

Annual Report and Accounts 2016/17



York Teaching Hospital NHS Foundation Trust

Annual Report and Accounts 2016/17

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Our shared commitment: 'Caring with pride'

Our ultimate objective: To be a valued and trusted partner within our care system delivering safe effective care to the population we serve.

Our vision for healthcare in the population we serve:

- We will treat every patient as an individual, providing the care they need, where they need it, to save and improve lives
- We will develop alliances with our partners to deliver integrated care for our patients in the communities in which they live
- We will be innovative in our approach to delivering care
- We will work with our partners to promote the public health agenda and support healthy lifestyles

Our values: We put patients at the centre of everything we do, by:

- caring about what we do
- always doing what we can to be helpful
- respecting and valuing each other
- listening in order to improve

Foreword and introduction

Statement from the Chair

Welcome to York Teaching Hospital's Annual Report

As Chair of our Trust, I am privileged to read the many positive letters which arrive in our Trust almost daily: letters where patients offer their thanks for the professionalism of our staff, for their friendliness, their kindnesses and for the care they show to our patients and service users. These are accolades of which all members of our Trust should be proud. At our Trust, more than 8,500 staff seek to work together, to provide our patients and service users and their families and carers with the very best quality of service, every day.

Along with the Board of Directors, I know that ensuring the quality of the service we provide to our patients is our most important priority, above and beyond all else, and during 2016/17 this has been our enduring objective.

The world in which we work is fast-moving and the pressures are significant. Along with other acute trusts, we face unprecedented, growing demand for our services, with limited resources. These constraints can compromise the service we seek to deliver. While we have celebrated success during the course of the year, we have also faced challenges that have caused us to dig deep. Where we have failed, we have sought to learn. The strength of our Trust has been in the way we have responded, together, to those challenges, and have sought to find solutions and continually improve the ways in which we serve our patients and service users.

Internally, we have continued to focus on our four ambitions for the five years ahead which capture our priorities.

1. Quality and Safety- We know our patients must trust us to deliver safe and effective health care
2. Finance and Performance- We know our sustainable future depends on providing the highest standards of care within our resources
3. People and capability- We know that the quality of our services is wholly dependent on our teams of staff
4. Facilities and Environment- We know that we must continually strive to ensure that our environment is fit for the future.

Externally, we have sought to work in partnership with others, including health care providers, the local authorities, our Clinical Commissioning Group partners and the third sector. Through these creative and evolving partnerships and alliances, we believe that we can continue to improve the quality of our services for our patients. The Sustainability and Transformation Plans have given us an opportunity to develop this open spirit of partnership across our wider health economy.

Our Trust has a strong Board of Directors and a committed Council of Governors who represent the interests of our Members and the public as a whole, and we thank them all for their commitment throughout the year. We also thank our many volunteers and fundraisers, without whom the services we offer would shine less brightly.

Our internal priorities and our external responsibilities drive us to seek to continually improve the care we provide to our patients. As we look to the year ahead, I know that the challenges we face will not diminish: we will however remain steadfast and resolved in our focus on our four ambitions and we will continue to work closely with our partners and colleagues across the health care community, in pursuit of sustainable health care for everyone across our region.

I conclude where I began. The staff in our Trust embody the values which we hold dear. This Trust cannot achieve its ambitions or contribute to a sustainable NHS without the hard work, kindness and professionalism of each and every member of our staff. It is they who make our NHS, they who save and change lives, they who will shape the future of healthcare services. This Trust and those we serve owe a huge debt of gratitude to those staff.

Susan Symington
Chair

A handwritten signature in black ink, appearing to read 'Susan Symington', with a horizontal line underneath.

30 May 2017

Performance Report

Performance Overview

The purpose of the overview is to provide a short summary of the organisation, its purpose, key risks and how it has performed during the year.

Strategic Ambitions of the Trust

This section provides examples of the Trust's activities and achievements against the ambitions. The strategic ambitions for the five years ahead are:

Our Quality and Safety Ambitions Our patients must trust us to deliver safe and effective healthcare. <ul style="list-style-type: none">• To improve patient safety, the quality of our patient experience and patient outcomes, all day, every day;• To listen to patients and staff, act on their feedback, and share with them the changes we make;• To be innovative in our approach to providing the best possible care, sympathetic to different communities and their needs;• To separate the acute and elective care of our patients;• To reform and improve emergency care;• To embrace existing and emerging technology to develop services for patients.	Our Finance and Performance Ambitions Our sustainable future depends on providing the highest standards of care within our resources. <ul style="list-style-type: none">• To achieve and maintain financial stability alongside our partners, building alliances to benefit our patients;• To provide the very best value for money, time and effort;• To exceed all national standards of care;• To plan with ambition to create a sustainable future.
Our People and Capability Ambitions The quality of our services is wholly dependent on our teams of staff. <ul style="list-style-type: none">• To ensure that our organisation continues to develop and is an excellent place to work;• To creatively attract the right people to work in our trust, in the right places, at the right time;• To retain our staff;• To care for the wellbeing of our staff;• To provide first class learning and development opportunities, enabling our staff to maximise their potential;• To develop learning and promote innovation, creating new knowledge through research and sharing this widely.	Our Facilities and Environment Ambitions We must continually strive to ensure that our environment is fit for our future <ul style="list-style-type: none">• To work as part of our overall community to provide the very best health outcomes, in the most appropriate setting;• To respect the privacy and dignity of all of our patients;• To positively manage our impact on the wider environment and keep our own environment clean and tidy;• To develop our facilities and premises to improve our services and patient care.

Data is reported to the Board of Directors on a monthly basis for the four priorities. Further details can be found in the 'Performance analysis' section on page 22.

Statement of Purpose and Activities

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

The Trust is registered with the Care Quality Commission (CQC) to provide safe care that is responsive and effective. It provides a comprehensive range of acute hospital, specialist healthcare and community services and serves a population of 530,000 residents covering the area around York, North Yorkshire, North East Yorkshire and Ryedale (3,400 square miles). The main sites are York, Scarborough and Bridlington Hospitals, two Community Hospitals (Selby, Malton, Whitby*), and three Community Rehabilitation Hospitals. (*The Trust ceased to provide services to Whitby from April 2016 and Archways was closed in December 2016).

The Trust provides:

- Outpatient and diagnostic services;
- Surgical procedures;
- Management and assessment of medical conditions;
- Family planning and sexual health services;
- Maternity services;
- Terminations of pregnancy;
- Management and supply of blood derived products;
- Treatment of patients detained under the Mental Health Act;
- Out of hospital care (community services).

Brief History

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 along with a new maternity entrance that 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 Primary Care Trust 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. NHS Improvement (formerly Monitor), the Foundation Trust Regulator, 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 it recognised that the Trust is one of the top performing organisations in the country. Being a Foundation Trust means the Trust can manage its own budgets and are able to shape services to reflect local needs and priorities whilst remaining fully committed to the core principles of the NHS.

The Trust then decided to adopt 'Teaching' into its name. This was as a result of our increasing involvement with Hull York Medical School, our ever-strengthening links with York's universities and other higher and further education establishments and the recognition of the Trust's commitment to continued learning, training and development of staff. The decision to change the name was approved by NHS Improvement (formerly Monitor) and came into effect from 1 August 2010.

In April 2011, the Trust 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.

On 1 July 2012, the Trust completed the transaction for the acquisition of Scarborough and North East Yorkshire Healthcare NHS Trust.

In 2015, Whitby Hospital was transferred to NHS Property Services and the Trust ceased to provide clinical services from the site on 31 March 2016.

The Trust provides specialist services from other sites, including renal dialysis in Easingwold and Harrogate, and sexual health services in Monkgate Health Centre in York.

The Trust also works collaboratively in certain specialties through clinical alliances with Harrogate and District NHS Foundation Trust, and Hull Teaching Hospital NHS Trust to strengthen the delivery of services across North and East Yorkshire.

Statement from the Chief Executive

This year's annual report and accounts detail our financial and operational performance in the context of increasing pressure on the NHS, in terms of a systematic reduction in the resources available to us, difficulties with recruitment in some areas, growing and changing demand and an increasing expectation regarding both our performance and the quality of service our community requires from us.

The financial pressure facing the provider sector has increased, and we continue to work in one of the most challenged healthcare communities, both nationally and locally, with regard to finance and in particular the funds available to our commissioners to procure and shape services. This has a direct impact on our ambitions, importantly, the ambition of all our staff to provide the best healthcare we can and to see it develop as of course we know it must.

In this context it is hugely important to recognise that we finished the year with a small surplus. Whilst this is a positive outcome for the year given the pressures in the system, it proved insufficient to earn a portion of the national sustainability funding available to us. We were unable to recover some of the ground we lost in 2015/16, and we therefore enter into the 2017/18 financial year with little flexibility in our financial position, and we will continue to face challenges in terms of our financial performance.

We also continued to have difficulty in achieving some of our performance targets, in particular the four hour emergency care standard, and some specific targets relating to access to cancer targets, largely due to growth in demand. There have been improvements over the past 12 months, and in the year to come we will be focussing our efforts on driving significant and sustainable improvements in acute care as our highest priority.

In late 2015, NHS England released guidance asking for five year 'place based' plans, called Sustainability and Transformation Plans or STPs. We are part of the Humber, Coast and Vale STP, and we are working with partner organisations in clinical commissioning groups, local authorities and other NHS trusts to develop and deliver these plans.

There are clearly several challenges for our local health economy, including an ageing population, pressure on finances (in particular for our commissioners) and a difficult jobs market.

The STP process is ultimately designed to ensure local plans for the next five years deliver a sustainable financial future. We are playing our part in developing those plans. Some of the discussions are legitimately Humber Coast and Vale 'STP-wide' however the real changes to delivery will be determined at a more local level.

A key element of our approach has been built on the creation of a Provider Alliance Board in York, and the Ambition for Health programme in Scarborough and Ryedale, both of which have been in existence for some time and have helped us to develop a high level of trust between all health and social care partners. This trust is vital as we seek to develop improved community care and keep people out of hospital beds or facilitate their discharge more quickly. We have to demonstrate our willingness to listen

and understand how other organisations work, and to build relationships around a vision and goals which all can sign up to.

Key to the achievement of any of our ambitions is our workforce, and recruiting and retaining the very best staff is of course a priority. We continue to look for innovative approaches to recruiting staff, and during the year we hosted a number of recruitment marketplace events in York and Scarborough, where potential recruits can come and find out more about the organisation and current vacancies, and take part in interviews on the day. This approach has proven to be particularly successful and has become a core element of our recruitment strategy.

I am privileged to work alongside all 8,500 of our staff to deliver the best care possible for the people of North Yorkshire. There are, as ever, many challenges to be addressed, and this is the nature of the services we provide. However, I am confident that the commitment our staff to doing the very best for our patients, whatever the circumstances means we are well placed to meet these challenges.

Patrick Crowley
Chief Executive
30 May 2017



Key issues and risks

Financial Sustainability

Current NHS funding is the most constrained it has been in recent history; between 2017/18 and 2019/20 NHS funding will increase by less than 0.5 per cent per annum in real terms; this is significantly lower than the long term, real term increase of 3.7 per cent per annum. This is set against a back drop of the NHS being recognised as one of the industrialised world's most efficient health care systems with lower costs than many other advanced European countries.

York Teaching Hospital NHS Foundation Trust as an organisation has been able to develop a credible financial plan and accept its financial control totals for 2017/18 and 2018/19, although this is not without significant risk. However, the York and Scarborough health system, which includes the Trust and its two main Clinical Commissioning Groups, has been identified as one of a handful of health economies nationally, where the gap between the latest plan and the system control total is too great.

The implication of this is that we are entering into an alternative approach being managed jointly by NHS England & NHS Improvement which will require the system to re-prioritise spending and adjust risk profiles so that the health economy as a whole can live within the available resources for 2017/18: This is known as the Capped Expenditure Process (CEP).

The ultimate aim of the CEP is to construct a balanced and deliverable set of plans for the health economy. This process is in its early stages and will develop quickly within the 2017/18 financial year.

The Board of Directors is fully sighted on this challenge and has approved the plan which underpins the delivery of the challenging position, but it is recognised this is not without significant risks, including the availability of key staff, delivery of commissioner Quality, Innovation, Productivity and Prevention plans, the new CEP and the availability of external capital funding required to further develop and maintain key services and assets.

Stability in Staffing

The Trust benefits from clinical engagement in the workforce planning cycle. Workforce plans are submitted to Health Education England on an annual basis to inform the commissioning of places through higher education. The workforce plan forecasts demand for all staff groups for the next five years. Having a fully established substantive workforce remains one of the key challenges for the Trust.

The Trust continues to collaborate with partners across the sustainability and transformation plans to deliver efficiencies in line with Carter recommendations. These include, but are not limited to, improved management of sickness absence; introduction of new principles for medical job planning and improving the effectiveness of electronic rostering for nursing staff. Reductions in agency expenditure are planned to achieve the most significant element of the paybill savings the Trust is required to make.

As well as improved management of the substantive workforce as described above, actions have been taken to ensure that where temporary staffing is still required this is as cost effective as possible. These actions include growing the numbers on the internal bank and incentivising bank staff through initiatives such as the introduction of weekly pay. Senior nursing staff are involved in managing day-to-day changes to staffing to ensure there are appropriate levels of staff and skill mix in all areas. Vacant shifts only go to agencies for fulfilment once all opportunities to fill via the internal nurse bank have been explored.

In addition to engaging innovative recruitment practices, such as open day events to recruit to professionally regulated roles, the Trust is also remodelling services and reviewing skill mix to ensure services can be delivered closer to home and seven days a week. The Local Workforce Action Board has planned two initiatives to help the Trust to make sure it has the skills needed to deliver the strategy across Humber, Coast and Vale Sustainability and Transformation Plan. One work-stream involves utilising the apprenticeship levy to develop and increase the number support staff based in hospitals and across the community in social care. The other work-stream focusses on advanced practice at scale. Local initiatives will be supported by the General Practitioner Five Year Forward View which aims to increase the growth rate in General Practitioners through new incentives for training, recruitment, retention and return to practice.

The Board of Directors' monthly workforce report details key workforce indicators. In addition, the Workforce and Organisational Development Committee (a Committee of the Board of Directors) receives further detailed information relating to all workforce matters.

Further details of the risks and key issues the Trust will face during the year in achieving its objectives are included in the Annual Governance Statement on page 116.

Clinical sustainability

The Trust will continue to develop a shared vision and strategy of how to deliver its services with its partners. In a challenged financial climate, it will be imperative to ensure good outcomes and clinical sustainability are achieved within the most cost effective approach possible.

The Trust has reviewed and refreshed its Clinical Strategy, and its strategic themes remain unchanged. Given that acute and emergency care continues to be challenging, the strategic aim to separate acute and elective services remains a high priority. Both acute sites have seen increasingly high bed occupancy, and increases in non-elective demand over 2016/17, especially in medical and elderly. Plans are in place to improve our acute and emergency care services.

The Trust is aware that Scarborough Hospital requires a different medical model and is pleased to be part of a national programme, which is looking at trialling the reinvention of the acute medical model, in small District General Hospitals. This puts us onto a national platform and gives us the support to 'challenge' traditional models. Change is also needed in the wider Scarborough locality from a system which relies heavily on bed-based care to one which has other options available, including intermediate care.

York Hospital continues to face high levels of delayed transfers of care and there are limited external packages of care for individuals who no longer require hospital-based care. The Trust will need to utilise the alternative acute medical model developed in Scarborough to inform workforce models on the York site. In addition, the Trust is working in conjunction with Vale of York CCG on a new 'Front Door Model', which will enable staff in the Emergency Department to focus on T1 patients (type1 – consultant led 24 hour).

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, the Directors continue to adopt the going concern basis in preparing the accounts.

The Trust finished 2016/17 with an underlying operating surplus of £1.6m, and a positive cash position of £14.0m; the Trust did however fall short of its operational plan position by **£8.2m**. Although the outturn position is disappointing in terms of the short fall from plan, the Trust has posted a surplus position and improved its underlying financial health by circa £4m from 2015/16. The Trust position should also be read within the context of the whole NHS financial position. At the end of quarter three 2016/17, the overall NHS provider position was a deficit of **£866m**, with 57per cent of all NHS provider organisations in deficit.

The main drivers of the Trust shortfall from plan, described above, are operational pressures associated with meeting increased emergency acuity and demand, pressure

on elective capacity, the need for agency medical and nursing staff in order to maintain safe services, commissioning for quality and innovation challenges and a resulting loss of quarter four sustainability funding.

It should be noted, however, that the Trust has made good progress in reducing our reliance on agency in 2016/17; expenditure has reduced from £25m in 2015/16 to £21m in 2016/17. The outturn Use of Resources rating was assessed as a two.

The Trust's two year plan, submitted to the Board of Directors on 30 March 2017 for 2017/18 and 2018/19, delivers a £3.2m operating surplus in 2017/18 and a £7m operating surplus in 2018/19. This gives the Trust a provisional Single Oversight Framework (use of resources) score for 2017/18 and 2018/19 of two and one respectively. Although this position is not without risk, it should be noted that the following changes and actions have been factored into the Trusts planning assumptions:

- The Board of Directors has accepted sustainability funding of £11.8m for both 2017/18 and 2018/19;
- The Trust has secured sparsity income of £2.6m from Scarborough & Ryedale CCG for 2017/18 and 2018/19;
- Penalties have been substantially removed for trusts who have accepted sustainability funding for 2017/18 and 2018/19;
- Significant Trust action, in terms of the recruitment of substantive staff, has taken place in 2016/17 which is expected to further reduce Trust agency and locum expenditure by at least £3.5m in 2017/18;
- NHS Trusts are further supported by centrally imposed agency and locums rate caps and the strengthening of HM Revenue & Customs IR35 rules for public sector organisations;
- The introduction of a central nursing bank and weekly pay have further supported substantive recruitment and proved excellent value compared to comparative agency costs;
- The Trust has a solid record in over delivery of its Cost Improvement Programme
- The Carter work streams in 2017/18, are anticipated to deliver significant financial opportunity benefits;
- The Trust has also secured favourable cash payment terms from its main commissioners in 2017/18.

The planned cash position at the end of 2017/18 is £7.5m and £11.5m in 2018/19.

As is the case for most of the NHS, the Trust is facing extremely challenging trading conditions given the overall financial climate. However, the Trust has taken significant actions to mitigate these and the Board of Directors is fully sighted on this challenge. In approving the plan, the Board of Directors believe the Trust to be able to maintain a Single Oversight Framework score of at least a two for the next 12 months.

In summary, after making enquiries, the Board of Directors has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future.

Performance analysis

How performance is measured in the organisation

The Trust provides services within the hospital and to the community at large. The Trust uses a number of key performance measures to assess the success of the organisation looking at both hospital and community measures. These measures include the 4-hour emergency care standard, cancer targets, infection controls standards, 18-week wait targets, data completeness targets and delivery of healthcare for people with learning disabilities.

On a monthly basis, the Finance and Performance Committee and the Board consider performance against these targets, and on a quarterly basis the Board confirms the position of each of these metrics to NHS Improvement, (formally Monitor). Details of the Trust's performance during the year can be seen in the following table.

The Board also reflects on the achievement of the key objectives identified in the Trust's strategic aims. The Quality and Safety Committee considers the achievements against the Quality Report priorities during the year to ensure the performance indicators included in the report are being achieved.

Performance against key healthcare targets in 2016/17

Indicator	Target	Q1	Q2	Q3	Q4
Total time in ED under 4 hours – national	95%	87.3	91.4	82.9	83.17
Referral to treatment time, 18 weeks in aggregate, incomplete pathways	92%	92.5	90.8	89.4	89.4
Cancer 2 week wait (all)	93%	92.8	89.9	89.9	91.1
Cancer 2 week wait Breast Symptomatic	93%	95.6	93.3	97.1	94.6
Cancer 31 days from diagnosis to first treatment	96%	99.4	99.0	98.0	96.9
Cancer 31 days for second or subsequent treatment – surgery	94%	96.5	97.0	94.4	95.7
Cancer 31 days for second or subsequent treatment – drug treatment	98%	100	100	99.6	100
Cancer 62 day wait for first treatment (urgent GP)	85%	86.4	84.3	80.8	81.4
Cancer 62 day wait for first treatment (NHS Cancer Screening Referral Service)	90%	91	92.5	92.9	90.0
Diagnostics – 6 week wait referral to test	99%	99.3	99.2	99	99

The Trust has continued to implement the comprehensive performance recovery plan across the emergency care standard, referral to treatment times, diagnostic performance and cancer waiting times. This has driven a number of positive changes across the Trust, including a transformation at the front door of the Emergency Department at the York site, introduction of the Clinical Navigator role and the development of the acute medical model for the Scarborough site, improved breach analysis for acute care and investment in flow and bed management capacity. The Trust has implemented comprehensive capacity and demand modelling for admitted pathways, undertaken bed modelling and implemented ward reconfiguration to improve flow. The Trust has implemented waiting list initiatives to address the admitted backlog and is outsourcing additional capacity to reduce the admitted backlog.

The Trust had previously seen performance improve as a result of these measures being implemented; with referral to treatment times, diagnostics and cancer 62 days achieving until the August 2016. The emergency care standard showed some improvement, with the trajectory met in Quarter two and performance significantly improved in July 2016. Due to a combination of factors, including reduced theatre staffing, increased acuity of patients, high bed occupancy and winter surge pressures the improvement has not been sustained and achievement of the sustainability and transformation funding performance trajectory has not been achieved for in Quarter three or four for emergency care standard, referral to treatment time and 62 day target for cancer. The Return to Operational Standards Plan (March 2017) supported an improvement in the emergency care standard position in March, rising to 89.28 per cent from 81.42 per cent in February 2017.

There is a robust performance framework in place across all Directorates, which achieved significant assurance through internal audit. The Trust is working with partners across the system to improve performance through the Accident & Emergency Delivery Board and the Cancer Alliance and working with Clinical Commissioning Groups on planned care and through engagement with the Sustainability and Transformation Plan.

New and significantly revised services

2016/17 has been a year of significant change for all services across the Trust sites. The bullet points below are not intended to form an exhaustive list of all changes but provide a good indication of some of the significant changes that have taken place.

Acute and emergency care

- New patient streaming services run by primary care clinicians were established within the Emergency Departments at both York and Scarborough;
- New medical and surgical assessment areas were opened at York Hospital to support earlier senior review and decision making;
- A new Children's Assessment Area opened and is continuing to be trialed at Scarborough;
- The ambulatory care services at both York and Scarborough sites were expanded;
- An elderly care consultant is now being trialed each weekday based in the Emergency Department at Scarborough Hospital;
- As part of the acute medical model work in the Scarborough Emergency Department, the new role of Advanced Clinical Practitioner took responsibility for the first assessment of all patients attending the department.

Planned and elective care

- The new one-stop urology service opened at Malton Community Hospital, giving patients access to rapid diagnostics and treatments on the same day;
- The amount of elective surgical activity at Bridlington Hospital continues to grow;
- At York Hospital, there has been a significant rise in the number of procedures completed as a day case.

Community and out of hospital care

- Archways Community Hospital closed, allowing the Trust to expand its Community Response Teams and promote its strategy of “home first” for all patients.

Future Plans for Services

The Trust currently has had two applications for capital funding approved by the Foundation Trust Loans Service, for significant developments in endoscopy and vascular imaging at the York site. Both schemes have Board of Directors approved business cases.

As part of the Trust's own internal capital planning, the Trust has approved significant developments this year in pathology at both sites. This is a key scheme to complete for the long term sustainability of the service and as an enabler to develop other services.

At a time when capital money is difficult to obtain, the Trust remains realistic but ambitious in what can be done. Key to achieving other developments will be innovation, using staff and spaces differently and in ways that do not require significant amounts of capital. The Trust continues to prioritise the separation of acute and elective work, especially on the East Coast, and recognises the need to develop medical and frailty assessment areas at Scarborough Hospital.

Out of Hospital Care

The Trust has signalled its commitment to delivering care out of hospital through the creation of an Out of Hospital Care Directorate. Initially this Directorate will incorporate the previous Community Services Directorate and the Directorate of Allied Health Professionals and Psychological Medicine. This brings together a wide range of services, delivered in a range of settings both in the community and in an acute hospital setting. The ambition is to grow this Directorate, reflecting the increasing drive to provide care and support closer to home.

In last year's Annual Report the Trust described its vision for 'Community First'. The Trust has developed an 'Out of Hospital Care Strategy' which sets out its vision for how the Trust will work within the local system to adopt a 'Community First' culture which focuses on prevention and self-care; delivers care closer to home and allows the system to manage growing demand by increasing efficiency through integration. The Directorate has worked with HealthWatch York to develop a reader-friendly version of the document which is available on the Trust's website. The Directorate is currently undertaking 'Strategy Roadshows' with staff to identify the changes that need to be made to deliver the vision.

In the report, the Trust also explained how the Provider Alliance Board (which brings together those who provide health and care services, together with the voluntary sector) was developing a blueprint for a new model of integrated care in the community. The first phase of this has commenced in York, building on learning from integrated Community Response Teams in Selby and Ryedale. Health, social care and voluntary services that provide short term support to people to prevent them having to go into

hospital, or allows them to return home sooner following a hospital stay are coming together as 'One Team'. As part of the Directorate's commitment to co-designing services with the people who use them, the Directorate has held a number of focus groups with service users and representative groups. Volunteers from these groups are forming a Public Reference Group which will work as part of the project to bring the services together.

The report also highlighted that being in hospital when you don't need to be can be bad for people. As well as the risks of infection, research shows that for an older person ten days of bed rest can cause the equivalent of ten years of muscle aging. The loss of independence and confidence can make it far harder for people to return to their own homes. The hospital setting is not a good place to try and assess people's long term needs, especially when someone is recovering from a period of illness. The Trust has worked with local partners to change how and where assessments of people's needs are carried out. Through a 'supported discharge' approach the Trust has enabled over 140 people to return home sooner, with support.

As a result of the commitment to deliver more services closer to home, in December 2016 the Archways Intermediate Care Unit in York closed and the resources released were reinvested into an expanded range of community services. This will mean that only those patients who cannot be managed at home (or in their usual place of residence) with support are admitted into an inpatient bed. Reinvesting the resources released from closing Archways into community-based services will provide an alternative for those patients who do not need to be in a hospital bed. The services that were delivered from Archways are now provided through an expanded York Community Response Team (who provide nursing and therapy support to people in their own home) and other appropriate support services, enabling a greater number of patients to be supported at home.

These services include:

- Expanded Community Response Team - allied health professionals, nurses and generic support workers who work as part of a multidisciplinary team providing nursing, therapy and social care interventions;
- Community Discharge Liaison Service – ensuring that patients receive the most appropriate community service appropriate to their level of need;
- Advanced Clinical Practitioners – providing enhanced assessment, diagnosis and treatment of patients in their own homes;
- Outreach Pharmacy – providing support in managing multiple medicines following discharge from hospital.

What is next for 2017/18?

The Trust will continue to develop the 'One Team' in York, working with the Public Reference Group. The Trust will look to expand the short term support provided to people in Scarborough, working closely with our colleagues at North Yorkshire County Council. The Trust will expand the supported discharge approach across all of its wards in York and Scarborough to ensure that people do not have to spend longer in hospital than they need to.

A key advantage of the organisation providing care to patients both in and out of hospital is the ability to improve the experience of patients who move between those settings. The Out of Hospital Directorate is working closely with hospital based colleagues to reduce the delays experienced by patients who require additional support on discharge. This includes reviewing patients who have been 'stranded' in hospital to identify what support can be provided to allow them to return home.

The Trust is investing in mobile technology to support its workforce. The Trust will be investing £150,000 in software and devices to allow nursing and therapy staff in the community to access and input into patient records on the move. It is expected that this will reduce the current administrative burden on staff, freeing them up to spend more time on patient care. It will also ensure that the Trust can share information with colleagues in General Practice in real time.

The Trust is re-launching the services provided to people with muscle and joint problems. This will include a range of web-based information to provide advice and guidance to support people to self-care. Highly trained physiotherapy staff will be available to assess and treat a range of conditions, located in both hospital and community settings. From April 2017, the Trust will also become the provider of these services to people who live in the East Riding of Yorkshire, working with City Health Care Partnerships.

The Trust is undertaking a significant programme of workforce development with community nursing teams and has been working with staff to understand the current requirements of their roles and the training and support available to them. The Trust recognises that if it wants to deliver the aims of the Out of Hospital Care Strategy, particularly in taking a greater role in health promotion and prevention, it needs to change how it works and ensure that people are supported to do this. The Trust will use the same methodology to work with administrative staff to understand the current requirements of their roles and the training and support they also need.

The Trust is working with the Child Health Directorate to contribute to and lead elements of the Child Health Strategy as Allied Health Professionals and Clinical Psychologists play an important part of the multi-disciplinary team and are well placed to lead many of the developments to improve service delivery.

The Trust continues to develop and strengthen our partnerships with those who provide care and support to local communities. This includes General Practice, Local Authorities, other hospital trusts and the community and voluntary sector. The Trust recognises the well-publicised challenges for the health and social care system and is committed to working together to overcome these. An example of this is the development of a collaboration between the Trust and the City and Vale Alliance General Practitioner Federation which is exploring how we can work together to deliver better services to patients, improve the working lives of staff and help the system to meet the demands of the future.

Performance against Strategic Aims

The Trust has four strategic aims (detailed on page 14). This section of the report highlights how the Trust has performed against the four strategic aim.

Improve Quality and Safety

Acute Admissions Unit - This unit opened on the 12 December 2016, and has 18 trolleys, 12 of which are for frail elderly patients and 6 for medical patients coming in via the Emergency Department or a General Practitioner. The unit opens from 8am to 9pm, 7 days per week. The aim of the unit is to get patients who cannot go home from the Emergency Department into an area where they can be rapidly assessed, diagnosed and ideally treated. The ultimate aim is to send patients home on the same day. If discharge is not possible, treatment will have been optimised so the patient can be admitted to the appropriate ward and have a shorter length of stay.

Hepatology - The Hepatology Service commenced in September 2015 and has celebrated its first full year with some great achievements. As part of the introduction of this service an additional Consultant has been appointed together with a Clinical Lead. A Hepatology Specialist Nurse Service has been introduced and clinics are now held in Malton, Scarborough, Selby and York. There are consultant-led clinics in Selby, Scarborough and York and capacity has been increased in these areas. A fibroscan service has been introduced on the York site and there are plans to expand this service into Scarborough in the next financial year. An additional endoscopic retrograde cholangio-pancreatography list has been introduced together with further support provided and integrated services at Scarborough hospital.

Maternity safety funding - In November 2016 the Secretary of State for Health announced a new ambition to reduce the rate of stillbirths by 50 per cent in England by 2030, with a 20 per cent reduction by 2020. Reducing stillbirth is a mandatory objective from the Government to NHS England and is in the NHS England Business Plan 2015/16. Reducing deaths in babies and young children, specifically neonatal mortality and stillbirths, is a key indicator in the NHS Outcomes Framework.

Maternity safety funding of £80,000 was awarded to York Teaching Hospital NHS Foundation Trust for training to improve maternity safety including maternal deaths, stillbirths and neonatal death. Planned multidisciplinary training includes;

- Obstetric emergency training;
- Childbirth emergencies in the community;
- Human factors;
- Neonatal life support for midwives and paediatricians.

Perinatal mental health funding - NHS England identified Perinatal Mental Health as a priority with the aim of developing a programme of work to enable women across the country to access evidence-based specialist support and deliver the objectives of the Five Year Forward View for Mental Health.

The Trust was awarded £12,000 to provide training and development to the existing workforce to improve perinatal mental health care. Training for midwifery 'champions' to enable them to deliver training to midwives has been undertaken and a rolling training programme commenced.

Create a Culture of Continuous Improvement

Sleep Disorders - Sleep disordered breathing in the York and Scarborough area has traditionally been managed by the established sleep service at York Hospital. Facilities for investigation of patients local to Scarborough area are now becoming available from the Scarborough Hospital, including overnight oximetry and more recently multi-channel sleep studies, with the intention to develop comparable patient access for investigation and treatment in the East Coast localities.

Cardiology - The Catheterisation Lab at Scarborough Hospital was contracted to an external agency on a two day a week basis which provided angiography tests for patients with cardiology symptoms. The Trust has now brought this service in house within theatre four and it is supported by internal staff, which will not only provide a significant saving to the Trust, but will also enable the service to develop, expand and improve patient experience across the East Coast.

Cardio-Respiratory Team at Scarborough Hospital - The Cardio Respiratory Team at Scarborough Hospital has moved into a new purpose built unit located next to the Coronary Care Unit. This has been an 18-month project to transform former offices into a modern clinical unit which provides a purpose built environment to deliver diagnostic tests and therapies for patients with heart and lung disorders. The completed Cardio-Respiratory Unit now boasts purpose-built heart scanning rooms, a clinical exercise laboratory, pacemaker and consultation rooms.

The £52,000 project was made possible thanks to funding from the Scarborough League of Friends who donated £10,000 and the Trust's Charitable Funds Committee. It will benefit over 9,500 patients a year. The work was done completely in-house by the Trust's Estates and Facilities Team.

Child Health - The Child Health Directorate has made it one of this year's priorities to increase the opportunities for children and their carers to give feedback about their care. The age range of users in the Directorate is huge, ranging from parents of babies to toddlers, children and young people and the department has therefore been creative in its approach to collecting feedback, using tools such as surveys using a touch-screen machine, paper questionnaires in clinics and on discharge using tops and pants, an interactive method of play where children write comments to put on a washing line. The Directorate has also invited a group of young people in to sit on interview panels and asked for their opinions on candidates suitable for selection.

Learning from the surveys highlighted lots of positive feedback about staff, recently this has led to a parent nomination for the Special Care Baby Unit team where they won the star award for the patient care given together with ongoing support of the parents. Also, comments about the environment have led to new nurses' stations, ward decorating and access to music and radio stations for young people in 'transition' clinics.

Developing and Enabling Stronger Partnerships

Cystic Fibrosis - Cystic fibrosis is the most common, life-limiting, recessively inherited disease in the United Kingdom, affecting about 7,700 people in England (1 in 2,500 live births).

The current model of care within the York area does not fully meet the national NHS England cystic fibrosis service specification. The Trust has partnered with Hull Royal Infirmary to develop a service specification to meet the national cystic fibrosis requirements across North and East Yorkshire, Hull and Northern Lincolnshire which will begin in April 2017 and will meet the national service specification as a recognised specialist centre.

The service will deliver the aims of improving life expectancy and quality of life for adults with cystic fibrosis by:

- Making timely diagnosis with appropriate counselling and psychological support to the patient and their family;
- Providing high quality proactive and preventative treatment and care to ensure optimal lung function and nutritional status;
- Ensuring a safe, cost effective, high quality service for the recipients of the services commissioned;
- Ensuring equity of access to services;
- Facilitating autonomy and transition to adult care, encouraging independent care;
- Supporting the person with cystic fibrosis in helping them to manage their cystic fibrosis independently in order that they can aspire to a life less hindered by their condition and provide support to their families where appropriate;
- Ensuring effective communication between people with cystic fibrosis and the service providers;
- Providing a personal service, sensitive to the physical, psychological and emotional needs of the patients and their families.

Hepatology – The Trust continues to work in partnership with Hull and East Yorkshire Hospitals NHS Trust as a nationwide operational delivery network and has introduced new treatment to Hepatitis C patients as part of this network agreement. Patients now receive the most up-to-date Hepatitis C treatment that is available. A dedicated pharmacist has also been introduced for the Hepatology Service. This service has been formally acknowledged by Baroness Masham of Ilton (Co-Chair of House of Lords all Party Parliamentary Group for Hepatology). The Trust will continue to evolve the provision of Hepatology Services with the introduction of alcohol services, further collaborative working with CCGs and completion of a full peer review process.

Improve our Facilities and Protect the Environment

Medical Engineering – The Medical Engineering Departments at Scarborough and York Hospitals provide a servicing, maintenance and repair facility for over 15,000 reusable medical devices located across all of the Trust sites.

Both departments are now accredited to international quality management standards ISO9001;2008 following successful accreditation of Scarborough Hospital site in 2016.

In January 2017, the Trust appointed a Medical Engineering Manager who is responsible for tactical and operational management of medical devices and equipment across the Trust. The primary objectives for the coming year are reduction of backlog maintenance associated with medical equipment and implementation of an existing medical device strategy.

Wards and departments are also being supported with equipment replacement plans and the organisation is currently at phase 3 of a major bed replacement programme, with all beds purchased being standardised to include additional safety features such as extra low positioning to assist the Trust in its patient falls reduction strategy.

Estates and Facilities Management Compliance

The Head of Estates and Facilities Management compliance role was born out of the Estates and Facilities Management re-structure which took place in 2016/2017. The post focuses on the further development of compliance, improvement and efficiency across Estates and Facilities linked to the management of NHS Improvement initiatives and the recommendations made within the Carter Report and Premises Assurance arrangements.

To date strategies for local directorate management of cost and quality based efficiencies have been identified and developed working closely with the Finance and Efficiency Team in implementation of both strategic and tactical elements including Carter and cost improvement programme linked efficiency schemes and treatment plans, a completed NHS Premises Assurance Model Return with supporting action plan and rationalisation of data used to support the Estates Return Information Collective return.

Work for the coming year will focus on implementation of strong governance arrangements across the Estates and Facilities Directorate. This will include increased operational arrangements for monitoring quality and safety of premises and equipment through policy making, peer review and audit with further progression of plans to meet the Estates and Facilities recommendations linked to the Carter Report.

Social, Community and Human Rights Issues

The Trust is a socially responsible member of the local community working together with other organisations, Social Services and the voluntary sector in order to develop services that benefit patients and provide coordinated care closer to home. Further information on out of hospital care can be found on page 24. The Trust works hard to provide services that are in line with the equality and diversity of the community and also identify those who are vulnerable and need extra care and support. Further information on equality and diversity can be found on page 138 and the Trust's Modern Slavery Declaration is on the website.

The Trust also continues to play a part in the sustainable development and good citizenship and has a sustainable development management plan. The Trust monitors carbon emissions, energy and water usage, waste segregation and transport to ensure

the best possible use of resources. Further information on sustainability can be found on page 142.

Development of the Trust's Strategic Aims

The Trust reviewed the four strategic aims in 2016 (page 14) and developed them further to be strategic ambitions. The framework for the four ambitions is embedded in the organisation through the Board Committees – Finance and Performance, Quality and Safety, Workforce and Organisational Development and Environment and Estates. Each Committee focuses on aspects of the Trust's ambitions. The Trust has published a document called 'Our commitment to you' which outlines the four strategic ambitions as follows:

- 1) Our Quality and Safety ambitions – Our patients must trust us to deliver safe and effective healthcare.**
 - To improve patient safety, the quality of our patient experience and patient outcomes, all day, every day
 - To listen to patients and staff, act on their feedback, and share with them the changes we make
 - To be innovative in our approach to providing the best possible care, sympathetic to different communities and their needs
 - To separate the acute and elective care of our patients
 - To reform and improve emergency care
 - To embrace existing and emerging technology to develop services for patients.
- 2) Our Finance and Performance ambitions – Our sustainable future depends on providing the highest standards of care within our resources**
 - To achieve and maintain financial stability alongside our partners, building alliances to benefit our patients
 - To provide the very best value for money, time and effort
 - To exceed all national standards of care
 - To plan with ambition to create a sustainable future.
- 3) Our People and Capability ambitions – The quality of our services is wholly dependent on our teams of staff**
 - To ensure that our organisation continues to develop and is an excellent place to work
 - To creatively attract the right people to work in our Trust, in the right places, at the right time
 - To retain our staff
 - To care for the wellbeing of our staff
 - To provide first class learning and development opportunities, enabling our staff to maximise their potential

- To develop learning and promote innovation, creating new knowledge through research and sharing widely.
- 4) Our Facilities and Environment ambitions – We must continually strive to ensure that our environment is fit for our future
- To work as part of our overall community to provide the very best health outcomes, in the most appropriate setting
 - To respect the privacy and dignity of all of our patients
 - To positively manage our impact on the wider environment and keep our own environment clean and tidy
 - To develop our facilities and premises so we can improve our services and patient care.

