

<u>Board of Directors</u>

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 quarter four the Trust has started a piece of work undertaking a review of the governance systems including the committee structures and accountability arrangements in the Trust. The Trust has begun this work in preparation of a full governance review as required by Monitor. On completion of the acquisition appropriate governance arrangements were put in place, but the Trust continues to keep the committee structures and governance arrangements under review in order that they remain appropriate structures, so that the relevant assurance is received by the Board on a regular basis.

The Board of Directors during 2013/14 made a small number of changes to the Board committees. The standing Board Committees in place during the whole year were the Audit Committee and the Remuneration Committee, the Quality and Safety Committee, Finance and Performance Committee and Workforce Strategy Committee. The Board also introduced a Corporate Risk Committee as part of the review of the governance arrangements. The Trust has disbanded the existing Corporate Risk Management Group and is seeking to introduce an operational Risk Group.

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 continues to have four Non-executive Directors as members of the Committee supported by Officers of the Trust.

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 Data Quality and Performance Work Group.

On a regular basis the Committee is expected to, as part of its work, highlight to the Board any areas of concern identified during its deliberations.

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. This Committee's membership is made up of the Non-executive Directors. The Chief Executive and the Director of HR attend the meeting when requested by the Chairman of the Committee.

Quality and Safety Committee

The Quality and Safety Committee meets the week before the Board and reviews in detail the previous month's information relating to patient safety, clinical performance, quality of services any issues or matters of concern are brought to the attention of the full Board. The Committee is expected to consider, as part of its work, the specific risks included on the Corporate Risk Register and Assurance Framework aligned to the agenda they are considering.

Finance and Performance Committee

The Finance and Performance Committee meets the week before the Board and reviews in detail the previous month's 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. The Committee is expected to consider, as part of its work, the specific risks included on the Corporate Risk Register and Assurance Framework aligned to the agenda they are considering.

Workforce Strategy Committee

The Workforce Strategy Committee receives and reviews any draft strategic plans relating to workforce and during the year it approved the Trust's Human Resources strategy and a new Health and Wellbeing strategy. The Committee will monitor progress against these 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 Committee is expected to consider, as part of its work, the specific risks included on the Corporate Risk Register and Assurance Framework aligned to the agenda they are considering.

Strategic Integration Group

The Trust had formulated a Strategic Integration Group (SIG) 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. During 2013/14 the Trust reviewed the role of the SIG and agreed to develop two Hospital and Community Boards which will work with the Executive Board. The Trust also agreed to disestablish the Strategic Integration Group.

Hospital and Community Boards

As from the 1 April 2014 the Trust has introduced two Hospital and Community Boards. One will be based in Scarborough and the other in York. The Clinical Directors, Deputy Clinical Directors

and Clinical Strategic Leads from Scarborough formulate the membership along with the Corporate Directors for the Scarborough Hospital and Community Board and the Clinical Directors, Deputy Clinical Directors and Clinical Strategic Leads from York form the membership with the Corporate Directors for the York Hospital and Community Board.

The Boards will consider and address issues specific to their locations and report the actions to the Executive Board.

Executive Board

The Executive Board is the key operational group of the Trust. Its membership includes the Clinical Directors, Corporate Directors and Clinical Strategic Leads. The Executive Board will discuss the formulation and implementation of strategy. The formed strategy proposals are discussed with the Board of Directors through the Board and Board Committee meetings.

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

This Group has met during the year and as part of the review of the risk systems it was agreed that the Corporate Risk Management Group should be disbanded. The Group was disbanded following the meeting held in September 2013.

The Corporate Risk Management Group was an executive committee chaired by the Chief Executive, and membership of the group included the Executive Directors and attendance from the Chairman of the Trust and other officers presenting information. The Trust has now introduced a Corporate Risk Committee which is a Board Committee and is chaired by the Chairman of the Trust. The Committee reports directly to the Board of Directors through the Chairman.

Corporate Risk Committee

The Corporate Risk Committee met for the first time in March 2014. The Committee approved its terms of reference and considered the revised format for the Assurance Framework. The Committee also agreed that a working group that has senior management membership should be formed to meet on a quarterly basis where the directorate risk registers are discussed. The outcome of this meeting will be included in the information considered by the Corporate Risk Committee.

<u>Quality governance arrangements</u>

The Trust has reviewed the Quality Governance Framework and developed a further implementation action plan against the framework that has been approved by the Board of Directors and will be reviewed on a quarterly basis by the Quality and Safety Committee. The Quality and Safety Committee seek assurance on behalf of the Board on a monthly basis and provide additional challenge around the maintenance of the quality standards and risks in the Trust. The Trust also has in place a Finance and Performance Committee which seeks assurance on the performance metrics including Commissioning for Quality and Innovation (CQUIN).

During the year the Trust underwent a review of the Annual Plan of risk to quality. This independent review tested the governance arrangements in place and concluded that the Trust had good systems, although there was some work to be completed on introducing a single performance reporting document. This work is currently underway and will be completed during 2014/15. The Quality and Safety Committee and the Board of Directors do receive a performance report on quality and safety and a monthly performance report which addresses other performance metrics. The Trust also receives a quarterly report from the Healthcare Governance Unit which provides assurance on the Trust's compliance with CQC registration requirements. Details of Care Quality Commission (CQC) visits held during the year are provided later in this document.

<u>Information governance assurance programme</u>

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 two Chief Clinical Information Officers, (one is based in York and one in Scarborough), 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 Board of Directors on the overview of the information governance activities and the outcome of the Information Governance Toolkit Scores. The Corporate Risk Committee and the Quality and Safety Committee will receive 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 Deputy 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 11 of the Information Governance Toolkit.

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 – we will ensure you feel cared for, encourage and act on feedback, develop the quality and skills of our workforce, keep you safe, ensure the right people are in the right place to meet care needs, learn from our mistakes and respect individual differences.

- Develop and enable stronger citizenship through out work with partners and the broader community – we will enhance our reputation through our action, behaviours and performance to earn the respect of our community, reach out to the local community through providing opportunity, support local businesses, voluntary organisations and communities, identify opportunities to engage with the community to add value, seek and develop partnerships inside and outside the health economies.