Review of Financial Performance

Fair View of the Trust

The table below provides a high level summary of the Trust's financial results for 2016/17.

Summary Financial Performance 2016/17

	Plan £million	Actual £million	Variance £million
Clinical income	429.9	433.5	3.6
Non-clinical income	37.5	41.9	4.4
Total income	467.4	475.4	8.0
Pay spend	-318.5	-322.1	-3.7
Non-pay spend	-143.1	-152.4	-9.3
Total spend before dividend, and interest	-461.6	-474.5	-13.0
Operating surplus before exceptional items	5.8	0.9	-5.0
Transition Support	10.0	10.0	0
Sustainability & Transformation Funding	13.6	9.7	-3.9
Dividend, finance costs and interest	-19.3	-20.4	-1.1
Net surplus	10.2	0.2	10.0

Statement of Comprehensive Income 2016/17

Clinical income totalled £433.5m, and arose mainly from contracts with NHS Commissioners, including Vale of York Clinical Commissioning Group, Scarborough Clinical Commissioning Group, East Riding Clinical Commissioning Group, NHS England and Local Authorities (£431m), with the balance of (£2.5m) from other patient-related services, including private patients, overseas visitors and personal injury cases. Other income totalled £41.9m and comprised funding for education and training,

research and development, and the provision of various non-clinical services to other organisations and individuals.

Under the terms of the agreement to acquire the former Scarborough & North East Yorkshire Healthcare NHS Trust, the Foundation Trust has received additional transition funding of £10.0m in 2016/17. Transitional support has now ended.

As part of the action to strengthen financial performance and accountability in the NHS, a £1.8b Sustainability and Transformation Fund has been created nationally in 2016/17 and all trusts with an emergency care contract were allocated a proportion of the fund. The maximum allocation was £13.6m. Access to the funding was linked to both financial performance (70 per cent) based on the achievement of an agreed quarterly financial control total and operational performance criteria (30per cent), which includes achievement of improvement trajectories for emergency care (12.5 per cent), referral to treatment (12.5 per cent) and cancer waiting times (5 per cent). The Trust achieved £9.7m of the available £13.6m sustainability and transformation funding in 2016/17.

The Trust re-values all of its property fixed assets, including land, buildings and dwellings at the end of each year. This is 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 2016/17, this revaluation gave rise to an impairment loss included in the operating loss above of (£1.7m).

At the end of the financial year, the Trust reported an income and expenditure surplus of (£0.2m), compared with a planned surplus of (£10.2m), in part due to the loss from the asset impairment of (£1.7m) and the failure to achieve the full sustainability and transformation funding (£3.9m); with the balance due to increased agency/ locum costs caused by medical recruitment difficulties and the loss of expected income following an arbitration process.

Accounting Policies

The Trust has adopted international financial reporting standards, to the extent that they are applicable under the Department of Health Group Accounting Manual.

Cash

The Trust's cash balance at the end of the year totalled £14.0m.

Capital Investment

During 2016/17, the Trust invested £14.2m in capital projects across the estate. The major projects on site during that period included:

- Malton - Diagnostic Centre;
- York - Theatre ten upgrade;
- Scarborough and York - X-ray room upgrades;
- Easingwold - Purchase of Tanpit Lodge;
- Scarborough - Refurbishment of Theatre four catheter laboratory.

The Trust continued its programme of enhancing and replacing medical and information technology equipment and plant across all sites, through a combination of purchasing and lease finance.

Planned Capital Investment

Capital investment plans for 2017/18 include:

- York - Endoscopy Unit;
- York - Vascular Imaging Unit;
- Scarborough - Modular building replacement;
- Scarborough – Pathology/Blood Sciences project.

A key Trust focus remains on reducing backlog maintenance and investing in our information technology infrastructure.

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

2016/17 proved to be an extremely challenging year, both financially and operationally, with demand on services continuing to grow. In spite of this, the Trust improved its underlying financial position, year on year, by circa £4m and managed to deliver an operational surplus of £1.6m, (£0.2m reported surplus plus £1.4m of technical adjustments, the main one being a £1.7m technical fixed asset impairment), which is discounted by NHS Improvement in their assessment of the Trust's position.

The Trust has a proven record of implementing a 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 2016/17, the Trust was required to deliver an efficiency target of £26.4m. This was devolved to Directorates based on their available budgets. The amount achieved in 2016/17 was £27.1m; £0.7m above the planned level of delivery. The Trust also achieved its internal target for recurrent delivery ensuring that the level of non-recurrent has been reduced, enabling a reduced target in 2017/18.

The Trust has also implemented a number of actions aimed at supporting the substantive recruitment of nursing staff, including the introduction of an a weekly payroll and the provision of an internal nursing staff bank.

Better Payment Practice

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 receipt of a valid invoice, whichever is later.

	Number	Value
		(£'000)
Total Non-NHS trade invoices paid in year	115,015	246,795
Total Non-NHS trade invoices paid within target	99,614	216,181
Percentage of Non-NHS trade invoices paid within target	87%	88%
Total NHS trade invoices paid in year	3,381	10,684
Total NHS trade invoices paid within target	2,623	6,500
Percentage of NHS trade invoices paid within target	78%	61%

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

Income Disclosure

Section 43 (2A) of the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of the goods and services for the purpose of the health service in England must be greater than its income for the provision of goods and for any other purposes. The Trust can confirm it has met these requirements.

Insurance Cover

The Trust has purchased Officer and Liability Insurance that covers all officers of the Trust against any legal action, as long as the officer was not acting outside their legal capacity.

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.

Overseas Operations

The Trust has no overseas operational activity and has received no commercial income from overseas activity during the year.

Statement as to Disclosure to Auditors

Each Director at the time of approving this report has confirmed that, as far as the Director is aware, there is no relevant audit information of which the NHS Foundation Trust's Auditor is unaware. The Director has taken all the necessary steps in order to be aware of the relevant audit information and to establish that the Trust's Auditor is aware of that information.

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.

Accountability Report

Directors' Report

Composition of the Board of Directors

The Board membership during the year was as follows:

Ms Susan Symington – Chair
Mr Patrick Crowley – Chief Executive
Mr Philip Ashton – Non-executive Director, Chair 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 Chair
Mrs Jenny McAleese – Non-executive Director
Mr Andrew Bertram – Executive Finance Director
Mr Jim Taylor – Executive Medical Director
Mr Mike Proctor – Deputy Chief Executive
Mrs Sue Holden – Director of Workforce and Organisational Development left the organisation in October 2016 following a secondment
Mrs Beverly Geary – Chief Nurse
Mrs Juliet Walters – Chief Operating Officer

The Board of Directors has included three additional non-voting Directors in the membership of the Board. They are:

Mrs Sue Rushbrook – Director of Systems and Networks
Mr Brian Golding – Director Estates and Facilities
Mrs Wendy Scott – Director of Out of Hospital Services

The following changes occurred in the Board membership during the year:

- Mrs Sue Holden – Executive Director of Workforce and Organisational Development. Mrs Holden left the organisation in October 2016
- Mrs Jenny McAleese – Non-executive Director joined the Trust in March 2017

The gender balance in the Board at 31 March 2017 was:

	Female	Male
Non-executive Directors	5	3
Executive Directors	2	4
Corporate Directors	2	1

The age profile of the board is as follows:

Age	Number of Directors
18-39	0
40-49	3
50-59	9
60-69	3
70+	2

Directors' biographies

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



Chair – Susan Symington
Initially appointed 1 April 2015 to 31 March 2018

Prior to being appointed as Chair of our Trust on 1 April 2015, Susan was a Non-executive Director and Vice Chair of Harrogate and District NHS Foundation Trust. She served on the Board at Harrogate District NHS Foundation Trust from 2008 and continues to act as a Non-executive Director at the Beverley Building Society since appointment in 2013. Susan's executive background is within human resources/organisational development. She was previously HR Director for Bettys and Taylors of Harrogate.

Experienced across all three sectors, Susan has developed her own businesses, including hotels and restaurants. More recently she undertook organisational development consultancy contracts in support of a number of private and public sector organisations.

Professionally, Susan is a Chartered Fellow of the Institute of Personal Development and a Chartered Director with the Institute of Directors. In 2015, she was awarded the new Chartered Director of the Year by the Institute of Directors and is a member of the Court of the University of York.



Chief Executive – Patrick Crowley
Appointed 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 Director of Finance and Performance in 2001. He played a significant role in securing the required Trust's 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 and North East Yorkshire NHS Trust, which was completed in July 2012 and 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 a major influence on the progressive development of whole system provision in North Yorkshire. Since September 2015, Patrick has taken executive responsibility for operational HR matters.



Non-executive Director – Jennifer Adams
Initially appointed 1 September 2012 to 31 August 2014
Reappointed 1 September 2014 to 31 August 2017

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 18 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 Non-executive Director 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 was Chair of the Trust's Charitable Funds Committee during 2015, stepping down in January 2016. Jennifer became Chair of the Quality and Safety committee in January 2016.



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
Reappointed 1 September 2014 to 31 August 2017

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. He was a founder member of the Auditing Practices Board, and represented the auditing profession on the International Auditing and Assurance Standards Board. He sits on the Finance Committee of York Minster and on Education and Finance Committees of the York Diocese.



Non-executive Director – Mike Keaney
Initially appointed 1 September 2012 to 31 August 2014
Reappointed 1 September 2014 to 31 August 2017

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 focuses on business planning and strategy.



Non-executive Director – Libby Raper
Initially appointed 1 August 2009 to 31 July 2012
Reappointed 1 August 2012 to 31 July 2015
Reappointed 1 August 2015 to 31 July 2018

Libby joined the Board in 2009, bringing over 25 years' experience as Chief Executive and Chair within the public, private and charitable sectors. Libby

chaired the Quality and Safety Committee until January 2016 when she stepped down; she has stayed a member of the Committee. Libby also serves on the Audit Committee and the Workforce and Organisational Development Committee. She is a Director of Yellowmead, a boutique management consultancy, Chair of Leeds College of Music, a Governor of Leeds City College and a member of the University of Leeds Court.



Non-executive Director – Michael Sweet

Initially appointed 1 February 2010 to 31 January 2013

Reappointed 1 February 2013 to 31 January 2016

Reappointed 1 February 2016 to 31 January 2019

The greater part of Michael's career has been in the commercial sector. In Unilever he held senior positions in planning and logistics, where he describes himself as a "commissioner" of services. He became a "provider" following the acquisition of his business unit by an international logistics company. This resulted in board level appointments responsible for operational management, customer relations and business development in the UK and, latterly, Central Europe.

Prior to joining the Board of York Hospital Michael spent 5 years as a Non-executive Director of the Selby and York Primary Care Trust and its successor the North Yorkshire and York Primary Care Trust, during which time he served as a Governor of this Trust.

At the Trust he is Chair of the Environment and Estates Committee, a member of the Finance and Performance Committee and Deputy Chair of the Provider Alliance Board; he has a particular interest in general and acute medicine and out-of-hospital (community) matters. Michael served on the Audit Committee until November 2015 when he stepped down from the Committee. Michael also undertakes work for a number of Social Services departments investigating complaints involving children.



Non-executive Director and Vice Chair – Dianne Willcocks

Initially appointed 1 May 2010 to 30 April 2013

Reappointed 1 May 2013 to 30 April 2016

Reappointed 1 May 2016 to 30 April 2019

Dianne, 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, Dianne 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 is an Associate of the Leadership Foundation for Higher Education. A social scientist working across boundaries, Dianne's 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.



Non-executive Director - Jenny McAleese
Appointed 1 March 2017 to 28 February 2020

After graduating from Jesus College, Oxford in French and German, Jenny joined Grant Thornton and qualified as a chartered accountant. She remained with the firm for ten years, becoming an Audit Manager and then a Senior Healthcare Financial Consultant advising NHS trusts. For 18 months she was seconded to the NHS Management Executive as a Business Analyst.

In 1996, Jenny joined The Retreat Psychiatric Hospital in York as Director of Finance and a year later became Chief Executive, a post she held until her retirement in October 2016. Jenny has extensive non-executive experience. She has been a lay member of Council of the University of York since 2007 and is a Pro-Chancellor and sits on the Board of Hull York Medical School. She also sits on the Audit Committee at Joseph Rowntree Foundation.



Executive Finance Director – Andrew Bertram
Appointed January 2009

Andrew 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 Chief Nurse – Beverley Geary
Appointed to the Trust 2011
Appointed as Chief Nurse October 2014

Beverley took up the position of Chief Nurse for the Trust in October 2014. She started her nursing career in the acute sector, training as an RGN in 1987, working in cardiology and acute medicine before undertaking further qualifications in mental health in the early 1990s.

Beverley worked in a specialist cardiothoracic unit in Leeds where she gained a keen interest in teaching and mentorship and began the Certificate in Education programme. She worked in education for a number of years before returning to full-time clinical practice in 2001 and then worked in Quality and Governance. In this role she was part of the team that carried out the pilot in the first national Patient Public Involvement strategies. Beverley came to York in 2012 as Deputy Chief Nurse and was appointed as Chief Nurse in 2014. She is Director of Infection Prevention and has professional responsibility for Nursing and Midwifery, Patient Experience, Quality of Care and is Executive Lead for Safeguarding (adults and children).



Executive Director of Workforce and Organisational Development – Sue Holden
Appointed to the Trust 2004
Appointed as an Executive Director April 2013
One year secondment from September 2015
Left the Trust in October 2016

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 Primary Care Trust Director in Wakefield before working nationally to support the Modernisation Agency. Sue joined York in 2004 as Head of Learning and Development and has formed organisational capability to support staff managing change. The focus on current challenges relates to multi-site working, recruitment and developing new roles. Sue is also Chartered Institute of Personnel and Development qualified and was awarded Leadership Development Champion of the Year 2013 for Yorkshire and Humber.

In September 2015, Sue undertook a one year secondment opportunity as Improvement Director for the NHS Trust Development Agency and subsequently left the Trust in October 2016.



Executive Deputy Chief Executive– Mike Proctor
Appointed 1993

Mike joined the NHS in 1975 as a Trainee Operating Department Assistant in Sheffield. He undertook nurse training from 1982-85 before working in a variety of clinical roles at the Royal Hallamshire Hospital Sheffield. He became a Charge Nurse in Intensive Care Northern General Hospital, Sheffield in 1987. 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. Mike continues as Deputy Chief Executive. Mike has taken executive responsibility for education, training and organisational development and research.



Executive Medical Director – Jim Taylor
Appointed October 2015

Jim was appointed Medical Director for the Trust in October 2015. He has served as a Consultant Maxillofacial Surgeon with the Trust since 2001, providing services across North Yorkshire, including Scarborough and Bridlington, during that time.

Jim graduated with a dental degree from Glasgow University in 1983. He then worked in posts in Bristol, Manchester and Greater London before re-entering medical school and graduating from Charing Cross and Westminster Medical School in 1993. He completed all his surgical training in the London Deanery and obtained his Certification of Completion of Specialist Training in Oral and Maxillofacial Surgery in 2000. He was awarded the Leibinger Scholarship to visit one of the many University medical schools in Shanghai in 2000, and gained further experience in micro-vascular reconstruction of the head and neck region.

When Jim joined the Trust, he initially specialised in head and neck cancer surgery but continued to offer patients a wider service in facial surgery. He quickly developed an interest in management and worked in Lead and Clinical

Director posts. He was appointed Deputy Medical Director in 2014 and held this post until he was appointed Medical Director in October 2015.



Executive Chief Operating Officer – Juliet Walters
Appointed February 2015

Juliet was appointed Chief Operating Officer in February 2015 and is responsible for leading the effective operational management and strategic service development of the Trust. Juliet has extensive operational experience, having held Director posts in six hospital trusts, ranging from leading teaching/research hospitals to hospitals with significant challenges. Juliet has a strong track record of transformational change, service and performance delivery, which is underpinned by her passion and skills for organisation and people development.

As the Executive Lead for Operations, Juliet also leads on the strategic development of the Clinical Directorates.

Providing additional support to the Board are three further Directors:



Director of Systems and Network – Sue Rushbrook
Member of the Board from September 2013

Sue has worked within the NHS since 1975 in a variety of roles, including as a Nurse and Manager in services for people with a learning disabilities. She was appointed Head of Systems and Network Services in 1996 and more latterly as the Director of Systems and Network Services. She has led the successful implementation of a Trust-wide Electronic Patient Record and other systems that support the delivery of safe, effective healthcare in both the hospital and community services. She has ensured an integrated information technology platform is in place across the enlarged Trust to support all of these services in the ever changing environment.



Director of Estates and Facilities – Brian Golding
Member of the Board from September 2013

Brian is a Chartered Engineer with over 30 years' experience delivering complex public sector projects. He started his career as a Design Engineer with the Property Services Agency and, having progressed into project management spent 5 years on the Trident Submarine shore facilities in Scotland.

After a brief spell in Saudi Arabia, commissioning hardened aircraft shelters, Brian returned to the UK and joined the NHS at Guy's and St. Thomas' where he managed, a range of projects rationalising services across the two sites.

In 2000, Brian was appointed Project Director for Edgware Community Hospital. In 2003, he moved to York Hospital where he was initially responsible for capital investment. In 2009, he became Director of Estates and Facilities and now leads the operational Estates and Facilities Teams across our diverse estate.



Director of Out of Hospital Services – Wendy Scott
Member of the Board from May 2015

Wendy joined York Hospital NHS Foundation Trust in July 2012, managing Scarborough, Whitby and Ryedale and York and Selby Community Services. She was appointed to the position of Director of Out of Hospital Care in October 2015 and has an operational and strategic portfolio focused on the delivery and development of out of hospital services, in partnership with local stakeholders/partners.

She started her nursing career in the acute sector, training as an RGN from 1985-1988, working in a busy emergency department before moving into primary care as a Nurse Practitioner. Wendy was subsequently appointed to the position of Nurse Consultant Primary Care in 2001, one of the first nurse consultant posts nationally, and worked in Sheffield supporting the development of nurse-led clinics and advanced nursing roles.

Wendy then moved into a commissioner role at Sheffield South East Primary Care Trust where for 5 years she worked as Assistant Director of Commissioning and Modernisation. During this time she developed an interest in service improvement and change management. She moved to Doncaster and Bassetlaw Hospital NHS Foundation Trust in 2007, where she

was responsible for unplanned care services and led the development of an integrated emergency department and General Practitioner out of hours' service at Doncaster Royal Infirmary. She was appointed to the position of Deputy Director of Performance and Service Delivery in 2008 and then the Deputy Director of Strategic and Service Development in 2010 with responsibility for the management of Bassetlaw Hospital.

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

Board Committees

The Trust has seven Board Committees as follows:

- The Remuneration Committee;
- The Corporate Risk Committee;
- The Audit Committee;
- The Finance and Performance Committee;
- The Quality and Safety Committee;
- The Workforce and Organisational Development Committee;
- The Environment and Estates Committee.

Each of the Committees is chaired by a Non-executive Director and its membership is drawn from the Non-executive Directors. Each Committee is supported by the Executive Directors and Managers of the Trust.

The Remuneration Committee – Chaired by Susan Symington

The Remuneration Committee met four times during the year. The membership of the Committee was as follows:

Susan Symington – Chair of the Trust
Jennifer Adams – Non-executive Director
Philip Ashton – Non-executive Director
Mike Keaney – Non-executive Director
Libby Raper – Non-executive Director
Michael Sweet – Non-executive Director

Dianne Willcocks – Non-executive Director

All members attended every meeting with one exception.

During the year the Committee considered and agreed the remuneration of the Chief Executive and other Executive Directors. It reviewed the current succession planning arrangements in the organisation. More details of the activities of the Committee can be found on page 70.

The Corporate Risk Committee – Chaired by Susan Symington

The Corporate Risk Committee met four times during the year. The membership of the Committee was as follows:

Susan Symington – Chair of the Trust
Philip Ashton – Non-executive Director
Patrick Crowley – Chief Executive
Fiona Jamieson – Deputy Director of Healthcare Governance
Lynda Provins – Foundation Trust Secretary

(Directors are invited periodically to discuss their risk registers)

The Audit Committee – Chaired by Philip Ashton

The membership of the Audit Committee during 2016/17 consisted of:

Philip Ashton – Non-executive Director and Chair of the Committee
Mike Keaney – Non-executive Director
Libby Raper – Non-executive Director – last meeting December 2016
Jenny McAleese – Non-executive Director joined the Committee in March 2017 and will Chair the Committee following Mr Ashton's departure in August 2017

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

Andrew Bertram – Director of Finance
Stephen Kitching – Head of Corporate Finance and Resource Management
Anna Pridmore – Foundation Trust Secretary (until August 2016)
Lynda Provins – Foundation Trust Secretary (from September 2016)

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

Helen Kemp-Taylor – Head of Internal Audit
Jonathan Hodgson – Audit Manager
Stephen Moss – Counter Fraud Officer

Externally the Trust and Committee is supported by the External Auditors – Grant Thornton:

Graham Nunns – Audit Partner (until end of December 2016)
Sarah Howard – Audit Partner (from January 2017)
Gareth Kelly – Audit Manager

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 activities and performance of the Trust and any formal announcements relating to the Trust's financial performance;
- Monitor governance and internal control;
- Monitor the effectiveness of the Internal Audit function;
- Consider the appointment of the External Auditors, providing support to the appointment made by the Council of Governors;
- 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;
- Report on the work of the Patient Safety Group.

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, Chair of the Committee	6/6
Libby Raper, Non-executive Director	5/6
Mike Keaney, Non-executive Director	5/6
Jenny McAleese, Non-executive Director	1/6

The Trust has an independent Internal Audit function provided by North Yorkshire Internal Audit Services (now called Audit Yorkshire). The Internal Audit service also provides audit services to a number of other Foundation Trusts and Clinical Commissioning Groups in the region. To co-ordinate the governance and working arrangements of the service, all Trusts that obtain

services from the Internal Audit Service are members of a shared forum known as the Alliance Board.

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 shows some of the work the Committee has undertaken during the year:

- Consider 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 Data Quality Working Group and tri-angulated 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 provided an external assurance review of the quality report;
- Reviewed and developed the relationship between the Clinical Audit and Internal Audit.

Role of Internal Audit

The Trust's Internal Audit and Counter Fraud Service is provided by Audit Yorkshire, which was formed following a merger between North Yorkshire Audit Services and West Yorkshire Audit Consortium on 1 July 2016. Audit Yorkshire provides independent assurance to the Board of Directors via the Audit Committee.

The Head of Internal Audit and Managing Director is supported by two Deputy Directors and a Management Team, all of whom are Central Council of Accounting Bodies qualified. All Audit Yorkshire's Auditors are either qualified or working towards an externally validated professional qualification to ensure the organisation has the correct skills to deliver a wide range of assurance reviews and demonstrate proficiency and due professional care. At the start of the financial year, or on commencement of employment with Audit Yorkshire during the year, all Internal Auditors complete a declaration and certify that they have no conflicts of interest which might compromise their independence as an auditor working for Audit Yorkshire.

Audit Yorkshire has extensive experience of delivering award winning, high quality and cost effective Internal Audit services to their members. Their approach and methodology is routinely relied upon by their member's External Auditors and delivers a service that:

- Provides an independent and objective opinion on risk management and governance, compliant with prevailing Public Sector Internal Audit Standards;
- Provides professional, high quality audit coverage of key risks;
- Gives clear opinions on systems of internal control;
- Uses the audit coverage and collates the opinions drawn to provide a meaningful Head of Internal Audit Opinion to support the Annual Governance Statement;
- Offers value-added work to assist the Trust in making business improvements and achieving its corporate objectives.

As well as undertaking specific audits and other pieces of work commissioned by the Trust, Audit Yorkshire also provide general advice on governance, counter-fraud and systems/process issues and undertakes consultancy/advisory work as required.

Role of External Audit

External Auditors are invited to attend every Audit Committee meeting. The appointed External Auditors have right of access to the Chair of the Audit Committee at any time.

The objectives of the External Auditors fall under two broad headings. To review and report on:

- The audited body's financial statements, and on its Statement on Internal Control;
- Whether the audited body has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

In each case, the Audit Committee sees the resulting conclusions.

External Audit also prepares an annual audit plan, which is approved by the Audit Committee. This annual plan sets out details of the work to be carried out, providing sufficient detail for the Audit Committee and other recipients to understand the purpose and scope of the defined work and the level of priority. The Audit Committee discusses with the External Auditors the main issues and parameters for audit planning in the meeting before the annual audit plan is due to be approved. This allows the Committee members time and space to:

- Discuss the organisation's audit needs;
- Reflect on the previous years' experience;

- Be updated on likely changes and new issues;
- Ensure co-ordination with other bodies.

In reviewing the draft plan presented to the Committee, members concentrate on the outputs from the plan, and what they will receive from the External Auditors, balanced against an understanding of the Auditors' statutory functions. Review of the audit fee is an important role, but the focus should be on consistency with the NHS Improvement's (formerly Monitor) guidelines and appropriateness, in the context of the organisation's needs, and the statutory functions of the External Auditors.

The annual audit plan should be kept under review to identify any amendments needed to reflect changing priorities and emerging audit needs. The Audit Committee should approve material changes to the annual audit plan.

External Audit works with both management and other assurance functions to optimise their level of coverage. The Committee seeks, and gains assurance, that duplication with Internal Audit is minimised wherever possible, consistent with the requirements of *ISA (UK and Ireland) 610* that External Audit should never direct the work of Internal Audit and must be satisfied as to the role of Internal Audit as a whole, and review and re-perform similar items for any piece of work on which it intends to place reliance.

The Data Quality Work Group – Chaired by Philip Ashton

The Data Quality Work Group, a sub-group of the Audit Committee, examines and understands data quality issues relating to finance, human resource, risk and legal services and patient information systems. This work has continued throughout the year. The Group has received presentations from information system owners and actively sought assurances from these owners on aspects of data quality. The assurance work has specifically explored issues in relation to the integration and development of systems. The group uses the intelligence it is gathering to test the robustness of the Internal Audit Work Programme in seeking and further supporting assurance on system data quality issues.

The Data Quality Work Group met five 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	5/5
Mike Keaney, Non-executive Director	5/5
Andrew Bertram, Executive Finance Director	5/5
Helen Kemp-Taylor, Head of Internal Audit	5/5
Sue Rushbrook, Director of Systems and Networks	5/5

The Finance and Performance Committee – Chaired by Mike Keaney

The Finance and Performance Committee was established in 2012 and meets at least ten times a year in the week before the Board of Directors. The Committee 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 Board of Directors.

The membership of the Committee includes:

Mike Keaney – Chair of the Committee
Mike Sweet – Member of the Committee

Attendance from members was as follows:

Members	Attendance
Mike Keaney	10/10
Mike Sweet	9/10

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

Andrew Bertram – Executive Director of Finance
Gordon Cooney – Programme Director
Stephen Kitching – Head of Corporate Finance and Resource Management
Graham Lamb – Deputy Director of Finance
Anna Pridmore – Foundation Trust Secretary (until August 2016)
Lynda Provins – Foundation Trust Secretary (from September 2016)
Sue Rushbrook – Director of Systems and Networks
Lisa Smith – Head of Operational Performance (from January 2017)
Lucy Turner – Assistant Director of Performance (until October 2016)
Juliet Walters – Chief Operating Officer

During the year the Committee explored in more detail some of the concerns and risks that faced the Trust. To support this, they received additional information on the following topics:

- Achievement of the emergency department care standards;
- Future models and the work that was underway to design the Assessment Unit;
- Ambulatory care for non-admitted Emergency Department patients – part of the pathway design work that was underway;
- Frailty model and the work that was underway to develop frailty care as oppose to the more traditional elderly care;
- Community hub developments and the progress against plan;
- Bed reconfiguration and the programme that had been developed to implement the changes;
- The Committee has received a copy of the Performance Report at each meeting. During the year the Committee was involved in the development of the revised performance report;
- Service line reporting;
- The financial position of the commissioners;
- Key performance indicators, the penalties incurred by the Trust and reference costs applied to the Trust;
- The financial position of Foundation Trusts nationally;
- The level of non-recurrent savings against the recurrent savings;
- The quality of services is considered in the development of a cost improvement plan;
- The cost improvement schemes that are considered to carry a high (red) or medium (amber) risk in achievement;
- A regular analysis against the identified schemes;
- Workforce efficiencies and the impact on the cost improvement programme; should a mandatory level of staffing be put in place;
- Directorate performance including those Directorates that were not achieving the targets;
- The large cost improvement schemes that have been proposed along with efficiency opportunities that might exist in the future.

The Trust has a history of successful delivery of corporate cost improvement programmes. A decision was taken by senior management to align the turnaround programme and service improvement with the existing cost improvement programme.

The Committee discussed the commissioning for quality and innovation targets at the majority of the meetings during the year. The Committee was keen to ensure there was a clear understanding between the requirements of the commissioning for quality and innovation target and the potential financial impact on the Trust.

The Committee has reviewed the capital programme progress during the year. It has received a presentation and discussed and supported the required changes that have been made to the programme during the year.

The Quality and Safety Committee – Chaired by Jennifer Adams

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, prevention control, in-patient survey and sign up to safety progress reports.

The membership of the Committee includes:

Libby Raper – Chair of the Committee (January 2016)

Jennifer Adams – Chair of the Committee (from January 2016)

Philip Ashton – Non-executive Director

Attendance from members was as follows:

Members	Attendance
Ms L Raper	10/11
Mrs J Adams	10/11
Mr P Ashton	11/11

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

Beverley Geary – Chief Nurse

Jim Taylor – Medical Director (from June 2015)

Diane Palmer – Deputy Director for Patient Safety

Anna Pridmore – Foundation Trust Secretary (until August 2016)

Lynda Provins – Foundation Trust Secretary (from September 2016)

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 Directors meeting.

During the year the Committee has considered the following:

- Patient safety and quality metrics – dashboard;
- Nurse safer staffing report;
- Nursing dashboard;
- Nurse acuity audit results;
- Patient experience report to include complaints, friends and family, Patient Advice and Liaison Service;
- Nursing and midwifery strategy progress report;
- Maternity service report;
- End of life care report;
- Pressure ulcer quarterly report;
- Falls quarterly report;

- Care Quality Commission report and action plan;
- Adult and child safeguarding reports;
- Director of Infection Prevention quarterly and annual reports;
- Mortality report and summary hospital-level mortality indicator data;
- Sign up to safety report (including patient safety strategy);
- Quality priority progress report;
- Serious incident reports (SUITS/CASES) and any Never Events;
- Flu vaccination information;
- Consultant appointments;
- National reports – Carter review, NHS Mandate;
- Patient safety walkrounds;
- NRLS safety incident report.

During the year, the Committee has kept a close watch on staffing with scrutiny of 12 hour breaches and risks relating to quality and safety. The Committee continues to evolve its work programme and action log to ensure that all elements are covered.

The Workforce and Organisational Development Committee – Chaired by Dianne Willcocks

The Workforce and Organisational Development Committee receives and reviews any draft strategic plans relating to workforce, organisational development, education and research. This has enabled the Committee to look pro-actively at workforce challenges along with whole workforce establishment and ensure that new developments support a workforce fit for the future in respect of increased regulation, changed roles and changing models of provision. The Committee monitors progress against the strategic plans, and presents their findings to the Board.

The membership and attendance at the Committee during the year was as follows:

Members	Attendance
Dianne Willcocks, Non-executive Director and Chair of the Committee	6/6
Libby Raper, Non-executive Director	6/6
Attendees	
Polly McMeekin, Deputy Director of Workforce	6/6
Mike Proctor, Deputy Chief Executive	4/6
Brian Golding, Director of Estates and Facilities	4/6
Lynda Provins, Foundation Secretary	3/6

In March 2016, the Committee reviewed its membership and agreed that the Committee should be re-launched with new membership and terms of

reference to focus more directly on organisational strategy and to mirror with committees for Quality and Safety, Finance and Performance.

During the year, the Committee has explored the following elements to ascertain assurance and risk:

- Workforce metrics including staffing and use of agency;
- Living wage;
- Relevant internal audit reports;
- Learning and research;
- E-rostering;
- Arts strategy;
- Apprenticeships;
- Job planning;
- Community workforce project;
- Psychological health and wellbeing.

The Environment and Estates Committee – Chaired by Michael Sweet

The Environment and Estates Committee was established in September 2015, under the chairmanship of Non-executive Director Michael Sweet. The Committee was formed to provide the Board of Directors with assurance around our ownership, occupation and maintenance of the built environment; it links to one of the Trust's corporate objectives 'Improve our facilities and protect the environment'.

The membership and attendance at the Committee during the year was as follows:

Members	Attendance
Mike Sweet, Non-executive and Chair of the Committee	4/4
Jennifer Adams, Non-executive Director	4/4
Attendees	
Brian Golding, Director of Estates and Facilities	4/4
David Biggins, Head of Medical Engineering & Compliance	4/4
Colin Weatherill, Health, Safety & Security Manager	4/4
Jane Money, Head of Sustainability	4/4
Lynda Provins, Foundation Secretary	2/4

Key documents that the Committee has discussed and approved this year include:

- Risks and assurance framework;
- Sustainable development;
- Premises assurance model;
- Lord Carter report;
- Health, safety & security reports and annual report;

- Relevant new legislation;
- Relevant internal audit reports;
- Annual fire statement;
- Reporting of injuries, diseases and dangerous occurrences;
- Space Management;
- Patient-led assessments of the care environment results.

The Committee has provided assurance to the Board of Directors considering all aspects of the strategic aims 'looking after our estate and protecting the environment'.

Meetings of the Committee have been rotated around the main hospital sites so that members have the opportunity to see the properties at first hand.

Enhanced quality governance reporting

The Trust believes that quality governance is an important aspect of the management of healthcare. Quality governance supports the Trust in delivering safe and quality services to patients. The Trust has developed an information pack that provides detailed performance information. The pack is used by the Directors to help deliver a safe and quality service. Information is also reviewed and discussed at a number of meetings. These meetings include membership from the Medical Director and Chief Nurse and lead to assurance being provided to the Board.

The Quality Governance Framework has been incorporated into the Well Led Framework. During 2014/15, the Trust conducted a review of governance that concentrated on four key areas as follows:

- Clear reporting lines and meetings are purposeful;
- Maximising the performance contribution from Directors and Senior Managers by setting out clear expectations for them;
- Decisions are made expediently and are delegated to the lowest appropriate level to support effective operational performance;
- Meaningful assurance on the business of the organisation, and key issues are escalated appropriately.

The review was designed to improve the governance around connections and alignment in a number of areas, including actions relating to the integrated business plan; the internal audit report 'Strengthening Corporate Accountability through Staff Conduct and Competence' and guidance from the Care Quality Commission on the 'Fit and Proper Persons Test' requirement.

Following that review, the Board of Directors commissioned Grant Thornton LLP to undertake a Well Led Review as prescribed by NHS Improvement (formerly Monitor).

The review started in November 2015 and the final report was received by the Board in January 2016. Overall:

- The review provided two green scores for the linked areas of information and data quality. The Trust is rightly proud about the information which is provided across the organisation, and specifically to the Board which supports the monitoring and scrutiny of decision making and performance management;
- The review produced six amber green scores, where Grant Thornton's analysis revealed elements of good practice with no major omissions, and where the review team have confidence in our action plans to continue work and develop these areas;
- The review provided two amber red scores for subset two of Domain One: *"Is the board sufficiently aware of potential risks to the quality and sustainability and delivery of current and future services"*, and subset six from Domain Three, *"Are there clear roles and accountabilities in relation to board governance including quality governance?"* Both of these areas include issues of which the Trust was fully aware and that work is being undertaken, at pace, in both cases.

Domain One – Is the Trust sufficiently aware of potential risks to the quality, sustainability and delivery of current and future services?

Since the review, the Trust has refreshed and rewritten the 'Our Commitment to You' document which describes, at a high level, the key strategic aims of the Trust. The revised iteration clearly states the Trust's strategic objectives, which link in turn to the ambitions of the Sustainability and Transformation Plan, currently being produced with partners.

The 'Our Commitment to You' document is written and presented in an accessible style which can be shared at all levels in the organisation and will be a foundation for the performance review of the Chair, the Chief Executive, the Non-executive Directors and the Executive Board. It will also be used as the foundation for performance review across the organisation and was shared to this end at a strategic away day with Clinical Directors and their management teams in April.

The key strategic aims defined in the plan are each designed to link to existing important measures of success.

The Trust has updated the board assurance framework to reflect the same key strategic ambitions and the assurance measures the Board can rely on to seek assurance on progress.

Domain Three – Are there clearly defined, well understood processes for escalating and resolving issues and managing performance?

The Trust initiated a quality governance review more than a year ago and made progress towards concluding the review. However, action was temporarily halted in order to include the outcomes of the Well Led Review and the appointment of a new Medical Director. Now both of these elements

are complete, we are in a position to continue with our restructuring of quality and healthcare governance arrangements.

This will include a review of key staff and their roles and contributions to our quality governance framework, the on-going review of our corporate risk register and the Directorate risk registers, as well as the support provided to the Directorates in the design and use of their own registers. With this goes a renewed commitment to increasing the number of doctors reporting incidents, inviting staff who have submitted incident reports to attend relevant review meetings, to observe how their reports are used, and the resultant outcomes with the purpose of closing the feedback loop.

The Trust confirms that there are no material inconsistencies between the Annual Governance Statement, the annual and quarterly board statements and the Care Quality Commission action plan.

The Trust continues to work on developing the Board and the way it works ensuring that meetings are effective and efficient.

Please see the Trust's Quality Report on page 153 for further information.

Patient Experience 2016/17

In the last year the Trust has made real progress with delivering the five commitments of the Patient Experience Strategy 2015/18.



1. **Listening** to our patients, welcoming feedback and sharing the results from ward to board;
2. **Responding** to feedback in an open and timely manner and **reporting** on themes and trends so people can see what matters most to patients, celebrate success and identify what needs improving;
3. **Learning** from what patients tell us, identifying **actions** for improvement and monitoring their delivery;
4. **Involving** patients in decisions about their care and delivering a service that is responsive to their individual needs;
5. Nurturing a **culture** of openness, respect and responsibility.

Listening

At York Teaching Hospital NHS Foundation Trust, we aim to provide safe, effective healthcare to our community. We believe that good quality patient, carer and public feedback helps us improve the quality of the services that we provide.

This year we have made it easier for people to give their feedback; whether it be to say thank you, get an answer to a concern, make a comment or raise a formal complaint.

- We have created posters, now displayed at every ward entrance, which encourage people to give their feedback. In the first instance people are encouraged to speak directly to ward staff or the matron so they can try to resolve issues in the moment.
- We have moved our York Hospital Patient Advice and Liaison Service office to a clearly visible and well-signposted location on the main corridor. The new office has a meeting area where patients or families can speak to someone in privacy and comfort.
- New staff have joined the Patient Advice and Liaison Service Team, meaning we have a regular presence at both York and Scarborough Hospitals.
- We have revised the information on our website about how to give feedback to make it clearer for people.
- We continue to promote the Friends and Family Test to ensure any patient receiving inpatient, outpatient, maternity or community care has an opportunity to rate their experience and comment on any aspects which could be improved.

We continue to work in partnership with our colleagues from Healthwatch York and Healthwatch North Yorkshire.

- We have received and responded to reports from Healthwatch York on *Access to Antenatal and Postnatal Care; Continuing Healthcare Assessment and Services in York for People with Dementia*.
- Healthwatch reader panels provide comments on the wording and format of every new patient information leaflet produced by the Trust.

We received the results of two national surveys:

- National Inpatient Survey 2015;
- National Cancer Patient Experience Survey 2015.