- Improve our effectiveness, capacity and capability – we will employ good staff, keep them and look after them, educate our workforce to meet changing needs, demonstrate value for

money at all levels, deliver and surpass targets, achieve efficient use of resources: our staff, our money, our assets and ensure no unnecessary waits or delays.

- Improve our facilities and protect the environment- we will continually improve our buildings and facilities to meet changing needs, keep everything clean, tidy and safe, make you feel welcome, respect your privacy and dignity, help you find your way around and positively manage our impact on the environment.

The table below identifies our key risks related to each strategy heading:

Strategic frame	In-year and future risks	Management and mitigation	Outcomes to addressing risk
Improve quality and safety	Not maintaining and improving quality and safety across the whole organisation and ensuring a consistent approach to quality and safety over the organisation. Not developing the most effective and efficient systems that will support the enlarged organisation to deliver quality and safety. Not reacting to evidence of weaknesses in the systems and processes that manage quality and safety across the organisation. Maintenance of acceptable operational performance while not compromising quality and safety. Risk of incurring financial penalties if standards are not maintained.	Implementation of the Quality Governance Framework and appropriate strategies – Nursing and Midwifery and Safety Strategies. Detailed implementation plans developed which are being reviewed by the Board on a monthly basis. Key integration targets being achieved to allow for quality and safety to continue to be implemented. 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. Use of the Assurance Framework and governance systems to check developments. Self checking of systems and benchmarking against other Trusts.	Consistent effective quality and safety systems and strategies in place. The plans are both corporate and clinical and provide the steps needed to ensure there is satisfactory integration of community services and the acute services. Introduction of the Quality and Safety Committee. Implementation of the Quality Governance Framework for the enlarged organisation resulting in system providing a successful whole system approach Assurance of self checking system and excellent comparison of benchmarking. Becoming an exemplar Trust. Proactive management of antibiotic prescribing and medicines management across the Trust.

Strategic frame	In-year and future risks	Management and mitigation	Outcomes to addressing risk
		Careful management of the antibiotic prescribing policy to ensure reduced risk of healthcare acquired infections. Introduction and implementation of a new acute strategy.	. Careful review and management of the flow of patients to ensure they are provided with the best possible care.
Develop stronger citizenship through our working with partners and the boarder community	Not identifying key parties to engage in the development of services to support the broader community including the integration of the organisation. Significant change in the structure of the NHS and legislative requirements and expectations of working.	Confirmation of parties involved, ensuring Trust maintains open debate with all parties. Working closely with newly developed Commissioning Groups. Creation of groups such as the Health and Wellbeing Board. Implementation of the North Yorkshire Review actions through the Chief Executives. Development of alliances with other Trusts and organisations.	Successful identification of appropriate parties to discuss developments with. Creation of a whole system approach for the region. Development of services on a collaborative basis so ensuring sustainable for the future.
Improve our effectiveness, capacity and capability	Not identifying key service developments that would improve the overall capacity and capability of the 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.

Strategic frame	In-year and future risks	Management and mitigation	Outcomes to addressing risk
Improve our facilities and protect the environment	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.

Compliance with NHS Foundation Trust Condition 4

The Trust, during quarter four, has undertaken an internal review of the effectiveness of the governance structures and the responsibilities of Directors and subcommittees. This review has considered the reporting lines and accountabilities between the Board, its subcommittees and the Executive team. This review has lead to a further evaluation of the accountability portfolio of the Executive Directors and a review of the Assurance Framework and the Corporate Risk Register and further evaluation of the underpinning committee and group structures.

The Trust has applied the principles, systems and standards of good corporate governance and has reviewed the guidance that has been issued by Monitor during the year and where appropriate has prepared a 'comply or explain' document to record where the Trust has not followed the guidance or where an action plan is required to ensure compliance.

The Trust's systems and accountability arrangements for all Directors require that they are developed so they ensure compliance with the duty to operate efficiently, economically and effectively. The Trust gains its evidence that these systems are in place through the Assurance Framework and the Internal Audit Reports presented to the Audit Committee. The Board has in place three Board Committees that review performance in detail in advance of the Board meeting.

The Board of Directors has reviewed the healthcare standards binding on the Trust including but not restricted to standards specified by the Secretary of State, the CQC, NHS England and statutory regulators of health care professionals and has addressed the challenges experienced during the year to achieve compliance.

The Board of Directors has ensured that effective financial decision making; management and control have been in place throughout the year.

All of the above statements provide the Board with the assurance that the Trust has in place the required evidence and systems to provide appropriate validity to our Corporate Governance Statement.

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, this 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.

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 2013/14:

- Held five meetings during the year
- Held working groups to consider issues such as patient experience, Annual planning and 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 CCGs
- 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 have been a number of changes to the Board of Directors during the year:

- Two Executive Directors have left the organisation to take up roles else where in the NHS. The two Executive Directors were Mrs Peta Hayward, Director of HR (March 2014) and Ms Elizabeth McManus Chief Nurse (September 2013).
- Mr Mike Proctor was asked by the Board to take on the role of Chief Nurse from September 2013.
- Mrs Sue Holden has joined the Board as an Executive Director of Corporate Learning and Development from April 2013. She was subsequently asked by the Board to act as Interim Director of HR from March 2014.

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.

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. During the year Monitor moved from the metrics included in the Compliance Framework to the metrics included in the Risk Assessment Framework. Under the Risk Assessment Framework, Monitor scores the assessment on a number score for Continuity of Services and a colour and narrative rating for governance.

The table below shows the quarterly ratings received by Monitor. The amber –green and narrative rating received in quarter 1 and quarter 2 reflected failure to meet the C-Difficle trajectory in quarter 1 and in quarter 2, the Trust failed to meet its 4-hour A&E target for three of the previous four quarters which triggered consideration for further regulatory action, which the Trust discussed with Monitor. The Financial Risk Rating also changed to the Continuity of Services rating from quarter 3.

Monitor assessment during 2013/14 on a quarterly basis				
Quarter	Financial Risk Rating (as per the Compliance Framework)	Continuity of Services (as per the Risk Assessment Framework)	Governance Rating (as per the Compliance Framework)	Governance Rating (as per the Risk Assessment Framework)
Q1	3	-	Amber-green	-
Q2	3	4 (shadow form)	-	Narrative
Q3	3 (Shadow form)	4	-	Green
Q4	3 (Shadow form)	4	-	Green

The Trust is fully compliant with the registration requirements of the Care Quality Commission and has been subject to a number of unannounced inspections as part of the CQC's routine inspection programme. In July and August 2013, the CQC inspected five outcomes at each of the sites inspected. The sites inspected were York Hospital, Scarborough Hospital and Archways Intermediate Care Unit. The CQC found the Trust to be compliant with all standards inspected at York Hospital and Archways, with Scarborough being compliant with three standards inspected but action was needed on two further standards. A full action plan was implemented and Scarborough Hospital was found to be compliant with these standards after the CQC re-inspected in December 2013.

The Trust has not been subject to any themed inspections in this financial year.

Within the CQC Intelligence Monitoring report published in March 2014 the Trust has been placed in Band 6 which is the lowest risk category.

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 presents 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 identify 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.

During 2013/14 the Trust did not fully achieve all the objectives set as priorities in the Quality and Safety Strategy and Quality Report. The Trust achieved 10 of the 15 priorities identified. More detail of the achievements can be found in the 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 2014/15 and will be reported in the Quality Report for 2014/15.

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 and 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.

The Head of Internal Audit Opinion 2013/14 cited three area of weakness. One related to risk management in the lack of evidence around which operational group is responsible for monitoring risk management performance. The weakness also related to SI performance and the SI group fulfilling it terms of reference. A weakness was also identified in the Internal Audit Report on safeguarding children. The report identified that controls needed to be strengthened further to reduce the level of risk to the organisation. The third area related to policy management. Internal Audit identified that there was a lack of escalation and reporting processes to ensure that key policies are reviewed on a timely basis.

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. The Head of Internal Audit opinion overall gives the Trust significant assurance.

My opinion is also informed by:

- Maintained accreditation of the Trust granted in March 2010 for NHSLA at level one for general standards. The Trust achieved NHSLA Maternity Standards level 2 during the year

- Contracts with commissioners for 2013/14 were agreed in a cooperative and collaborative manner through the Trust's engagement with the Commissioners. The Trust has engaged
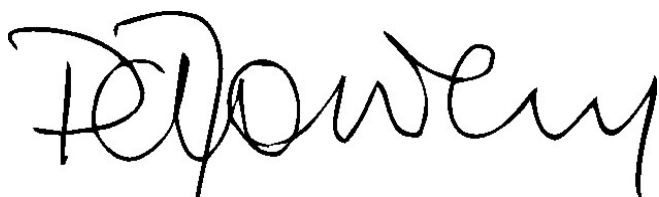
with its commissioner throughout the year in order to ensure that contracts were performing inline with expectations and mitigate any emerging risks.

- 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, quality and corporate issues within the Trust. The performance report is also presented on a monthly basis to the Board of Directors. The Board of Directors receives information about patient experience at each Board meeting. This varies from month to month, but includes hearing 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, or hearing about the patient survey. 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 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 the information from the Patient Safety Group of which the chairman of the Audit Committee is a member.

- The Corporate Risk Management Group was disbanded during the year, and the Corporate Risk Committee was introduced. This Committee reviews the Assurance Framework and Corporate Risk Register and make recommendations to the Audit Committee. The Audit Committee considers the recommendations of the Corporate Risk 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 Committee receives assurance from Internal Audit on the completion of the recommendations through regular reports. The Audit Committee identifies and escalates any concerns around assurance to the Board of Directors though the presentation of the minutes from the Audit Committee and discussion at the Board on the Assurance Framework and Corporate Risk Register.

- The Trust continues to be monitored by Yorkshire and Humber Health Education Board regarding the quality of delivery of the Learning and development agreement. The Trust has hosted a number of colleges and deanery visits throughout the year and has received positive feedback on the general quality of student experience. Changes in the funding of non medical students have resulted in a renewed focus upon the delivery and enablement of multi-disciplinary learning which the Trust continues to develop. The Trust is seen as a pathfinder in the development of Advanced Clinical Practitioner roles and has presented at a number of regional events on the approach taken to develop greater workforce flexibility and capability.

- 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 is 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 Group is a formal sub group of and is accountable to the Patient Safety Group. The Audit Committee during 2013/14 received an update on the clinical governance arrangements and will be continuing to monitor the assurance the process provides during 2014/15.

- 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 28 May 2014**

Annual Accounts

Annual Accounts

2013/14
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;
- Ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance; and
- Prepare the financial statements on a going concern basis.

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

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

Signed:

Chief Executive   Date 28 May 2014

Independent auditor's report to the Council of Governors and Board of Directors 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 2014 which comprise the statement of comprehensive income, the statement of financial position, the statement of cash flows, 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 and to identify any information that is apparently materially inconsistent with the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on 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 2014 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 2013-14 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.
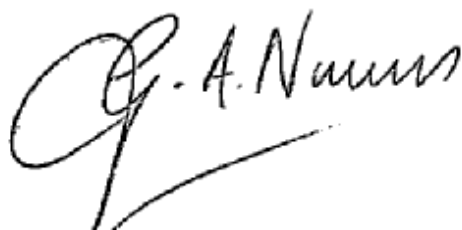
Matters on which we are required to report by exception

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
for and on behalf of Grant Thornton UK LLP

No1 Whitehall Riverside
LEEDS
LS1 4BN

28 May 2014

Forward to the Accounts

YORK TEACHING HOSPITAL NHS FOUNDATION TRUST

These accounts for the year ended 31 March 2014 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

Patrick Crowley – Chief Executive

Statement of Comprehensive income for the year ending 31 March 2014

	Notes	2013/14 £000	2012/13 £000
Operating income	2	**431,850**	387,370
Operating expenses	3	**(437,917)**	(397,969)
(Deficit) before transition support income		**(6,067)**	(10,599)
Transition Support Income		**11,985**	17,078
Operating Surplus after transition support income		**5,918**	6,479
Finance Costs			
Finance income	5	**113**	178
Finance expense – financial liabilities	6	**(228)**	(231)
Finance expense – unwinding of discount		**(31)**	(35)
PDC Dividends Payable	1.19	**(5,723)**	(5,005)
Net Finance Costs		**(5,869)**	(5,093)
Surplus for the year prior to absorption		**49**	1,386
Gain from transfer by absorption		**0**	68,946
		49	70,332
SURPLUS FOR THE YEAR			
Other comprehensive income and expense			
Gain from transfer by modified absorption from demising bodies	19	**32,551**	0
Impairments		**(835)**	(3,824)
Revaluation gains on property, plant and equipment		**8,316**	383
Other Reserve Movements		**0**	(1,145)
Total Comprehensive Income for the Year		**40,081**	65,746

The notes on pages 214 to 237 form part of these accounts.