Responding and Reporting

The Trust Policy and Procedure on Concerns and Complaints has been fully revised, taking into account feedback from staff and patients. The new patient-centred process focuses on delivering the outcome desired by the person concerned and achieving a timely, high-quality response which is

proportionate to the issues raised. Investigating officers for complaints are expected to make contact with the person raising the concern or complaint within five working days to introduce themselves, confirm the scope of the investigation and provide an opportunity to ask any questions or provide any further information.

30 investigating officers attended complaint letter writing training delivered by a specialist external training company. Additional training sessions covering investigation skills were delivered by the Patient Experience Team to support teams and individuals.

The Patient Experience Team now records enquiries, compliments, comments, concerns and complaints on the same information management system (Datix Web). This has enabled new, more detailed reporting of patient experience at ward, Directorate and Trust-wide levels. The new reports make it easier to identify themes and trends which need to be addressed through Directorate action plans or Trust-wide action.

Friends and Family Test results show that the Trust maintains consistently high levels of satisfaction; particularly for inpatient, maternity and community services. Satisfaction with the Emergency Department is lower, which narrative feedback shows is substantially linked to the challenges in delivering short waiting times (more detail on this is in the 'Learning and Acting' section below).

	Inpatient		Emergency Department		Maternity		Community
	Response Rate	% Recommend	Response Rate	% Recommend	Response Rate	% Recommend	% Recommend
Q1	27.77%	96.47%	14.81%	80.97%	31.82%	99.22%	97.47%
Q2	25.85%	97.16%	17.46%	84.93%	31.48%	97.06%	94.12%
Q3	29.51%	96.79%	15.40%	84.37%	34.27%	98.12%	98.92%
Q4	27.77%	96.40%	10.43%	84.18%	31.67%	97.09%	98.70%

New complaints received in 2016/17 were:

	Q1	Q2	Q3	Q4
York Hospital	62	70	61	69
Scarborough Hospital	27	43	36	33
Bridlington Hospital	2	4	3	3
Community Services	2	6	6	8
TOTAL	93	123	106	113

Of the complaints closed in 2016/17 28.5 per cent were upheld; 36.6 per cent were partially upheld and 34.8 Per cent were not upheld.

18 cases were accepted by the Parliamentary and Health Service Ombudsman for investigation in 2016/17. 14 of these cases are now closed. 11 were not upheld; 3 were partially upheld.

The Patient Advice and Liaison Service (PALS) handled the following number of contacts:

	Q1	Q2	Q3	Q4
PALS contacts	1279	952	779	698

In 2016/17 Patient Advice and Liaison Service has reduced the numbers of contacts logged. This is not to say that the service has reduced, but that contacts such as misplaced calls from switchboard or requests to speak to another department are no longer logged. The data are now a more accurate reflection of the numbers of people receiving assistance from the service.

The most common reasons for people to contact the Patient Advice and Liaison Service are to resolve misunderstandings or gaps in communication; get help with issues regarding appointments or because they have unanswered questions about treatment plans.

“You were extremely helpful and efficient in liaising with the ward. I just wanted to say thank you.”

“Many thanks for your help and responses. Your kind assistance is greatly appreciated and it finally looks like mum can have her knee sorted at last.”

Some thank yous received by the Patient Advice and Liaison Service

More emphasis has been put on acknowledging the many **compliments** that are received by individuals and teams across the Trust. Teams are encouraged to share the numbers received as well as outstanding examples to ensure that excellent practice is identified and celebrated. A new monthly feature in the Staff Matters magazine called *Tiny Noticeable Things* focuses on something small that has made a big difference to someone’s experience of our service.

*My father was admitted to Ward 25 in December 2016 and passed away sadly on 31 December 2016. I just want everyone concerned to know how grateful I am for the wonderful way he was looked after. All the staff involved in his care were amazing. They work so hard and their care and support could not have been better. I would like everyone concerned to know what a brilliant job they are all doing. **Elderly Medicine, York Hospital***

*Our 12 year old son slipped and broke his elbow. A horrible and traumatic experience for us all. We arrived in A&E and were triaged and moved to a cubicle promptly. Nurse came in and she was such a sensible, knowledgeable and calming influence that we could just trust we were in good hands. She provide pain medication quickly for our son, spent time talking to us about what was going on, what the X-rays showed and what we could expect. Even though she was busy, every time she went past she came in to ask how we were, got us cups of tea and biscuits and when my son could eat she piled him up with all the goodies she could. She did everything she possibly could to help and calm and provide great care. She is a wonderful nurse and an asset to the NHS. **Emergency Medicine, York Hospital***

*I was moved to Maple Ward and the staff were lovely. What has stood out to me, I'm a nurse myself, is your staff's ability to engage and communicate. One nurse brought me a TV guide from home – this is above and beyond but a sign of engagement with patients. **Scarborough Hospital, Maple Ward***

Learning and Action

There has been significant emphasis this year on ensuring that learning from complaints and concerns is used to agree clear actions for improvement. Complaint responses include a summary of actions with people responsible and timescales for completion.

The Patient Experience Team are now auditing a sample of closed complaint cases each month to assess whether the complaint has been handled correctly according to the Trust procedure and whether actions have been completed. The audit findings are being shared with Directorate colleagues to support improvement.

The **National Inpatient Survey 2015** showed that the Trust had achieved improved levels of patient satisfaction since 2014. This was a particularly notable achievement in a year where the Trust had been subject to performance and staffing pressures.

A multi-disciplinary group of staff worked together to review the results of the survey, and in particular the themes from the narrative comments, to agree the key areas for improvement. Each of these areas was supported by an action plan.

1. Celebrating and recognising success
2. Reducing noise at night
3. Welcoming and encouraging feedback
4. Empowering patients and carers
5. Improving patient experience of discharge.

The idea for the **Night Owl Initiative** was put forward to reduce noise at night. The Night Owl initiative was launched in September 2016.

Each ward is being asked to discuss as a team how they can reduce noise and make a pledge, which will then be displayed on a poster on the ward. Wards are being encouraged to look at all feedback from patients, including Friends and Family Test results, to identify the main sources of noise and monitor their success in reducing it.

The York Hospital Charity funded 1000 sleep packs (eye masks and ear plugs) to be offered to patients struggling to sleep. Friends of York Hospital funded a further 1000 packs. To date 2000 sleep packs have been distributed and 40 wards have made pledges.

On Monday 21 November 2016 **visiting times** for all wards and hospitals became 11am and 8pm.

The changes were introduced following extensive consultation with patients, carers and staff. It is hoped that the extended visiting hours will encourage visitors to arrive at different times, which will support good communication between staff and families. The changes to visiting form part of the Trust's

approach to making its hospitals more dementia friendly and supporting John's Campaign.

The new visiting guidance makes it very clear that visitors are welcome, but there may also be times when it is not appropriate for patients to have visitors, such as when receiving clinical care, rest times, or to preserve the privacy and dignity of other patients. These are subject to the discretion of nurse in charge.

The results of the **National Cancer Patient Experience Survey 2015** showed that the Trust's average results for all tumour groups were inside or above the expected percentage range. The satisfaction with 48 questions was inside the expected range and the satisfaction with 11 questions was above the expected range. Out of a maximum score of 10 (patients rated care as excellent), our Trust scored 8.8. The national average score was 8.7.

Analysis of the narrative comments showed that appreciation of staff was the most common theme. The most frequently mentioned concerns were about lack of staff, communications between staff and patients and lack of aftercare. To improve services for the future the following actions are being delivered:

- Implementing an electronic holistic needs assessment. This will be the basis of a care plan that can be shared with the patient and their General Practitioner to support communication between hospital and community care;
- Instigating a business case to build a new chemotherapy treatment facility at Scarborough Hospital to improve the environment of care.

Involving

This year the Trust has launched **John's Campaign** which recognises the right of patients with dementia to have their carers with them throughout their stay in hospital. The Trust recognises the importance of working in partnership with carers and respecting the knowledge and skills they bring.

The change in visiting times was a significant development supporting John's Campaign and a new information leaflet for carers of people with dementia has been produced. Current work is to ensure that there is a long-term plan to embed John's campaign, including education and training, monitoring and evaluation. Two patient stories have been filmed which will be used to support training. The first two cohorts of dementia champions have been trained.



John's Campaign

for the right to stay with people
with dementia in hospital

The Trust **Volunteering Service** has seen significant development and improvement during the year.



There has been a net increase in volunteers to the Trust from 279 at the start of the year to 377 at year end. A thorough review process has been completed to ensure that volunteer records are up to date. The governance of the service has been strengthened, supported by learning from an internal audit, and the recruitment process has improved, supported by learning from a service improvement day.

Notable achievements include:

- Moving all volunteer recruitment administration onto the Trust's recruitment system to improve accuracy, efficiency and performance monitoring;
- Procuring and introducing a dedicated volunteering database to hold all records, including roles delivered, induction and training;
- Launching a new volunteer induction day for new starters;
- Celebrating the contribution of our volunteers through events during National Volunteers' Week in June 2016 and well-attended Christmas dinners at York and Scarborough;
- Improving communications with volunteers through regular news updates and sharing of Staff Matters magazine.

New roles have been introduced, putting the emphasis on supporting Trust frontline staff and releasing time care. These include:

- Dementia activity volunteer – people with time to sit with patients with dementia to undertake activities which provide stimulation and companionship;
- Patient experience volunteer – people who will spend time on a ward listening to patients' experiences and sharing the learning with the ward staff so they can take any steps to improve the experience of an individual or something that affects many patients;
- End of life volunteer – people who will sit with patients who are at the end of their lives in hospital. They are able to provide quiet companionship and also observe any changes or signs of distress and report these to patient's nurse.

Recruitment continues to other important roles including:

- Dining companions – who sit with patients during meal times and/or provide help to patients who need assistance to eat or drink;
- Volunteer visitors – who spend time with people who welcome the opportunity to talk to someone and/or those who might otherwise be lonely and isolated in hospital;

- Clinic liaison volunteers – who help with the smooth running of outpatient clinics by helping people to find the right rooms, complete any forms and keeping them informed about any delays.

Culture of Respect and Responsibility

Sharing feedback from patient experience is an important way of embedding the Trust's values. Many professional and multi-disciplinary forums, including Professional Nurse Leaders' Forums, Patient Experience Steering Group, Fairness Forum, medical governance meetings and Directorate/ward meetings share patient stories and complaints/concerns as a basis for learning and reflection.

Training sessions about learning from patient experience and managing difficult situations with patients and families were delivered by the Lead for Patient Experience as part of four nurse preceptorship sessions. This was developed into a training session that is being offered more widely to teams across the Trust where staff feel they would benefit from support with handling difficult situations in a positive and patient-oriented way.

Stakeholder Relations

Partnership working with neighbouring organisations and agencies is a key strategic aims for the Trust helping to provide effective healthcare to our communities. Clinical alliances are important in ensuring that there is compliance with national regulatory and professional guidance and that a critical mass of population can sustain individual and interlinked services. Collaborative working can also contribute to improved care pathway delivery and access to specialist care as well as addressing recruitment and retention challenges.

The Trust has developed a range of significant clinical alliances with both Harrogate and District NHS Foundation Trust and Hull and East Yorkshire Hospitals NHS Trust, over the years which provide support for the delivery of secondary care services and some tertiary care services across the wider geographic area. Recent service initiatives with Harrogate and District Foundation Trust have included the extension and enhancement of the vascular surgical service, the establishment of a self-care dialysis unit for Harrogate residents and the development of an outpatient and day case plastic surgical service. The combined York/Harrogate population are also served by combined clinical teams in the service areas of head and neck, oncology and ophthalmology.

Historically, Hull and East Yorkshire Hospitals NHS Trust had provided specialist neurosurgical and cancer services for residents in the eastern side of the Trust's catchment population and there is an established Hull/York Medical School. Recently, networked specialist service developments in the areas of hepatology, HIV, renal, cystic fibrosis and vascular surgery involving

the two organisations have been successfully established enabling local access to be secured for patients across the combined geographic area.

The Trust is also developing 'Provider Alliance' arrangements with General Practitioners, which includes the promotion of a 'Community Hub' concept of interagency staff and service collaboration in the York, Selby and Ryedale areas.

The organisation is a key participant in the multiagency 'Ambition for Health Programme' which involves the development of a shared direction of travel and planning for the health of local communities across the Scarborough, Ryedale, Bridlington and Filey areas. The programme is reviewing the delivery of care provided inside hospital, care provided out of hospital, prevention and self-care.

The Trust is actively involved in the York Community Stadium Project led by the City of York Council, as a prospective tenant. The stadium is scheduled for completion in late 2018. It is planned to utilise space in the stadium to deliver staff education and training and outpatient services in high quality accessible services, which will relieve accommodation pressures on the main York Hospital site and associated premises.

It is envisaged that there will be scope for collaborative work with partner organisations in the fields of health promotion/education and training.

Remuneration Report

The Trust has two Remuneration Committees. The first includes membership from the Council of Governors to determine the appropriate remuneration for Non-executive Directors, including the Chair. This Committee reports to the Council of Governors and details of the Committee can be found on page 107 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 its membership includes the Non-executive Directors of the Trust. More detail about the Remuneration Committee can be found on page 48 of this report.

The membership of the Remuneration Committee includes all the Non-executive Directors and the Chair. During the financial year 2016/17 the Remuneration Committee met on four occasions. The Chief Executive attended to provide support and information as requested, but was not part of the decision-making process. The Foundation Trust Secretary was in attendance at the meetings to provide support to the Committee.

	27 July 2016	23 September 2016	26 October 2016	30 November 2016
Susan Symington	✓	✓	✓	✓
Dianne Willcocks	✓	✓	✓	✓
Philip Ashton	✓	✓	✓	✓
Mike Sweet	✓	✓	✓	✓
Libby Raper	✓	✓	✓	✓
Mike Keaney	✓	✓	✓	✓
Jennifer Adams	✓	✓	✓	✓
Patrick Crowley – in attendance	✓	✓	✓	x

Remuneration of the Chief Executive and Executive Directors

The remuneration of the Chief Executive and other Executive Directors is decided by the Remuneration Committee. The Remuneration Committee reviewed and agreed the executives' salary increases.

Remuneration of the Chair and Non-Executive Directors

During 2016/17 the remuneration of the Chair and Non-executive Directors was considered by the full Council of Governors. The Governors agreed 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 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, five other Executive Directors and three Corporate Directors are determined by the Board of Directors' Remuneration Committee. The Medical Director is a part-time Executive Director and is remunerated as a medical practitioner separately from his salary as an Executive Director.

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 for remuneration, 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

Future Policy Table

	Description
Salary/fees	A fixed regular payment typically paid on a monthly basis but often expressed as an annual sum.
Clinical Excellence Awards	The Clinical Excellence Awards Scheme recognises and rewards NHS consultants and academic General Practitioners who perform over and above the standard expected of their role.
Benefits in kind	Benefits in kind are benefits which employees or Directors receive from their employment but which are not included in their salary.
Pensions	The <i>NHS Pension Scheme</i> is a <i>defined</i> benefit public service <i>pension scheme</i> , which operates on a pay-as-you-go basis. <i>Pension benefits</i> are based on final salary (although General and Dental Practitioners accrue <i>pensions</i> on a 'career average' basis).

The Trust's short and long term strategic objective in relation to the remuneration of Senior Managers is to provide a package that attracts high quality, experienced Directors to drive the developments in the organisation and ensure the Trust is providing efficient, effective services for the community it serves.

Listed below is an explanation of how each component in the table above operates in the Trust:

Salaries/Fees – Paid on a monthly basis in arrears to each Senior Manager.

Clinical Excellence Awards – Awarded following a detailed assessment process on an annual basis to those who have demonstrated excellence in their field. The Medical Director in the Trust has received Clinical Excellence Awards.

Benefits in Kind – Senior Managers in the Trust are entitled to lease cars.

Pensions – Contributions are made in accordance with the NHS Pension Scheme. Senior Managers are entitled to opt out of the scheme.

The remuneration package agreed for Senior Managers is agreed and monitored by the Remuneration Committee. The Medical Director receives separate remuneration for being a clinician and for his time as the Medical Director.

The Trust does have a policy for the recovery of sums paid or for withholding the payments of sums to Senior Managers. Should the occasion arise, the Trust can, through the payroll system, through consultation, adjust any payment made to a Senior Manager.

The Trust operates the Agenda for Change policy for all employees except Senior Managers and Doctors.

The Non-executive Directors at the Trust are paid on a monthly basis through the payroll system. Their fees are agreed by the Council of Governors at appointment and are reviewed on an annual basis, using benchmarking data to support their decision.

Service Contract Obligations

The Non-executive Directors hold service contracts; the Executive Directors hold employment contracts. The service contracts and employment contracts were reviewed in 2014/15 and do not give rise to payments for loss of office.

Policy on payment for loss of office

The Trust does not make additional payments for loss of office outside the standard contract terms included in the employment contracts of Senior Managers.

Statement of consideration of employment conditions elsewhere in the Foundation Trust

The Remuneration Committee considers the remuneration package of the Senior Managers, including Executive and Corporate Directors on an annual basis. The HR department provides information for the Remuneration Committee to support a discussion and a decision on any incremental increase. The Remuneration Committee use data to support any comparison with complexity and size of organisation. The Remuneration Committee will also take into account the national pay settlement given to staff on the Agenda for Change pay scales.

The Trust does not consult with employees about Senior Manager remuneration.

The Non-executive Director fees are considered by the Governors' Nomination/ Remuneration Committee and a recommendation is agreed by the Council of Governors. The recommendation is prepared following a discussion and the receipt of benchmarking data. The Nomination/Remuneration Committee includes a Staff Governor as part of its membership. The Council of Governors includes five Staff Governors as part of its membership.

Service contracts

Detailed below are the terms of the service contracts held by the Non-executive Directors of the Trust. Name	Date of contract	Length of term	Unexpired Term	Notice period
Susan Symington	1 April 2015 (1 st term)	3 years	1 year	None
Philip Ashton	1 September 2014 (3 rd and final term)	3 years	5 months	None
Dianne Willcocks	1 May 2016 (3 rd and final term)	3 years	2 years	None
Michael Sweet	1 February 16 (3 rd and final term)	3 years	1 years 9 months	None
Libby Raper	1 August 2015 (3 rd and final term)	3 years	1 years 4 months	None
Mike Keaney	1 September 2014 (2 nd term)	3 years	5 months	None
Jennifer Adams	1 September 2014 (2 nd term)	3 years	5 months	None
Jenny McAleese	1 March 2017 (1 st term)	3 years	2 years 11 months	None

Salaries and pension entitlements of Senior Managers

Salaries

Below are the salaries of the Directors of the Trust for the current and prior financial year. This information is subject to audit.

a) Salary

Name and Title	2016/17					
	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						
Patrick Crowley Chief Executive	195-200	6,700			22.5-25.0	225-230

Andrew Bertram Finance Director	140-145	7,200			57.5-60.0	205-210
Mike Proctor Deputy Chief Executive	145-150	8,200			0	150-155
Beverley Geary Chief Nurse	120-125	7,000			70.0-72.5	200-205
Juliet Walters Chief Operating Officer	145-150	0			40.0-42.5	185-190
Jim Taylor Medical Director	180-185	4,200		5.0-10.0	0	190-195
Non-Voting Directors						
Sue Rushbrook Director of Systems & Network services	110-115	3,300			15.0-17.5	130-135
Brian Golding Director of Estates & Facilities	110-115	4,900			30.0-32.5	145-150
Wendy Scott Director of Out of Hospital Services	95-100	5,400			102.5- 105.0	205-210
Non-executive Directors						
Susan Symington Chairman	55-60					55-60
Philip Ashton Non-executive Director	15-20					15-20
Dianne Willcocks Non-executive Director	15-20					15.20
Libby Raper Non-executive Director	15-20					15-20
Mike Sweet Non-executive Director	15-20					15-20
Jennifer Adams Non-executive Director	15-20					15-20
Mike Keaney Non-executive Director	15-20					15-20
Jenny McAleese Non-executive Director	0-5					0-5
Band of highest paid Director's total salary (£'000)	195-200					
Median Total Remuneration	£23,436					
Remuneration Ratio	8.4					

Pension Related Benefits relate to the annual increase in accrued pension entitlement adjusted for the employee contributions made during the year.

Those Director's salaries above which include elements for clinical roles are:

Jim Taylor salary for clinical role £128,848

Jim Taylor also receives a Clinical Excellence Award which is presented in the Long Term Performance related bonus section above.

Jenny McAleese joined the Trust on 1 March 2017 in a Non-executive Director role and will replace Philip Ashton when his appointment ends on the

31 August 2017. The period from March to August is being treated as a handover period.

Sue Rushbrook, Brian Golding and Wendy Scott are non-voting members of the Board of Directors, they advise and influence the decisions of the NHS Foundation Trust as a whole.

Name and Title	2015/16					
	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						
Patrick Crowley Chief Executive	190-195	5,800			27.5-30.0	225-230
Andrew Bertram Director of Finance	140-145	7,000			30.0-32.5	175-180
Mike Proctor Deputy Chief Executive	145-150	7,400			0	150-155
Alastair Turnbull Medical Director	35-40	0		5-10	0	40-45
Sue Holden Director of Applied Learning and Research	55-60	4,300			27.5-30.0	85-90
Beverley Geary Chief Nurse	115-120	4,700			112.5-115.0	230-235
Juliet Walters Chief Operating Officer	140-145	0			30-32.5	175-180
Jim Taylor Medical Director	140-145	5,100		5-10	125.0-127.5	280-285
Ed Smith Interim Medical Director	60-65	0		5-10	30-32.5	100-105
Non-Voting Directors						
Sue Rushbrook Director Systems & Network services	110-115	4,800			42.5-45.0	155-160
Brian Golding Director of Estates & Facilities	110-115	4,400			17.5-20.0	130-135
Wendy Scott Director of Out of Hospital Services	50-55	2,900			35.0-37.5	90-95
Non-executive Directors						
Susan Symington Chairman	55-60					55-60
Philip Ashton Non-executive Director	15-20					15-20
Dianne Willcocks Non-executive Director	15-20					15-20
Libby Raper Non-executive Director	15-20					15-20
Mike Sweet Non-executive Director	15-20					15-20

Jennifer Adams Non-executive Director	15-20					15-20
Mike Keaney Non-executive Director	15-20					15-20
Band of highest paid director's total salary (£'000)	190-195					
Median Total Remuneration	£23,351					
Remuneration Ratio	8.3					

Long term performance related bonus comprises the Clinical Excellence Award awarded to Alastair Turnbull who retired in June 2015, Jim Taylor the Trust's Medical Director and Ed Smith the Trust's Interim Medical Director.

Pension related benefits relate to the annual increase in accrued pension entitlement adjusted for the employee contributions made during the year.

Those Directors salaries above which include elements for clinical roles are:
Alastair Turnbull salary for clinical role £31,495
Jim Taylor salary for clinical role £115,401
Ed Smith salary for clinical role £55,209

Sue Holden ceased executive responsibilities due to a secondment away from the Trust from the 17 September 2015
Alastair Turnbull left the Board of Directors on 9 June 2015
Ed Smith joined the Board of Directors as Interim Medical Director on 6 June 2015 until 26 October 2015
Jim Taylor joined the Board of Directors as Interim Medical Director from 6 June 2015 until 26 October when he joined the Board of Directors as Medical Director.
Wendy Scott joined the board of directors as a non-voting member on the 1 September 2015
Sue Rushbrook, Brian Golding and Wendy Scott are non-voting members of the Board of Directors, they advise and influence the decisions of the NHS Foundation Trust as a whole.

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 2016/17 was £190-195 (2015/16 £190-195). This was 8.4 times (2015/16 8.3) the median remuneration of the workforce, which was £23,436 (2015/16 £23,351).

In 2016-17, seven employees (2015/16 6) received remuneration in excess of the highest paid Director. Remuneration ranged from £5,767 to £261,683 (2015/16, £6,007-246,312).

Employees receiving nil basic pay and nil whole time equivalents 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 and bank staff who do not receive a basic pay 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 and benefits in kind. It does not include severance payments employer pension contributions and the cash equivalent transfer value of pensions.

b) Pensions

	Total accrued pension at age 60 at 31 March 2017	Total accrued pension lump sum at age 60 at 31 March 2017	Real increase in pension at age 60	Real increase in pension lump sum at age 60	Cash Equivalent Transfer Value at 1 April 2016	Cash Equivalent Transfer Value at 31 March 2017	Real Increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
Name	Bands of £5000	Bands of £5000	Bands of £2500	Bands of £2500	£000	£000	£000	£000
Patrick Crowley Chief Executive	65-70	195-200	1.0-2.5	2.5-5.0	1,422	1,526	104	14
Andrew Bertram Director of Finance	45-50	125-130	2.5-5.0	2.5-5.0	672	735	64	20
Mike Proctor Dep Chief Executive	0	0	0	0	0	0	0	0
Beverley Geary Chief Nurse	35-40	105-110	2.5-5.0	10.0-12.5	512	592	79	18
Juliet Walters Chief Operating Officer	65-70	195-200	2.5-5.0	7.5-10.0	1,218	1,310	91	21
Jim Taylor Medical Director	50-55	155-1600	0	0	1,040	1,040	0	0
Sue Rushbrook Director Systems & Network services	55-60	165-170	1.0-2.5	2.5-5.0	1,211	1,273	62	9
Brian Golding Director of Estates & Facilities	25-30	85-90	1.0-2.5	5.0-7.5	510	564	54	16
Wendy Scott Director of Out of Hospital Services	30-35	80-85	5.0-7.5	10.0-12.5	417	512	95	14

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 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 cash equivalent

transfer value 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 cash equivalent transfer value 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. Cash equivalent transfer values are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real increase in cash equivalent transfer value reflects the increase in cash equivalent transfer value 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



Patrick Crowley
Chief Executive
30 May 2017

Staff Report

Staff Numbers

The table below provides a summary of the staff employed by the organisation during 2016/17 broken down by age, ethnicity, gender and recorded disabilities. At the 31 March 2017, the Trust has 7,985 permanent employees and 636 staff holding fixed term contracts.

	Staff 2016-17	%	Staff 2015-16	%
Age				
0-16	2	0.02	0	0.00
17-21	108	1.25	144	1.66
22+	8,511	98.72	8,550	98.34
Unknown	0	0.00	0	0.00
Ethnicity				
White	7,730	89.66	7,882	90.66
Mixed	72	0.84	78	0.90
Asian or Asian British	345	4.00	315	3.62
Black or Black British	72	0.84	64	0.74
Other	131	1.52	130	1.5
Not stated	271	3.14	225	2.59
Gender				
Male	1,810	21.00	1,755	20.19
Female	6,811	79.00	6,939	79.81
Not stated	0	0.00	0	0.00
Trans-gender	0	0.00	0	0.00
Recorded disabilities				
Yes	128	1.48	112	1.29
No	4,609	53.46	4,243	48.80
Not stated	400	4.64	522	6.00
Unknown	3,484	40.41	3,817	43.90

Staff Survey

The staff survey includes an overall indicator of staff engagement. The indicator is calculated based on responses to the individual questions which make up key findings 1, 4 and 7. 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 3.78 was the same as for 2015, and average when compared with other combined acute and community Trusts.

	2015 staff survey		2016 staff survey		Improvement or deterioration since 2015
	Trust	National average for combined acute and community trusts	Trust	National average for combined acute and community trusts	
Response rate	45%	41%	48%	40%	Improvement of 3% since 2015
Top 5 key findings (best ranked in comparison to other combined acute and community trusts)					
KF17 – % of staff suffering work related stress in last 12 months (<i>lower score is better</i>)	33%	36%	32%	36%	No statistically significant change since 2015
KF21 – % of staff believing that the organisation provides equal opportunities for career progression or promotion (<i>higher score is better</i>)	89%	87%	90%	87%	No statistically significant change since 2015
KF11 – % of staff appraised in last 12 months (<i>higher score is better</i>)	80%	86%	88%	86%	Improvement since 2015
KF28 – % of staff witnessing potentially harmful errors, near misses or incidents in last	30%	29%	28%	29%	Improvement since 2015

	2015 staff survey		2016 staff survey		Improvement or deterioration since 2015
	Trust	National average for combined acute and community trusts	Trust	National average for combined acute and community trusts	
month (<i>lower score is better</i>)					
KF14 – staff satisfaction with resourcing and support (<i>higher score is better</i>)	3.32	3.30	3.34	3.28	No statistically significant change since 2015
Bottom 5 key findings (worst ranked in comparison to other combined acute and community trusts)					
KF32 – Effective use of patient/service user feedback (<i>higher score is better</i>)	3.57	3.65	3.56	3.68	No statistically significant change since 2015
KF22 – % of staff experiencing physical violence from patients, relatives or the public in last 12 months (<i>lower score is better</i>)	13%	14%	16%	13%	Deterioration since 2015
KF30 – fairness and effectiveness of procedures for reporting errors, near misses and incidents (<i>higher score is better</i>)	3.65	3.71	3.64	3.73	No statistically significant change since 2015
KF29 – % of staff	88%	90%	89%	91%	No statistically significant

	2015 staff survey		2016 staff survey		Improvement or deterioration since 2015
	Trust	National average for combined acute and community trusts	Trust	National average for combined acute and community trusts	
reporting errors, near misses or incidents witnessed in the last month <i>(higher score is better)</i>					change since 2015
KF27 – % of staff / colleagues reporting most recent experience of harassment, bullying or abuse <i>(higher score is better)</i>	40%	No figure available for comparison	42%	45%	No statistically significant change since 2015

A corporate action plan will focus on key themes from the survey, in particular those relating to those areas where the Trust's scores are poorer in comparison to other combined acute and community Trusts.

Our Staff

The figure below shows the number of full time equivalent staff the Trust has in post during the year in the Trust.

Full time equivalent staff in post by staff group

Average number of employees (WTE basis)

	2016/17			2015/16		
	Total Number	Perm Number	Other Number	Total Number	Perm Number	Other Number
Medical and dental	722	380	342	708	371	337
Administration and estates	1,690	1,595	95	1,660	1,560	100
Healthcare assistants and other support staff	1,525	1,307	218	1,371	1,347	24
Nursing, midwifery and health visiting staff	2,312	2,109	203	2,464	2,228	236

Scientific, therapeutic and technical staff	930	880	50	905	856	49
Healthcare science staff	334	320	14	328	316	12
Bank and agency staff	559	0	559	743	0	743
Total average numbers	8,072	6,591	1,481	8,179	6,678	1,501
of which						
WTE employees engaged on capital projects	19	19	0	18	18	0

Employee Expenses	2016/17			2015/16		
	Total £000	Perm £000	Other £000	Total £000	Perm £000	Other £000
Salaries and wages	248,913	227,507	21,406	245,694	220,793	24,901
Social security costs	24,198	22,117	2,081	18,901	17,275	1,626
Pension costs - defined contribution plans - Employers contributions to NHS Pensions	29,541	27,000	2,541	29,385	26,858	2,527
Pension costs – other	25	25	0	20	20	0
Termination benefits	126	126	0	595	595	0
Agency/contract staff	20,216	0	20,216	25,262	0	25,262
Total Staff Costs	323,019	276,775	46,244	319,857	265,541	54,316
of which						
Costs capitalised as part of assets	(910)	(910)	0	(963)	(963)	0
Total employee benefits excl. capitalised costs	322,109	275,865	46,244	318,894	264,578	54,316

The Trust's consultancy costs are:

	2016/17	2015/16
Consultancy costs	40	31

Gender Profile

The breakdown below includes information about staff at the end of the year in terms of male and female staff, directors, other managers and employees.

	Female		Male		Total
	Headcount	% of group	Headcount	% of group	
Directors	8	47%	9	53%	17
Managers	44	58%	32	42%	76
All other staff	6759	79%	1769	21%	8528

Sickness Absence Rates

NHS sickness absence figures for 2016/17 have been extracted from the Electronic Staff Record, and cover the period from January 2016 to December 2016.

	Average of 12 Months sickness rate	Average full time equivalents (FTE) 2016/17	FTE-days available	FTE-days lost to sickness absence	Average sick days per FTE
York Teaching Hospital NHS Foundation Trust	4.14%	7,234	2,618,012	108,388	14.98

Employment Policies

The Trust's policies aim to ensure that job applicants and employees are treated fairly and are not subject to discrimination, harassment or victimisation on the grounds of a protected characteristic. This applies to recruitment and selection, promotion, transfer, training, discipline and grievance, and all terms and conditions of employment. We are a 'Mindful Employer' which means we are signed up to a voluntary charter along with numerous other organisations, all of whom are positive about mental health.

Policy applied for the continuing employment of disabled persons

As a Foundation Trust, the Trust understands the important role it plays as an active and socially responsible member of the local community and that patients, clients and staff are representative of the community the Trust serves.

The Trust holds the Disability Confident Employer symbol, which replaced the Two Ticks scheme in 2016. The new scheme provides a higher level award called 'Disability Confident Leader', and this is an award which the Trust is committed to achieve.

By displaying the Disability Confident Employer symbol, the Trust aims to interview all disabled applicants who meet the minimum criteria for a job vacancy. The Trust is committed to providing candidates with a disability

appropriate adjustments throughout the recruitment process to enable the individual to perform to the very best of their ability. This commitment to making reasonable adjustments continues during any future employment with the Trust.

The Trust recognises its responsibility to provide, as far as is reasonably practicable, job security of all employees and is committed to acting fairly and reasonably to any employees that become disabled during their employment with the Trust.

Policy Applied for Career Development of Disabled Persons

The Trust knows that having a committed and motivated workforce depends on staff feeling that they are treated fairly, with respect and dignity and have an equal opportunity for self-development. The Trust is committed to ensuring that staff are not discriminated against, harassed or victimised. Should anyone feel this to be the case, we want staff to feel confident about using policies to raise concerns and to have them addressed.

Policies for Disabled Employees and Equal Opportunities

To advance equality of opportunity for employees, the Trust removes or minimises the disadvantages suffered by people due to their protected characteristic, for example through values-based recruitment and assessment centres for senior posts. The Trust encourages participation in public life for those with disabilities, such as working with Project Choice who offer work experience, supported learning and internships for 16-25 year olds with a learning disability, difficulty or autism.

Consulting with Staff

The Trust will continue to give priority to engaging with staff, setting high standards, learning from the staff experience and strengthening partnership working. Ensuring active staff involvement in the management and direction of services at all levels is achieved through, valuing staff, listening and responding to their views and monitoring quality workforce indicators. Equally, staff need to see that their input is valued and that the Trust is responsive to their views in the decisions it takes, building on that positive relationship. To continue to engender a culture of transparency the Trust has invested in a full time Freedom to Speak Up / Safe Working Guardian.

In 2016, all staff were given the opportunity to give feedback via the Staff Friends & Family Test. As well as the two standard national questions about whether staff would recommend the Trust as a place to work, or as a place to receive care, an organisational question was asked about removing barriers to reporting bullying and each Directorate was given the opportunity to add a local question relevant to their specific area of work. All Directorates are therefore now able to triangulate the results.

Workforce and Organisational Development

Work continues to contribute to the development of a sustainable and resilient workforce and to address local and national workforce challenges over the past year. This has been through a number of projects as detailed under 'Developing a Workforce fit for the Future' and 'Stability in Staffing'.

A Seven Day Services Working Group was formed in Autumn 2015 to lead on the implementation of the national 7 day services "Keogh" standards across the Trust. A gap analysis has been undertaken against the four key standards highlighting the challenge ahead specifically for the Scarborough site. Progress is being made, albeit incrementally in some areas, to improve the position and move the Trust closer to full compliance by 2018 at the latest.

The Trust continues to support the achievement of operational plans by the provision of a comprehensive suite of internal organisational development programmes including leadership, coaching and quality improvement learning and enhanced communication. The Trust also offers organisational development consultancy, designed to support, empower and enable individuals and teams that are in transition, change or difficulty.

Being Attractive to New Staff

In 2016/17 the Trust has taken strides to improve candidates' experience of recruitment into the organisation. It has implemented a new centralised model of recruitment, which has helped to standardise the process of recruitment and selection and allowed us to provide a named contact in HR to every applicant who is made an offer of appointment, while also saving clinical time.

As part of this change, the Trust has invested in a new recruitment management system: TRAC. The system is tried and tested within the NHS to improve hire times, while delivering a more personalised experience to candidates. As well as reducing time-to-hire by an average of six days, it has also helped with the Trust's attractiveness to candidates by allowing us to publish all vacancies to our own web-site. This has been complemented by increasing our usage of social media, with one Trust post to Facebook last year reaching a passive audience of more than 70,000 people.

During the same period, the organisation has done a great deal to engage directly with potential applicants through a range of different local events, including job and university fairs and school events, with the Trust attending events of these kind every 2.5 weeks (on average). The most notable successes, however, were recruitment fairs which took place at York and Scarborough Hospitals, both of which attracted a combined total of approximately 1,000 people and resulted in the Trust making 56 job offers to registered nurses.

The Trust also continues to run rolling campaigns for registered and unregistered nursing staff, and has made approximately 500 offers of appointment during the last financial year.

Looking after our current workforce and ensuring their health and wellbeing

The Trust's established reputation for supporting staff health and wellbeing has been further enhanced during 2016 as a pilot site for the NHS England Healthy Workforce Programme. Staff are encouraged to take personal responsibility for increasing their physical activity levels and making healthier eating and lifestyle choices in order to maximise productivity and reduce absence (and the associated temporary staffing costs). Where the Trust does not provide services directly to enable staff to do this, the Staff Benefits Team provides individuals with access to discounted and subsidised services. Particular focus has been placed on support for mental health and musculoskeletal health in 2016, and this will continue in 2017 as these two categories are responsible for approximately 40 per cent of all absences. Many staff will remain at work but not performing at their optimum (known as presenteeism) which has an impact on patient experience and the quality of care; so in addition to rehabilitation services the organisation is now also focusing resources on preventative support and educational / self-help interventions.

Developing a Workforce Fit for the Future

The Trust continues to use models such as the as a tool to underpin and support workforce transformation. Recent and current projects have focused on areas such as Haematology/oncology, Acute Stroke Unit, Continence team, Emergency Departments (York and Scarborough), Endoscopy, Laboratory Medicine, Child Health, Neonatal Care, Maternity Services, Surgical Day Unit, Outpatients (all sites), Head and Neck and Rheumatology. Across all workforce development projects the focus is on identifying potential for working differently in ways which will enhance efficiency, effectiveness and quality of the services offered, therefore improving the patient's experience. The Trust has trained and subsequently employed 17 qualified Advanced Nurse Practitioners and is continuing to invest in Advanced Nurse Practitioner training with another 11 commencing their training in 2017. They will support service delivery across emergency medicine, acute medicine and community.

In addition, there has been a particular focus on developing our workforce along the East Coast over the past year. A bespoke HNC in health & social care for support staff working in Malton has been developed & delivered in partnership with Coventry University. Further partnership work with Scarborough 6th Form & Coventry University is ongoing to develop a career pathway for health & social care students using an apprenticeship model. In partnership with the University of York, the Trust has also been successful in a bid to pilot a program for 20 nursing associates as a 'Fast Follower' site in the national pilot.

Counter Fraud Polices

All staff have access to the Counter Fraud Service in the Trust. Staff are able to access the policies supporting the counter fraud work. More details can be found on page 152.

Reporting high paid off-payroll arrangements

The Trust had no off-payroll engagements.

Disclosures set out in the NHS Foundation Trust Code of Governance

York Teaching Hospital NHS Foundation Trust has applied the principles of the NHS Foundation Code of Governance on a 'comply or explain' basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012. The Trust reviewed its governance arrangements in light of the code and makes the following statements.

Directors

The Trust is headed by a Board; it exercises its functions effectively, efficiently and economically. The Board is a unitary Board consisting of a Non-executive Chair, six Non-executive Directors and six Executive Directors (seven Non-executive Directors from 1 March 2017 due to succession planning). Full details of members of the Board and changes to the membership of the Board during 2016/17 can be found on page 38.