The comparative figures for 2012/13 include income and expenditure for the former Scarborough & North East Yorkshire Healthcare NHS Trust (SNEY) from 1 July 2012 onwards, when York Teaching Hospital NHS Foundation Trust took over responsibility for its services. The transfer of the assets and liabilities of SNEY was reflected in the Statement of Comprehensive Income for 2012/13 as a net gain of £68.95m. Under the terms of the agreement to take over SNEY, the Trust received additional transition funding of £17.08m in 2012/13, and £11.98m in 2013/14. These figures are included in the Statement of Comprehensive Income as transition support income.

In April 2013, a number of Community premises were transferred to the Trust from the former North Yorkshire and York PCT, under the transforming community care initiative. These assets were valued at £32.55m. Under modified absorption accounting, this transfer is accounted for through the income and expenditure reserve as other comprehensive income.

All income and expenditure is derived from continuing operations.

Statement of Financial Position
31 MARCH 2014

	Notes	31 March 2014 £000	31 March 2013 £000
Non- current assets			
Intangible assets	8	**1,714**	870
Property, plant and equipment	9	**212,866**	172,524
Trade and other receivables	11	**1,261**	1,396
Total non- current assets		**215,841**	174,790
Current assets			
Inventories	10	**6,566**	7,055
Trade and other receivables	11	**26,874**	20,427
Cash and cash equivalents	18	**25,315**	12,788
Total current assets		**58,755**	40,270
Current Liabilities			
Trade and other payables	12	**(30,278)**	(32,092)
Borrowings	14	**(1,207)**	(675)
Provisions	16	**(108)**	(109)
Other liabilities	13	**(1,217)**	0
Total current liabilities		**(32,810)**	(32,876)
Total Assets less Current liabilities		**241,786**	182,184
Non current liabilities			
Borrowings	14	**(12,676)**	(5,661)
Provisions	16	**(1,186)**	(1,214)
Total Non current liabilities		**(13,862)**	(6,875)
Total Assets Employed		**227,924**	175,309
Financed by (Taxpayers' equity)			
Public Dividend Capital		**84,944**	72,410
Revaluation Reserve	17	**50,755**	39,489
Income and expenditure reserve		**92,225**	63,410
Total Taxpayers' equity		**227,924**	175,309

The financial statements on pages 210 to 237 were approved by the Board of Directors on 28 May 2014 and signed on its behalf by:

Signed: _[signature]_ (Chief Executive) Date: 28 May 2014

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY
FOR THE YEAR ENDED 31 MARCH 2014

	Total £000	Public Dividend Capital £000	Revaluation Reserve £000	Income and Expenditure Reserve £000
Taxpayers' equity at 31 March 2012	102,446	65,293	22,841	14,312
Surplus for the year	**70,332**	0	0	70,332
Transfers by absorption: Transfers between reserves	**0**	0	20,089	(20,089)
Revaluation gains on property, plant and equipment	**383**	0	383	0
Impairment losses	**(3,824)**	0	(3,824)	0
Public Dividend Capital received	**7,117**	7,117	0	0
Other reserve movements	**(1,145)**	0	0	(1,145)
Taxpayers' equity at 31 March 2013	**175,309**	**72,410**	**39,489**	**63,410**
Surplus for the year	**49**	0	0	49
Transfers by modified absorption from demising bodies	**32,551**	0	0	32,551
Transfers by modified absorption between reserves	**0**	0	3,785	(3,785)
Revaluation gains on property, plant and equipment	**8,316**	0	8,316	0
Impairment losses	**(835)**	0	(835)	0
Public Dividend Capital received	**12,630**	12,630	0	0
PDC adjustment for cash impact of receivables transferred	**(96)**	(96)	0	0
Taxpayers' equity at 31 March 2014	**227,924**	**84,944**	**50,755**	**92,225**

Statement of Cash Flows for the year ended 31 March 2014
31 MARCH 2014

	2013/14 £000	2012/13 £000
Cash flows from operating activities		
Operating surplus/(deficit)	**5,918**	6,479
Non Cash Income and Expense		
Depreciation and amortisation	**11,273**	8,776
Impairments	**4,029**	3,712
Reversal of Impairments	**(1,340)**	(190)
Profit/loss on disposal of assets	**(3)**	(41)
Transfer of assets and liabilities by absorption accounting	**0**	(5,825)
(Increase) in Trade and other Receivables	**(3,935)**	(5,301)
Decrease/(Increase) in Inventories	**507**	(3,473)
(Decrease)/Increase in Trade and other Payables	**(5,296)**	10,174
Increase in Other Liabilities	**1,217**	0
(Decrease)/Increase in Provisions	**(60)**	478
Other movements in operating cash flows	**18**	79
NET CASH GENERATED FROM OPERATIONS	**12,328**	14,868
Cash flows from investing activities		
Interest received	**113**	165
Purchase of intangible assets	**(1,155)**	(31)
Purchase of Property, Plant and Equipment	**(12,969)**	(11,425)
Sales of Property, Plant and Equipment	**3**	67
Net cash used in investing activities	**(14,008)**	(11,224)
Cash flows from financing activities		
Public Dividend Capital received	**12,630**	7,117
Public Dividend Capital adjustment for modified absorption transfers	**(96)**	0
Loans received	**8,235**	48
Loans repaid	**(530)**	(517)
Capital element of finance lease rental payments	**(107)**	(107)
Interest paid	**(215)**	(217)
Interest element of finance lease	**(13)**	(21)
PDC Dividend paid	**(5,697)**	(4,907)
Net cash generated from/(used in) financing activities	**14,207**	1,396
Increase in cash or cash equivalents	**12,527**	5,040
Cash and cash equivalents at 1 April 2013	**12,788**	7,624
Cash and cash equivalents received on absorption	**0**	124
Cash and cash equivalents at 31 March 2014	**25,315**	12,788

Notes to the Accounts

1   ACCOUNTING POLICIES

Monitor, the Independent Regulator of Foundation Trusts 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 2013/14 NHS Foundation Trust Annual Reporting Manual issued by Monitor. 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   Transfer of Functions

For functions that have been transferred to the Trust from another NHS body, the assets and liabilities transferred are recognised in the accounts as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net gain corresponding to the net assets transferred from North Yorkshire and York PCT, (NYYPCT) on 1 April 2013, is recognised within the income and expenditure reserve.