The Board provides active leadership within a framework of prudent and effective controls and ensures it is compliant with the terms of its licence. The Board meets a minimum of 12 times a year so that it can regularly discharge its duties.

The Non-executive Directors hold Executive Directors to account through scrutiny of performance outcomes, management of business process systems and quality controls, and satisfy themselves as to the integrity of financial, clinical and other information. Financial and clinical quality control systems of risk management are robust and defensible.

The Non-executive Directors, through the Remuneration Committee, fulfil their responsibility for determining appropriate levels of remuneration of Executive Directors. The Committee is provided with benchmark data to support the decision being made about the level of remuneration for the Executive Directors. More details about the Remuneration Committee can be found on page 48.

The Board reviews the strategic aims and takes responsibility for the quality and safety of 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 it meets the obligations the Trust has to its patients, members, staff and other stakeholders.

The appointment process for the Chair and Non-executive Directors is detailed on page 91 and 92 and forms part of the information included in the standing orders written for the Council of Governors. Each year the Chair and Non-executive Directors receive an appraisal which is reviewed by the Council of Governors. The Chair undertakes an appraisal of the Chief Executive and the Chief Executive undertakes the appraisal of the Executive Directors. Details of the approach to appraisals can be found on page 96 of this report

The Chair

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

Governors

The Trust has a Council of Governors that is responsible for representing the interests of the Members of the Trust, partners, voluntary organisations within the local health economy and the general community served by the Trust. 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 feedback information about the Trust to Members and the local community through a newsletter and information placed on the Trust's website.

The Council of Governors consists of elected and appointed Governors. More than half of 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 the constitution. The next elections will be held during summer 2017.

The Council of Governors has in place a process for the appointment of the Chair which includes understanding the other commitments a prospective candidate has. The Council of Governors appointed a new Chair during 2014/15 who took up office from 1 April 2015. The Chair has confirmed to the Council of Governors that she has no other significant commitments, other than as a Non-executive Director at the Beverley Building Society.

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.

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

The Chair, having sought the views of the Non-executive Directors and Executive Director Board members, reviews the performance of the Chief Executive as part of the annual appraisal process.

The Chief Executive evaluates the performance of the Executive Directors on an annual basis and the outcome is reported to the Chair. The Chair provides the Chief Executive with her view of the Executive Director's performance in the Board meeting.

Performance Evaluation of the Board and its Committees

Grant Thornton LLP conducted a Well Led Review as prescribed by NHS Improvement (formally known as Monitor) in 2015/16. The review concentrated on the quality of the governance in place in the organisation. The review required the directors to complete a self-assessment which was used as the basis for the review. Grant Thornton undertook a number of interviews with key members of staff and Directors and observed board Committees and a Board meeting. Grant Thornton also ran a number of focus groups and tested the governance from the Ward to Board. More details of the outcome of the review can be found on page 59 and 60.

Appointment of Members of the Board of Directors

The Council of Governors is responsible for the appointment of the Chair and Non-executive Directors. The Governors have a standing Nominations/Remuneration Committee which takes responsibility for leading the process of appointment on behalf of the Council of Governors. The Non-executive Directors are responsible for the appointment of the Executive Directors, including the Chief Executive. The Council of Governors is required to approve the appointment of the Chief Executive.

The Process for the Appointment of the Chair

During 2014, the Council of Governors and the Governors Nomination/Remuneration Committee considered and agreed the process for the appointment of the Chair. The Governors agreed that the Trust should undertake the recruitment in-house. The Council of Governors agreed that the Nomination/Remuneration Committee should agree the job description and criteria for the post, along with approving the advertisement and the appointment process.

The process agreed by the Governors Nomination/Remuneration Committee requires the post to be advertised in the local press and letters explaining the vacancy to be sent to local businesses. Long lists of applicants are reviewed for compliance with the requirements of the constitution and a short list of candidates is agreed by the Nomination/Remuneration Committee. The candidates are required to complete a Fit and Proper Person Declaration; an online search is undertaken and the Trust asks the External Auditors to undertake an independent search against each declaration.

The shortlisted candidates are asked to attend a one-to-one interview that tests pre-agreed requirements. This is followed by a number of group interviews which involve membership from Governors, Directors and members of staff and an unseen presentation. The candidates will then be asked to attend a final interview. The panel for the final interview comprises the Lead Governor and four other Governors, along with an invited external advisor. After the final interview, the panel discusses the candidates and agrees what recommendation to put forward to the Council of Governors for approval. Following approval by the Council of Governors, the successful candidate is advised of their appointment.

Throughout the process both the Nomination/Remuneration Committee and the Council of Governors are updated on progress.

The Process for the appointment of the Non-Executive Directors

Once it has been established that there is a 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 to develop a shortlist. Governors 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. Recruitment took place for an Audit Chair in 2016 and, following approval by the Council of Governors, an appointment was made on the 1 March 2017.

Appointment of Executive Directors

The Trust appointed a Medical Director in 2015/16. The process the Board chose to adopt was similar to that used in the past. The Trust placed an advertisement in appropriate media and received a number of applications. Each candidate was invited to attend an assessment centre. The assessment centre was made up of a number of activities including panel interviews. The membership was taken from across the organisation and including the Executive Directors, Clinical Directors, Governors, Matrons and Senior Leads. The candidates were also asked to give a presentation on an unseen topic. Following the assessment centre, the number of candidates were reduced to four and invited to a panel interview. The panel membership included the Chair, a number of Non-executive Directors, the Chief Executive, Chief Nurse and Head of Workforce.

Compliance with the Code of Governance

The Board confirmed it complies with the Code of Governance except in the following areas.

Requirements	Explanation
<p><u>Paragraph B1.1</u> 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 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:</p> <ul style="list-style-type: none"> • has, or has had, within the last 3 years, a material business relationship with the NHS Foundation Trust, either directly, or as a partner, shareholder, director or senior employee of a board of directors that has such a relationship with the NHS Foundation Trust; • has close family ties with any of the NHS Foundation Trust's advisors, directors or senior employees; • has served on the Board of the NHS Foundation Trust for more than six years from the date of their first appointment; 	<p>One of the Executive Director's spouse is a member of the senior nursing team in the Trust. One of the Non-executive Director's spouse is a member of senior medical team.</p> <p>One Non-executive Director's spouse is a senior clinician working in the Trust. One Executive Director's spouse is a senior member of the nursing team in the Trust.</p> <p>Three of the Non-executive Directors were reappointed for a third three year term by the Council of Governors. The Governors specifically confirmed that the individuals had received positive and successful approvals during the year. One Non-</p>

Requirements	Explanation
<ul style="list-style-type: none"> • is an appointed representative of the NHS Foundation Trust's university medical or dental school; • At least half the Board of Directors, excluding the Chairperson, should comprise Non-executive Directors determined by the Board to be independent. 	<p>executive Director is in his final term of office which will conclude on 31 August 2017.</p> <p>The Council of Governors has chosen not to make an appointment to the Board from the university medical or dental school. The Council of Governors does have an appointment process and considers the skills that are being sought for each appointment</p> <p>Seven members of the Board are Non-executive Directors which includes Chair. Six members of the Board are voting Executive Directors and Three members of the Board are non-voting Directors. The Board will have eight Non-executive Directors for the period March 2017 to August 2017 inclusive which is due to succession planning.</p>

Responsibility for preparing the annual report and accounts

The Directors of the Trust are responsible for the preparation of the Annual Report and Accounts. The Directors approve the Annual Report and Accounts prior to their publication. The Directors are of the opinion that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.

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. The Board, through the Chief Executive and the Chair, provides regular updates to the Council of Governors on developments being undertaken in the Trust. The Board encourages 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 Director, or Non-executive Director, will ensure that the Council of Governors are provided with any information, for example, the Trust has materially changed the financial standing of the Trust, or the performance of its business has changed, 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, healthcare delivery performance or reputation and standing of the Trust.

The Chair of the Trust also acts as Chair of the Council of Governors. The Chair's position is unique and allows her 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 occurs, in the first instance, the Chair of the Trust would endeavour to resolve the dispute.

Should the Chair 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 being unable 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 NHS Improvement, the sector regulator, in exceptional circumstances where the internal mechanisms have not satisfied the Council of Governor's concern. The Independent Panel for advising Governors was disbanded in January 2017.

The Board makes decisions about the functioning of the Trust and, where appropriate, consults 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 a private session, and to NHS Improvement.

The Council of Governors is responsible for the decisions around the appointment of 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 Chair. The Council of Governors sets the remuneration of the Non-executive Directors and the Chair. The Council of Governors is encouraged to discuss decisions made by the Trust and highlight any concerns it has. 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.

Board Balance, Completeness and Appropriateness

As at year ending 31 March 2017, the Board of Directors for York Teaching Hospital NHS Foundation Trust comprised six Executive Directors, seven Independent Non-executive Directors and an Independent Non-executive Chair. Jenny McAleese was appointed on the 1 March 2017 to replace Philip Ashton who leaves at the end of August 2017.

In October 2016 Susan Holden resigned from the Trust.

The remainder of the composition of the Board of Directors has not changed during the financial year 2016/17.

Appraisal of Board Members

The Chair 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. The appraisals are used as an opportunity to provide a basis for both individual and collective development programmes. A programme of appraisals has been run during 2016/17 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 Chair. The Chair has put in place a robust system where she discusses the outcome of her enquires with the Chief Executive and draws up a set of objectives. The Board of Directors receives the objectives at a Board meeting.

The Board of Directors maintains a register of interests as required by the constitution and Schedule 7 section 20 (1) of the 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 Interests.

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 39 of this report.

Internal Audit Function

The Trust has an Internal Audit function in place that provides support to the management of the organisation. Details of the Internal Audit function can be found on page 51.

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, which they attend on a regular basis. The Board of Directors and the Governors meet at the two 'Board to Board' meetings held during the year. The first concentrated on elements of the Sustainability and Transformation Plan. The second, held in November, provided the opportunity for the Board members and the Governors to discuss key issues.

Members of the Council of Governors and Non-executive Directors work together on other occasions through various groups and committees and also meet on a one-to-one basis during the year.

Corporate Directors' Remuneration

The Remuneration Committee meets on a regular basis, 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 48. The Council of Governors has a Nominations/Remuneration Committee which meets a minimum of four times a year. Part of the role of this Committee is to review the remuneration of the Non-executive Directors. Details of the Nominations/Remuneration Committee can be found on page 107.

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 49.

Relations and Stakeholders

The Board of Directors has ensured that there is satisfactory dialogue with its stakeholders during the year. Examples of the Trust working with stakeholders can be found on page 69.

Council of Governors

Annual Report – Council of Governors

All NHS Foundation Trusts are 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 public and staff members and partner organisations in the local health economy.

As a public benefit corporation the Trust is accountable to the local community 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 legislation and detailed in the Trust's constitution. The primary function of the Council of Governors is;

- To hold the Non-executive Directors individually and collectively to account for the performance of the Board of Directors;
- To represent the interests of the Members of the Trust as a whole and the interests of the public.

The Council of Governors has a right to be consulted on the Trust's strategies and plans, and any matter of significance affecting the Trust of 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 is specifically responsible for:

- The appointment and removal of the Chair 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.

The Council of Governors holds the Board of Directors to account for the performance of the Trust and receives both the agenda and minutes of each public Board of Directors meeting. The Council of Governors has regularly received details of significant projects and strategies. The Council of Governors works with the Board of Directors in an advisory capacity, bringing the views of staff and local people forward, and helps to shape the Trust's future. In addition to the formal responsibilities, its role include:

- 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 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 NHS Improvement;
- Being consulted on any changes to the Trust's constitution;
- Agreeing the Chair's and Non-executive Directors remuneration;
- Providing representatives to serve on specific groups and committees working in partnerships with the Board of Directors;
- Informing NHS Improvement if the Trust is at risk of breaching its terms of authorisation, if the concerns cannot be resolved within the Trust.

The Council of Governors at York Teaching Hospital NHS Foundation Trust currently has 26 Governor seats in the constitution:

Public Governors	Sixteen elected seats
Staff Governors	Five elected seats
Stakeholder Governors: Local Authorities Healthcare Organisations Local Universities Voluntary groups	Five appointed: <ul style="list-style-type: none"> • One seat • Two seats • One seat • One seat

Governor Elections

The Trust held an election during 2016. The next elections will be held during the summer of 2017. The following seats will be included in the elections:

- York constituency – Two seats;
- Bridlington constituency – One seat;
- Scarborough constituency – One seat;
- Ryedale and East Yorkshire constituency – One seat;
- Staff – Three seats.

The elections process will begin at the end of June 2017 and the election results will be announced at the end of September 2017.

The Chair also acts as Chair of the Council of Governors.

The Governors

Listed below are the members, elected or appointed, currently serving on the Council of Governors, including those who have ceased being members of the Council of Governors during the year.

Name	Initial appointment year	Date appointed	Term of office	End of Term date
Hambleton (1 seat)				
Catherine Thompson	2016	10.08.16	3 Years	30.09.19
Scarborough and Bridlington Constituency (2 seats in Scarborough, 2 seats in Bridlington)				
Diane Rose	2015	01.10.15	3 Years	30.09.18
David Wheeler	2012	01.10.14	3 Years	30.09.17
Clive Neale	2014	01.10.14	3 Years	30.09.17
Patricia Stovell	2015	01.10.15	3 Years	30.09.18
Selby Constituency (2 seats)				
Ann Bolland	2012	01.10.15	3 Years	30.09.18
Andrew Butler	2012	01.10.14	3 Years	Resigned June 16
Roland Chilvers	2016	21.07.16	3 Years	30.09.19
Ryedale and East Yorkshire Constituency (3 seats)				
Jeanette Anness	2012	01.10.15	3 Years	30.09.18
Sheila Miller	2012	01.10.14	3 Years	30.09.17
Andrew Butler	2016	01.10.16	3 Years	09.08.19

Whitby Constituency (1 seat)				
Stephen Hinchliffe	2012	01.10.15	3 Years	30.09.18
York Constituency (5 seats)				
Michael Reakes	2016	01.10.16	3 Years	30.09.19
Helen Fields	2013	01.10.16	3 Years	30.09.19
Margaret Jackson	2012	01.10.14	3 Years	30.09.17
Robert Wright	2014	01.10.14	3 Years	30.09.17
John Cooke	2015	01.10.15	3 Years	30.09.18
North Yorkshire County Council (1 seat)				
Chris Pearson	2015	01.10.15	3 Years	30.09.18
City of York Council (1 seat)				
John Galvin	2015	01.10.15	3 Years	Resigned Apr 16 – not replaced
University of York (1 seat)				
Rowena Jacobs	2012	01.03.15	3 Years	Resigned Jan 17 – awaiting new apt.
North Yorkshire & York Forum (1 seat)				
Michael Beckett	2012	01.10.15	3 Years	Resigned Jan 17 – awaiting new apt.
Healthcare Organisations (2 Seats)				
Dawn Clements	2016	01.12.16	3 Years	30.09.19
Karen Porter	2017	01.01.17	3 Years	01.01.20
Community (1 seat)				
Sharon Hurst	2015	01.10.15	3 Years	30.09.18

Scarborough and Bridlington (2 seats)				
Helen Noble	2012	01.10.14	3 Years	30.09.17
Andrew Bennett	2014	01.10.14	3 Years	30.09.17
York (2 seats)				
Mick Lee	2014	01.10.14	3 Years	30.09.17
Elizabeth Jackson	2014	01.10.14	3 Years	Resigned Apr 16
Emma Sellwood	2016	01.10.16	3 Years	Resigned Mar 17

The Council of Governors Meetings

The Council of Governors met in public four times during the year to discuss and comment on a number of aspects of the functioning of the Trust.

Training for Governors

To ensure the Governors are equipped with the skills they need to undertake their role, the Trust has delivered a programme of training for Governors during the year. The Governors have received sessions on Electronic Prescribing, Corporate Efficiencies, a visit to the Pharmacy Department, together with information on information governance and meeting etiquette. In December 2016 the Governors attended a facilitated full day session by Governwell from NHS Providers which covered Governance, the Role of Governors, an Introduction to NHS Finances and Business Skills, an insight into Quality Matters and a session on Effective Questioning and Challenge.

Two induction sessions were provided for new Governors in October and November 2016.

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 received regular updates on the Sustainability and Transformation Plan and were invited to a facilitated session by the Executive Team.

Board to Council of Governors meetings were held in April and November 2016 and covered a number of subjects including the following:

- Sustainability & Transformation Plan;
- Out of Hospital Strategy;
- Bridlington Elective Centre;
- Emergency Care (Patient Education);

- Ambition for Health;
- Nursing (recruitment and development of new roles);
- Out of Hospital Strategy;
- Acute Medical Model Metrics;
- Estates Strategy/Sustainability;
- Carter Review.

The table below shows the attendance of Governors at the formal Council of Governors meetings.

Attendees	16 Jun 2016	08 Sept 2016	06 Dec 2016	05 Jan 2017	09 Mar 2017	Total meetings attended
PUBLIC CONSTITUENCIES						
Hambleton Constituency (1 seat)						
Catherine Thompson	Appointed Sept 2016		A	A	√	1/3
Scarborough and Bridlington Constituency (2 seats in Scarborough, 2 seats in Bridlington)						
Pat Stovell	√	√	A	A	√	3/5
Clive Neale	√	√	√	A	√	4/5
Diane Rose	A	√	√	√	A	3/5
David Wheeler	√	√	√	A	√	4/5
Selby Constituency (2 seats)						
Ann Bolland	√	A	A	√	√	3/5
Andrew Butler	√	Resigned June 2016				1/1
Roland Chilvers	Appointed Sept 2016		A	√	√	2/3
Ryedale and East Yorkshire Constituency (3 seats)						
Jeanette Anness	√	√	√	√	√	5/5
Sheila Miller	√	A	√	√	√	4/5
Andrew Butler	Appointed Sept 2016		√	A	√	2/3
Whitby Constituency (1 seat)						

Stephen Hinchliffe	A	√	√	√	A	3/5
York Constituency (5 seats)						
John Cooke	√	A	√	A	A	2/5
Helen Fields	√	√	√	√	√	5/5
Margaret Jackson	√	√	√	√	√	5/5
Michael Reakes	Appointed Sept 2016		√	√	√	3/3
Robert Wright	√	√	A	√	√	4/5
PARTNERSHIP ORGANISATIONS						
North Yorkshire & York Forum (1 seat)						
Michael Beckett	A	A	A	Resigned Jan 17		0/3
North Yorkshire County Council (1 seat)						
Chris Pearson	√	√	√	A	√	4/5
Project Choice (1 seat)						
Karen Porter	-	-	-	-	√	1/1
University of York (1 seat)						
Rowena Jacobs	√	A	√	√	Resigned Jan 17	3/4
Hospice Movement						
Dawn Clements	Appointed Dec 2016		√	A	√	2/3
STAFF CONSTITUENCIES						
Community (1 seat)						
Sharon Hurst	√	√	√	√	A	4/5
Scarborough and Bridlington (2 seats)						
Helen Noble	√	√	A	A	A	2/5
Andrew	√	√	√	A	A	3/5

Bennett						
York (2 seats)						
Emma Sellwood	Appointed Sept 2016		√	√	√	3/3
Mick Lee	√	A	√	√	√	4/5

Register of Governor 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:

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

Or by emailing enquiries@york.nhs.uk

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 claimed during the year from 1 April 2016 to 31 March 2017 by Governors was £5,623.

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 2016 to 31 March 2017.

Appointment of the Lead Governor

The process for the appointment of Lead Governor requires Governors to put their name forward and provide a statement. These names and statements are put forward to the full Council of Governors as an election and the Governors vote for who they would like as their Lead Governor. The Council

of Governors followed this process and appointed Margaret Jackson as Lead Governor from 1 April 2014. Margaret Jackson's term of office came up for election and she was reappointed as a Governor for a further three years in September 2014 where the Council of Governors confirmed that they wished for her to continue as Lead Governor. Her term of office is due to finish in September 2017 subject to re-election for a further term.

Lead Governor Annual Report

This has been an increasingly challenging year for the Trust, but as Governors we are extremely pleased to note that every opportunity has been made to keep the patient experience at the centre of all the Trust does. Despite the huge financial pressures the Trust is under, every effort has been made to maintain the standard of care patients receive including ensuring the appropriate staffing levels are in place to support this. The employment of new staff has been particularly challenging and all opportunities have been taken to recruit staff across all specialties. Governors have been very pleased to be involved in recruiting new employees and one of our Governors has been supporting nurses from Spain and making their transition into life here in England as easy as possible.

Governors have been actively involved in a number of committees across the organisation, ensuring that the patient voice is represented and taken account of at all times. Governors share their experience and information received at these meetings with their Governor colleagues to ensure that everyone is as up to date as possible. This information is given in writing and supported by verbal reports by the Governors from each group/committee. As well as attending Trust meetings, Governors have attended local groups within their community such as the patient participation groups at the local Surgery/General Practice. This has supported the Governors in hearing the views of their local community and to share information about any developments or changes within the Trust.

The Governor Forum was set up last year to enable Governors to share information and debate issues with their colleagues and highlight topics that they would like to raise with the Trust. The Foundation Trust Secretary, Chair and Lead Governor discuss issues raised after the forum and decide how best to address the issue and by whom. Governors attend the public Board Meeting as observers and have in the last year attended some of the Trust Committees chaired by a Non-executive Director, again as observers. This enables the Governors to see how the Non-executive Directors function and carry out their role. Governors have been able to contribute towards the annual appraisal of each Non-executive Directors and the Chair.

This year there has also been a Board to Governor meeting and a meeting to discuss the Sustainable Transformation Plan. This enabled Governors to have direct discussion with Executives, Senior Managers and Non-executive Directors about these topics increasing their understanding of the issue and answering any of their questions.

Governors have been pleased to continue to work with the Foundation Trust Secretary to develop the membership, increase the numbers and age range. Support has been given at the recruitment days with Governors staffing a membership stall. These events have been well attended by the local communities and proved to be very successful in recruiting staff and volunteers as well as raising awareness of becoming a member of the Trust and the benefits this brings. Everyone is encouraged to attend the public part of the monthly Board Meeting as an observer to raise their understanding of the Trust, the issues it faces and how these are being addressed. The date, day, time and venue for the Public Board Meetings are on the Trust website.

Finally, Governors were invited to join everyone at the annual "Celebration of Achievement" award ceremony and once again were very impressed with all the work being undertaken by individuals and teams of staff across the Trust to ensure best practice was in place and patients received the best possible evidenced-based care. It was a very informative and enjoyable evening. The Governor award went to "Project Choice" which is a project to support young people with learning disabilities to gain employment.

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 welcomed some new members following the elections. This has meant that during the early part of 2017 the Governors have reviewed the groups and committees and replacements have been confirmed.

Nominations/Remuneration Committee

The Committee met four times during the year as planned.

The membership of the Committee was as follows:

Susan Symington – Chair of the Trust (Chair)
Lynda Provins – Foundation Trust Secretary
Margaret Jackson – Lead Governor (Vice-Chair)
Ann Bolland – Public Governor, Selby
Helen Fields – Public Governor, York
Jeanette Anness – Public Governor, Ryedale and East Yorkshire
Mick Lee - Staff Governor, York
Robert Wright – Public Governor, York
Rowena Jacobs – Appointed Governor, York University
Sheila Miller – Public Governor, Ryedale and East Yorkshire
Stephen Hinchliffe – Public Governor, Whitby

During the year, issues included;

- Annual review of remuneration of the seven Non-executive Directors (including the Chair). This year, the remuneration was one per cent which equalled that of staff in general.

- Annual appraisal of all seven Non-executive Directors (including the Chair). The Chair's appraisal is conducted by the Lead Governor and the Senior Independent Director (Philip Ashton). The Non-executive Director appraisals are conducted by the Chair. All appraisals include the opportunity for any Governor and Director 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. When each appraisal is presented, the timelines for the Non-executive Director's period of office are reviewed.

The Committee reflected on the process for appointment of a new Non-executive Director and will take the learning forward to help shape the future Non-executive Director appointment processes.

It is noted that, in the year ahead, that three Non-executive Directors will reach the end of their current term of office. One of these is the Senior Independent Director and Audit Committee Chair, who will have completed three terms. Non-executive Director recruitment has been carried out during the year and an appointment was made in March 2017 which was fully supported by the Committee and the Council of Governors. The terms-of-reference and work programme of the Committee were reviewed.

Items discussed at the Nominations/ Remuneration Committee are highlighted to the private session of the full Council of Governors and the Chair offers time for discussion. In the Council's subsequent meeting in public, the Chair briefly summarises the recommendations put forward by the Committee and their approval (or not) by the full Council of Governors.

Susan Symington Chair of the Committee

Community Services Group

The Community Services Group is a quarterly meeting of Governors and others who represent the localities served by the Trust. Members include public and staff Governors, a Non-executive Director, representatives from Healthwatch and representatives from Community Services Management. The group is chaired by the Head of Strategy for Out of Hospital Services. The group has a wide remit, looking at any community services provided by the Trust and report back to the Council of Governors.

The group serves three key purposes;

- To provide a forum for Governors (on behalf of the Members and local communities) to raise any issues regarding community services;
- To provide a reference group for development in community services to gain insight from a public perspective;
- To keep Governors updated on the developments in community services.

The Governors are involved in exploring options for improving the links between public governors and the communities they represent.

Steve Reed, Chair of the Group

Constitution Review Group

The membership of the Constitutional Review Group includes:

Lynda Provins, Foundation Trust Secretary
Andrew Butler, Governor for Ryedale and East Yorkshire
Ann Bolland, Governor for Selby
Sheila Miller, Governor for Ryedale and East Yorkshire
Jeanette Anness, Governor for Ryedale and East Yorkshire
Mick Lee, Staff Governor, York

The Constitutional Review Group has met during the year to discuss and review the Trust's Constitution and make recommendations to the Board and Council of Governors. The recommendation made in 2016 was to allow for the appointment of a seventh NED (not including the Chair) if required, which was approved by the Board and Council of Governors. It should be noted that currently, the Trust has seven Non-executive Directors (not including the Chair) due to the appointment of a replacement for the Audit Chair who leaves in August 2017. The Group is currently reviewing their work programme and will be looking at training and development, appointments, the code of conduct and a review of the constitution, significant transactions and the appointment of the External Auditors.

Foundation Trust Membership

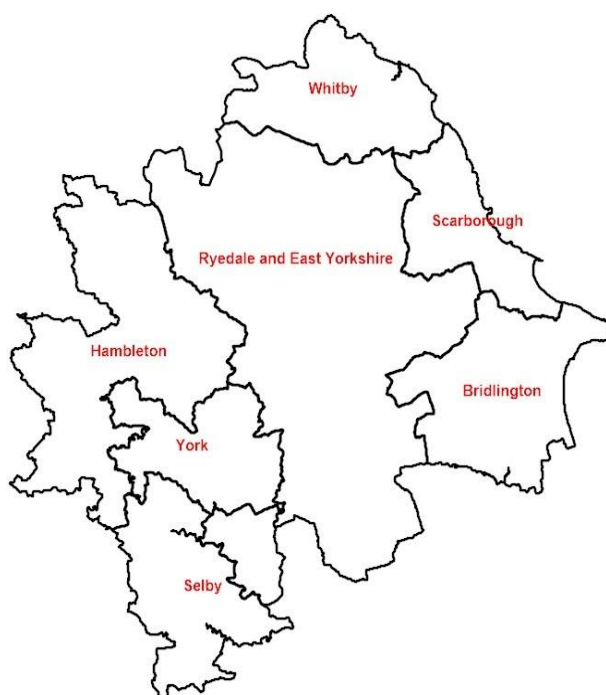
Introduction

The focus of the past year has been to consolidate our membership.

The Trust's Current Catchment Area

The map below shows the seven communities the Trust now serves and each one forms a public constituency for our membership.

The York and Scarborough Catchment Area



The Trust has defined its 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 which is either run by or has services provided by the Trust. These are places that the local population clearly identify with and care much about; it is the Trust’s experience this is a key issue for membership.

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 Hospital in York)

*Archways Intermediate Care Unit in York closed from the end of 2016, with services to be provided in future through the Trust’s Community Response Team.

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 and Sutton, Shipton, Stillington, Tollerton and White Horse. The additional areas now included in the constituency are Northallerton, Bromfield, Northallerton Central, Romanby, Sowerby, Thirsk, Throntons, Topcliffe, Whitestone Cliff, Bishop Monkton, Boroughbridge, Carlo, Hookstone, Knaresborough East, Knaresborough King James, Knaresborough Scriven park, Newby, Pannal, Ribston, Ripon Minster, Ripon Mooreside, Ripon Spa, Spofforth with Lower Wharfedale, Starbeck, Wetherby. 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 hospital building transferred to NHS Property Services in November 2015 and the main community contract transferred to Humber Foundation Trust on the 1 March 2016. However, the Trust continues to provide a number of services, predominantly in the Outpatient Department.

The Scarborough constituency includes all 19 wards of Scarborough Borough Council. The hospital facility is:

- Scarborough and District Hospital (General Acute Hospital)

The Bridlington constituency includes all three wards of Bridlington Town Council, and the two wards East Riding Council, Drifffield and Rural and East Wolds and Coastal. The hospital facility is:

- Bridlington and District Hospital (General Hospital).

The Trust continues to keep the constituency areas under review during the year to ensure that the constituencies reflect the communities served by the Trust.

The Out of Area Public Members

The Trust 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.

Contact Points for Governors by Members

Members can contact Governors through the Trust using the Foundation Trust Secretary. The contact details are:

The Foundation Trust Secretary
York Teaching Hospital NHS Foundation Trust
Wigginton Road
York YO31 8HE
or by e-mailing enquiries@york.nhs.uk

Regulatory Rating

Care Quality Commission

The Trust has previously reported that it was subject to a Care Quality Commission inspection over three days from 17 to 20 March 2015. A further unannounced inspection took place between the 30 and 31 March 2015. This was part of the full inspection and the Care Quality Commission published its concluding report in October 2015 and assessed the organisation overall as 'Requiring Improvement'. Key issues related to performance against a number of national standards, both medical and nurse staffing, critical care services, attendance levels at statutory and mandatory training, the updating of clinical guidelines with a specific issue around records management and the privacy and dignity of a very small cohort of patients on the Nurse Enhanced Unit.

The report findings included a small number of improvement requirement notices, which all have an appointed executive lead. The Board of Directors received an update report on progress against the recommendations in March 2016; this indicated that the majority of actions were completed at the end of March 2016 and any further work required was incorporated into a merged governance action plan, which is further detailed below.

NHS Improvement Explanation of Ratings

Single Oversight Framework

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

- Quality of care;
- Finance and use of resources ;
- Operational performance;
- Strategic change;

- Leadership and improvement capability (well-led).

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

The Single Oversight Framework applied from Quarter 3 of 2016/17. Prior to this, Monitor's *Risk Assessment Framework* (RAF) was in place. Information for the prior year and first two quarters relating to the RAF has not been presented as the basis of accountability was different. This is in line with NHS Improvement's guidance for annual reports.

Segmentation

York Teaching Hospital Foundation Trust has been placed in the following segment:

Segment Two – Providers offered targeted support

The Trust has not be subject to any enforcement actions.

This segmentation information is the Trust's position as at 30 May 2017. Current segmentation information for NHS trusts and foundation trusts is published on the NHS Improvement website.

Finance and Use of Resources

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

Area	Metric	2016/17 Q3 Score	2016/17 Q4 Score
Financial sustainability	Capital service capacity	1	2
	Liquidity	2	2
Financial efficiency	I&E margin	1	2
Financial controls	Distance from financial plan	2	3
	Agency spend	2	2
Overall scoring		2	2

Summary of performance

The Trust continues to drive forward a number of changes in the Trust through implementation of the performance recovery plan and is linked to the emergency care standard, referral to treatment times, diagnostic performance and cancer waiting times. The changes include the development of the Acute Medical Model on the Scarborough site, transformation of the front door of the Emergency Department on the York site, introduction of the Clinical Navigator role, improved breach analysis for acute care and investment in flow and bed management capacity.

The Finance and Performance Committee and Board have full oversight of the plans and mitigating actions and performance is managed through a robust performance management framework.

At the end of the 2016/17 financial year, the Trust reported an income and expenditure surplus of £0.2m, and a use of resource rating of 2. This position includes impairments of £1.7m and other minor adjustments amounting to £0.3m which are discounted by NHSI in their assessment of the Trust's underlying performance of a £1.9m surplus. Disappointingly this represents a significant adverse variance against the planned position of a £10.2m surplus. Further information is detailed in the Annual Governance Statement on page 116.

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 the Accounting Officer including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the *NHS Foundation Trust Accounting Officer Memorandum* issued by NHS Improvement.

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require York Teaching Hospital NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of 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 Department of Health Group Accounting Manual and in particular to:

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

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

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



Patrick Crowley

Chief Executive

30 May 2017

Annual Governance Statement

1 Scope of Responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of 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.

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), to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in YTH for the year ended 31 March 2017 and up to the date of approval of the annual report and accounts.

3 Capacity to Handle Risk

The Trust continually develops and enhances its governance and risk management framework in response to the changing and challenging environment in which it operates. The framework sets out the approach to scaling, prioritizing and articulating risk to allow the Trust to consider its risk appetite on a case by case basis.

The Chief Executive has overall responsibility for the management of risk and is supported by a team of Directors who each lead on specific areas of risk:

- | | |
|---|----------------------------------|
| • Strategic, Workforce & Staffing | Chief Executive |
| • Clinical & Quality (DIPC) | Chief Nurse |
| • Clinical (Caldicott Guardian) | Medical Director |
| • Financial (SIRO) | Finance Director |
| • Operational | Chief Operating Officer |
| • Learning & Development | Deputy Chief Executive |
| • Non-clinical, Organizational
& Environmental | Director of Estates & Facilities |
| • IT | Director of Systems & Networks |

The Trust's approach to risk is through a clear structure of accountability and responsibility led by the Directors and operationally administered by managers. This structure ensures there are appropriate arrangements and systems in place to identify, assess and appropriately manage risks and hazards, comply with internal policies and procedures and statutory and external requirements and integrate functional risk management systems and development of the assurance framework. The Trust also recognises the importance of risk mitigation and control and that not all risks can be wholly eliminated.

The Trust has in place a Board Assurance Framework, Corporate and Directorate Risk Registers and a Risk Management Framework which is supported by a number of policies and procedures.

Staff are equipped to manage risk at strategic and operational levels through the provision of training and guidance, which includes:

- Corporate induction and statutory and mandatory training;
- Formal in-house training for all staff dealing with specific everyday risks, e.g. fire safety, health and safety, moving and handling, infection control, security and statutory and mandatory training;
- Training 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 Executive Board, Hospital and Community Boards and Corporate Risk Committee);
- Sharing good practice with other peer Foundation Trusts through appropriate forums such as NHS Providers. The Trust also works with external organisations such as CHKS Ltd to support benchmarking exercises.

4 The Risk and Control Framework

The Trust has a Risk Management Framework, which is reviewed and endorsed by the Board. The framework is embedded into the day-to-day management of the organisation allowing the escalation of risk and conforms to best practice standards. It also sets out the Trust's approach to the identification, assessment, scoring, treatment, monitoring and appetite for risk. The Risk Management Framework is underpinned by the Trust's Corporate Risk Register and Board Assurance Framework. The Corporate Risk Register and Board Assurance Framework are reviewed on a quarterly basis by the Corporate Directors, the Corporate Risk Committee and the Audit Committee.

The Board of Directors reviews the Corporate Risk Register and Board Assurance Framework on a quarterly basis, receiving recommendations from the Chairman of the Audit Committee and the Chairman of the Corporate Risk Committee. The Board Committees consider the Board Assurance Framework and the Corporate Risk Register when planning their agenda, and

reference the Corporate Risk Register and Board Assurance Framework in their agenda. With regard to the Board Assurance Framework, the processes for populating, updating and the format of the document remain relevant and effective for the organisation.

The Board Assurance Framework provides the structure and process for the identification, assessment and control of risks which have the potential to compromise the delivery of strategic ambitions.

The Trust has in place a risk register structure which identifies operational and corporate risks. Every Directorate has its own risk register which is kept under review; the highest rated risks are taken to every directorate Executive Performance Management meeting for review and consideration of action plans and implementation. These risks are considered for escalation to the Corporate Risk Register.

Historically weaknesses have been identified in the risk management processes and these processes have been strengthened and developed. An audit of the systems was undertaken by Internal Audit and commissioned by the Audit Committee. The audit demonstrated that significant assurance could be gained from the design, operation and application of the Trust's Board Assurance Framework and the risk management systems and processes.

The Risk Management Department has continued to seek ways of developing the systems further and continues to seek improvements to processes. As a result further work is being undertaken to review the Serious Incidents (SI) process and to identify methods of sharing learning across the organisation.

Risk Management

The Trust has in place a Risk Management Team, a Patient Safety Team and Governance Facilitators who work across the Trust, providing expertise and support on governance issues to Directorates, and who promote the sharing and implementation of learning across the organisation.

Weekly quality and safety meetings - On a weekly basis, a meeting is held with the Medical Director, Director of Nursing, Deputy Director of Health Care Governance and the Deputy Director of Patient Safety to review all the deaths within the organisation over the previous week, any significant Adverse Incident Reporting System (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.

Adverse incident reporting - The Trust promotes a culture of openness and transparency and the Board of Directors recognises the importance of ensuring an organisational culture which encourages and supports the reporting of both incidents and near misses, thorough and proportionate investigation and the identification and dissemination of learning across the organisation.

The key reporting systems the Trust uses are included in the Datix system. Use of the system provides an opportunity for the Trust to learn from incidents and improve the processes. The Directorates review their risks with the support of a Governance Facilitator who is linked to the Directorate. The Risk Register is reviewed by the Deputy Director of Healthcare Governance and the Directorate Clinical Governance Committee.

Serious incident reporting - The Trust has continued to review and refine the Serious Incident investigation process. This has seen the introduction of the Chief Investigator role and the training of a group of Lead Investigators. The pool of investigators will be allocated investigations to undertake as each arises. The core membership of the Serious Incident Group has also been strengthened to include a wider range of disciplines.

Never Events - The Trust experienced four never events during 2016/17 (two in 2015/16), three of which were wrong site surgery and one the incorrect administration of medication. Every Never Event is investigated in the same detail as a serious incident 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.

National Reporting and Learning System - The latest release of National Reporting and Learning System data shows the Trust within the peer group range for both 'severe harm' and moderate incidents.

The National Reporting and Learning System report also indicates that the median number of days from incident reported to clearance time for Datix web upload to National Reporting and Learning System has reduced from 184 to 78.

To further improve reporting we have re-designed and introduced a new incident reporting form, which is more intuitive for the reporter to complete. This document captures all salient information and will improve incident investigation. This has been supported by an extensive programme of training within the Trust.

Claims – The Trust has robust processes in place for dealing with both Clinical Negligence and Employer's Liability Claims. When necessary, legal representation is sought. A summary of any settled claim is disseminated to involved clinicians and relevant managers and directors. In respect of learning lessons from claims, Directorates are provided with details of new, on-going and settled claims and ensure that risk issues are identified and formally discussed in order for an action plan to be initiated and, where necessary, the relevant risk register be appropriately updated. These action plans are monitored through the Directorate risk process.

Complaints and Compliments – A fully revised Concerns and Complaints Policy and Procedure was published in 2016-17 following extensive

engagement with Directorates. The new policy makes Directorate Managers responsible for the quality and timeliness of responses and for ensuring the person making the complaint is kept informed throughout the process. The aim of this approach from a patient's perspective is to ensure they receive timely contact from the person investigating and a timely final response. From an internal perspective the aim is to increase the efficiency of the system and to increase Directorate ownership of issues raised and learning points. The complaints, compliments and PALS data within the Board Patient Safety & Quality Report has been revised to provide greater insight into themes and trends. An audit tool has been developed and piloted for complaints to monitor compliance with the policy and completion of agreed actions.

Complaints and compliments are managed by the Patient Experience Team. Opportunity to consider the risks and learning from the complaints or compliments has been developed. The Trust has recognised this weakness in the system and has implemented a process during 2016/17 which triangulates the information from complaints and compliments so that it can inform the Directorate Risk Registers in a more direct way.

Strategic Direction

The Board reviewed the strategic frames and developed them further into four ambitions that link with the Board Committee structures, public Board agenda and Executive and Non-Executive appraisals. The Trust's ultimate objective is "to be a valued and trusted partner within our care system delivering safe effective care to the population we serve". These strategic ambitions provide a focus for our emerging priorities and objectives, and assist in their communication to staff, patients and other stakeholders. They are:

- Overarching Quality and Safety Ambition – Our patients must trust us to deliver safe and effective healthcare.
- Overarching Finance and Performance Ambition – Our sustainable future depends on providing the highest standards of care within our resources.
- Overarching People and Capability Ambition – The quality of our services is wholly dependent on our teams of staff.
- Overarching Facilities and Environment Ambition – We must continually strive to ensure that our environment is fit for our future.

Trust Risk Profile

The Board Assurance Framework reflects the strategic risks to delivering the 4 key ambitions. Two elements have remained red this year:

Red Risk to Achieving Ambition	Mitigation	Opportunity
Quality and Safety Strategic Ambition – Our patients must trust us to deliver safe and effective healthcare.		
Quality & Safety – We fail to reform and improve emergency care.	<p>The Trust continues to have challenges around achieving the emergency care standard on a sustainable basis despite introducing a number of improvements:</p> <ul style="list-style-type: none"> • Clinical Navigator Role (York) • Acute Medical Model (Scarborough) • Ambulatory Care • Surgical Assessment Unit • Frailty Unit 	The review of processes and pathways at Scarborough has led to the development of the Acute Medical Model which provides a different focus for the pathway through A & E. This work is part of a national programme and has also led to engagement with NHSI to ascertain which the 4 hour target is appropriate in the smaller hospital setting.
Finance and Performance Strategic Ambition – Our sustainable future depends on providing the highest standards of care within our resources.		
Finance & Performance – We fail to exceed all national standards of care.	The Trust continues to have issues in relation to the emergency care standard, referral to treatment time and some cancer indicators although recovery plans are in place and a number of elements which were put in place in December 2016 still need to embed.	The Trust continues to struggle to provide elective work during times of increased acute demand. This has led the Trust to look at the estate available. Orthopaedic elective work was previously moved to Bridlington Hospital, which has allowed elective work to continue on this site during times of peak pressure. The Trust is now scoping the development of Bridlington as an elective centre.

There are currently 9 risks on the corporate risk register rated at **20** (maximum score is 25).

Corporate Risk Register		
Risk rated 20	Mitigation	Opportunity
CE3: Regulatory - There is a material risk of regulatory intervention if the trust if the Trust fails to deliver the actions needed to remove improvement notices post CQC inspection. This may result in enforcement action and review of Monitor Licence.	Action plans are in place, with responsible officer and timeframes attached. Action plans will be monitored monthly via the Board of Directors and at Engagement Meetings with the CQC	Greater understanding is being developed between the Trust and the CQC about the information which is sent prior to a visit. The Trust is working to understand requirements and how information can be presented in an easier format to promote interpretation.
MD1: Medicine Errors - There is a risk of harm to patients caused through Drug Errors both within acute and community services which may potentially result in severe patient harm.	Development of the EPMA has commenced as has a review of the under pinning processes required to ensure that implementation is successful. Progress is managed via the MMB and reported to the Board. EPMA will improve prescribing errors but will not totally eliminate them.	Electronic prescribing and medicines administration is being roll out across the Trust which will put enhanced controls in place.
MD6: Emergency Care Standard: Medical Staffing in ED - There is a risk of failing to deliver contractual requirements relating to the delivery of emergency care with multi - faceted causation, which includes the difficulty in recruiting to ED consultant vacancies, new vacancies on the horizon, patient harm through delay in treatment, commissioner fines and regulatory intervention.	Consideration is being given to developing different medical and nursing workforce models, working with all of our key strategic partners (commissioners, Yorkshire Ambulance Trust etc). At Scarborough Site we are participating in a national programme looking at acute and emergency models of care for small DGHs. This is supported by Yorkshire Doctors managing the UCC. At York the issue is being addressed by the Clinical Navigator role, with Yorkshire Doctors managing the urgent care centre.	Working with partners has allowed the Trust to develop the Clinical Navigator role and the Advanced Care Practitioner (ACP) role in ED. Clinical Navigators provide a triage service at York ED to allow streaming to take place which reroutes some patients back to the GP or to a Pharmacy. ACPs are able to assess patients in ED.

<p>DE01: Lack of capital funding to deliver the Trust Estates Strategy - There is a risk of being unable to achieve required compliance with estate due to insufficient capital available to deliver the Trusts Estate Strategy. This could potentially result in regulatory intervention.</p>	<p>This is currently being managed by the prioritisation and investigation of capital funding strategies year on year</p>	<p>The Trust continues to look at funding strategies and to work with partners to provide alternative facilities and to also allow the Trust to develop with ambition.</p>
<p>DOF3: Cash Flow: Managing Expenditure - There is a risk of there being a failure to manage organisational expenditure plans therefore impacting on the organisations ability to deliver its financial plan which may result in regulatory intervention.</p>	<p>Extensive monitoring of plans and delivery through Directorate Meetings, PAMs, Executive Board, Finance and Performance Committee and Board of Directors.</p>	<p>Performance Assurance meetings continue to evolve to allow executive oversight and challenge of finances, risks and ambition with Directorates.</p>
<p>C002: Delivery of the Emergency Care Standard - There is a significant and material risk of failing to deliver contractual requirements relating to the delivery of the ECS, which is caused by:</p> <ul style="list-style-type: none"> - increased non-elective admissions, exacerbated by an ageing population with significant co-morbidities, bed capacity and high levels of bed occupancy (impact "exit block"), - workforce challenges, - inability to successfully discharge due to a lack of external support and community services, all of which impacts on patient experience. This has the potential to result in patient harm through delay in treatment. For the Trust this has the risk of regulatory intervention and risk to achieving the STF monies 	<p>A detailed Acute & Emergency Care Recovery Plan has been agreed internally and externally. The A&E Delivery Board has been established and has oversight of A 'whole system' approach is being taken to support the recovery. ECS assurance plan in place. Return to plan programme following the significant winter pressures Dec-Feb. System wide escalation agreed and implemented. Daily and weekly monitoring of performance and the emergency care recovery plan are in place. A new acute medical model is being implemented at SGH in order to support the sustainable delivery of urgent and emergency care. YH Acute Assessment and Surgical Assessment Units opened in December to support flow</p>	<p>Acute Medical Model – detailed above Clinical Navigator – detailed above Advanced Care Practitioners – detailed above Assessment Centres have been introduced in December as the part of the overall plan to keep flow moving.</p>

<p>C008: RTT - The Trust is not on trajectory to meet the RTT standard. This is caused by multiple operational factors including theatre utilisation during the summer, staffing shortages and high bed occupancy resulting in cancellations. Failure to achieve the trajectory will have financial implications and result in patients waiting longer for treatment.</p>	<p>RTT recovery plan refreshed in January Refresh of capacity and demand modelling and outpatients reform. Specific recovery plans for Ophthalmology and MaxFax. Secured additional funding to support backlog from NHSE to maximise outsourcing. Additional WLI and implementation of revised theatre planning process to support flexibility and prioritise specialties with significant backlogs. Review of training and use of trackers to support data validation.</p>	<p>The Trust continues to work in conjunction with partners in the private sector to optimise the use of resources and provide additional capacity.</p>
<p>COO12: Bed Occupancy Levels - There is a risk of impacting on patient flow, cancellation of electives and specialty outliers where the bed occupancy of the hospital is above planned levels.</p>	<p>The Acute Task and Finish group has projects supporting flow and discharge, including maximising use of assessment units, SAFER principles. Expansion of CRT resource. The Complex Discharge group has been established. System DTOC reviews and weekly internal stranded patient review is in place. Escalation areas identified in the winter plan. Engagement in the A&E Delivery Board to reduce demand on acute services.</p>	<p>The Trust has continued to try to develop out of hospital care to provide an alternative provision to the admission of patients.</p>
<p>DCE05: CRN Income - There is a risk due to a reduction in research funding which is a major source of income to this hospital and is received via the Clinical Research Network This income currently supports in the region of 70 staff, mostly</p>	<p>We are hoping to support our key researchers with time to write grants to increase our research income and diversify or income sources.</p>	<p>This has been seen as an opportunity to further develop partnership with the universities to ensure joint working and the sustainability of research in the Trust. The Trust is also looking to develop an institute with research as</p>

on permanent contracts.		one of the three cornerstones to provide further opportunities for this service to develop.
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These issues are continually assessed and reviewed by Directors and as part of the work of the relevant Board Committees and the Board.

Information Governance Assurance Programme

Information Governance and Information Security are covered within the Statutory and Mandatory Training Programme, and all staff have confidentiality statements within their contracts. This is supported by a well-developed set of policies and procedures which are underpinned by a series of staff guides. This includes an Information Security Policy.

The Trust has established an Executive Information Governance Group that provides the organisation's strategic direction. The core membership comprises the IG Lead at Board, the Caldicott Guardian, the Senior Information Risk Officer, the Chief Clinical Information Officer, and the Deputy Director for Healthcare Governance. The Group has been involved in the process of reviewing its IG Framework and associated resource in the light of new legislation due to become operational in 2018.

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. He is supported by the Deputy Director of Healthcare Governance who acts as the Trust's Data Controller and the Director for Systems and Network is the organisational Lead for Information Governance on the Board.

Information Governance risks are managed in accordance with compliance with the standards contained within the Information Governance Toolkit, and, where appropriate, recorded on the Corporate 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 Information Governance session.

The Trust had one information security breach during the year which was of a scale or severity to require a report to the Information Commissioner. Action was taken to mitigate the breach and assurance was given to the Information Commissioner.

Care Quality Commission

York Teaching Hospital NHS Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission. York Teaching Hospital NHS Foundation Trust has not participated in any special reviews by the Care Quality Commission during the reporting period. In 2015, the Trust was subject to a full Care Quality Commission inspection and the Care Quality Commission published its concluding report in October 2015, which assessed the organisation overall as 'Requiring Improvement'.

Key issues related to performance against a number of national standards, both medical and nurse staffing, critical care services, attendance levels at statutory and mandatory

training , the updating of clinical guidelines with a specific issue around records management and the privacy and dignity of a very small cohort of patients on the Nurse Enhanced Unit.

The Board of Directors received reports on progress against the recommendations made and any further work required was incorporated into a merged governance action plan, which is further detailed below.

Compliance with NHS Foundation Trust Condition 4 – NHS Foundation Trust Governance Arrangements

In recent years, the Trust has undertaken an internal governance review and commissioned a Well Led Review undertaken by Grant Thornton. A merged governance action plan was developed which provides Corporate Directors with oversight of the status of actions that are grouped into key themes and aligned with the Well Led Framework. The merged action plan facilitated the effective management and monitoring of governance actions and provided assurance through the Chief Executive to the Board of Directors. Board Committees provide essential oversight with the majority of actions now completed.

As a further part of the Trust's continued governance improvement cycle, during 2015/16, Grant Thornton were commissioned to undertake a review of the Trust's Finance Function. A number of improvements have been incorporated into working practices to streamline processes, including the introduction of the HFMA training modules for senior managers and budget holders, the cessation of internal recharging for low value transactions, non-payment of invoices without a purchase order number and process mapping with the service improvement team to introduce continuous improvement.

The Trust has applied the principles, systems and standards of good corporate governance and has reviewed the guidance that has been issued by NHSI (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.

Effectiveness of Governance Structures

The Trust's systems and accountability arrangements for Directors ensures compliance with the duty to operate efficiently, economically and effectively. The Trust gains its assurance that these systems are in place through the reporting information, Corporate Risk Register, Board Assurance Framework and the Internal Audit Reports presented to the Audit Committee. The Board has in place four Board Committees that review performance in detail in advance of the Board meeting.

The Board of Directors has an underpinning governance structure that ensures information from the Board is fed into the organisation and information from the ward is considered at Board. Below is a summary of the Board Committees and key operational committees and groups that support the governance structure.

Board of Directors

The Board of Directors comprises a Chair plus six Non-executive Directors, a Chief Executive Officer and five voting Executive Directors. For the period March to August 2017, there will be seven Non-executive Directors due to a handover period. Three non-voting Corporate Directors also attend meetings of the Board together with the Foundation Trust Secretary. The Board met monthly during 2016/17.

The Board continues to focus strategically and assures itself of the performance of the whole organisation. The agendas are organised to focus both internally and externally together with the opportunity to provide a patient voice and service user feedback. Key items on the agenda are feedback from the Board Committees who provide assurance to the Board on Quality & Safety, Finance & Performance, Workforce & Organisational Development, Environment & Estates and Audit. Detailed reports have also been received on a broad range of strategic and governance issues.

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 Board Assurance Framework and Corporate Risk Register. This arrangement ensures the Board of Directors understands the strategic risks to the Trust in the context of the Trust's strategic direction.

On an annual basis the Board requests a self-assessment of compliance against the NHSI licence. The self-assessment is shared with the Board of Directors in advance of the Board approving the Corporate Governance Statement.

Changes to the Board during the Year

Mrs Sue Holden, Executive Director of Workforce and Organisational Development, undertook a secondment from September 2015 and left the Trust in September 2016.

Mrs Jenny McAleese, Non-executive Director, joined the Board in March 2017 and will replace Mr Philip Ashton who leaves at the end of August 2017.

Audit Committee

The Audit Committee is chaired by a Non-executive Director and membership consists of two additional Non-executive Directors. Executive Directors and senior managers attend the meeting as required by the Audit Committee.

The Audit Committee Chairman is a member of the Patient Safety Group, a Group chaired by the Medical Director. The Audit Committee Chairman is also a member of the Quality and Safety Committee which reports directly to the Board of Directors on key assurances around quality and safety.

The Audit Committee undertakes the following roles:

- Consideration of financial risk management
- Consideration of the annual accounts
- Soundness of overall system of internal control

- Consideration of Clinical Governance systems

The Board of Directors delegated authority to the Audit Committee for the development of working groups, as required. The Audit Committee receives regular updates from the Data Quality Work Group.

- The Data Quality 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.

Corporate Risk Committee

The Corporate Risk Committee has concentrated on understanding and improving the identification and description of risks included in the Directorate Risk Registers and Corporate Risk Register. The Committee has continued to review the developments being made to the Board Assurance Framework and agree those developments. The Committee requests Directors to attend to discuss their top risks to ensure clarity and a strategic focus.

Remuneration Committee

The Committee reviews the Executive Directors' remuneration package, annual appraisals and succession planning for the Board of Directors. This Committee's membership is made up of the Non-executive Directors. The Chief Executive attends the meeting when requested by the Chair of the Committee.

Quality & Safety Committee

The Quality and Safety Committee meets the week before the Board of Directors and reviews in detail the previous month's information relating to patient safety, clinical performance and 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 Board Assurance Framework aligned to the agenda they are considering.

Finance & 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 Board Assurance Framework aligned to the agenda they are considering.

Workforce & Organisational Development Committee

The Workforce & Organisational Development Committee meets every two months and receives any draft strategic plans relating to workforce. The Committee monitors progress against strategic plans, and presents their findings to the Board for consideration. The Committee considers, as part of its work, the specific risks included on the Corporate Risk Register and Board Assurance Framework aligned to the agenda they are considering.

Environment & Estates Committee

The Environment & Estates Committee has recently moved from meeting on a quarterly basis to meeting every two months and considers specific information related to the environment and estate, including reviewing the premises assurance model and receiving any health and safety information, along with information about the sustainable development management plan. The Committee reports to the Board following each meeting and provides assurance to the Board on the systems and processes used by the Trust to support the Environment and Estates agenda.

Executive Board

The Executive Board is the key operational group of the Trust and is chaired by the Chief Executive. Its membership comprises the Clinical Directors and Corporate Directors. The Executive Board discusses the formulation and implementation of strategy. The formed strategy proposals are discussed with the Board of Directors through the Board and Board Committee meetings.

Hospital and Community Boards

The Trust holds two Hospital and Community Boards. One is based in Scarborough and the other in York. The Boards consider and address issues specific to their locations and report the actions to the Executive Board.

The Clinical Directors, Deputy Clinical Directors and some senior managers from Scarborough constitute the membership along with the Corporate Directors for the Scarborough Hospital and Community Board. The Clinical Directors, Deputy Clinical Directors and some senior managers from York constitute the membership with the Corporate Directors for the York Hospital and Community Board.

Carter Steering Group

The Board of Directors is assured by the Executive Directors on the achievement of the efficiency agenda through the Carter Steering Group. This group is executive led and monitors progress on the achievement of the cost improvement plan. The Trust has 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.

Communication with stakeholders

The Trust has a Communications Department that works closely with the Patient Experience Team. Together they ensure there is public stakeholder engagement that addresses any perceived or actual risks that might impact on the public. This includes undertaking any necessary consultation exercises.

A number of forums exist that allow communication with stakeholders. These forums provide a mechanism for any risk identified by stakeholders that affects the Trust to be discussed and, where appropriate, action plans to 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 held quarterly meetings during the year, underpinned by a number of working groups to consider issues such as patient experience and the Quality Report. The Council of Governors attended two meetings with the Board of Directors, the Annual General Meetings held in Scarborough and York and received regular reports on the activities of the Trust.

Staff

- Raising concern policy
- Regular newsletter
- Staff meetings and team briefings
- Staff surveys
- Adhoc emails from the Chief Executive
- Consultation exercises
- Family and Friends for staff
- Team Brief
- Introduction of the Safer Working Guardian/ Freedom to Speak Up

Public and Service Users

- Patient surveys
- Patient experience
- Patient forum
- Family and Friends initiative
- Meetings with the Friends of York Hospitals and self-help groups
- HealthWatch

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

Performance

The Trust has continued to implement the comprehensive performance recovery plan across the Emergency Care Standard, Referral to Treatment Times (RTT), Diagnostic performance and Cancer Waiting times. This has driven a number of positive changes across the Trust, including a transformation at the front door of ED at York site, introduction of the Clinical Navigator role and the development of the Acute Medical model for Scarborough Site, improved breach analysis for acute care and investment in flow and bed management capacity.

The Board of Directors has had full oversight of all actions and plans against the agreed trajectories. The Trust's performance management framework provides the rigour and scrutiny in order to assure the Board that plans are on trajectory or mitigating actions are put in place where performance is off-track.

The Trust is working with partners across the system to improve performance through the A&E Delivery Board, Cancer Alliance, with CCGs on planned care and through engagement with the Sustainability and Transformation Plan.

In 2015/16 the Board of Directors introduced the Turnaround Avoidance Programme (TAP). This programme managed the organisation's approach to delivering a sustainable financial future. It ensured that the Trust focused its management effort on the Trust's priorities.

The principles of TAP have remained within the organisation and provide the framework for the Finance & Performance Committee agenda. From a financial control perspective the principles of TAP are still very much embedded within the organisation and include, for example, the Business Case Panel and the introduction of no purchase order, no pay in 2016/17, which have significantly improved financial control and awareness.

The Board of Directors has ensured that effective financial decision making; management and control have been in place throughout the year.

All of the statements included in this document 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.

The Trust continues to operate within the context of a challenging national economic situation and its impact on the NHS.

At the end of the 2016/17 financial year, the Trust reported an income and expenditure surplus of £0.2m, and a use of resource rating of 2. This position includes impairments of £1.7m and other minor adjustments amounting to £0.3m which are discounted by NHSI in their assessment of the Trust's underlying performance of a £1.9m surplus. Disappointingly this represents a significant adverse variance against the planned position of a £10.2m surplus.

There are essentially two material components to the variance from plan:

- The Trust made good progress in the recruitment of nursing staff in 2016/17, however, the recruitment of medical staff remained extremely challenging. We continued to rely on locum and agency staff in this area; the overall impact of this was expenditure has reduced from £25m in 2015/16 to £21m in 2016/17, however this was still in excess of our £17.2m target;
- The Trust was due to receive £13.6m from the Sustainability and Transformation fund (STF) but actually received £9.7m; the (£3.9m) shortfall of STF was primarily as a consequence of the Trust not receiving the final quarter payment of STF (£3.4m), this was due to the Trust not achieving its financial control total in the final period of the year; significant operational pressures in the Trust over the winter period was a significant contributory factor.

Compliance with Equality, Diversity and Human Rights Legislation

Control measures are in place to ensure that all the Trust'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.

The Trust complies with the requirements included in the Modern Slavery and Human Trafficking Act 2015.

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 Carter Steering Group, an executive group, is led by the Chief Executive and ensures the effective management of the Trust efficiency agenda. The membership of the group includes senior management including three Corporate Directors.

Achievement of economy, efficiency and effectiveness is underpinned by the Trust's Governance Framework and supported by internal and external audit reviews, which are monitored through the Audit Committee. The Trust also has a contract for counter fraud services for the proactive prevention, detection and reactive investigation of fraud.

Cost Improvement Programme

The Trust has overachieved its CIP target in 2016/17 by £0.7m delivering £27.1m against the £26.4m target; the Trust continues to perform strongly in this area. Recurrent delivery in year was also a highlight, with the Trust delivering £14.2m, which is the highest level of recurrent savings ever delivered by the Trust and has allowed the Trust to reduce the 2017/18 CIP target to £22.8m, although this is the lowest target the Trust has set since 2011-12, it still remains extremely challenging and represents circa 5% of Trust operational expenditure. Further information can be found in the annual report within the Review of Financial performance section.

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. NHS Improvement (in exercise of the powers conferred on 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 Chief Nurse to 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 the Quality and Safety Committee oversees its production.

The Trust has developed separate strategies to reflect the management responsibilities of the Chief Nurse and Medical Director. The strategies identify the key quality and safety goals of the Trust including the introduction of new and revised systems to

support the delivery of the clinical quality and safety agenda and to ensure a continuation of the delivery of high quality safe clinical care.

During 2016/17 the Trust did not fully achieve all the objectives set as priorities in the Quality and Safety Strategy and Quality Report. More detail of the achievements can be found in the Quality Report. The priorities that were not achieved will continue to be addressed by the Trust.

Data quality, monitoring, validation and system controls are embedded within the organisation and reporting processes to assure the quality and accuracy of elective waiting time data are in place.

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 Directors, Managers and Clinical Leads within the NHS Foundation Trust that have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the Quality Report attached to this Annual Report and other performance information available to me.

My review is also informed by comments made by the external auditors in their Reports to those Charged with Governance (Interim & Annual). I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board of Directors, the Audit Committee, Corporate Risk Committee and the Quality and Safety Committee, 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 2016/17 stated that: Significant assurance can be given that there is a good system of internal control which is designed and operating effectively to meet the organisation's objectives and that this is operating in the majority of core areas. The opinion is based upon an assessment of the design and operation of the underpinning Board Assurance Framework and supporting processes and an assessment of the range of individual opinions arising from risk-based audit assignments contained within internal audit risk-based plans that have been reported throughout the year. The assessment has taken account of the relative materiality of these areas and management's progress in respect of addressing control weaknesses.

An opinion of Significant Assurance has been awarded in relation to the design and operation of Trust's Board Assurance Framework. An opinion of Significant Assurance is awarded to the Risk Management systems and processes and their application Trust wide.

However, weaknesses were noted in the risk management system related to:

- The Corporate Risk Register appears to be incomplete in respect of key corporate risks, such as those in relation to Systems and Network Services;

- The Datix system does not currently enable staff reporting incidents to receive feedback or review any changes made as part of the review process.

Taking into account all of our findings, and the Trust's actions in response to my recommendations during 2016/17 and timing of audits, the areas of notable control weakness regarding *Child Safeguarding* as identified in 2015/16 remain.

Issues remain with the inadequate completion of safeguarding documentation in the Emergency Departments at the York and Scarborough Hospital sites. The Child Safeguarding Team have commenced quarterly reviews of the completion of attendance documentation with the findings reported to the management team.

Progress has been made in the delivery and attendance levels at Child Supervision sessions. Although not all staff have met their role determined supervision requirements, the compliance levels have improved since the 2015/16 Internal Audit review.

On Friday 12 May 2017 the functioning of the Trust was hit by a ransomware attack that affected many organisations across the world. As a result of infection within the Trust's networks and precautionary closedown of key IT systems, and the inability of some partner organisations to operate normally during the period of the attack, there was an impact on the Trust's operational activity. However, the Trust's business continuity arrangements minimised the impact to a small number of patient cancellations and quickly and fully restored normal services. The Trust is cooperating fully with instructions from NHS Digital, the Police and other government agencies. The source of the attack and the extent to which the Trust could have minimised or prevented this are still being investigated at the date of drafting this report.

My opinion is also informed by:

- The Trust achieved CNST Maternity Standards level 2 in 2013/14;
- Contracts with commissioners for 2016/17 were agreed in a cooperative and collaborative manner through the Trust's engagement with the Commissioners. The Trust has engaged with its commissioners throughout the year in order to ensure that contracts were performing in line 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 provide 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 receiving detail of patient experience in the Trust, hearing from community staff, and hearing from the Head of Patient Experience about the strategy that is being developed. 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 Trust continues to be monitored by Yorkshire and Humber Health Education Board regarding the delivery of the learning and development agreement and quality of the learning environment. The Trust has hosted a number of quality assurance visits throughout the year and has received positive feedback on the general quality of student experience. Changes in the funding for clinical and non-clinical trainees have resulted in a renewed focus on the delivery and enablement of multi-disciplinary learning with particular emphasis on Bands 1-4 non clinical staff, apprenticeships and new clinical workforce roles e.g. Nursing Associate. The Trust is seen as a pathfinder in the development of the Advanced Clinical Practitioner role providing greater workforce flexibility and capability. The Trust is involved with the regional STP work streams, one of which is looking at standardisation of this role and consolidation of career pathways. The Trust has worked collaboratively with the University of Coventry to introduce a registered nurse programme with the aim to provide nurses in future years;
- The Trust is committed to partnership working in both the local health economy in relation to community hubs and local priorities, with neighbouring Trusts to strengthen clinical alliances and also the wider STP footprint to facilitate the development and realisation of plans;
- The Trust has a Clinical Audit Strategy and Policy in place, which outlines the systems and processes in place in respect of monitoring. 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. The Audit Committee during 2016/17 received an update on the clinical governance arrangements and will continue to monitor the assurance the process provides. The Quality & Safety Group has also started to monitor clinical effectiveness;
- 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 may be 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;
- Development and review of the merged governance action plan to ensure there is a continued focus on good governance including the development of a directory of statutory, regulatory and compliance items for the Board, varied options for training staff and the development of a governance manual;
- 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 NHSI in relation to its financial management, governance arrangements and risk management systems, the Board's self-certification to NHSI (Monitor);

- The Trust continues to operate in a challenging national economic climate, but despite this has delivered a surplus position, although it is recognised that there was a significant adverse variance from plan. Operationally, the pressures on the Trust have been significant, but there is a recovery plan in place underpinned by a robust performance management framework. There is a recognition that the challenges will continue into the coming year, but the Trust continues to work with partners to ensure a comprehensive delivery of services and financial performance;
- Single Oversight Framework – The Trust is currently rated 2. Segment description: Providers offered targeted support – potential support needed in one or more of the five themes, but not in breach of licence (or equivalent for NHS trusts) and/or formal action is not needed.

8 Conclusion

I am satisfied that no significant internal control issues have been identified.



Patrick Crowley – Chief Executive

Dated 30 May 2017

Voluntary disclosures

Equality, Diversity and Inclusion

The Trust is committed to promoting equality, diversity and human rights in all our 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 is required to produce detailed information to demonstrate our regard to the Equality Act and other NHS standards such as the Workforce Race Equality Standard (WRES) and Equality Delivery System (EDS2) which are published on the Trust's website. This report provides focus to the current position, progress and achievements of the year and looks at the challenges and future developments that the Trust anticipate for the year ahead.

This year leadership for equality and diversity remained with the Director of Estates and Facilities and a Non-executive Director also champions' issues at Board level. The Trust has a Fairness Forum with membership taken from across the organisation including Trust Governors and a Healthwatch representative. The Forum meets every quarter and

begins with a patient story to enable learning from experience, which leads to sharing of information and discussion of issues; acting in an advocacy role to give voice to those who may not be heard and connecting the legal, business and moral aspects of equality and diversity. Every opportunity is taken to embed equality and diversity considerations into processes and developments to enable inclusive and responsive services.

Evidence* suggests that there is a need to cultivate a more diverse and effective leadership in the NHS that will nurture a culture of inclusion and high-quality care. This research* also shows that staff who are demoralised or demotivated for whatever reason will influence patients' experience of care. We are working hard to create a climate of fairness, inclusion, compassion and equality which we sustain by living our values.

Performance against equality objectives

	Objective	Progress
1	Improve data collection, analysis and monitoring of protected characteristics	<p>The Trust continues to promote the importance of recording protected characteristics and the benefits this can enable during staff training and at awareness events (mentioned in achievements)</p> <p>The successful introduction of the Learning Hub (August 2014) is beginning to enable reliable analysis of workforce development programme applicants and their progression; though this is dependent on declaration of protected characteristics by staff.</p>
2	Further develop engagement and involvement of patients, carers, governors and staff to reflect local demographics	<p>As a major employer in the area the Trust was invited to be a member of York City wide Equalities Network steering Group; providing advice and support to a project lead by York Racial Equality Network (YREN) which aims to:</p> <ul style="list-style-type: none"> • To improve operational delivery of services to diverse customers • To help overcome the barriers to accessing services reported by black and minority ethnic residents • To provide networking opportunities • To provide information and inform decision makers of issues <p>The Trust continues to be a corporate member of the York Lesbian, Gay, bisexual, Transgender Forum and for the second time</p>

	Objective	Progress
		<p>hosted their Annual General Meeting; attended by members of many local organisations including North Yorkshire Police and City of York Council - an excellent networking opportunity for everyone.</p> <p>The access to services group engages with local groups to address issues and work on solutions together. This year the Trust is particularly grateful for the time and commitment of Jorvik Deaf Connections and York Blind and Partially Sighted Society.</p> <p>Introduction of job fairs at the Trust and attending recruitment and careers events including those held by schools, colleges and universities in the local area.</p> <p>Continued work with the Friends and Family Test for people who use services and staff employed by the Trust aims is to continue the “you said.. we did..” approach to demonstrate the value of providing feedback.</p> <p>The NHS Equality Delivery System (EDS2) provides a framework to measure our performance in Equality and Diversity supporting regard for the Equality Act. An event held in February 2015 identified developing options for improved representation as a priority – the Trust is working on plans with partner organisations mentioned in objective 3</p>
3	Develop strong partnerships with social care and General Practitioners to ensure patient pathways are free from barriers between providers for everyone	<p>Continued development of partnership work with local councils and Health and Well Being Boards</p> <p>Representative member of the three Healthwatch in our area attends the Fairness Forum</p> <p>For the Equality Delivery System mentioned in objective 2 the Trust works in partnership with Vale of York and Scarborough/Ryedale Clinical Commissioning Groups plus Tees Esk and Wear Valleys Foundation Trust sharing ideas and good practice.</p>
4	Continue the Board of Directors and senior management development programme ensuring	

	Objective	Progress
	equality and diversity is embedded into all decision making processes leading to active promotion of good relations	

*Making the Difference – Diversity and inclusion in the NHS - Michael West, Jeremy Dawson and Mandip Kaur Kings Fund December 2015

Other achievements

A review of the Trust's equality objectives linked to the equality delivery system stakeholders; it was recognised that whilst much had been achieved they should remain broadly the same and it is the actions to achieve them that should be updated. This will enable response to issues raised by the community, change and other requirements from regulators.

2016 was the second anniversary of the establishment of our staff support groups, a staff lesbian, gay, bisexual, transgender network and Fairness Champions; both comprise of staff who have volunteered with the common aims to:

- Provide a safe environment to raise issues
- Give information, guidance and support to staff
- Contribute to staff development activities and awareness events
- Assist colleagues to assess impact of policy etc. to ensure inclusivity
- Signpost and support people to live the Trust values

Both groups recognised the need to evaluate progress and are currently looking at how to increase their diversity and membership. The groups look forward to working with the Freedom to Speak Up and Guardian of Safe Working who was appointed in 2016 as this will support the long term aim of a champion/contact in every directorate.

Lesbian, gay, bisexual, transgender staff network:

- In June York holds its annual Pride; this year we attended the launch and worked with the Hospital Arts Team to support "Raise your Rainbow" campaign. We held an exhibition at York Hospital which included a display of the images gathered in response to the history month initiative and thanks to colleagues in Estates illumination the roof of the hospital in colours of the rainbow for visible support to the lesbian, gay, bisexual, transgender community.
- February is lesbian, gay, bisexual, transgender history month and again we joined with the York lesbian, gay, bisexual, transgender history month programme of events by holding a Values, Identity and Participation "VIP" Event which gave the Trust an opportunity to show how the Trust lives its values and encourage participation

The Fairness Champions:

In May, NHS Employers promote Equality, Diversity and Inclusion Week; in response to staff survey results and to support other health and wellbeing work within the Trust this year the champions focussed their work on bullying and harassment. It was recognised

that these words can mean different things to each individual so a gentle approach was developed asking key questions as part of a screen saver campaign:

- How are you doing at work today?
- How are your colleagues doing?
- Do you know what help is available?

This was supported by mail shot to all areas of the Trust which contained a list of support options available to staff and leaflets to promote the staff support networks too. The Royal College of Nursing and Unite the Union also supported the event.

Challenges and Future Developments

There are a number of challenges and developments ahead that the Trust will consider and support over the next financial year; these include:

- Further development of the Accessible Information Standard – which requires the Trust to:
 - Ask people if they have any information or communication needs and how to meet these
 - Record those needs clearly and in a set way
 - Highlight or flag the persons notes/files if it is clear they have communication needs and how to meet these needs
 - Share information about peoples' information or communication needs with other providers of NHS and adult social care when they have permission to do so
 - Take steps to make sure people receive information which they can access, understand and receive communication support if they need it.

The requirements appear logical and straightforward but in reality it is a highly complex process to achieve. This is an enormous piece of work and will involve many areas of the Trust, but is vital to improve patient experience, quality and continuity of care. The Trust continue to work on this and appreciate your feedback to help the Trust develop meaningful and effective systems across health and social care.

- Improve the interpretation and translation with focus on instant access for emergency and maternity services.
- Continue to work in partnership with healthcare commissioners/providers on the outcomes and priorities of the EDS2
- In 2016 Job Centre Plus replaced the two tick scheme with Disability Confident; we migrated to “disability confident employer” and aspire to become a “disability confident leader” which will also contribute towards the new Workforce Disability Equality Standard due to be implemented in eth year ahead.
- Introduction of new training packages to support the development of our workforce

Sustainability

Over the last 12 months, the Trust has progressed the objectives set out in its Board approved Sustainable Development Management Plan including its commitments to continue to review its performance against the national bench-marking tool – the Good

Corporate Citizenship Assessment model and to review and improve its action plan and carbon baseline information in line with the NHS Sustainable Development Unit guidance.

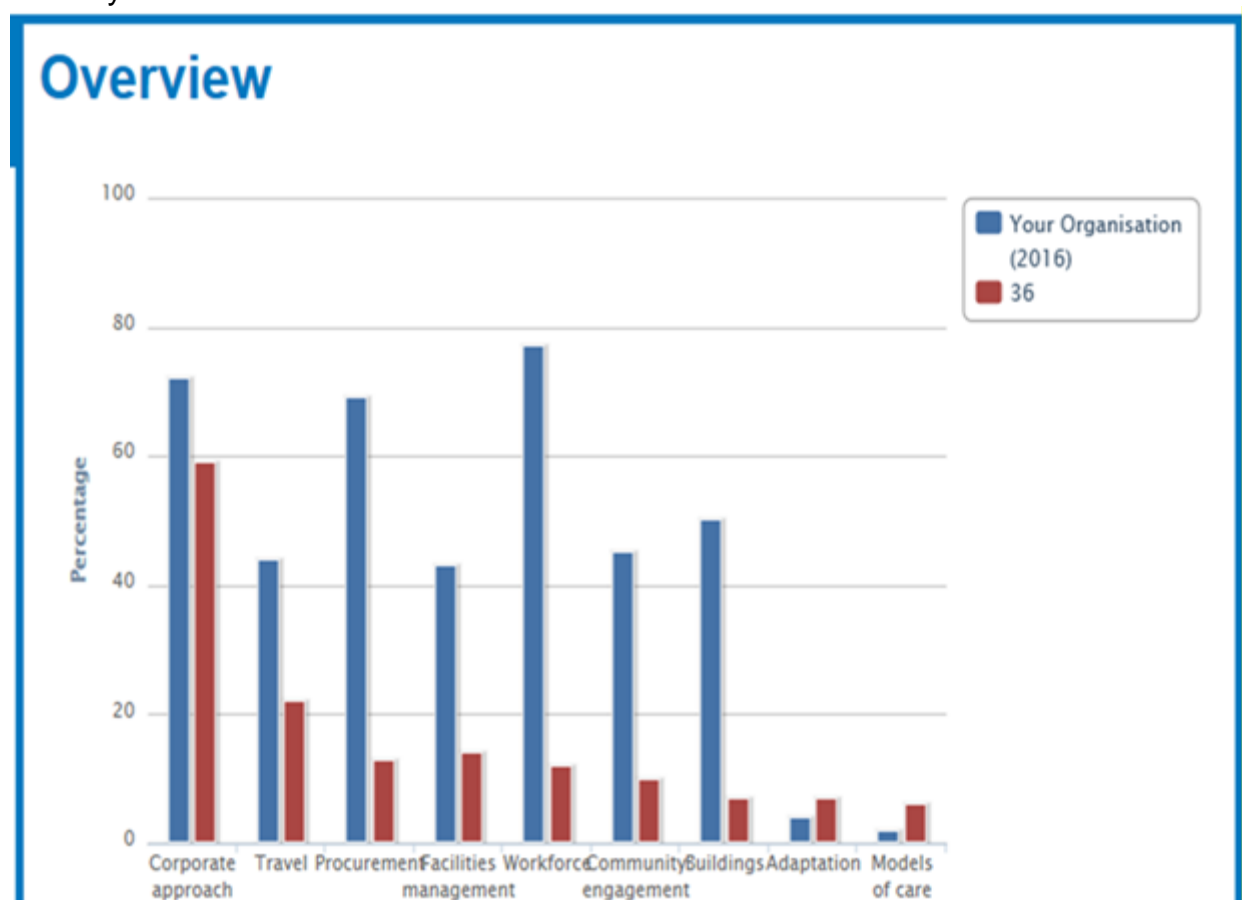
Governance and Corporate Approach

The Trust's Director of Estates and Facilities leads the Sustainable Development Group, which manages and monitors the sustainable management development plan.