For property plant and equipment assets and intangible assets, the Cost and Accumulated Depreciation / Amortisation balances from NYYPCT have been preserved on recognition in the Trust's accounts. Where any assets received by the Trust had an attributable revaluation reserve balance in NYYPCT'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, to maintain transparency within public sector accounts.

This accounting treatment is in line with the modified absorption accounting requirements as detailed in the Monitor Annual Reporting Manual. This only applies to assets transferring from demising NHS bodies on the 1 April 2013 and therefore no prior year adjustment is required.

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.

1.2   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 2013/14 accounts, the most significant judgement relates to the recognition of clinical income due from the Trust's key commissioners. 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 recovery of outstanding debts in line with previous settlements.

1.3 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.

1.4 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.

1.5 Expenditure on employee benefits

Short term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs

NHS Pension Scheme
Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. It is not possible for the NHS foundation trust to identify its share of the underlying scheme liabilities. Therefore, the scheme is accounted for as a defined contribution scheme.

Employers pension cost contributions are charged to operating expenses as and when they become due.

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 2014 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 (excluding dwellings)   20 to 60 years
- Dwellings   5 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.

Software which is integral to the operation of hardware, e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, e.g. application software, is

capitalised as an intangible asset.

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

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 the discount rates published and mandated by HM Treasury.

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 note16.

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 26 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 cost of capital utilised by the NHS Foundation Trust, is payable 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
(i)   donated assets
(ii)   average daily cash balances held with the Government Banking Service (GBS), and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility.
(iii) for 2013/14 only, net assets and liabilities transferred from bodies which ceased to exist on 1 April 2013, and
(iv) any PDC dividend balance receivable or payable.

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 Consolidation of Charity Accounts

York Teaching Hospital NHS Foundation Trust acts as the corporate trustee for the York Teaching Hospital Charity. Although the Foundation Trust has the power to govern the financial and operating policies of the Charity, it has not consolidated the accounts of the charity as they are not considered material. The income for the Charity for 2013-14 is £1.5m which represents 0.35% of the operating income of the Foundation Trust and, if consolidated, would not have a material effect on the accounts of the Foundation Trust.

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.

2.1 Operating Income (by classification) **Income from Activities**	**2013/14**	2012/13
	£000	£000
Elective income	**65,597**	57,527
Non elective income	**99,501**	95,787
Outpatient income	**66,312**	60,127
A & E income	**13,245**	12,012
Other NHS clinical income	**104,853**	82,992
Community income	**34,925**	34,720
Private patient income	**1,043**	1,003
Other non protected clinical income	**1,671**	1,991
Total Income from Activities	**387,147**	346,159
Total Other Operating Income	**44,703**	41,211
TOTAL OPERATING INCOME	**431,850**	387,370

2.2 Operating Income (by type)	2013/14	2012/13
	£000	£000
Income from Activities		
Primary Care Trusts	**0**	343,165
CCGs and NHS England	**379,051**	0
Local Authorities	**5,382**	0
Non NHS: Private patients	**1,043**	1,003
Non NHS: Overseas patients (non-reciprocal)	**165**	97
NHS injury scheme (was RTA)	**1,481**	1,360
Non NHS: Other	**25**	534
Total Income from Activities	**387,147**	346,159
Other Operating Income		
Research and development	**8,152**	7,262
Education and training	**15,256**	13,415
Charitable and other contributions to expenditure	**839**	633
Non-patient care services to other bodies	**12,332**	12,727
Reversal of impairments of property, plant & equipment	**1,340**	190
Profit on disposal of other tangible fixed assets	**3**	54
Income in respect of staff costs	**1,879**	2,333
Rental revenue from operating leases	**208**	211
Other	**4,694**	4,386
Total Other Operating Income	**44,703**	41,211
Total Operating Income	**431,850**	387,370

From 1 April 2013 PCTs ceased to exists and income previously received from PCTs is now received from CCGs, NHS England and Local Authorities.

2.3 Operating Lease Income	2013/14	2012/13
	£000	£000
Rents recognised as income in the period	**208**	211
Total operating lease income	**208**	211
Future minimum lease payments due on leases of buildings expiring:		
- Not later than one year	**82**	93
- Later than one year and not later than five years	**319**	358
- Later than five years	**738**	901
Total operating lease income	**1,139**	1,352

2.4 Analysis of Other Operating Income: Other	2013/14	2012/13
	£000	£000
Car parking	**1,901**	1,531
Staff accommodation rentals	**285**	293
Catering	**1,614**	1,526
Other	**894**	1,036
Total	**4,694**	4,386