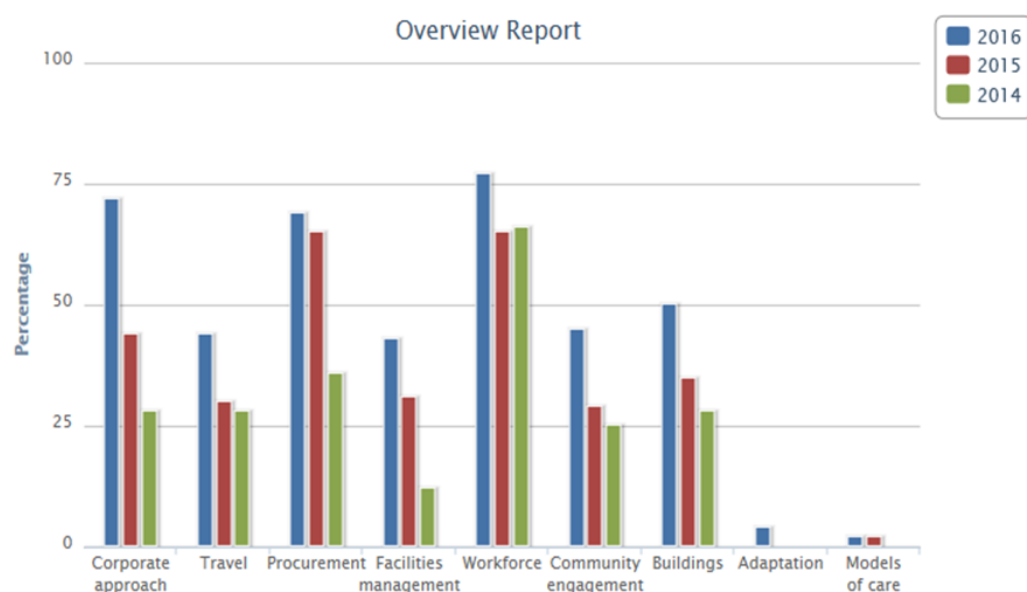
The Sustainable Development group has reviewed its progress against the Good Corporate Citizen assessment template and has achieved an overall score of 44 per cent which is an 11per cent improvement on the (33 per cent) score last year. Whilst there has been significant progress in many areas, further action will be implemented this year on adaptation and models of care where new leads have recently been established. The overall average score would have been 57 per cent if these 2 areas had not been included.

Two of the Good Corporate Citizen output graphs below show:

1. This Trust's performance is significantly ahead of others in the majority of Good Corporate Citizen areas when compared with other acute trusts.
2. The Trust has made year on year improvement in the scores over the last three years.



Overview



The Sustainable Development Group is continuing to monitor performance indicator information and progress can be seen against a 2013/14 baseline on carbon, energy, waste produced and waste recycled.

Indicator	KPI	Targets	Baseline value 2013-14	2014-15 value	2015-16
Carbon Footprint	Total tonnes CO2	28% by 2020 80% by 2050	114,088	109,726 (4% reduction)	To be reviewed in 2017
Energy efficiency of estate	KgCO2/m2		160	120 (25% reduction)	114.5 (28.4% reduction on 2013-14)
Total energy carbon	Tonnes CO2	-10% in 2016-17	21,078	19,572 (7% reduction)	19,582 (7% reduction on 2013-14)
Energy Costs	£/units		0.06	0.05 (17% reduction)	0.04 (33% reduction on)

Indicator	KPI	Targets	Baseline value 2013-14	2014-15 value	2015-16
					2013/14)
Waste recycled	Tonnes recycled	TBA (was 25% in 2015-16)	325 (14%)	314 (14%)	527 (25.2%)
Total waste	Tonnes waste		2,268	2,195 (3% reduction)	2,090 (8% reduction from 2013-14)

Work is also on-going to develop transport KPIs through the updated travel plan and other monitoring information has been recorded in relation to specific projects undertaken this year.in the sections below.

Carbon Targets and Emissions

The 2009 approved targets were to achieve NHS carbon emission targets of 10 per cent by 2015 (from 2007 baseline), and 80 per cent by 2050. These targets were re-stated in the 2015 report and other targets were adopted in line with national NHS guidance including 34 per cent by 2020 from a 1990 baseline (which is stated to be equivalent for Health and Social Care England) to 28 per cent from a 2013 baseline.

Last year, the Trust's Sustainable Development Group looked in more detail at the carbon emissions using the NHS Sustainable Development Unit assessment template in order to establish its baseline carbon emissions and highlight the areas where further work is required.

The total measured Trust emissions will be reviewed every 2 years whilst the carbon emissions from utilities is reviewed monthly, waste recycled is reported quarterly and transport mileage is also reviewed quarterly.

The emissions for the base year of 2007/08 are assessed to 74,751 tonnes CO₂e and in 2013/14 this was assessed as 114,088 tonnes of CO₂e after the merger of the Trust with Scarborough and North East Yorkshire Healthcare NHS Trust. Since that time several major projects have been instigated to help the Trust to work towards the 2020 28 per cent target from the 2013/14 baseline. The carbon footprint will be revisited again later this year.

The last reported total emissions for the year 2014/2015 were 109,726 tonnes CO₂e. This represented an increase of plus 47 per cent since 2007 against a target reduction of minus 10 per cent. The total emissions have had a general trend which increased year on year until 2013/14 and in 2013/14 a reduction in emissions was achieved.

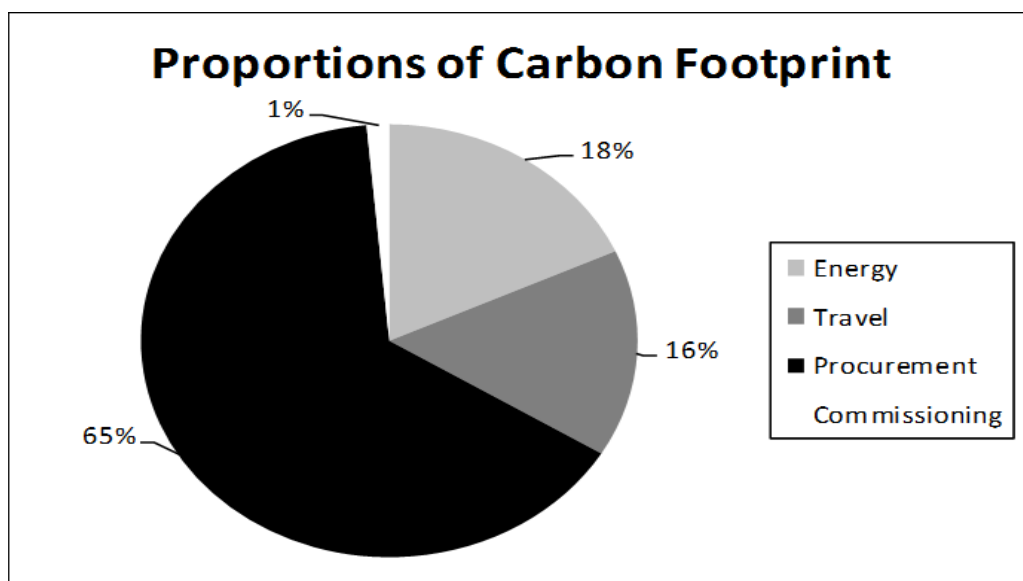
However, it should be noted that the number of patients have continued to rise since the baseline year and that the **carbon savings per patient contact have improved year on year giving an overall decrease of 29 per cent.**

Decreases were noted in relation to carbon emissions from energy, which achieved a 7 per cent reduction against the 2013/14 levels.

During 2016, delays in the delivery of the Scarborough Energy Project, which was due to achieve further savings of a 15 per cent reduction against 2014/15 Trust carbon energy savings, and a savings of at least 10 per cent on energy emissions from the baseline year, means that this has not yet been achieved. Whilst the Bridlington Hospital energy saving project completed on 1 April 2016 and has achieved savings of approx. 400 tonnes (25 per cent of site emissions) of CO₂e and £160,000 savings, the Scarborough Hospital project, which was delayed due to some electrical infrastructure issues with Northern Powergrid was officially opened on 23 March 2017 (NHS Sustainability Day) and so the full year of savings will not be achieved until 2017/18 which is anticipated to be over 2,000 tonnes of CO₂e.

By comparison, information from the NHS Sustainable Development Unit has noted that there has been a 4.3 per cent decrease in building energy carbon footprint across NHS Providers in England since the 2007/08 baseline with only a 1.4 per cent reduction in 2015/16.

Whilst carbon emissions from energy are now reducing as a result of the Carbon Energy Fund programme at York, Scarborough and Bridlington, work must accelerate in relation to procurement, as the growth in carbon emissions for the category has increased by 62 per cent since the baseline year and is currently approximately 65 per cent of the Trusts current carbon footprint. It is recognised that investment decisions must take account of and mitigate against rising carbon emissions. In 2017, the Trust is introducing a mandated internal consultation with the Head of Sustainability as part of the Business Case development procedure for all proposals over £50,000.



Energy

The Trust has a comprehensive prioritised energy saving and carbon reduction plan for the three major acute hospitals which are the biggest energy users and carbon emitters within the Trust. Carbon Energy Fund Projects have now been completed at York, Scarborough and Bridlington Hospitals and a further plan is under development for 2017/18.

At York hospital, the resulting operational savings in the first year of a fifteen year energy performance contract were £902, 500 and 3,000 tonnes of carbon (approx. 25 per cent reduction of the site's emissions) which were higher than the guaranteed savings of £692, 941. However, in the last year, a CHP engine design fault has led to problems with the operation of the plant and so the carbon savings have been significantly reduced, although financially, the Trust has not suffered due to the energy performance guarantee and therefore the shortfall in savings is being refunded to the Trust. Plans are now in place to replace the engine with a different model at the start of the financial year so the carbon savings will be back on track in 2017/18.

Similar projects were completed in 2016/17 at this Trust's Scarborough and Bridlington Hospitals and these are anticipated to save another 2,800 tonnes of carbon and approximately £300, 000 operating costs per annum.

These Carbon and Energy Fund projects have achieved the following awards:

CHPA Integrated Energy Project Winner (2014)

H &V News Retrofit Project of the Year Winner (2016)

NHS Sustainable Development Unit – Innovation Award

– Highly commended runner up (2016)

Building Better Health Care - Efficiency Award – Highly commended runner up (2016)

Water

Water consumption is monitored and reported internally at all sites on a monthly basis (along with electricity and gas use). Any significant variation in consumption and cost from the budget projections is reviewed and investigated as necessary.

Waste

The Trust has a Waste Management Plan which aims to prevent, reduce and recycle waste in order to reduce the amount of waste we produce from going to landfill. This important plan is further supported by specific action plans for each of the individual Trust Hospital Sites to help maximise every opportunity for waste recycling or waste reduction where feasible. Scarborough's plan is now in the process of being implemented and Bridlington's will be developed during the summer of 2017.

The Trust has significantly improved the waste segregation across the organisation which has resulted in us again achieving our Recycling target of 25 per cent of all waste produced, which in financial year 2016/17 equated to some 549 tonnes. During the same period we also reduced the amount of clinical waste being sent for incineration by

approximately 24 tonnes, which is expensive and has resulted in costs savings of approximately £8k per annum and also improves our carbon footprint.

In addition, we are currently trialling the use of reusable sharps containers within a department on our Bridlington site and if successful it will enable us to further reduce our clinical waste going for incineration. We hope to evaluate the results of the trial during the autumn of 2017.

Travel

The Trust works with the City of York Council to promote sustainable travel options and to implement and deliver activities with patients, visitors and staff. The Trust and the City Council now share the post of Travel Co-ordinator.

The following projects reported successes in terms of cost and carbon savings within the last year:

Re-launch of Trust's Staff Enterprise Pool car service – for a lower carbon cost effective solution

The scheme was first launched at York Hospital in 2014 and subsequently re-launched and expanded in 2016 to Scarborough, Tadcaster, Bridlington and Malton hospital sites. Recently the scheme had over 500 staff members sign up to the new software package used by pool car system (across 5 locations). The staff pool car system has delivered the following savings:

Carbon Savings

- 40 per cent reduction in CO2 emissions (as compared to staff using their own cars)
- over 1000 journeys per month transferred from costly staff mileage claims to economical, low CO2 cars.

Cost Savings

- Financial savings of £70,000 per annum (or more if more people use them instead of their own cars)
- 1.5 million miles removed from 'grey fleet' travel mileage claims.

The pool cars all have 1 litre petrol engines which are no more than 2 years old ensuring that they run at 99gm CO2 per km.

Re-launch of York Hospitals Liftshare scheme – to encourage staff to share their journey to work to reduce congestion, carbon and pollution.

The re-launch of the scheme through promotional events and staff communications increased the numbers registered on the scheme by 30 per cent. As of March 2017, the scheme has 467 members, 74 Liftshare 'teams'. Over the next 12 months, those figures will result in

Carbon Savings

- CO2 reduction of 76 tonnes

- Mileage savings of 385,996 miles.

Cost Savings for Staff

- Collectively staff save £37,549.20 on fuel with Liftshare (or more if more people join)

More information at www.yorkhospitals.liftshare.com

Work will shortly commence on linking the pool car system with the Liftshare system to ensure that single occupancy journeys in 'grey fleet' vehicles will be reduced.

Sustainable and Active Travel Promotions

Promotional activities have been undertaken at both York and Scarborough Hospitals to raise awareness of sustainable and active travel choices through advice the City Council's iTravel and Winter Challenge (active travel) initiatives. Alongside personal travel planning advice on public transport and cycling.

Electric Vehicles

Electric charging points have been installed at York and Scarborough for fleet vehicle use and the Trust now has 9 electric service delivery vans in operation.

Procurement

During the last 2 years, this Trust took part in a research and best practice project undertaken by the Joseph Rowntree Foundation, in conjunction with Leeds Beckett University, along with a number of other anchor institutions in the Leeds City Region. The aim of the project was to help to develop the local economy through procurement and supportive workforce policies. As a result, a checklist of environmental and corporate social responsibility questions has been incorporated in new tenders.

Recent Trust taxi contract awards followed on from a tender exercise which incorporated CO2 criteria and environmental mitigation measures. This exercise contributes to the Council's aim to accelerate the uptake of cleaner vehicles, whilst reducing the health impact on residents and helping to fulfil the Trust's and the Council's sustainability aims. The 5 per cent environmental score of the total for the taxi tenders sent a clear message to bidders about the Trust's commitment to sustainable development and many bidders were keen to advise the Trust of a range of measures that they had introduced to reduce emissions including using hybrid vehicles for the Trust's requirements and also logistics software to plan the optimum/ lowest mileage route for their vehicles. The Trust included in its procurement documents a 4 per cent tender score allocated as a result of the total carbon emissions ratings from the vehicles to be used and a further 1per cent for any environmental mitigation measures. The Trust also sought to actively encourage third sector organisation participation by undertaking two workshops and included in the tender a specific "reserved" lot.

At the end of the bidding process the contracts were awarded in 9 lots to reduce response times for patients, journey times and emissions from vehicles.

From April 2017, the Trust is introducing a mandated internal consultation with the Head of Sustainability as part of the business case development procedure for all proposals over £50,000. The aim is to ensure that the business case author is aware of the environmental impacts and gives consideration to mitigation measures make the proposal more sustainable and more cost effective in the long-term.

Workforce

The Trust has a Staff Health, Well-being and Engagement Strategy with a 3 year action plan and a Steering Group.

In 2015, the Trust was deemed an Exemplar Organisation in staff health and wellbeing by NHS England. The Trust offers a range of benefits which it continues to update and review through its employment practices (e.g. Flexible Working Policy, Special Leave Policy and Childcare Vouchers which help to accommodate and support the specific needs of parents and carers, Living Wage Employer, apprenticeships schemes, work with Job Centre Plus to recruit staff from 'return to work' schemes). This work has resulted in our Trust piloting further initiatives for NHS England to further improve staff health and wellbeing.

NHS Health Checks are now offered to all staff over 40 years of age, with advice provided which is tailored to the individual. In addition, positive management behaviours training has been introduced particularly in relation to supporting mental wellbeing and staff with mental ill health.

In the last year the Trust has introduced or enhanced its services for staff as follows:

- Physiotherapy – recruited additional part-time physiotherapist to increase clinic time for staff referrals as well as undertake preventative / education / promotion work
- Talking Therapies – recruited additional psychologist to increase capacity, for which the referral is via an occupational health specialist.
- Weight Management – The Trust has delivered a pilot earlier in the year in Scarborough and is now evaluating the results
- Food environment – working on healthy options, nutritional information, changing buying habits, through communication and information in the restaurant and staff shop.
- Physical activity / sedentary behavior - The Trust is continuing to widen and improve the offers around physical activity via Staff Benefits. The key challenge for this year is tackling sedentary behaviour in the workplace and at home.

In 2017, induction sessions will incorporate a sustainability session and other opportunities will be investigated for continuing staff/ Board learning and development.

Community Engagement

The Sustainable Development Group has continued to deliver sustainability communication and engagement work through a range of events and activities across

several sites e.g. personal travel planning and active travel advice, electric vehicles promotions, NHS Sustainability Day, recycling promotions, energy efficiency advice, energy centre open day and staff messages on a variety of climate change, sustainability and carbon/energy reduction measures. A total of 580 people have been involved in the various activities provided by the Trust in the year.

In 2017/18 further work will be undertaken to deliver a more events and activities to better integrate the sustainability principles and practices across the whole organisation.

During the last 12 months, the Trust has worked closely with a number of partners on a range of initiatives including the One Planet York Pledge and Leadership Group which was set up by City of York where knowledge is shared between over 20 commercial, public and community organisations and the organisations assist each other with the delivery. One of these initiatives in 2015/16 was the promotion of free insulation in homes where patients have cold related illnesses, and also the Trust offered energy efficiency advice to staff and visitors to the hospital. Other issues under discussion are the feasibility studies for district heating, solar panels, and also an event where all organisations can promote their work and consider whether there are other opportunities of mutual interest.

NHS Sustainability Day events were held for visitors and staff to find out more about the work of the Trust's Sustainable Development Group and also to invite them to offer their ideas about sustainability opportunities.

The Trust's sustainable development management plan is available on the Trust website and also a "plan on a page" strategy poster has been prepared and used at a number of events in the last year.

In 2017, further work will be delivered which encourages the public and staff to offer ideas on how to improve our environment and sustainability.

In terms of promoting healthy food in the community, the Trust signed up to the catering pledge to play our part in improving public health and encouraging people to choose a healthier diet. An action plan has been established which includes specific targets on the percentages of healthy food choices available in our in-house staff restaurants and vending facilities. Healthy Choices will be rolled out across all sites and, following discussion with dieticians, information relating to healthy food choices will start to be made available to patients and their relatives.

Buildings

Work has begun to develop a sustainable building plan incorporating a capital project procedure and sustainability checklists together with the objectives to achieve building research establishment environmental assessment methods 'Excellent'/'Very Good', including the need to gain 'innovation credits' in the field of sustainable performance by incorporating innovative technology where practicably feasible and economically viable to do so. This work will be developed further to achieve regular reporting on building sustainably to the Capital Programme Executive Group.

Models of Care

Work continued on the project working between the district nursing teams with the City of York and Selby District Councils offering free loft and cavity wall insulation to out of hospital patients suffering from cold related health conditions and also for staff on low incomes

As part of the sustainability engagement work the Trust is discussing how sustainable models of care become part of the clinical care work including reducing carbon emissions of service delivery (and/or other sustainability metrics).

Adaptation

Formal emergency planning procedures are in place to deal with any adverse circumstances which would include current and future climate change risks.

The Trust's heat-wave plan was reviewed in March 2017 to link the plan to the Public Health / NHS England national heat-wave plan, widening out what was an Estates and Facilities focused plan to include clinical as well as non-clinical actions.

Recent evidence of adaptation work followed on from the December 2015 floods when, one of the Trust's buildings Tadcaster Health Centre was flood damaged, and a nearby bridge was washed away. Pool cars were located to Tadcaster to improve accessibility whilst the bridge was repaired. Repairs to the Health Centre were completed in 2016/17 including additional work to improve the flood defences in the event that the area gets flooded again.

Work is on-going to encourage completion/review of business continuity plans which require consideration of the consequences arising from current disruptive weather events and raise awareness of longer term trends.

Other Voluntary Declarations

Slavery and Human Trafficking Act 2015

The Board of Directors approved a statement at its meeting in March 2017 confirming compliance with the requirements of the Slavery and Human Trafficking Act 2015. The required statement has been published on the Trust's website.

Counter Fraud Policies and Procedures

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.

Quality Report

Part 1 – Overview

Letter from the Chief Executive

As an organisation we advocate that the quality and safety of the care you receive continues to be our highest priority and drives all that we do.

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

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

We treat and hear from thousands of people every year, and the responses that we receive via the Friends and Family Test indicate that the vast majority of our service users are pleased with the great care we are able to deliver. However, we acknowledge that there are occasions when we don't get it completely right and your views are important to us on this and help us focus on the steps we need to take to improve the quality and safety of the services that we deliver.

The combination of a growing elderly population and the lack of provision of social care resulted in the Trust facing an unprecedented demand for our acute services during the winter of 2016/17. Whilst this demand was experienced across our two acute sites, it was particularly difficult at Scarborough hospital. To relieve these pressures, we know we have to work differently and over the past year we have been a leading pioneer of developing a new Acute Medical Model in Scarborough which aims to ensure that patients are admitted to the right place at the right time to ensure early assessment.

For patients undergoing rehabilitation, research indicates that patients recover better if they are in their own home environment. With this in mind, the organisation took the decision to close the Archways Rehabilitation Hospital, and redeploy its staff to ensure that patients are supported and have any necessary care delivered in their own homes.

Importantly, I am proud of how our staff have risen to the challenge of new methods and models of care delivery, ensuring that patients received the right care, at the right time in the right place and that it is delivered with the care and compassion that they deserve.

As in previous years, both the Trust and the NHS in general are continuing to face unprecedented financial challenges. Additionally, like many other organisations, we have struggled with some staff shortages, and have found it particularly difficult to recruit to some medical posts. This has resulted in us having to look critically at where some specialist services are provided, and consider different workforce models.

We have also experienced nurse staffing pressures and we have taken different, but complementary approaches to managing this. This has included a successful

recruitment of nurses from the European Union, and the introduction of different levels of junior nursing roles aimed at providing better support to the middle, and senior nurses within the organisation.

Despite these pressures and the continuous process of change, we have continued to make significant progress on the quality and safety agenda, with a continued reduction on the number of category 3 pressure ulcers acquired by patients whilst within our care, the number of falls resulting in significant harm, and an enhancement of our approach to mortality reviews.

In any organisation, there will be occasions when an adverse incident occurs. Learning from such incidents is important to us, and over the year the Trust has strengthened its approach to ensure that investigations are robust, and undertaken in a culture of openness and transparency with any identified learning being shared and acted upon. This helps us to ensure improvements are made in the delivery of patient- focused care.

Over the coming year we will continue to roll out the overall safety priorities to ensure that they are embedded within the enlarged organisation. We will also continue to work together with our local partners and Commissioners 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, clinical and nonclinical, being committed to living the values of the organisation through the delivery of safe, effective and harm free care.

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 you safe at the heart of all that we do.

I declare to the best of my knowledge that the information contained in this report is accurate.



Patrick Crowley
Chief Executive
30 May 2017

A handwritten signature in black ink, appearing to read 'P. Crowley', written in a cursive style.

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

2.1 Looking Forward to 2017/18

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

- The results of the National Patient Survey;
- The Trust's Patient Safety Strategy;
- Informal and formal feedback from patients to the Patient Experience Team;
- The agreement with the commissioners on the priorities included in the Commissioning for Quality and Innovation;
- The Patient Forum discussions;
- Agreement from the Patient Safety Group;
- Agreement with the Quality and Safety Committee.

Progress against these priorities will be monitored through updates to the Quality & Safety Committee and through commissioning for quality and innovation (CQUIN) reports.

Patient Safety Strategy

Our guiding principle is to provide safe, patient-centred care to a consistently high standard. To achieve this we will focus on six specific areas 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.

During the year we have continued to improve the culture of patient-centred care and safety. The Trust has sought assurance from the patient safety team and the Medical Director around the improvements that have been made.

The Trust is continuing to develop systems that provide consistent care 24 hours 7 days a week. Further developments will take place over the next couple of years around the introduction of 24 hour, 7 day a week consistent care.

During the year the Trust has reviewed the Standardised Hospital Mortality Indicator (SHMI). The SHMI is the ratio between the actual number of patients who die following hospitalisation at the Trust and the number that would be expected to die on the basis of average England figures, given the characteristics of the patients treated there. This indicator has demonstrated that the Trust has made a marginal improvement in mortality through the year. The Trust is an early implementer site for the new national mortality review programme which includes mortality screening and in-depth independent case note review in some instances.

The Trust has continued to maintain a focus on the deteriorating patient and embedded a number of new systems which support the monitoring of patients. These systems

include National Early Warning Score (NEWs), Maternity Early Warning Score (MEWs) and Paediatric Advanced Warning Score (PAWs).

The Trust continues to develop and enhance systems around excellence in end of life care. The Trust was recognised by the Care Quality Commission (CQC) for the quality of the end of life care service. Developments during the year include the introduction of End of Life Volunteers who sit with patients and Bereavement Volunteers who support the Bereavement Officers. The education programme now includes e-learning for Doctors and a programme for End of Life Champions. A fast track process has also been introduced which ensures key elements can be put in place for patients as home in the last 6 weeks of life.

The revised Governance structure within Infection Prevention has been in place since February 2016 and has greatly improved the process of escalation of concerns resulting in more timely and appropriate responses from the organisation to the major issues that affect safe infection prevention practice. Continued collective and multidisciplinary responsibility and accountability for infection prevention has been essential to maintaining effective infection prevention standards. Planned ward accreditation and Matron accountability initiatives that include infection prevention indicators will assist with this in parallel with evaluation and discussion at Directorate Performance Assurance Meetings of the infection prevention performance dashboard.

During 2015/16 the Trust developed the supporting systems for electronic prescribing and medicines management and a pilot roll out of the system was undertaken in late 2016. It is intended that the whole system will be rolled out during 2017.

Each of these priorities continues to be of great importance to the Trust and will continue as priorities for 2017/18.

These priorities are underpinned by six driving principles:

- A culture of safety;
- Partnering with other organisations;
- Involving patients with safety;
- Harnessing technology;
- Costs and efficiency;
- Developing our workforce.

Quality of Care

- Greater inclusion of matrons in the delivery of the infection prevention and control agenda;
- Replacement of nursing care indicators with an early warning trigger tool and nursing dashboard;
- Review and agree any amendments to all statutory and mandatory training for nurses and midwives;
- Implementing the safer staffing project.

Over the last couple of years, the role of the Matrons in the organisation has changed. The Matron is at the centre of the delivery of care to patients; they are supporting all aspects of patient care and are a key element to ensuring the infection prevention and control agenda.

The Trust has successfully introduced the early warning trigger tool and nursing dashboard. The Board of Directors used the information to assure itself of the quality of the care delivered in the organisation.

The Trust has implemented the safer staffing project. The safer staffing project is focussed work around nurse, midwifery and healthcare assistant (HCA) recruitment, monitoring and reporting locally and nationally on nurse staffing levels, the development of local metrics to monitor and report on nurse staffing across the organisation to help improve nurse staffing levels to ensure effective, safe and timely use of resources.

The Nursing and Midwifery Strategy for 2017/20 will be launched in 2017 and will continue to see further developments on the items already listed and will also:

- Continually strive to improve patient experience and develop nursing services that meet the needs of patients.
- Develop and deliver the best internal education and training resources and multiple levels of leadership opportunities to ensure recruitment and retention of staff.
- Continues to embed lessons learnt to ensure a confident workforce who can assess and reports risks and escalate serious concerns.
- Work collaboratively with education providers to ensure the joint development of the local workforce whilst developing a safety culture.
- Work collaboratively with other providers and the voluntary sector.

Quality of the Environment

Prioritisation of the backlog maintenance and capital investment programme. The 2017/18 programme was agreed at the January 2017 Board of Directors meeting. The Estate Strategy was published in June 2016 and will be revised in the summer of 2017.

Establish a 24 hour 7 day a week building management monitoring system. We have an established 24 hour 7 day a week building management monitoring system (BMS) on our remote sites (Selby, Whitecross Court, St Monicas, Tang Hall Health Centre, Clementhorpe Health Centre and Malton). BMS is a global network and also covers the main Trust properties at York, Scarborough and Bridlington which already have a remote monitoring facility. We are working with our service providers to ensure that we continue to improve the monitoring and control of our building services remotely. We have capital investment secured for the next financial year to upgrade parts of the infrastructure of our remote sites.

Carbon Energy Fund Project. The Carbon Energy Fund projects at York, Scarborough and Bridlington have been completed.

Review patient catering on all sites. The Board of Directors agreed a Food and Drink Strategy in September 2015, which sets out our ambitions for patient and staff catering. Work continues to progress the supply of patient meals from the central production unit at York with groups established to ensure compliance with national directives including

CQUIN, patient led assessments of the care environment (PLACE) and the Hospital Food Panel Report.

Continue to develop local sourcing of fresh ingredients to support central production unit. Food purchasing contracts have been reviewed and where applicable new contracts set up to ensure local and sustainable food procurement is a key component. These contracts will not only be used at York but across all Trust catering departments.

Ensure the environment is clean and meets regulatory standards as a minimum. Revised cleaning rotas were introduced in July 2016 and work is on-going to ensure frequencies of cleaning are achieved and standards maintained.
A review of parking arrangements across the estate is to be carried out.
Two further Local Security Management Specialists have been created taking the total to four.

A management restructure within estates and facilities has been carried out.
An automated switchboard has been created at Scarborough. The Scarborough switchboard has been integrated with York and has an automated call answering service. Working with the equipment provider this year has improved responsiveness and reduced complaints.

Priorities for the Trust - Quality and Safety for 2017-18	
Patient Safety	
	By the End of March 2018, we will ensure that:
SAFER patient bundle	<p>We implement the SAFER patient bundle throughout our adult inpatient wards to improve patient flow and prevent unnecessary waiting for patients by:</p> <ul style="list-style-type: none"> • effective ward and board rounds; • ensuring that all patients have an estimated date of discharge; • ensuring early in the day flow from assessment units; • ensuring that patients are discharged early in the day; • proactive review of patients with a long length of stay.
Early identification of the deteriorating patient and reducing the impact of antimicrobial resistance	<p>Early identification of the deteriorating patient (National Early Warning System (NEWS) of 5 or more) and reducing the impact of the antimicrobial resistance by (CQUIN):</p> <ul style="list-style-type: none"> • timely identification of patients with sepsis in emergency departments and acute inpatient settings; • timely treatment of sepsis in emergency departments and acute inpatient settings; • clinical antibiotic review between 24-72 hours of patients with sepsis who are still inpatients at 72 hours; • reduction in antibiotic consumption per 1,000

Priorities for the Trust - Quality and Safety for 2017-18	
	admissions.
Learning from Deaths through Implementation of the National Quality Board Framework	<p>Implementation of the National Quality Board Framework on Identifying, Reporting, Investigating and Learning from Deaths by:</p> <ul style="list-style-type: none"> ensuring that staff reporting deaths have appropriate skills through specialist training and protected time under their contracted hours to review and investigate deaths to a high standard; working more closely with bereaved families and carers to ensure that a consistent level of timely, meaningful and compassionate support and engagement is delivered and assured at every stage, from notification of the death to an investigation report and its lessons learned and actions taken; publishing a policy by September 2017 on how to respond to, and learn from, deaths of patients who die within our care and specifically how we respond to the death of an individual with a learning disability, or mental health needs, an infant or child death or a stillbirth or maternal death.
Clinical Effectiveness and Outcomes	
7 Day Services	<p>By the End of March 2018, we will ensure that:</p> <p>The four priority clinical standards for seven day services in hospitals are achieved by:</p> <ul style="list-style-type: none"> ensuring a review of patients within 14 hours of admission to hospital; ensuring timely access to diagnostics; access to consultant delivered interventions; on-going consultant directed review.
Mental Health Services in the Emergency Department	To improve services for people with mental health needs who present to our Emergency Departments by considering a selected cohort of frequent attenders who would benefit from mental health and psychosocial interventions, and establish improved services (<i>CQUIN</i>).
Community Wound Assessments	To improve the assessment of wounds for patients in the community (<i>CQIUN</i>).
Patient Experience	
Night Owl Initiative	By the End of March 2018, we will ensure that:

Priorities for the Trust - Quality and Safety for 2017-18

	Engage front line staff in the Night Owl initiative to reduce noise and disruption at night and help patients get a good night's sleep in hospital.
Complaints	Learning from the pilot in 2016/17, implement a regular complaints audit looking at delivery of actions plans. Pilot a survey of people who have received a complaint response to monitor satisfaction with the process.
Volunteering	Develop and recruit to the volunteering roles which promote peer support, release staff time to care and improving patient experience of discharge.

What else will we continue to improve:

- We were not successful in making sure all patients have a medical review by a senior doctor within 14 hours of arrival to the Medical Admissions Unit. We will continue to work on improving this position during the year as part of our work on ensuring safe and effective care 7 days a week;
- We have continued to increase the number of patients who are screened for signs of sepsis, and whilst we are treating patients with the Sepsis 6 our response times are not yet as prompt as we want them to be. We will continue to promote the importance of screening patients for sepsis and to seek methods to improve the timeliness for our initiation of treatment;
- We were not successful in increasing the overall number of incidents reported by 10 per cent when compared with the number reported in 2015/16. In 2016/17 following visits to a number of other Trusts, we found that it was better to focus on investigation, feedback and the culture of reporting and in order to encourage staff to participate, we established an Incident User Group who continue to make recommendations for improvement within the organisation;
- We were not successful in implementing a system of electronic prescribing and medicines administration. We continue to roll out an electronic prescribing medicines administration system which help to drive up quality and safety;
- We were not successful at getting all senior staff involved with advanced decision making in end of life care will have received training in Do Not Attempt CPR Decision Making. We continue to prioritise this to ensure training is delivered to staff;
- We were not successful in fully evidencing that lessons learned have been completed. An action plan has been developed which will include the development of a patient experience audit process;
- We were not successful in achieving a 90 per cent + score across the Trust for the Friends and Family Test for patients reporting they would recommend the Trust to their Friends and Family if they needed similar care or treatment. The non-achievement was in respect of the Emergency Department. We have developed a number of initiatives and projects which are being put in place which will look to reduce waiting times, improve the triage process and the environment;
- We were not successful in achieving an average response rate of at least 20 per cent for inpatient and maternity and to increase this to 25 per cent by year end. To

Priorities for the Trust - Quality and Safety for 2017-18

achieve an average response rate of at least 15 per cent for the emergency department. We have developed a number of initiatives and projects in the Emergency Department which are being put in place which will look to reduce waiting times, improve the triage process and the environment.

2.2 Statement of Assurance from the Board of Directors

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 2016/17 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 2016/17 represents 100 per cent of the total income generated from the provision of relevant health services by York Teaching Hospital NHS Foundation Trust for 2016/17. The income generated has been received from services commissioned by Clinical Commissioning Groups, NHS England, and the Local Authorities.

Clinical Audit

During 2016/17 **47** national clinical audits and **5** national confidential enquiries covered relevant health services that York Teaching Hospital NHS Foundation Trust provides.

During that period York Teaching Hospital NHS Foundation Trust participated in in **47 (100 per cent)** national clinical audits and **5 (100 per cent)** national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that York Teaching Hospital NHS Foundation Trust was eligible to participate in during 2016/17 and the national clinical audits and national confidential enquiries that York Teaching Hospital NHS Foundation Trust participated in during 2016/17 appear in table 2 below

The national clinical audits and national confidential enquires that York Teaching Hospital NHS Foundation Trust participated in, and for which data collection was completed during 2016/17, are listed below alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases submitted to each audit or enquire as a percentage of the number of registered cases required by the terms of that audit or enquiry.

The table also identifies which of the NHS Outcome Framework Domains are covered by each audit. The NHS Outcomes Framework are designed to provide a national overview of how well the NHS is performing, and how quality is being improved through encouraging a culture of change alongside behaviour focused health outcomes. Indicators in the NHS Outcomes Framework are grouped into five domains as indicated in Table 1.

NHS Outcomes Framework Domains (Table 1)

Domain 1	Preventing people from dying prematurely;
Domain 2	Enhancing quality of life for people with long-term conditions;
Domain 3	Helping people to recover from episodes of ill health or following injury;
Domain 4	Ensuring that people have a positive experience of care; and
Domain 5	Treating and caring for people in a safe environment and protecting them from avoidable harm.

National Audit & Enquiry Activity (Table 2)

National Clinical Audits York Teaching Hospital NHS Foundation Trust were eligible for and participated in 2016/17	Data Collection 2016/17	Data Submission Required	Data Submission %		NHS Outcome Framework Domains Covered				
			YH	SH	1	2	3	4	5
General & Acute Medicine									
MINAP - Acute Coronary Syndrome or Acute Myocardial Infarction	✓	100%	100%	65%	✓		✓		✓

National Clinical Audits York Teaching Hospital NHS Foundation Trust were eligible for and participated in 2016/17	Data Collection 2016/17	Data Submission Required	Data Submission %		NHS Outcome Framework Domains Covered				
			YH	SH	1	2	3	4	5
NICOR - National Cardiac Rhythm Management Audit	✓	100%	100%	100%	✓	✓	✓	✓	✓
COPD Audit - Part 1. Chronic Obstructive Pulmonary Disease - Secondary Care	✓	100%	Data collection in progress		✓	✓	✓	✓	
NICOR - Coronary Angioplasty (BCIS/PCI)	✓	100%	100%	N/A	✓				
National Diabetes Core Audit	✓	100%	100%	100% <i>submitted via local GPs</i>	✓	✓			
NADIA - Diabetes Inpatient Audit	✓	100%	100%	100%	✓	✓			
NDFA - National Diabetes Foot Care Audit	✓	100%	100%		✓	✓			
NICOR - National Heart Failure Audit	✓	100%	45%		✓	✓	✓		
LUCADA - National Lung Cancer Audit (NLCA)	✓	100%	100%		✓	✓	✓	✓	✓
NCAA - National Cardiac Arrest Audit	✓	100%	100%	100%	✓				✓
Renal Replacement Therapy (Renal Registry)	✓	100%	100%	N/A					
UK Cystic Fibrosis Registry (Adult & Paediatric)	✓	100%	100%	N/A	✓				
BTS Adult Asthma	✓	100%	100%	100%					
IBD Registry	✓	100%	Data collection in progress						
General Surgery & Urology									
NBOCAP - National Bowel Cancer Audit Programme	✓	100%	95%		✓				
PROMS National Elective Surgery – Hernia	✓	100%	Awaiting data				✓		
PROMS National Elective Surgery - Varicose veins	✓	100%	Awaiting data				✓		
BAUS Urology Audits Nephrectomy	✓	100%	100%						

National Clinical Audits York Teaching Hospital NHS Foundation Trust were eligible for and participated in 2016/17	Data Collection 2016/17	Data Submission Required	Data Submission %		NHS Outcome Framework Domains Covered				
			YH	SH	1	2	3	4	5
BAUS Urology Audits PCNL Percutaneous Nephrolithotomy	✓	100%	100%	N/A					
BAUS Urology Audits Stress Urinary Incontinence	✓	100%	100%	N/A					
National Vascular Registry	✓	100%	100%	N/A					
NOGCA - National Oesophago-gastric Cancer Audit	✓	100%	70-81%		✓	✓	✓		✓
National Prostate Cancer Audit	✓	100%	90%		✓		✓	✓	
NELA - National Emergency Laparotomy Audit	✓	100%	82%	67%	✓		✓		✓
Elderly Medicine									
FFFAP - Falls and Fragility Fractures Audit Programme	✓	100%	74.5%	75.3%	✓		✓		✓
SSNAP - Sentinel Stroke National Audit Programme, includes SINAP	✓	100%	96%	95%	✓	✓	✓		✓
National Audit of Dementia	✓	50 cases	100%	100%					
Obstetrics & Gynaecology									
MBRRACE - UK - Maternal, Infant and Newborn Clinical Outcome Review Programme	✓	100%	100%	100%		✓		✓	
NDA Diabetes (Adult) - National Pregnancy in Diabetes (NPID) Audit	✓	100%	100%	100%					
Orthopaedics									
TARN - Severe Trauma (Trauma Audit & Research Network)	✓	50 Cases	93.2%	96.7%	✓	✓	✓	✓	✓
National Joint Registry	✓	100%	100%	100%					
PROMS National Elective Surgery – Hip	✓	100%	Awaiting data			✓			
PROMS National Elective Surgery – Knee	✓	100%	Awaiting data			✓			

National Clinical Audits York Teaching Hospital NHS Foundation Trust were eligible for and participated in 2016/17	Data Collection 2016/17	Data Submission Required	Data Submission %		NHS Outcome Framework Domains Covered				
			YH	SH	1	2	3	4	5
Specialist Medicine									
National Comparative Audit of Blood Transfusion - Patient Blood Management in Scheduled Surgery	✓	100%	Data collection in progress		✓	✓	✓		
National Comparative Audit of Blood Transfusion - Use of Blood in Haematology	✓	100%	Data collection in progress			✓	✓		✓
National Clinical Audit for Rheumatoid and Early Inflammatory Arthritis	✓	100%	100%		✓		✓		
Anaesthetics									
ICNARC CMP - Adult critical care (Case Mix Programme)	✓	100%	100%	100%	✓			✓	
Child Health									
NNAP - National Neonatal Audit Programme	✓	100%	100%	100%	✓		✓	✓	
NPDA - National Paediatric Diabetes Audit	✓	No minimum requirement	Data collection in progress		✓	✓			
BTS Paediatric Pneumonia	✓	100%	Data collection in progress – ends April 2017		✓		✓	✓	✓
Ophthalmology									
National Ophthalmology Audit	✓	100%	100%				✓	✓	
Head & Neck									
Endocrine and Thyroid National Audit	✓	100%	Data collection in progress					✓	✓
National Head and Neck Cancer Audit	✓	100%	Data collection in progress			✓		✓	✓
Emergency Medicine									
CEM Asthma (Paediatric & Adult) Care in Emergency Departments	✓	Up to 50 cases	100%	100%				✓	✓
CEM Severe Sepsis and Septic Shock – Care in Emergency Departments	✓	Up to 50 cases	100%	100%			✓	✓	✓

National Clinical Audits York Teaching Hospital NHS Foundation Trust were eligible for and participated in 2016/17	Data Collection 2016/17	Data Submission Required	Data Submission %		NHS Outcome Framework Domains Covered				
			YH	SH	1	2	3	4	5
Nursing									
LeDeR Learning Disability Mortality Review Programme	Project not currently rolled out in our region. Starts 2017/18								
Community									
COPD Audit - Part 2. Chronic Obstructive Pulmonary Disease - Pulmonary Rehab	✓	100%	Data collection in progress		✓	✓	✓	✓	

National Confidential Enquiries York Teaching Hospital NHS Foundation Trust were eligible for and participated in 2016/17	Data Collection 2016/17	Data Submission Required	Data Submission %		NHS Outcome Framework Domains Covered				
			YH	SH	1	2	3	4	5
NCEPOD Acute Pancreatitis	✓	100%	Awaiting data					✓	
NCEPOD Mental Health Care in General Hospitals	✓	100%	Awaiting data					✓	
NCEPOD Chronic Neurodisability, focusing on cerebral palsy	✓	100%	Data collection in progress					✓	
NCEPOD Young People's Mental Health	✓	100%	Data collection in progress					✓	
NCEPOD Non-Invasive Ventilation	✓	100%	0%	75%				✓	

The reports of **22** national clinical audits were reviewed by the provider in 2016-17 and York Teaching Hospital NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided as below:

National Diabetes Inpatient Audit (NaDIA)

The report for 2016/17 data was published in March 2017; the Full Report for the three years of 2010 to 2013 included the following key recommendations:

Findings & Recommendations	Trust Actions
Decrease insulin and medication errors. Increase the number of patients receiving foot screening on admission to hospital.	<ul style="list-style-type: none"> To comply with the CQUIN for blood glucose monitoring and insulin prescribing and administration. Introduction of Best Practice Guidance Folders for all clinical areas. Additional inpatient podiatrist to be employed to support current assistants in foot screening

Royal College of Emergency Medicine (RCEM) Severe Sepsis and Sepsis Shock

The report for 2016/17 data was published in March 2017; the Full Report for 2013/14 included the following key recommendation:

Finding & Recommendation	Trust Action
Urinary measurement is still frequently not instigated Better documentation for patients who decline a catheter.	<ul style="list-style-type: none">• Implementation of Rapid Assessment and Treatment System (RATS).• Extensive work within the Trust around sepsis screening and management has commenced.