3.1 Operating Expenses (by type)

	2013/14	2012/13
	£000	£000
Services from NHS Foundation Trusts	1,149	1,256
Services from NHS Trusts	1,486	1,486
Services from PCTs	0	445
Services from CCGs and NHS England	39	0
Services from other NHS Bodies	489	238
Purchase of healthcare from non NHS bodies	2,905	3,336
Employee expenses - Executive directors costs	1,220	1,163
Employee expenses - Non-executive directors costs	160	159
Employee expenses - Staff	288,214	261,137
Drug costs	34,816	30,460
Supplies and services - clinical (excluding drug costs)	42,650	37,062
Supplies and services - general	7,366	6,412
Establishment	3,861	2,959
Research and development	4,843	4,432
Transport (business travel only)	2,397	1,988
Transport (other)	1,143	940
Premises	14,907	14,307
Rentals under Operating Leases	4,723	5,375
Increase in provision for impairment of receivables	1,209	273
Change in provisions discount rate	50	60
Depreciation on property, plant and equipment	10,881	8,455
Amortisation on intangible assets	392	321
Impairment of property, plant & equipment	4,011	3,712
Impairment of other financial assets	18	0
Audit fees - statutory audit	87	120
Clinical negligence	5,097	6,955
Loss on disposal of other property, plant and equipment	0	13
Legal fees	298	426
Consultancy costs	9	1,216
Training, courses and conferences	916	931
Patient travel	93	89
Redundancy	1,008	809
Early Retirements	(12)	12
Hospitality	14	28
Insurance	489	429
Losses & special payments	427	262
Other	562	703
Total Operating Expenses	**437,917**	397,969

3.2 Arrangements containing an operating lease

	2013/14	2012/13
	£000	£000
Minimum lease payments	4,723	5,375
Total Lease Payments	**4,723**	5,375

3.3 Arrangements containing an operating lease

	31 March 2014 £000	31 March 2013 £000
Total future minimum lease payments due:		
- not later than one year;	4,369	4,980
- later than one year and not later than five years;	8,235	11,670
- later than five years	381	5,096

4.1 Employee Expenses

	2013/14			2012/13		
	Total £000	Perm £000	Other £000	Total £000	Perm £000	Other £000
Salaries and wages	233,508	213,426	20,082	211,500	193,311	18,189
Social security costs	18,331	16,754	1,577	16,751	15,311	1,440
Pension costs - defined contribution plans - Employers contributions to NHS Pensions	27,729	25,344	2,385	24,663	22,542	2,121
Pension costs – other	8	8	0	0	0	0
Termination benefits	1,008	1,008	0	821	821	0
Agency/contract staff	10,746	0	10,746	10,065	0	10,065
Total Staff Costs	291,330	256,540	34,790	263,800	231,985	31,815
of which						
Costs capitalised as part of assets	(888)	(888)	0	(679)	(679)	0
Total employee benefits excl. capitalised costs	290,442	255,652	34,790	263,121	231,306	31,815

During the year the Trust made employer contributions to the NHS Pension Scheme of £128,000 in respect of Directors

4.2 Average number of employees (WTE basis)

	2013/14			2012/13		
	Total Number	Perm Number	Other Number	Total Number	Perm Number	Other Number
Medical and dental	696	381	315	631	319	312
Administration and estates	1,697	1,610	87	1,478	1,395	83
Healthcare assistants and other support staff	984	951	33	948	911	37
Nursing, midwifery and health visiting staff	2,518	2,454	64	2,371	2,294	77
Scientific, therapeutic and technical staff	1,114	1,064	50	1,025	982	43
Bank and agency staff	309	0	309	294	0	294
Total average numbers	7,318	6,460	858	6,747	5,901	846
of which						
WTE employees engaged on capital projects	32	32	0	27	27	0

4.3 Exit Packages

Exit package cost band	Total		2013-14 Compulsory Redundancies		Other departures agreed		2012-13 Total	
	No.	**£000**	No.	£000	No.	£000	No.	£000
< £10,000	7	50	4	30	3	20	9	58
£10,001 - £25,000	9	131	6	97	3	34	9	145
£25,001 - £50,000	8	268	5	172	3	96	7	236
£50,001 - £100,000	5	329	3	186	2	143	4	256
£100,001 - £150,000	2	230	2	230	0	0	1	114
Total	**31**	**1,008**	**20**	**715**	**11**	**293**	**30**	**809**

4.4 Analysis of non-compulsory exit packages

	2013-14		2012-13	
	Number of cases	Cost of cases £000s	Number of cases	Cost of cases £000s
MARS Local	7	147	21	533
Early retirements in the efficiency of the service	4	146	0	0
Total	**11**	**293**	**21**	**533**

This note provides an analysis of Exit Packages agreed during the year. Other departure costs include voluntary redundancy costs and costs which 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 2013/14 there were 14 early retirements (8 in 2012/13) from the Trust on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £0.786m (£0.326m in 2012/13). 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

	2013/14	2012/13
	£000	£000
Interest on loans and receivables	**113**	178

6. Finance costs - interest expense

	2013/14	2012/13
	£000	£000
Interest on loans from the Foundation Trust Financing Facility	**215**	210
Interest on Finance Leases	**13**	21
	228	231

7. Losses and special payments

	2013/14		2012/13	
	Number	**Value £000**	Number	Value £000
Cash losses (including overpayments, physical losses, unvouched payments and theft)	**7**	**4**	12	1
Bad debts and claims abandoned	**61**	**21**	52	4
Stores losses (including damage to buildings and other properties as a result of theft, criminal damage and neglect)	**9**	**2**	14	3
Compensation Payments	**107**	**142**	103	163
	184	**169**	181	171

8. Intangible assets

	Total (all software licences) £000
Gross cost at 31 March 2013	2,796
Additions - purchased	1,137
Additions - donated	18
Reclassifications	81
Gross cost at 31 March 2014	**4,032**
Amortisation at 31 March 2013	1,926
Provided during the year	392
Amortisation at 31 March 2014	**2,318**

Net book value

NBV - Purchased at 1 April 2013	860
NBV Donated at 1 April 2013	10
	870
NBV - Purchased at 31 March 2014	1,689
NBV Donated at 31 March 2014	25
	1,714

Gross cost at 1 April 2012	2,765
Additions - purchased	31
Gross cost at 31 March 2013	2,796
Amortisation at 1 April 2012	1,605
Provided during the year	321
Amortisation at 31 March 2013	1,926

Net book value

NBV - Purchased at 1 April 2012	1,146
NBV - Donated at 1 April 2012	14
	1,160
NBV - Purchased at 31 March 2013	860
NBV - Donated at 31 March 2013	10
	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
Cost or valuation at 1 April 2013	213,378	13,453	138,870	1,953	3,315	37,058	179	18,468	82
Transfers by absorption	31,390	4,680	23,903	0	0	1,504	0	1,303	0
Additions - purchased	15,278	0	767	0	12,242	544	0	1,725	0
Additions - donated	606	0	185	0	132	289	0	0	0
Impairments through expenditure	(1,991)	(135)	(1,763)	0	(93)	0	0	0	0
Reversal of Impairments	1,340	145	1,194	1	0	0	0	0	0
Reclassifications	(81)	0	4,968	0	(5,696)	521	26	100	0
Impairments through revaluation reserve	(835)	(105)	(730)	0	0	0	0	0	0
Revaluations	1,646	157	1,452	37	0	0	0	0	0
Derecognition due to harmonising accounting policies on absorption	(2,020)	0	0	0	0	(814)	0	(1,206)	0
Disposals	(16)	0	0	0	0	(16)	0	0	0
Cost or valuation at 31 March 2014	258,695	18,195	168,846	1,991	9,900	39,086	205	20,390	82
Accumulated depreciation at 1 April 2013	40,854	0	409	0	0	27,224	164	13,002	55
Transfers by absorption	780	0	565	0	0	215	0	0	0
Provided during the year	10,881	0	6,128	90	0	2,513	7	2,138	5
Revaluations	(6,670)	0	(6,580)	(90)	0	0	0	0	0
Disposals	(16)	0	0	0	0	(16)	0	0	0
Accumulated depreciation at 31 March 2014	45,829	0	522	0	0	29,936	171	15,140	60
Net book value									
NBV - Owned at 1 April 2013	168,307	13,453	135,587	1,953	3,315	8,783	15	5,174	27
NBV – Finance Leased at 1 April 2013	266	0	0	0	0	0	0	266	0
NBV - Donated at 1 April 2013	3,951	0	2,874	0	0	1,051	0	26	0
NBV total at 1 April 2013	172,524	13,453	138,461	1,953	3,315	9,834	15	5,466	27
NBV - Owned at 31 March 2014	208,486	18,195	165,223	1,991	9,900	8,050	34	5,071	22
NBV – Finance Leased at 31 March 2014	160	0	0	0	0	0	0	160	0
NBV - Donated at 31 March 2014	4,220	0	3,101	0	0	1,100	0	19	0
NBV total at 31 March 2014	212,866	18,195	168,324	1,991	9,900	9,150	34	5,250	22

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
Cost or valuation at 1 April 2012	**124,220**	**7,541**	**86,965**	**0**	**1,914**	**19,008**	**190**	**8,554**	**48**
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
Cost or valuation at 31 March 2013	**213,378**	**13,453**	**138,870**	**1,953**	**3,315**	**37,058**	**179**	**18,468**	**82**
Accumulated depreciation at 1 April 2012	**21,500**	**0**	**307**	**0**	**0**	**15,281**	**169**	**5,722**	**21**
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
Accumulated depreciation at 31 March 2013	**40,854**	**0**	**409**	**0**	**0**	**27,224**	**164**	**13,002**	**55**
Net book value									
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
NBV total at 1 April 2012	**102,720**	**7,541**	**86,658**	**0**	**1,914**	**3,727**	**21**	**2,832**	**27**
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
NBV total at 31 March 2013	**172,524**	**13,453**	**138,461**	**1,953**	**3,315**	**9,834**	**15**	**5,466**	**27**

9.2 Property, plant and equipment (continued)

The total at 31 March 2014 included land valued at £2,750,000 open market value (31 March 2013 £2,750,000). There were no buildings or dwellings valued at open market value.

10. Inventories	31 March 2014 £000	31 March 2013 £000
Drugs	1,438	1,945
Consumables	4,994	4,943
Energy	134	167
	6,566	7,055

11.1 Trade receivables and other receivables	31 March 2014 £000	31 March 2013 £000
Current		
NHS Receivables - Revenue	16,940	13,815
Other Receivables with related parties – Revenue	2,661	1,711
Provision for impaired receivables	(1,358)	(628)
Prepayments	2,046	1,797
Accrued income	3,828	1,013
Other receivables	2,757	2,719
Total current trade and other receivables	26,874	20,427
Non-Current		
Other Receivables with related parties - Revenue	1,401	1,551
Provision for impaired receivables	(140)	(155)
Total non-current trade and other receivables	1,261	1,396

11.2 Provision for impairment of receivables	2013/14 £000	2012/13 £000
At 1 April	783	266
Transfer by absorption	0	249
Increase in provision	1,209	452
Amounts utilised	(494)	(5)
Unused amounts reversed	0	(179)
At 31 March	1,498	783

	31 March 2014 £000	31 March 2013 £000
11.3 Analysis of impaired receivables		
Ageing of impaired receivables		
0-30 days	**0**	0
31-60 days	**0**	0
61-90 days	**973**	395
91-180 days	**0**	0
Over 180 days	**525**	388
Total	**1,498**	783
Ageing of non-impaired receivables past their due date		
0-30 days	**1,327**	9,273
31-60 days	**164**	688
61-90 days	**2,534**	2,286
91-180 days	**496**	898
Over 180 days	**407**	78
Total	**4,928**	13,223

	31 March 2014 £000	31 March 2013 £000
12. Trade and other payables		
Current		
Receipts in advance	**232**	279
NHS payables - revenue	**1,551**	3,993
Amounts due to other related parties – revenue	**3,871**	3,608
Trade payables - capital	**3,693**	778
Other trade payables - revenue	**2,854**	5,350
Other taxes	**5,485**	5,670
Other payables	**3,468**	3,069
Accruals	**8,967**	9,214
PDC Dividend payable	**157**	131
Total current trade and other payables	**30,278**	32,092

.