RCEM Consultant Sign Off

The report for 2016/17 data was published in March 2017; the Full Report for 2013/14 included the following key recommendations:

Findings & Recommendations	York Trust Action
Support provided to junior Doctors is poorly recorded. We review 40 to 50% of all notes after discharge in our screening process, but we don't record review before discharge.	<ul style="list-style-type: none">• To record on Core Patient Database (CPD) the support offered to junior doctors• Alter the software (CPD) to record "discussion with" to collect related data.

The British Thoracic Society (BTS) National Pleural Procedures Audit

This national audit did not collect data in 2016/17; the Full Report for 2014/15 included the following key recommendation:

Finding & Recommendation	York Trust Action
Documentation requires improvement	<ul style="list-style-type: none">• Trust wide chest drain pathway document to be introduced to include insertion, nursing observations, removal of drain, etc.

National Hip Fracture Database

The report for 2015/16 data is due to be published in September 2017; the Full Report for 2014/15 included the following key recommendation:

Finding & Recommendation	York Trust Actions
Our service continues to improve. Strong leadership through MDT working and review of performance at operational group meetings.	<ul style="list-style-type: none">• Continued review of performance at operational group meetings.• Provision of additional weekend theatre time, which should translate to higher Best Practice level.

	<ul style="list-style-type: none"> • Reviewing data to improve pathway for patients who need additional imaging to confirm diagnosis. • Developing plans for nurse specialist / ACP to be trained to administer nerve blocks.
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National Audit for Cardiac Rehabilitation (NACR)

The report for 2016/17 data is due to be published in December 2017; the Full Report for 2013/14 included the following key findings and recommendation:

Findings & Recommendations	York Trust Actions
<p>Integration work between the community and in-patient service is required in order to ensure accurate data collection and submission for this project.</p> <p>Due to the community team being separate from the in-hospital team in York, the data set was not completed fully in community, as a result it has not been possible for the Trust to accurately report how many patients started cardiac rehabilitation and those who then completed rehabilitation</p> <p>Assessment (including an exit interview) needs to be carried out formally and shuttle walk tests conducted.</p>	<ul style="list-style-type: none"> • The Trust is recruiting for a second administration clerk to ensure that for 2017/18 all relevant data is collected and submitted for patients who complete cardiac rehabilitation in community following inpatient treatment. • This administrative role will support the integration work. • Ensure assessments are carried out formally and shuttle walk tests conducted.

Sentinel Stroke National Audit Programme (SSNAP)

The report for 2016/17 data is due to be published in September 2017; the Full Report for 2015/16 included the following key recommendations:

Findings & Recommendations	York Trust Action
Overall maintenance of standards.	<ul style="list-style-type: none"> • Developments planned to ensure both sites demonstrate improved provision of service, which will impact on the Trust's overall results.

There remains a discrepancy between the York and Scarborough sites which has always existed since SSNAP began.

Since January 2016 Scarborough became a non-routinely admitting site on SSNAP, this change in site status will potentially result in improved scores from the Scarborough site.

The new stroke pathway has now been implemented which will also reduce discrepancies between the two Trust sites, and improve outcomes, along with the implementation of an on-site 24 hour CT Radiographer Service at York.

National Care of the Dying Audit - End of Life Care Audit

This national audit did not collect data in 2016/17; the Full Report for 2015/16 included the following key recommendation:

Finding & Recommendation	York Trust Actions
<p>There has been a significant improvement since the last National audit with the organisational element increasing from 1/8 to 5/8.</p> <p>Key work needs to continue at improving the clinical delivery of care, and with the increase in education and training.</p>	<ul style="list-style-type: none"> • York and Scarborough Teams to participate in the next National Care of the Dying Audit. • 7 day working pilot project to be completed. • Enhance staff medical education and training programmes.

By the end of 2016, all organisational elements of this audit should have been addressed, to ensure improvement to the organisational element.

National Diabetes Foot Care Audit (NDFA)

The report for 2015/16 data is due to be published by May 2017; the Full Report for 2014/15 included the following key recommendations:

Findings & Recommendations	York Trust Actions
<p>The Trust has a much higher percentage of patients who first present to a specialist foot protection (FPT) clinic with ulceration (rather than being delayed by non-timely onward referral) compared to other Trusts nationally.</p> <p>The Trust also has a lower percentage of severe ulceration recorded (i.e. SINBAD score over 3) as appropriate treatment has been given, and also the higher proportion with no foot ulcer (at 12 weeks post referral) as outcomes improve with earlier treatment.</p>	<ul style="list-style-type: none"> • Maintenance of current practice by the Trust • Referral pathway to be disseminated widely to all healthcare professionals who are referrers to service, in order to increase awareness of the need for prompt expert assessment of newly occurring foot ulcers in people with diabetes.

<p>However there is still work to be done to disseminate pathway to external agencies to ensure prompt referral to the FPT to further reduce delays for patients accessing the service.</p> <p>In addition there needs to be better education of patients to check feet regularly and to contact the FPT urgently if there are any signs of ulceration developing.</p>	<ul style="list-style-type: none"> • Education of patients to realise the importance of daily foot checks and urgent self-referral as soon as ulceration is discovered.
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BTS Emergency Use of Oxygen

This national audit did not collect data in 2016/17; the Full Report for 2015/16 included the following key recommendation:

Finding & Recommendation	York Trust Actions
<p>The Trust performed worse than the National average in terms of prescribing and signing for oxygen.</p> <p>The proposed national improvement objectives are very ambitious so our actions will focus initially on the core components of education and feedback to staff groups to promote the importance of oxygen prescribing, administration and monitoring.</p>	<ul style="list-style-type: none"> • Oxygen prescribing data for COPD patients to be monitored monthly as part of continuous COPD audit. • Feedback on results of current audit and Trust performance rates to the Professional Nurse Leaders' Forum. • Annual oxygen training sessions for F1 and CMT doctors in training • Targeted training for nursing staff in wards with high rates of oxygen use (admissions and respiratory). • Design of a poster/screen-saver to promote awareness of importance of oxygen prescribing/ administration/ monitoring.

RCEM Vital Signs in Children

This national audit did not collect data in 2016/17; the Full Report for 2015/16 included the following key recommendation:

Finding & Recommendation	York Trust Action
<p>Good position against national levels for all Trust sites.</p> <p>Need to introduce means of clear and consistent documentation of PAWS score as part of Paediatric Observations.</p>	<ul style="list-style-type: none"> • To include Paediatric Observation of PAWS scores on Core Patient Database (CPD).

National Emergency Laparotomy Audit (NELA)

The report for 2016/17 data is due to be published in July 2017; the Full Report for 2014/2015 included the following key recommendations:

Findings & Recommendations	York Trust Actions
There has been an increased assessment of patients by a specialist in elderly medicine.	<ul style="list-style-type: none">• Results to be feedback and discussed with surgeons.
The regular use of one specific risk scoring system is evident.	<ul style="list-style-type: none">• To maintain this practice

There was a previous need to improve ascertainment scores for this audit at the Trust's Scarborough site, provisional results from Year 2 data indicate this has already improved.

ICNARC CMP - Adult Critical Care

The report for 2016/17 has not yet been published; the last full included the following key recommendations:

Findings & Recommendations	York Trust Actions
There is a high rate of non-clinical transfers Scarborough ICU, which has been flagged as a national outlier for this outcome measure.	<ul style="list-style-type: none">• Extra capacity on the Scarborough ICU is being created.
The mortality rates are within expected limits. The mortality for patients with a low predicted mortality (<20%) does sit on the higher side of the national average	<ul style="list-style-type: none">• Ensure that data for patients with a low predicted mortality who die on the unit is reviewed and cases discussed.
The rates of delayed discharge from the Scarborough ICU site are lower than the national average, whereas on the York ICU site are low but are above the national average.	<ul style="list-style-type: none">• Trust to look at ways of reducing delayed discharges over 8 hours.

COPD Audit - Part 2. Chronic Obstructive Pulmonary Disease - Pulmonary Rehabilitation

The report for 2016/17 data is due to be published in Winter 2017/18; the Full Report for 2014/15 included the following key recommendations:

Findings & Recommendations	York Trust Actions
Improved provision of Standard Operating Procedures (SOPs) is required (in line with NICE Quality Standard 10)	<ul style="list-style-type: none">• Development of trust Standard Operating Procedure (SOP).

Improvement in rates of uptake of PR assessment in patients who have been referred for PR.	<ul style="list-style-type: none"> • Development across the Trust of a pathway from assessment to commencing pulmonary rehabilitation.
Increased capacity required to ensure all patients who accept a referral for PR following hospital admission can be seen within one month	<ul style="list-style-type: none"> • Trial period in York of revised pathway to establish if it allows greater capacity.

UK Parkinson's Audit – Physiotherapy

The report for 2017 data is due to be published in May 2018; the Full Report for 2015 included the following key recommendations:

Findings & Recommendations	York Trust Actions
<p>Increase the selection of outcome measures used during assessment.</p> <p>Increase awareness of recommendations from European PD Guidelines.</p> <p>Standardised assessment is in place but requires revision.</p>	<ul style="list-style-type: none"> • A data base of outcomes measures, to be created and available to all team members. • Prompts in new assessment paperwork to be developed. • Physiotherapy team to review European Guidelines and meet to discuss. • Update of the standardised assessment according to best practice guidelines and outcome measures.

UK Parkinson's Audit – Occupational Therapy

The report for 2017 data is due to be published in May 2018; the Full Report for 2015 included the following key recommendations:

Findings & Recommendations	York Trust Actions
<p>Introduce Standardised Assessment and validated outcome measures.</p> <p>Improve links with community and voluntary services to ensure integrated working.</p> <p>Improve the information given to clients to improve their knowledge in cognitive strategies.</p>	<ul style="list-style-type: none"> • To decide on outcome measure and commence use. • Devise data base of community services and how to make appropriate referral. • To amend current team objectives to reflect cognitive rehabilitation.

LOCAL CLINICAL AUDIT ACTIVITY

The reports of **150** local clinical audits were reviewed by the provider in 2016/17 and York Teaching Hospital NHS Foundation Trust intends to take actions to improve the quality of healthcare provided as a result of these audit outcomes.

Of the actions arising from local audits that will have beneficial outcomes on patient care, a selection is described below:

Transfer Times to Tertiary Cardiac Centre for Acute Coronary Revascularisation following non-ST Segment Elevation Myocardial Infarction (NICE QS68)

Project No. 2881

This audit identified that we were not always able to achieve the NICE Quality Standard for transfer times between the Trust and our tertiary cardiac centre (based in Hull). As a result of this finding, discussion has been held with senior staff at the tertiary cardiac centre and established that the delays relate to bed availability rather than procedural capacity.

- Strategies for managing bed availability are being discussed between the Trusts including options for 'ring fencing' beds and "treat and return".
- Robust prioritisation at the tertiary cardiac centre is being supported by the development of a new referral proforma to streamline / prioritise referrals.
- The Trust is also identifying opportunities to minimise delays on the Scarborough site at presentation to assessment, and at the assessment to referral stages.

Fast Track Skin Cancer Referrals (Re-audit)

Project No. 2211-1

There has been a large increase in cancer referrals despite no increase in resources. Despite this the Trust has continued to see all cancer referrals within 2 weeks and have an excellent pick up rate of melanomas and squamous cell carcinomas. The following action is planned to ensure that this performance is maintained or improved through:

- Develop and implement a new GP referral guideline for suspected skin cancers which includes a clinical photograph.

Post-myocardial Infarction Secondary Prevention Drugs (Re-audit)

Project No. 2918-1

The original audit found we adhered to NICE guideline (CG172) 100% for all secondary prevention drugs, except statins in the specific group tested.

This re-audit indicates that the actions undertaken have resolved this issue with secondary drug therapy adherence is now 100 % with regards to statins in patients with advance age.

Management of Diabetes at the End of Life (Re-audit)

Project No. 2168-1

Improvement across all parameters is demonstrated by this re-audit which shows a positive impact of the previous action plan which aimed to achieve a target of 90% in each audit area. The Trust has achieved a significantly reduced number of hypoglycemic episodes, and now involves the Diabetes Specialist Team and Palliative Care Team as soon as possible in patients' care.

There is still room for improvement, particularly regarding the involvement of diabetes & palliative care teams for patients with diabetes that are at the end of their life.

The following actions are planned in order to maintain the improvements already made and to achieve further improvement:

- Education and Teaching sessions, for staff highlighting the importance of following the check list;
- Continue to ensure both the Diabetes Specialist Nurse and Palliative Care Team to be involved ASAP in patients with diabetes at the end of their life.

National Comparative Audit of the Use of Anti D - 2015 Update Project No. 2498

The audit findings reflect that most anti-D Ig prophylaxis is delivered correctly and recorded appropriately, especially in the current context of patient movement between the sites and with separate transfusion laboratories.

Actions resulting from this audit include:

- Review of anti-D prophylaxis against local standards to identify areas for improvement;
- Ensure adequate patient information available for staff and women regarding anti-D prophylaxis;
- To put an e learning package onto the learning hub for anti-D prophylaxis for all staff involved in process.

Denusomab and IV Zolendronic Treatment for Osteoporosis Project No. A7168

The Trust's current adherence to NICE guidelines (TA204) when prescribing Denusomab/Zolendronic acid is 93%. In order to improve our compliance with this NICE guidance, regarding prescribing of these medications we are:

- Designing and introducing a proforma that will cover the key NICE recommendations prior to commencing treatment with Denusomab/Zolendronic acid, to ensure the safety of our patients.

Diagnosis and Management of Deep Vein Thrombosis in Ambulatory Care Project No A7172

Full compliance with the NICE guidance (CG144) was achieved in 71% of all cases and in 100% of confirmed Deep Vein Thrombosis (DVT) cases.

The main area of non-adherence to guidelines related to the use of repeat USS scanning in patients who were 'DVT likely' and in the majority of patients, the Wells Score was borderline (0-2) for decision to scan. Also current practice means that the Advanced Care Practitioners (ACP) initially assess and risk stratify the patients, senior clinician input happens later in the process, often after relevant investigations had already been performed. In order to improve our care and practice for patients the Trust is:

- Devising a diary of patients presenting to the Ambulatory Care Unit;
- Encouraging the use of a proforma to facilitate appropriate documentation and emphasize need to document reasons for non-adherence to guidelines;
- Reviewing NICE CG144 in order to highlight the relevant steps in the investigative process through either brief teaching sessions or e-learning;
- Considering whether it is practicable for risk-stratification to be undertaken by senior clinicians.

Sedation and Agitation Audit, York Intensive Care Project No. B5087

This audit has highlighted that practice is consistent in ensuring that patients are not prescribed sedatives in isolation.

However, there are inconsistencies in how sedation holds are performed, and the rate of sedation that is recommenced. There is also a trend identified towards moderate to heavy sedation without a documented reason.

It was also highlighted that there needs to be an increase in completion of CAM ICU scores on patients with a RASS of -3 or greater. As a result the following actions are planned:

- Sedation and Delirium policy to be reviewed and flowcharts for sedation holds, weaning sedation and assessing pain to be incorporated;
- All new staff to be educated on sedation holding and CAM ICU/ RASS scoring;
- Small teaching sessions to be given to the remainder of staff on the new flow sheets;
- Medical staff to be reminded about documenting sedation aims and plans for holds in notes.

Barrett's Oesophagus Surveillance in York District Hospital Project No. C3042

Regular surveillance for patients with Barrett's oesophagus is important for early identification and treatment of malignancy; the Trust's results suggest a failure in this system and improvement is required. The key trends identified by this audit will enable us to address these issues through:

- Assigning a Barrett's lead, for the Trust and creating a specific group of endoscopists who perform Barrett's surveillance;
- Creating a pre-designed letter for histology reporting with recommended surveillance incorporated plus a patient information leaflet on Barrett's oesophagus;
- Creating a surveillance register (similar to colonoscopy screening) to assist monitoring.

Orthodontic "Casual" Patient Audit Project No. D9015

There has been a perceived increase in the number of casual appointments seen in the Orthodontic department. It appears the majority of these are due to fractured or distorted arch wires and detached brackets and it's perceived that this is due to poor quality of the arch wire and brackets. An audit was carried out determine the main causation of casual appointments.

The results showed the current casual rate which is approximately 9% is too high to be acceptable. The breakdown of this audit shows that the main cause is bracket failures at 48%. Archwire fractures came second at 4.8% and issues with removable appliances at 3.7%. To combat these issues the following changes have been made:

- The arch wire manufacturer has been changed
- All staff has had undertaken bonding technique training.

**Have all Patients with HIV on HAART Achieved Viral Suppression by 6 months and maintained this in the Long Term.
Re-audit Project No. B5009-1**

Viral load is routinely monitored in patients with HIV. For those on Highly Active Anti-Retroviral Therapy (HAART), this is done to monitor for signs of virological failure. This audit was carried out to ensure all patients achieved and sustained viral suppression.

Results showed that 100% of HIV positive patients willing to engage with HIV services were monitored appropriately for signs of virological response and failure; No patients had virological failure and all patients who had a dateable Viral Load (VL) were followed up were appropriately and offered adherence support. Therefore the aim of the service is to continue to maintain these high standards

The outcomes of audits and quarterly progress are reported to the Clinical Effectiveness Group and relevant directorate Clinical Governance Groups where action plans and progress are monitored.

Research and Development

The aim of clinical trials is to increase knowledge about treatments to ensure we are treating based on the best possible evidence. Research offers participants the opportunity to be involved in research which may or may not be of benefit to them.

Yorkshire & Humber (Y&H) is one of 15 regions that form part of the Clinical Research Network (CRN). Every CRN is targeted with a figure by the National Institute for Health (NIHR) on the number of patients entered into a clinical trial in a given financial year. As Y&H is 10 % of the national population, we are expected to 10% of the national NIHR target, which puts our regional annual target at 65,000.

This annual target is divided between the 22 partner organisations (Trusts), of which we are one of them. Each year we are asked to set a target on the number of patient accruals we think we can meet in a year based on our current portfolio, previous history and the numbers of studies closing and possibly opening in the year.

To reach the 65,000 the Y&H CRN requires our hospital have been set a stretching target of 3539 patients accrued into clinical trials in our Trust from 1 April 2016 to 31 March 2017. It's important that we meet this target as this will determine our money flow into the Trust next financial year, which pays for all the research staff we have.

The number of patients receiving relevant health services provided or sub-contracted by York Teaching Hospitals in the period 1 April 2016 to 31 March 2017 that were recruited

during that period to participate in research approved by a research ethics committee was 3,928.

These patients were recruited across a wide range of specialties as most of our hospital now recruits patients into clinical trials. Listed below is the range of studies the Trust is part of as of 31 March 2017.

	Active and recruiting	Active and in follow-up
Anaesthetics	8	3
Cancer and Oncology (York)	26	24
Cancer and Oncology (Scarborough)	14	21
Cardiology	5	6
Dermatology	5	3
Emergency Department	8	3
Clinical Research Facility+	3	0
Gastroenterology	2	3
Generic Team (York)+	19	2
Generic Team (Scarborough)+	25	8
Neurology	0	2
Obstetrics	5	2
Ophthalmology	9	4
Palliative Care	3	1
Paediatrics	7	1
Renal	8	4
Rheumatology	7	4
Sexual Health	4	2
Stroke	7	0

Some areas where we have performed really well are Rheumatology where we are the highest recruiters in a Study called RAMS with over 320 patients recruited to date and Anaesthesia, Periop Medicine and Pain Specialty Group which now sees York Hospital recruit 25% of the total number of patients in clinical trials in England. In addition, we got the first UK patient into a Cardiology trial call ARIADNE which is a great success for us.

In addition, one of our studies our hospital is running together with the Vale of York CCG to look at whether Proactive Health Coaching for patients can reduce the burden on A&E has been shortlisted as a finalist at both the Health Service Journal Awards and the regional Medipex Innovation Awards. Also, one of our consultants Dr James Turvill has won regional award at the Medipex NHS Innovation Awards for his work on integrating Faecal Calprotectin Testing into the Primary Care Pathway.

Commissioning for Quality and Innovation Payment Framework (CQUIN)

A proportion of York Teaching Hospital NHS Foundation Trust income in 2016/17 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 relevant health services, through the Commissioning for Quality and Innovation payment framework.

The financial value of the scheme is set at 2.5 per cent of all healthcare services commissioned through the NHS Standard Contract, excluding high cost drugs, devices and listed procedures. 0.5 per cent of overall contract value is linked to the national CQUIN goals and 2.0 per cent is linked to local indicators. The value locally is approximately £10m.

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

National – Introduction of Health and Wellbeing Initiatives, Healthy food for NHS staff, visitors and patients, improving the uptake of flu vaccinations for frontline clinical staff, Timely identification and treatment for Sepsis and Reduction in antibiotic consumption.

Local – Catheter Care, Care of Patients Receiving Insulin, Safety in Glucose Monitoring, Paediatric Transitional Care Plans, Improving the Services and patient experience for children admitted with a mental health diagnosis, Dementia - John's Campaign and Transformation of Community Units.

Specialist – Chemotherapy Dose Banding , Adult Critical Care Timely Discharge, Measures to aid patients with Long Term Conditions, Orthodontic Secondary Care, Oral Surgery Day Cases and Screening for people with learning difficulties or mental health conditions.

At the time of writing this report the Trust had agreed payment with the Commissioners for CQUINS. Further details of the agreed goals for 2016-17 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.

The 2015/16 value of the CQUIN was set at 2.5 per cent of the contract value. The value locally was £8.5m.

Care Quality Commission

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

The CQC has not taken enforcement action against York Teaching Hospital NHS Foundation Trust during 2016/17.

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

In the 2014/15 Quality Report we stated that the Trust was subject to a CQC inspection over three days, 17-20 March 2015, with a further unannounced inspection taking place between 30 and 31 March 2015.

The CQC published its post inspection report in October 2015 and assessed the organisation overall as 'Requiring Improvement'. Key issues related to:

- Issues with emergency care triage;

- Performance against a number of national standards;
- Medical and nurse staffing;
- Critical care services;
- Attendance levels at statutory and mandatory training;
- The maintenance of some equipment;
- The monitoring of fridge temperatures;
- The updating of clinical guidelines with a specific issue around records management;
- Privacy and dignity of a very small cohort of patients on the Nurse Enhanced Unit;
- Improvements to governance processes.

The report findings included a small number of improvement requirement notices, which related to the Quality and Patient Safety issues outlined above. The Trust developed a resultant action plan, of which all actions had an appointed executive lead. Actions were actively being managed through the various sub committees of the Board and reported through to the Board. The Trust also has discussions with the CQC at regular engagement meetings, but has not been inspected again during 2016/17; therefore there have been no changes to the overall ratings.

Whilst the Trust was assessed 'Requires Improvement', a number of areas were considered to demonstrate best practice, particularly Children's Services, End of Life Care and Community Services.

The CQC Quality Report scorecard is shown below.

Our ratings for the York hospital are:

	Safe	Effective	Caring	Responsive	Well-Led	Overall
Urgent & Emergency	Requires improvement	Good	Good	Requires improvement	Requires improvement	Requires improvement
Medical Care	Requires improvement	Good	Good	Good	Good	Good
Surgery	Good	Good	Good	Requires improvement	Good	Good
Critical Care	Good	Good	Good	Requires improvement	Requires improvement	Requires improvement
Maternity & Gynaecology	Good	Requires improvement	Good	Good	Good	Good
Children & Young People	Requires improvement	Good	Good	Good	Good	Good
End of Life Care	Good	Good	Good	Good	Good	Good
Outpatients & Diagnostic Imaging	Good	Inspected but not rated	Good	Good	Good	Good

Overall	Requires improvement	Good	Good	Requires improvement	Requires improvement	Requires improvement
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Our ratings for Scarborough Hospital are:

	Safe	Effective	Caring	Responsive	Well-Led	Overall
Urgent & Emergency	Requires improvement	Requires improvement	Good	Requires improvement	Requires improvement	Requires improvement
Medical Care	Requires improvement	Good	Good	Requires improvement	Requires improvement	Requires improvement
Surgery	Requires improvement	Good	Good	Requires improvement	Requires improvement	Requires improvement
Critical Care	Requires improvement	Requires improvement	Good	Requires improvement	Requires improvement	Requires improvement
Maternity & Gynaecology	Requires improvement	Requires improvement	Good	Good	Good	Requires improvement
Children & Young People	Requires improvement	Good	Good	Good	Good	Good
End of Life Care	Good	Good	Good	Good	Good	Good
Outpatients & Diagnostic Imaging	Requires improvement	Inspected but not rated	Good	Requires improvement	Requires improvement	Requires improvement
Overall	Requires improvement	Requires improvement	Good	Requires improvement	Requires improvement	Requires improvement

Our ratings for Bridlington Hospital are:

	Safe	Effective	Caring	Responsive	Well-Led	Overall
Medical Care	Requires improvement	Good	Good	Good	Requires improvement	Requires improvement
Surgery	Requires improvement	Good	Good	Good	Good	Good
End of Life Care	Good	Good	Good	Good	Good	Good
Outpatients & Diagnostic Imaging	Requires improvement	Inspected but not rated	Good	Good	Requires improvement	Requires improvement

Overall	Requires improvement	Good	Good	Good	Requires improvement	Requires Improvement
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Our ratings for Community Services are:

	Safe	Effective	Caring	Responsive	Well-Led	Overall
Community health services for adults	Requires improvement	Good	Good	Good	Good	Good
Community inpatient services	Requires improvement	Good	Good	Good	Good	Good
Community end of life care	Good	Good	Good	Good	Good	Good
Community services for children and young people	Requires improvement	Good	Good	Good	Good	Good
Overall	Requires improvement	Good	Good	Good	Good	Good

Our rating for the Trust overall

	Safe	Effective	Caring	Responsive	Well-Led	Overall
Overall trust	Requires Improvement	Good	Good	Requires Improvement	Requires Improvement	Requires Improvement

Data Quality

York Teaching Hospital NHS Foundation Trust submitted records during 2016/17 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.

A daily trace file is run against the National Spine, which checks all activity over the previous three months to ensure that NHS numbers are full populated. In addition, daily checks are undertaken by the Data Quality Team to ensure the completeness and validity of key data items including GP practice, NHS numbers and deaths. Prior to submission, the SUS CDS extracts undergo a documented set of validation and trend checks, reconciliation files are also run prior to final submission. This has resulted in a significant reduction in queries, which are now in single figures and are genuine. In

addition, prior to completed and submission of national activity returns, including Cancer Wait Times, ED 4 hour standard, diagnostic and 18 weeks incomplete targets, a series of validation checks are undertaken including all patients in breach of target are checked.

The percentage of records in the published data which included a valid NHS number or a General Medicine Practice Code (data for April 2016 to March 2017) was:

	2016/17
Valid NHS Number	
Admitted patient care	99.7%
Outpatient care	99.9%
Accident and emergency	97.8%
Valid General Medical Practice	
Admitted patient care	100%
Outpatient care	100%
Accident and emergency	100%

Information Governance

The Trust submitted its annual self-assessment in March, achieving 75 % compliance with the Information Governance Toolkit requirements. This represents an achievement of at least level 2 compliance with each of the 45 standards and gives an overall satisfactory rating. The standards relate to six areas of activity: Information Governance Management, Confidentiality and Data Protection, Information Security, Clinical Information Assurance, Secondary Uses Assurance and Corporate Information Assurance.

York Teaching Hospital NHS Foundation Trust Information Governance Assessment Report overall score for 2016/17 was 75% and was graded green.

Payment by Results

York Teaching Hospital was not subject to the Payment by Results clinical coding audit during 2016/17.

Reference Cost Submission

During 2015/16 York Teaching Hospital NHS Foundation Trust has been audited on our 2014/15 Reference Cost Submission, which is underpinned by our Service Level Reporting system. The final audit report completed by PWC was received in June 2016 and external auditors have given an opinion of 'Materially Compliant'.

The Trust has not been selected for audit as part of the 2016/17 NHSI Reference Cost audit programme.

2.3 Reporting Against Core Indicators

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 NHS Digital (*also some from NHS England and the Staff survey results*), 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 Oct 14 – Sept 15	Trust Oct 15 – Sept 16	NHS Average Oct 15 – Sept 16	NHS Highest Trust Oct 15 – Sept 16	NHS Lowest Trust Oct 15 – Sept 16
Trust score (lower value is better)	99	98	100	116	69
Banding (higher value is better)	2	2	2	3	1

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

- Information on the Summary Hospital-level Mortality Indicator (SHMI) is reported to and scrutinised by the Executive Board, Quality and Safety Committee and Board of Directors when published. The above data is consistent with locally reported data;
- 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 has taken the following actions to improve this score, and so the quality of its services by:

- Ensuring that all in-patient deaths are reviewed by a consultant within four weeks of the death occurring;
- Promoting discussion of learning from mortality review at department governance meetings;
- Providing a quarterly report on learning from mortality reviews;
- Expanding the terms of reference of the Trust Mortality Review Group to provide an emphasis on identification, review and learning from avoidable mortality;
- Work towards a new avoidable mortality score and training is underway to conduct the new style mortality reviews with a selected number of clinicians.

We will:

- Continue with our mortality review programme including consultant mortality reviews and development of in-depth review of avoidable mortality.

Palliative Care Coding	Trust Oct 14 – Sept 15	Trust Oct 15 – Sep 16	NHS Average Oct 15 – Sep 16	Highest Trust Oct 15 – Sep 16	Lowest Trust Oct 15 – Sep 16
% Deceased patients with palliative care coded	22.8	23.0	30.0	56.3	0.4

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 Performance Report presented 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:

- Monitoring 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 receives weekly information on any patients who have had palliative care or contact with the Palliative Care Team, so that this can be reflected in the clinical coding.

We will:

- Continue with our mortality review programme and ensure we continue to validate the clinical coding of deceased patients as part of the mortality reviews undertaken by consultants;
- The Trust is also working towards a new avoidable mortality score and training is underway to conduct the new style mortality reviews with a selected number of clinicians.

Patient Reported Outcome Measures (EQ-5D Index, Percentage of Patients Improving scores)	*Trust Apr 15 – March 16	*Trust Apr – Sep 16	*England Apr-Sep 16	Highest Trust Apr-Sep 16	Lowest Trust Apr-Sep 16
Groin hernia	51.6%	53.4%	51.6%	Not available	
Hip replacement	88.9%	87.9%	90.2%	Not available	
Knee replacement	82.3%	82.1%	81.9%	Not available	
Varicose vein	62.7%	58.9%	51.9%	Not available	

*Provisional scores

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:

- 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.

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 receive 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 28 Days of discharge	Trust Apr 2015 – Mar 2016	Trust Apr 2016 – Mar 2017	NHS average Apr 2016 – Jan 2017	Highest Trust Apr 2016 – Jan 2017	Lowest Trust Apr 2016 – Jan 2017
% Percentage of readmissions aged 0 to 15	15.34	16.48	Not available	Not available	Not available
% Percentage of readmissions aged 16 and over	6.70	6.89	Not available	Not available	Not available

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

Monitoring on readmissions within 30 days of discharge is included in the monthly performance report to the Board of Directors.

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 has taken the following

actions to improve this percentage, and so the quality of its services by:

- Continuing with the weekly Quality and Safety briefings to consistently address any issues raised. The meetings are Chaired by the Medical Director and are attended by the Director of Nursing, Deputy Director of Patient Safety, Deputy Director of Healthcare Governance and Assistant Director of Nursing;
- The agenda of these meetings includes emergency readmissions and other quality and safety issues.

We will:

- Continue to hold our weekly quality and safety briefings and take action to address any issues raised
- Continue to monitor readmission rates as part of our contract monitoring process with our commissioners and take remedial action if the rate is exceeded.

Responsiveness to personal needs of patients	*Trust 2014-15	**Trust 2015-16	**NHS average 2015-16	**Highest Trust 2015-16	**Lowest Trust 2015-16
Responsiveness to inpatients' personal needs	69.0	71.2	69.6	86.2	58.9

Most recent published dates available

*Data collected is from hospital stay: 1 June 2014 to 31 August 2014; Survey collected 1 September 2014 to 31 January 2015

**Data collected is from hospital stay: 1 July 2015 to 31 July 2015; Survey collected 1 August 2015 to 31 January 2016

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 Patient Experience Steering Group, Quality and Safety Committee and 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:

- Delivering the Trust's Patient Experience Strategy 2015-18 which focuses on listening to feedback, effective reporting and responding and acting on lessons learned;
- Developing new posters to be displayed in all wards encouraging people to speak to the nurse in charge or matron if they have any questions or concerns;
- Using learning from the Friends and Family Test results to highlight particular wards where patients are concerned about lack of privacy and taking action;
- Increasing the numbers and roles of volunteers on our wards, including visitors, dining

companions and patient experience volunteers.

We will

- Carefully consider the results of the 2016 National Inpatient Survey in our Patient Experience Steering Group alongside insights from other patient experience information sources including Friends and Family Test results, Patient Advice and Liaison Service data and complaints data. We will engage with frontline staff to identify and share good practice;
- Continue to focus on the discharge process and, within this, improving our communication with patients and families.

Staff recommending the Trust to family and friends	Trust Apr – June 2016	Trust July – Sep 2016	NHS Average July – Sep 2016	Highest Trust July – Sep 2016	Lowest Trust July – Sep 2016
Percentage of staff who would recommend the Trust	78%	82%	79%*	100%	44%

*Average for England is 80%

Figures relate to percentage who recommend care.

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 2015 and 2016 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:

The results of the 2016 survey will be used to fully evaluate the actions which were taken in response to the 2015 survey.

- Staff and Patient suggestions will be used to inform decisions;
- Improved communication between staff and senior managers. Specifically, feedback will be provided about how staff and patient suggestions have been used;
- Incident reporting procedures are and should be seen to be fair and effective.

We will:

- Continue to encourage all of our staff to complete the Staff Friends and Family Test. This will give valuable feedback which we will use to improve outcomes for our patients
- Continue to use the results to inform a corporate action plan to address the worse ranking scores and those which have deteriorated.

Staff survey results presented to the Board in March 2017

Patients admitted and risk assessed for venous thromboembolism	Trust Apr – Dec 2015	Trust Apr - Dec 2016	NHS Average Apr - Dec 2016	Highest Trust Apr - Dec 2016	Lowest Trust Apr - Dec 2016
Percentage of patients risk assessed	97.6%	97.9%	Not available	Not available	Not available

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

- Compliance with venous thromboembolism (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. The above data is consistent with locally reported data.

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 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 2014-15	Trust 2015- 16	NHS average 2015-16	Highest Trust 2015-16	Lowest Trust 2015-16
Number of infections	59	65*	34	139	0
Number of infections (information per 100,000 bed days)	44.5	44.9	40.1	111.1	0.0

*Following detailed post infection review, it was identified that 26 of the total number of cases reported were not due to lapses in care

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

- Clostridium difficile Infection incidence is reviewed and discussed at the Infection Prevention Operational Group, Quality and Safety briefing and at Post Infection Review (PIR);
- Incidence of all Healthcare Associated Infection (HCAI) is reported to the Quality and Safety Committee and the Trust Board via the quarterly Director of Infection Prevention and Control report that aims to assure the Board of action and mitigation in relation to HCAI and infection prevention performance;
- HCAI is also reviewed and actions agreed at the Trust Infection Prevention and Control Steering Group (TIPSG) and with Directorate leads at Performance and Assurance

Meetings lead by the Chief Nurse, Chief Executive and Finance Director.

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 to monitor progress against trajectory through multi-disciplinary Post Infection Review (PIR) of all cases overseen by the clostridium difficile Operational Group;
- PIR and case follow up, continually and critically monitoring and auditing infection prevention practices to ensure they reflect best practice and enhance patient safety;
- Audit and 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 via the TIPSG and to the Board of Directors. Audit results are also disseminated to individual consultants, clinical directors and matrons for information and action;
- Ward-based training and education sessions are delivered to staff in high incidence areas to address and raise awareness of PIR outcome and best practice in line with Trust IP policies/guidelines with subsequent dissemination at PNLf, Senior Nurse meetings and Medical Staff training. PIR outcomes and lessons learnt are also disseminated via staffroom and case studies are developed to assist understanding and learning.