	31 March 2014 £000	31 March 2013 £000
13. Other Liabilities		
Deferred income	**1,217**	0

	31 March 2014 £000	31 March 2013 £000
14. Borrowings		
Current		
Loans from Foundation Trust Financing Facility	**1,075**	493
Other Loans	**25**	25
Obligations under finance leases	**107**	157
Total current borrowings	**1,207**	675

14. Borrowings (continued)
Non-current

Loans from Foundation Trust Financing Facility	**12,587**	5,428
Other Loans	**36**	72
Obligations under finance leases	**53**	161
Total non-current borrowings	**12,676**	5,661

15. Finance Lease Obligations

	31 March 2014	31 March 2013
	£000	£000
Gross lease liability	**180**	354
Of which liabilities are due		
- not later than one year	**120**	173
- later than one year and not later than five years	**60**	181
- later than five years	**0**	0
Finance charges allocated to future periods	**(20)**	(36)
Net lease liability	**160**	318
Net lease liability		
- not later than one year	**107**	157
- later than one year and not later than five years	**53**	161
- later than five years	**0**	0

16. Provisions for liabilities and charges

	Pensions - other staff £000
At 1 April 2013	1,323
Change in the discount rate	50
Arising during the year	28
Utilised during the year	(107)
Reverse unused provisions	(31)
Unwinding of discount	31
At 31 March 2014	**1,294**
Expected timing of cash flows	
- not later than one year;	108
- later than one year and not later than five years;	412
- Later than five years.	774
	1,294

£47.06m (2013 - £39.99m) is included in the provisions of the NHS Litigation Authority at 31 March 2014 in respect of clinical negligence liabilities of York Teaching Hospital NHS Foundation Trust.

17. Revaluation reserve

	Revaluation Reserve £000
Revaluation reserve at 31 March 2013	**39,489**
Transfer by absorption	3,785
Impairments	(835)
Revaluation gains on property, plant and equipment	8,316
Revaluation reserve at 31 March 2014	**50,755**
Revaluation reserve at 1 April 2012	**22,841**
Transfer by absorption	20,089
Impairments	(3,824)
Revaluation gains on property, plant and equipment	383
Revaluation reserve at 31 March 2013	**39,489**

18. Cash and cash equivalents

	2013/14 £000	2012/13 £000
At 1 April	**12,788**	7,624
Net change in year	**12,527**	5,164
At 31 March	**25,315**	12,788
Broken down into:		
Cash at commercial banks and in hand	**89**	139
Cash with the Government Banking Service	**25,226**	12,649
Cash and cash equivalents as in SoFP	**25,315**	12,788
Cash and cash equivalents as in SoCF	**25,315**	12,788

19. Transfers by Modified Absorption

York Teaching Hospital NHS Foundation Trust received the following assets and liabilities from North Yorkshire and York Primary Care Trust on 1 April 2013 under the Transfer of Community Services initiative.

	£000
Property, Plant & Equipment	30,610
Trade and Other Receivables	2,464
Inventories	18
Total Assets Transferred	**33,092**
Trade and Other Payables	(541)
Total Liabilities Transferred	**(541)**
Total Net Assets Transferred	**32,551**
Represented by	
Income and Expenditure Reserve	(28,766)

Revaluation Reserve	(3,785)
Total Equity	**(32,551)**

20. Capital Commitments

Commitments under capital expenditure contracts at 31 March 2014 were £7.1m
(31 March 2013 £2.1m)

21. Contingent Liabilities

There are no contingent liabilities identified for this financial year.

22. Post Balance Sheet Events

For the year 2014-15 the Foundation Trust will continue to receive transition support in relation to the Scarborough and North East Yorkshire Healthcare NHS Trust integration programme.

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 or the receivable or payable balance exceeds £0.5m.

The Trust has also received contributions of £215k towards revenue expenditure and £624k towards capital expenditure from the York Health Services General Charity, the Trustee for which is the York Teaching Hospital NHS Foundation Trust. At the year-end there was a receivable balance in the Trust of £299k due from the York Health Services General Charity.

| | Balances | | Income | Expense |
| | Receivables | Payables | | |
	£000	£000	£000	£000
Compensation Recovery Unit	3,075	0	1,481	0
Department of Health	0	157	7,085	3
Harrogate & District Foundation Trust	970	271	2,528	2,182
Health Education England	455	0	14,742	0
HM Revenue & Customs	174	5,485	0	18,331
Hull & East Yorks NHS Trust	56	237	260	3,160
Leeds Teaching Hospital NHS Trust	90	243	363	2,139
National Blood Authority	0	13	50	2,069
NHS East Riding of Yorkshire CCG	1,846	92	37,620	0
NHS England	8,247	298	63,685	293
NHS Hambleton, Richmondshire and Whitby CCG	1,120	19	14,185	0
NHS Harrogate and Rural District CCG	279	9	4,856	20
NHS Litigation Authority	0	1	0	5,355
NHS Pension Scheme	0	3,888	0	27,763
NHS Property Services	719	214	1,414	381
NHS Scarborough and Ryedale CCG	1,052	252	74,980	0
NHS Vale of York CCG	2,738	845	192,001	4
North Yorkshire County Council	29	17	4,149	57
Other	2,639	1,033	13,042	3,603
TOTAL	**23,489**	**13,074**	**432,441**	**65,129**

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 Foundation Trust has with local Clinical Commissioning Groups (CCG) and the way those CCGs 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 CCG, 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 CCGs 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.

24.1 Financial assets by category	Loans and receivables £000
Assets as per SoFP	
Trade and other receivables excluding non financial assets	20,026
Cash and cash equivalents (at bank and in hand)	12,788
Total at 31 March 2013	32,814
Trade and other receivables excluding non financial assets	**26,089**
Cash and cash equivalents (at bank and in hand)	**25,315**
Total at 31 March 2014	**51,404**

24.2 Financial liabilities by category	Other financial liabilities £000
Liabilities as per SoFP	
Borrowings	6,018
Obligations under finance leases	318
Trade and other payables excluding non financial liabilities	26,012
Total at 31 March 2013	32,348
Borrowings	**13,723**
Obligations under finance leases	**160**
Trade and other payables excluding non financial liabilities	**24,404**
Total at 31 March 2014	**38,287**

24.3 Fair Values

The NHS Foundation Trust has carried all financial assets and financial liabilities at fair value for the year 2013/14.

25. Prudential Borrowing Limit

The prudential borrowing code requirements in section 41 of the NHS Act 2006 have been repealed with effect from 1 April 2013 by the Health and Social Care Act 2012. The financial statements disclosures that were provided previously are no longer required.

26. Third Party Assets

The NHS Foundation Trust held £10k cash at bank and in hand at 31 March 2014 (31 March 2013 - £6k) which relates to monies held by the NHS Foundation Trust on behalf of patients.