We will:

- Continue with PIR and dissemination to staff of lessons learnt to inspire and generate improvement. Audit of compliance with best practice and antimicrobial stewardship will continue together with seeking new initiatives to reduce incidence;
- Continue to report progress to the Quality and Safety Committee and 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 initiatives continue to be developed aimed at achieving sustainable reduction in HCAI;
- Continue to discuss incidence and risk at weekly quality and safety briefings to identify and agree action required.

Patient safety incidents and the number of incidents resulting in severe harm or death	Trust Apr - Sep 15	Trust Oct 15 - Mar 16	NHS average Oct 15 – Mar 16	Highest Trust Oct 15 - Mar 16	Lowest Trust Oct 15 - Mar 16
Rate of patient safety incidents	35.7	34.6	39.6	75.9	14.8
Number of incidents resulting in severe harm or death*	42	46	19.43	94	0.0
% of incidents resulting in severe harm or death* *	0.70	0.75	0.43	2.03	0.0

Note – data represents acute trusts only.

The rate of patient safety incidents is based on per 1,000 bed days. The data is taken from information reported to the National Learning and Reporting System (NLRs). This is the latest information available.

*Not all the Trusts figures cover a full six month period which may affect the averages.

**Percentage is based on rate of patient safety incidents

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 and the Deputy Director of Healthcare Governance prior to being reported to the National Patient Safety Agency.

The York Teaching Hospital NHS Foundation Trust has taken the following actions to improve this rate, number and 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 Assistant Director of Nursing are held to discuss quality and safety issues, which includes deaths, serious incidents, critical incidents, adverse incidents, and safety alerts;
- Reporting information on numbers of patient safety incidents and those resulting in severe harm or death monthly to the Quality and Safety Committee and the Board of Directors as part of the Patient Safety and Quality Performance Report.

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 and friends test score (patient element)	Trust Jan 16	Trust Jan 17	NHS average Jan 17	Highest Trust Jan 17	Lowest Trust Jan 17
Inpatient % recommend	96%	96%	96%*	100%	80%
A&E % recommend	83%	84%	88%**	100%	45%

Note – data for acute hospitals only.

*Total for England was 95%

**Total for England was 87%

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

- Matrons act as the lead for the Friends and Family Test within their clinical areas. Response rates and recommend rates are part of performance dashboards. Emergency

Department performance remains a challenge and is kept under close review. Narrative responses show that the main cause of ED dissatisfaction is linked to waiting times.

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:

- Each ward receiving a monthly report with their Friends and Family Test results. The Patient Experience Team highlights themes and trends and engages with matrons to support celebration of success and improvement actions.

We will:

- Continue to monitor performance with the FFT with regular updates to the Board of Directors

Percentage of staff experiencing harassment, bullying or abuse from staff in last 12 months	Trust 2015	Trust 2016	NHS Average 2016	Highest Trust 2016	Lowest Trust 2016
Percentage of staff experiencing harassment, bullying or abuse from staff in last 12 months	22	24	23	32	19

- Scores are for combined community and acute trusts only

The results of the annual staff survey are reported to the Board of Directors. The data is consistent with that reported to the Board of Directors.

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

The results of the 2016 survey will be used to evaluate the actions which were taken in response to the 2015 survey.

We will:

Use the results to inform a corporate action plan to address the worse ranking scores and those which have deteriorated.

Share department level data as appropriate so it can also be determined whether additional local level actions are required for department or directorate specific issues.

Percentage of staff believing that the organisation provides equal opportunities for career progression or promotion	Trust 2015	Trust 2016	NHS average 2016	Highest Trust 2016	Lowest Trust 2016
Percentage of staff believing that the organisation provides equal opportunities for career	89%	90%	87%	94%	72%

progression or promotion					
<ul style="list-style-type: none"> Score are for combined community and acute trusts only <p>The results of the annual staff survey are reported to the Board of Directors. The data is consistent with that reported to the Board of Directors.</p> <p>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:</p> <p>The results of the 2016 survey will be used to fully evaluate the actions which were taken in response to the 2015 survey.</p> <p>We will:</p> <p>Use the results to inform a corporate action plan to address the worse ranking scores and those which have deteriorated.</p> <p>Share department level data as appropriate so it can also be determined whether additional local level actions are required for department or directorate specific issues.</p>					

The Trust has systems and processes in place that ensure accurate records, reports and clinical indicators are maintained. The Trust's Council of Governors are required to select an indicator for external audit to measure. The Governors of the Trust have chosen to seek assurance on the NEWS score and this has been incorporated into the patient safety indicators which will report on early identification of the deteriorating patient. Performance on this indicator is reported monthly in the Quality and Safety report to the Board of Directors. As part of the audit our external auditors will be taking a sample of 25 patients and considering if the correct assessment has taken place and the patients involved have been correctly classified.

Part 3 – Review of Quality Performance

Part 3 sets out the priorities for improvement which were identified in the 2015-16 report together with the rationale for the priorities selected. The Trust is required to include the indicators which are reported as part of NHS Improvement's oversight for the whole year; ie: indicators that appear in both lists of either the Risk Assessment Framework (1 April – 30 September 2016) and the Single Oversight Framework (1 October 2016 – 31 March 2017). Detailed below is the Trust's performance against National Quality Indicators.

3.1 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 2015-16 quality report is shown below.

Key

Green	Achieved	Amber	Partially Achieved More than 50% progress	Red	Not Achieved less than 50% progress
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Priorities set in 2015/16 to be measured in 2016/17

What we said we would do about patient safety, we said	
We will reduce avoidable mortality By the end of March 2017, we said that we would ensure that: <ul style="list-style-type: none"> Ensuring that all patients admitted urgently to our acute hospitals have a review by a medical consultant within 14 hours of admission; Promoting screening for severe sepsis and early intervention of Sepsis 6 throughout our hospitals (national CQUIN); Revision and enhancement of our approach to mortality review by ensuring that in all cases of death in hospital a mortality review is completed that where the death is identified as avoidable an independent case note review is undertaken 	
How did we do	
<ul style="list-style-type: none"> Ensuring that all patients admitted urgently to our acute hospitals have a review by a medical consultant within 14 hours of admission; 	AMBER
<ul style="list-style-type: none"> Promoting screening for severe sepsis and early intervention of Sepsis 6 throughout our hospitals (national CQUIN); 	AMBER
<ul style="list-style-type: none"> Revision and enhancement of our approach to mortality review by ensuring that in all cases of death in hospital a mortality review is completed that where the death is identified as avoidable an independent case note review is undertaken. 	GREEN
We would reduce harm to patients By the end of March 2017, we said we would ensure that: <ul style="list-style-type: none"> Reduce the number of patients who experience serious harm from falls and pressure ulcers by 10 per cent; Increase the overall number of incidents reported by 10 per cent when compared with the number reported in 2015/16; Over 90 per cent of patients (aged 75 or over) acutely admitted with delirium or dementia, have a dementia specific assessment. 	
How did we do	
<ul style="list-style-type: none"> Reduce the number of patients who experience serious harm from falls and pressure ulcers by 10 per cent; 	GREEN
<ul style="list-style-type: none"> Increase the overall number of incidents reported by 10 per cent when compared with the number reported in 2015/16; 	RED
<ul style="list-style-type: none"> Over 90 per cent of patients (aged 75 or over) acutely admitted with delirium or dementia, have a dementia specific assessment (89.4%). 	AMBER

What else have we done to improve patient safety in the Trust <ul style="list-style-type: none"> Please also see the information provided at page 201 on the sign up to safety campaign. 	
What we said we would do about improving clinical effectiveness and outcomes, we said:	
We will monitor critical medicines and antimicrobials By the end of March 2017, we said that we would ensure that: <ul style="list-style-type: none"> Ensure effective care for patients receiving insulin and those in need of capillary blood glucose monitoring (local CQUIN); Implement a system of electronic prescribing and medicines administration. 	
How did we do	
<ul style="list-style-type: none"> Ensure effective care for patients receiving insulin and those in need of capillary blood glucose monitoring (local CQUIN); 	GREEN
<ul style="list-style-type: none"> Implement a system of electronic prescribing and medicines administration. 	AMBER
We will increase advanced decision making in end of life care By the end of March 2017, we said that we would ensure that: <ul style="list-style-type: none"> All senior staff involved with advanced decision making in end of life care will have received training in Do Not Attempt CPR Decision Making. 	
How did we do	
<ul style="list-style-type: none"> All senior staff involved with advanced decision making in end of life care will have received training in Do Not Attempt CPR Decision Making. 	AMBER
We will reduce hospital associated infections of C.diff, MRSA bacteraemia and MSSA By the end of March 2017, we said that we would ensure that: <ul style="list-style-type: none"> Ensuring safe prescribing and monitoring of antibiotics (national CQUIN) Improving management of short-term use of urethral catheters for patients in acute medicine (local CQUIN) 	
How did we do	
<ul style="list-style-type: none"> Ensuring safe prescribing and monitoring of antibiotics (national CQUIN) 	GREEN
<ul style="list-style-type: none"> Improving management of short-term use of urethral catheters for patients in acute medicine (local CQUIN) 	GREEN
What else have we done about improving clinical effectiveness and outcomes:	

<ul style="list-style-type: none"> Through identification of risks and priorities from audit and surveillance outcomes we will, with relevant clinical, nursing and commissioning leads, continue to develop strategies and interventions aimed at reducing avoidable harm from healthcare associated infection. Governance and Assurance will be via escalation/reporting through the Infection Prevention Operational and Steering Groups. 	
What we said we would do about improving patient experience, we said:	
We will increase the contribution of volunteers By the end of March 2017, we said that we would ensure that: <ul style="list-style-type: none"> Volunteers already make an important contribution to the experience of patients, carers and visitors to the hospital. We will develop and grow this contribution through: <ul style="list-style-type: none"> Increasing the number of active, registered volunteers in the Trust by 25% Ensuring our volunteers are best supported by reviewing and strengthening the Trust's approach to induction, recruitment, supervision and training 	
How did we do	
<ul style="list-style-type: none"> Volunteers already make an important contribution to the experience of patients, carers and visitors to the hospital. We will develop and grow this contribution through: <ul style="list-style-type: none"> Increasing the number of active, registered volunteers in the Trust by 25% 	GREEN
<ul style="list-style-type: none"> Volunteers already make an important contribution to the experience of patients, carers and visitors to the hospital. We will develop and grow this contribution through: <ul style="list-style-type: none"> Ensuring our volunteers are best supported by reviewing and strengthening the Trust's approach to induction, recruitment, supervision and training 	GREEN
We will learn from complaints By the end of March 2017, we said that we would ensure that: <ul style="list-style-type: none"> Our Patient Experience Strategy is to listen, report and respond and learn. To provide assurance that we are completing this cycle and delivering improvements from feedback we will pilot and evaluate a system for case file audit for complaints. A sample of closed cases will be audited for: <ul style="list-style-type: none"> Compliance with Trust policy and best practice for case handling Evidence that lessons learned have been completed We will also re-launch PALS with new information for patients, carers and staff about the support it provides and a more visible presence in our hospitals 	
How did we do	
<ul style="list-style-type: none"> Our Patient Experience Strategy is to listen, report and respond and learn. To provide assurance that we are completing this cycle and delivering improvements from feedback we will pilot and evaluate a system for case file audit for complaints. A sample of closed cases will be audited for: <ul style="list-style-type: none"> Compliance with Trust policy and best practice for case handling 	GREEN
<ul style="list-style-type: none"> Our Patient Experience Strategy is to listen, report and respond and learn. To provide assurance that we are completing this cycle 	AMBER

and delivering improvements from feedback we will pilot and evaluate a system for case file audit for complaints. A sample of closed cases will be audited for:	
<ul style="list-style-type: none"> - Evidence that lessons learned have been completed 	
<ul style="list-style-type: none"> • We will also re-launch PALS with new information for patients, carers and staff about the support it provides and a more visible presence in our hospitals 	GREEN
We would enhance partnership working By the end of March 2017, we will ensure that: Enhance our partnership working with paediatric services and mental health agencies, with a focus on adolescents we will develop shared pathways of care for those patients at risk of suicide who need acute hospital care	
How did we do	
<ul style="list-style-type: none"> • Enhance our partnership working with paediatric services and mental health agencies, with a focus on adolescents we will develop shared pathways of care for those patients at risk of suicide who need acute hospital care 	GREEN
We would increase our Friends and Family Test Score By the end of March 2017, we will ensure that: <ul style="list-style-type: none"> • Across the Trust the Friends and Family Test will achieve a 90 per cent + score for patients reporting they would recommend the Trust to their Friends and Family if they needed similar care or treatment • The Trust will achieve an average response rate of at least 20 per cent for inpatient and maternity and to increase this to 25 per cent by year end. To achieve an average response rate of at least 15 per cent for the emergency department 	
How did we do	
<ul style="list-style-type: none"> • Across the Trust the Friends and Family Test will achieve a 90 per cent + score for patients reporting they would recommend the Trust to their Friends and Family if they needed similar care or treatment 	AMBER
<ul style="list-style-type: none"> • The Trust will achieve an average response rate of at least 20 per cent for inpatient and maternity and to increase this to 25 per cent by year end. To achieve an average response rate of at least 15 per cent for the emergency department 	AMBER
What else have we done about improving patient experience <ul style="list-style-type: none"> • Launched the night owl initiative to reduce noise and disruption on our wards and help patients get a good night's sleep • Increasing the numbers of volunteers on our wards, including dining companions, visitors and activity volunteers • Refurbished the discharge lounge • Changed visiting times to 11am-8pm across all wards and sites • Launched John's Campaign for the right for patients with dementia to be supported by their carers throughout their hospital stay • Opened a new urology one stop shop in Malton, where patients can be seen and assessed and leave the unit with a treatment plan with a single visit. 	

Progress Against Previous Initiatives

Each year the Trust is required to publish a Quality Report which includes a list of priorities. Over the years, there have been occasions when the Trust has not managed to achieve the set priority. Listed below are the priorities that were not achieved in the past and have not been included in further reports.

Prescribing and administration of medicine errors – In 2011/12 and 2012/13 and 2014/15 we said we would reduce missed doses of critical medicines by 20 per cent. We did not achieve the priority at that time. However even though the number of incidents being reported has increased the majority of these are in the minor/low harm category. The Trust continues to roll out an electronic prescribing medicines administration system which helps to drive up quality and safety.

Achieving best practice standards with end of life care. In 2015/16 we advised that we would achieve best practice in end of life care. We did not achieve this priority. In 2016/17 we continued to undertake the following actions to achieve best practice in end of life care.

- Fully reviewing the impact of providing a 7 day service, and be willing to invest in staffing if this is indicated;
- Ensuring end of life care education is available across all professionals;
- Embedding the care plan for the last days of life into each clinical setting;
- Continuing with IT development and aim for interoperability between services;
- Increasing activity in end of life care research.

Trust Performance Against National Quality Indicators

Indicator	2015/16 achieved	2016/17 target	2016/17 actual (Apr 16/ Mar 17)	Target achieved	Target & trajectories 2017/18
Infection prevention and control					
Clostridium difficile – meeting the c diff objective	65*	48	46**		
* Following detailed post infection review it was identified that 26 of the total number of cases reported were not due to lapses in care					
** Following detailed post infection review, it was identified that 22 of the total number of cases reported were not due to lapses in care					
MRSA – maintaining the annual number of MRSA bloodstream infections at less than half the 2003	8	0	7		
Cancer waiting times (maximum waits)					
Cancer figures 2016/17 – April 2016 to March 2017					
31 days from decision to 1st treatment	98.43%	96%	98.30%	Yes	96%
31 days for 2nd or subsequent treatment for all cancers – anti	99.71%	98%	99.91%	Yes	98%

Indicator	2015/16 achieved	2016/17 target	2016/17 actual (Apr 16/ Mar 17)	Target achieved	Target & trajectories 2017/18
cancer drugs					
31 days for 2nd or subsequent treatment for all cancers – surgery	96.02%	94%	95.88%	Yes	94%
62 days from all referrals to treatment for all cancers – urgent GP referral	85.81%	85%	83.19%	No	85%
62 days from urgent referral to treatment for all cancers – cervical screening	94.34%	90%	91.80%	Yes	90%
14 days from referral to 1st seen for all urgent cancers	93.64%	93%	90.94%	No	93%
14 days from referral to 1st seen for symptomatic breast patients	93.84%	93%	95.25%	Yes	93%
18 week pathway					
Admitted patients –18 week maximum wait from point of referral to treatment – March 2017		n/a	63.67%		
Non-admitted patients –18 week maximum wait from point of referral to treatment – March 2017		n/a	93.17%		
Maximum time of 18 weeks from point of referral to treatment – patients on an incomplete pathway – March 2017		92%	89.50%		
In April 2015 Monitor changed and introduced a new single measure for the 18-week pathway					
Referral to treatment time, 18 weeks in aggregate, incomplete pathways	93.25%		90.88%	No	
Accident and Emergency waiting times					
*The Trust is monitored on the total for the Trust (type 1) and (type 3) the minor injuries units					
Maximum waiting time of 4 hours in A&E from arrival to admission, transfer or discharge*	88.02%	95%	86.36%	No	95%
Type 1 attendances at the main Emergency Departments only, compliance for 2016/17 was 76.64%					
Data completeness (community services)					
Referral to treatment	100%	50%	100%		50%

Indicator	2015/16 achieved	2016/17 target	2016/17 actual (Apr 16/ Mar 17)	Target achieved	Target & trajectories 2017/18
Referral information	71.68%	50%	75.13%		50%
Treatment activity information	98.65%	50%	98.82%		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
<ol style="list-style-type: none"> 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? Does the Trust provide readily available and comprehensible information to patients with learning disabilities about the following criteria? <ul style="list-style-type: none"> Treatment options Complaints procedures Appointments Does the Trust have protocols in place to provide suitable support for family carers who support patients with learning disabilities? Does the Trust have protocols in place to routinely include training on providing healthcare to patients with learning disabilities for all staff? Does the Trust have protocols in place to encourage representation of people with learning disabilities and their family carers? 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? 					

The Statutory Duty of Candour for Healthcare Organisations

The CQC has put in place a requirement for healthcare providers to be open with patients and apologise when things go wrong. This duty applies to all registered providers of both NHS and independent healthcare bodies, as well as providers of social care from 1 April 2015. The organisational duty of candour does not apply to individuals, but organisations providing healthcare will be expected to implement the new duty throughout their organisation by making sure that staff understand the duty and are appropriately trained.

Regulation 20 of the *Health and Social Care Act 2008 (Regulated Activities) Regulations 2014* intends to make sure that providers are open and transparent in relation to care and treatment with people who use their services. It also sets out some specific requirements that providers must follow when things go wrong with care or treatment, including informing people about the incident, providing reasonable support,

giving truthful information and apologising when things go wrong. The CQC can prosecute for a breach of parts 20(2)a and 20(3) of this regulation.

The patient and their supporters are entitled to written notification, within ten working days, of the incident. This letter will include an apology and update the patient on all information, including any investigation of the incident. The letter may include arrangements for further updates on an investigation

The Professional Duty of Candour for Doctors

The General Medical Council guidance says that doctors should (this applies to nurses and midwives)

- Speak to a patient, or those close to them, as soon as possible after they realise something has gone wrong with their care
- Apologise to the patient, explaining what happened, what can be done if they have suffered harm and what will be done to prevent someone else being harmed in the future
- Report errors at an early stage so that lessons can be learned quickly, and patients are protected from harm in the future.
- Doctors must follow all GMC guidance: serious or persistent failure to do so will put their registration at risk.

An audit carried out by the Trust in 2016 indicated that there could be improvements in relation to meeting the requirements related to written notification of the incident. The audit has been reviewed by both the Executive Board and Quality and Safety Committee and a multifaceted approach to highlighting the action required is being taken, including:

- Issue of a high level statement;
- Use of screen savers, briefings and a focus on governance sessions;
- Inclusion in the Committee work programme;
- Updating of policies including whistleblowing and Being Open;
- Improvements to the capture of information;
- Additional training.

Sign Up to Safety

Put safety first. Commit to reduce avoidable harm in the NHS by half and make public our goals and plans developed locally.

We pledged to:

- Ensure that recognised strategies for reduction of mortality such as multidisciplinary ward rounds and care bundles are implemented.

Progress: we continue to promote multidisciplinary ward rounds and have developed our work on board rounds to improve patient safety. In addition we continue to promote the use of care bundles and encourage the Ignaz system for prompt identification.

- Implement a system of electronic prescribing and medicines administration.

Progress: considerable work has taken place over the past 12 months towards the development and implementation of our in-house EPMA system. The multidisciplinary team of IT, nursing, pharmacy and medical colleagues has this year successfully delivered an electronic system for the recording of allergies and switched over to the new drug data base. Both of these significant pieces of work have contributed directly to improving patient safety and have paved the way to an integrated EPMA system with full decision support functionality. The new APEX front screen is now rolled out across the organisation for the prescribing of discharge medicines and serves as a means of introducing users to the look and feel of the new system.

- Develop the use of Post-Take Ward Round (PTWR) Check List on all of our acute wards.

Progress: the PTWR forms part of the admission proforma booklet. This has been reviewed and consulted on widely. Approval has been given through the documentation group, with the main focus being to ensure the relevant assessments, reviews of Pathology/Radiology are considered and recorded electronically. The checklist is there to act as an aide memoire to ensure discussion/consideration is given to ceiling of care, discharge status and DNACPR as well as other key factors for consideration. There is also a section incorporated into the checklist to ensure handover is completed both on CPD and doctor to doctor.

- Redesign and test the modified clinical pathway for patients with severe sepsis.

Progress: we have implemented a clear programme of screening for patients who may have sepsis and a prompt treatment based on Sepsis 6 for patients who have severe sepsis. We have made good and sustained improvement on screening patients who may have sepsis but we continue to have a delay beyond 60 minutes on initiation of treatment for patients with severe sepsis.

To support a prompt response for patients who may have sepsis we have recently introduced sepsis trolleys to our inpatient areas which have all the equipment necessary to support a timely reaction from our staff when patients are deteriorating.

- Continue to promote better management of patients with diabetes.

Progress: the in-hospital Diabetes Team have developed a resource file for diabetes care. These are available in every ward area both as a hard copy, and in addition, accessible via the intranet. The files contain protocols and clinical guidelines all based on current Best Practice, and are a valuable resource.

Each clinical area has a diabetes link nurse who is invited to a regular forum designed to ensure that the Diabetes Team are aware of any issues and meeting the needs of the staff and in-patients.

- Ensure awareness of infection prevention and control measures particularly hand hygiene and aseptic non-touch technique.

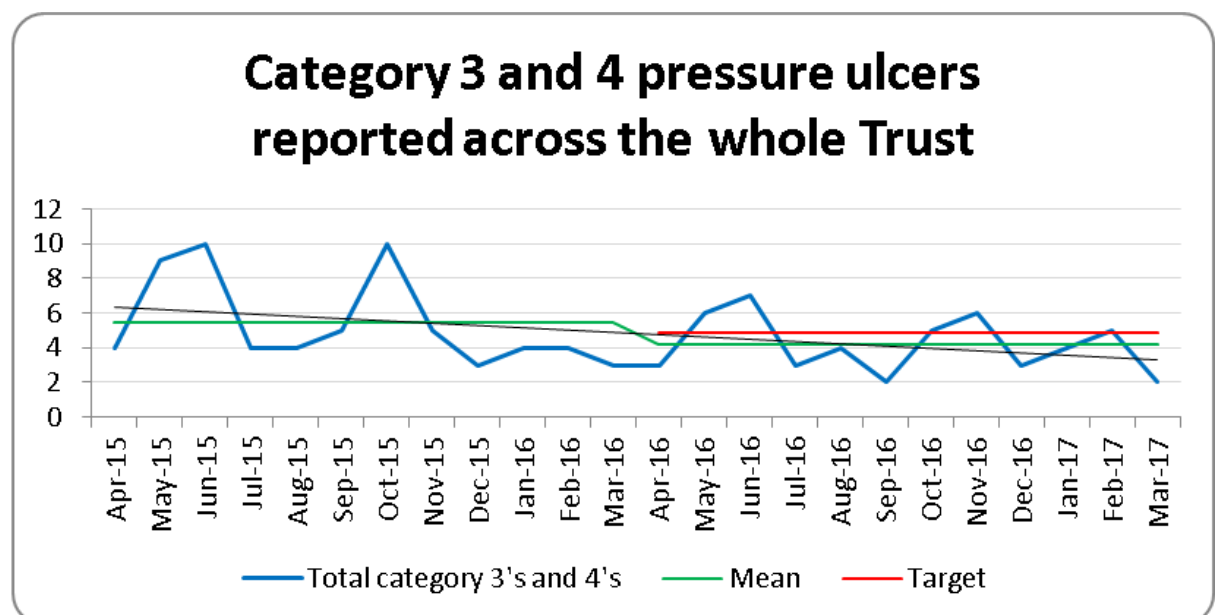
Progress: compliance with effective hand hygiene is still at the top of the infection prevention agenda and we have seen a steady improvement at ward level but with further work required to embed the '5 Moments of Hand Hygiene' especially point 5 which refers to cleaning hands upon leaving the patient environment. A structured clinical examination programme has been developed by the Infection Prevention Team to formally assess staff competency in Hand Hygiene and results are being included in staff appraisal discussions.

Completion of Aseptic Non Touch Technique (ANTT) theory training has reached an all-time high of 85%; a 10% increase on last year. Ward based audits have seen an improvement in observed practice and for those wards with dedicated ANTT trainers there is 100% sign off on practical competency. As some wards still need support in achieving this level of attainment the Infection Prevention Team have a dedicated nurse to help ward staff complete assessments.

- Reduce the development of pressure ulcers by 20%.

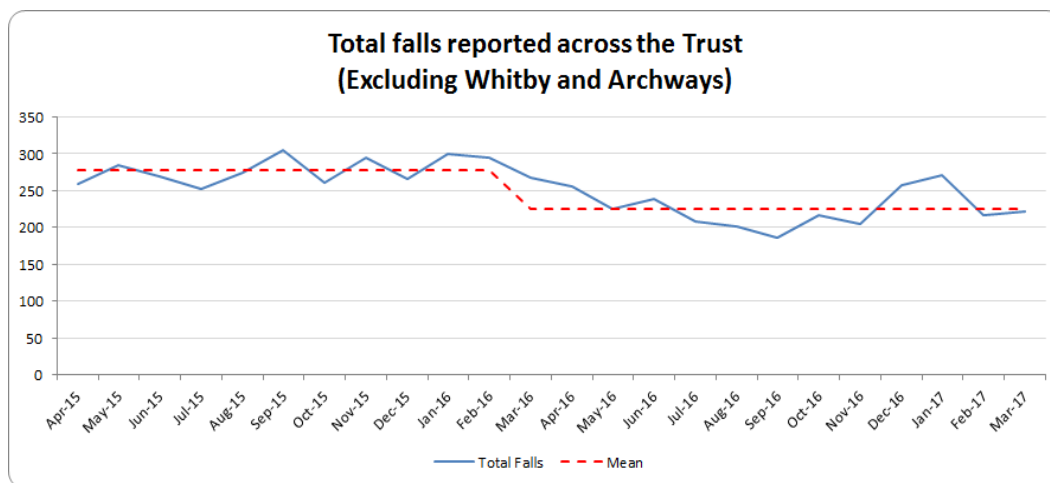
Progress: the Trust formed a multi-disciplinary pressure ulcer steering group in 2014 with the aim of reducing pressure ulcers and this continues to date. This has included declaring all Category 3 and 4 ulcers as Serious Incidents (SIs), and establishing multi-disciplinary panels across Trust sites to review SIs and identify learning and strategic actions. Quarterly reports have also been produced to monitor and communicate learning. A new pressure ulcer policy has been developed which has introduced a new classification tool, screening tool and risk assessment and intervention tool.

Currently the Trust prevalence figures (3.86%) are well below the national (4.88%) mean for pressure ulcers and the Trust has reduced the overall incidence of pressure ulcers with severe harm by over 50% since the Sign up to Safety pledge.

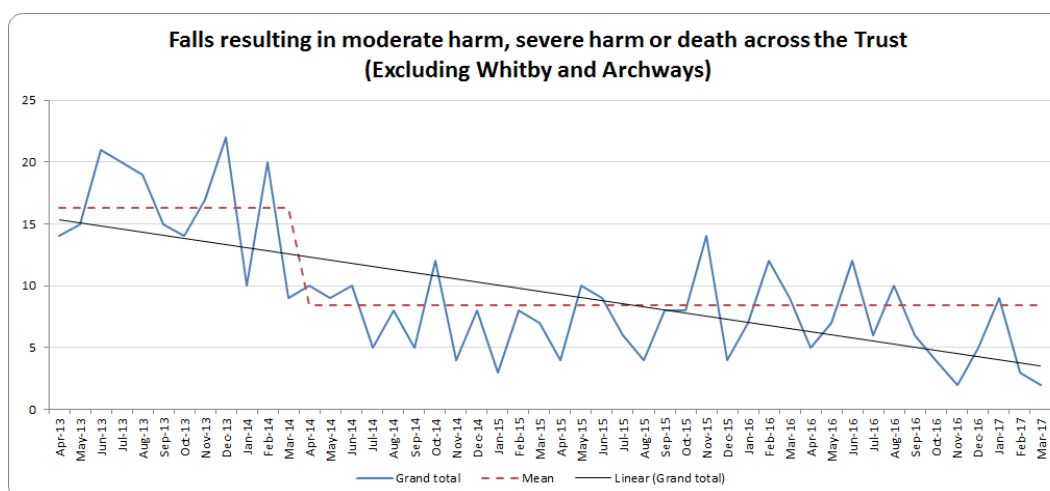


- Reduce the number of patients who fall in hospital and incur severe harm.

Progress: we are currently achieving an overall reduction in patient falls incidents of 18% (2016/17) when compared to end of March 2015/16 period.



The Trust has pledged to reduce the number of patient falls overall but specifically those who undergo moderate or severe harm. We continue to reduce the number of incidents which result in moderate, severe harm or death and in the last 12 months recorded a further reduction of 20%.



Continually learn. Make our organisation more resilient to risks, by acting on the feedback from patients and by constantly measuring and monitoring how safe our services are.

We pledged to:

- Use the information available from Friends and Family Test, PALs, formal and informal complaints and the national patient survey to identify improvements and actions.

Progress: the Patient Experience Strategy 2015-2018 focuses on the five core principles of listening; involving; reporting and responding; acting; and a culture of respect and responsibility. The Patient Experience Team now records enquiries, compliments, comments, concerns and complaints on the same information system (Datix). This has enabled new, more detailed reporting of patient experience at ward, directorate and Trust-wide levels.

Detailed themes and trends are reported in the monthly Complaints, Compliments and PALS Report and the FFT report which is sent to all directorates. There has been significant emphasis in Q3 and Q4 2016/2017 on ensuring that where complaints are upheld or partially upheld, the learning is used to agree clear actions for improvement. Complaint responses include a summary of actions with people responsible and timescales for completion. These are recorded on the Datix system to enable systematic reporting and review. The new reports make it easier to identify themes and trends which need to be addressed.

There has been significant emphasis this year, on ensuring that learning from complaints and concerns is used to agree clear actions for improvement. The Patient Experience Team have audited a sample of closed complaints to assess whether the complaint has been handled correctly according to the Trust procedure and whether actions have been complete. The audit of findings are being shared with directorates to support improvement.

The Trust uses feedback from other sources including FFT and National Patient Surveys to identify improvement and actions. Examples of such actions from feedback include the Night Owl Initiative to reduce noise at night which was launched September 2016 and John's Campaign.

- On a monthly basis publish information relating to complaints and patients feedback.

Progress: the Patient Experience Team produce monthly ward/department-level FFT reports and the Complaints, Compliments and PALS report continues to be sent to matrons, directorate managers and deputy directorate managers. New data on compliance with the 30 days target for responses is now included, to show directorate performance and provide a basis for monitoring and improvement.

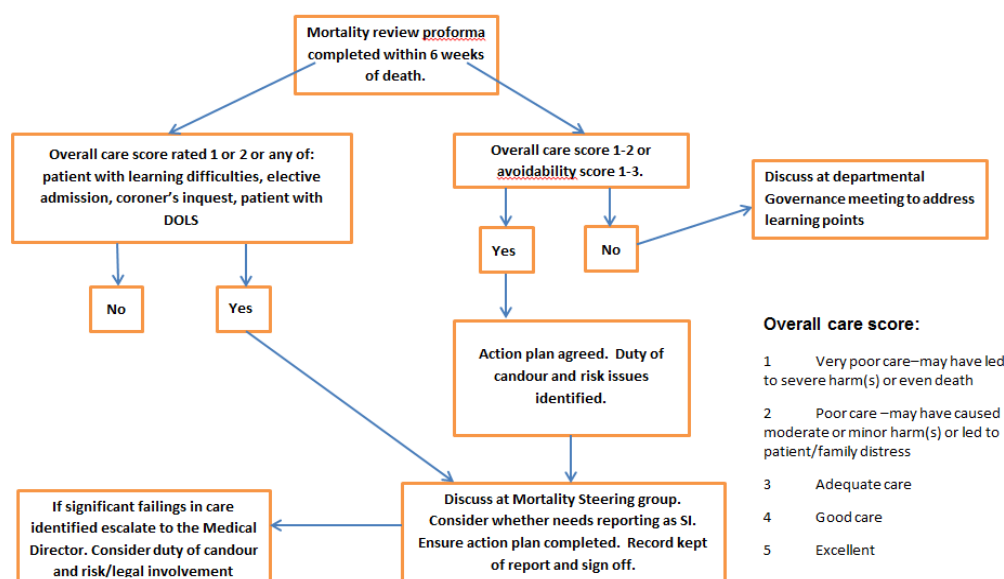
- As a commitment to developing our culture of safety undertake Patient Safety Walkrounds and provide a monthly summary report to Executive and Trust Board of Director's.

Progress: we continue to undertake patient safety walkrounds and aim to achieve four each month. More recently we have welcomed our junior doctors to participate in the process and value their 'fresh eyes' and feedback.

- Refine our systems for mortality review to ensure consistency in all clinical areas and community hospitals.

Progress: we have enhanced our mortality review process to include a structured judgement case review (SJCR) where death has been deemed as avoidable.

MORTALITY REVIEW PROCESS



Training in the process of SJCR training has been provided for senior clinicians throughout the year and we have liaised with our safeguarding team to ensure that the training and our revised process meet the needs of our vulnerable patients who die in our care.

Honesty. Be transparent with people about our progress to tackle patient safety issues and support staff to be candid with patients and their families if something goes wrong.

We pledged to:

- Revise and re-launch our Being Open Policy to ensure the Trust's systems and processes support a culture of transparency and openness and meet the requirements of the new Duty of Candour.

Progress: we have promoted the expectations of our Being Open Policy throughout the Trust and reiterated Duty of Candour expectations. We have also revised our Duty of Candour e-learning. To support accurate recording of Duty of Candour requirements we have recently enhanced our incident reporting system. Within the next 6 months we will have an approved Duty of Candour Policy to complement our Being Open Policy.

Involve patients in safety by:

- Asking them to let us know if they notice anything of concern, alerting us to non-compliance eg. hand hygiene, and being involved with decisions about care and treatment to ensure that consent prior to treatment is fully informed.

Progress: we have a Patient Safety Briefing video which is played on a regular basis on the patient bedside televisions in York Hospital. The video is based on the concept of safety advice given on airplanes before take-off; patients are shown this

film which gives advice on infection prevention, medication, falls, pressure ulcers and much more to help them look after themselves during their hospital stay.

https://www.youtube.com/watch?annotation_id=annotation_2671999901&feature=iv&src_vid=kQg-hkHomc4&v=l7qpmTNrFEs

- Extend the use of safety briefings.

Progress: we have extended the use of safety briefings; having changed the term to 'safety huddles'. These have been implemented fully at Scarborough Hospital and are currently being implemented in York. We have developed a monitoring strategy to sustain this work, using a safety culture measurement tool, regular cross-site meetings and monthly newsletters.

- Development of 'Patient Safety' internet page

Progress: a Patient Safety page is available on the external Trust website (<https://www.yorkhospitals.nhs.uk/patientsafety/>) with links to individual pages for each of the following topics; Please help us keep you safe, Being Open, Patient Safety Conference and Sign up to Safety. The Sign up to Safety page gives the viewer an overview of each of the pledges and a link to a document outlining the detailed action plan. The Patient Safety web pages are updated regularly and includes a link to a dedicated Patient Safety email address (Patient.Safety@york.nhs.uk) so that visitors can contact the Patient Safety Team directly with any comments or queries about patient safety in York Teaching Hospitals NHS Foundation Trust.

- Enhance the dissemination of learning from serious incidents.

Progress: to enhance learning from Serious Incidents, we have produced a monthly learning bulletin called Nevermore, which is split into two editions, targeting acute sites and community sites on alternating months. It is now in its sixth edition. Learning points from Serious Incidents which are included in Nevermore, are posted onto the Trust's webpage, with links to subsequent policy and procedure changes which arise as a result of Serious Incident investigations. In addition we produce regular learning from analysis of patient falls and pressure ulcer serious incidents.

Collaborate. Take a leading role in supporting local collaborative learning, so that improvements are made across all of the local services that patients use.

We pledged to:

- Aim to make good use of benchmarking data and peer review to support analysis and facilitate learning.

Progress: we recognise that we have more to do in making good use of benchmarking data and will focus on this work in the coming year.

- Work with the Clinical Commissioning Unit to develop a patient passport for woundcare.

Progress: a wound care passport was successfully created by the York Trust in 2015/16. The implementation of this passport was in two stages. Stage 1 (2015) included creating a wound care passport via a multi-disciplinary steering group. Stage 2 (2016) involved training and implementation of the passport which is now used between hospital and community to facilitate smoother transitions for patients with skin damage.

- Continue to work with our partner organisations including:
 - NHS QUEST
 - Improvement Academy
 - York University
 - Global Sepsis Alliance

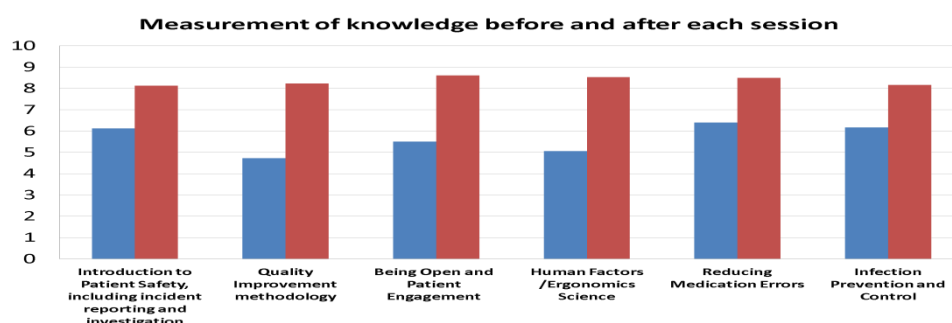
Progress: we have continued to work with partner organisations. Increasingly with the Yorkshire and Humberside Improvement Academy and less so with NHS Quest due to geography and alliance with local universities. We have also recently developed stronger links with the Institute for Healthcare Improvement (IHI) and have supported two members of staff to undertake training with the IHI.

Support. Help people understand why things go wrong and how to put them right. Give staff the time and support to improve and celebrate the progress.

We pledged to:

- Ensure that our clinical staff are skilled and motivated and that our leaders can identify and develop patient safety behaviours and skills.

Progress: we have developed a training programme for our junior doctors 'Foundations in Patient Safety and Quality'. Whilst this is the first year of running the programme and therefore it is still in development and evaluation phase, the results are very promising and we intend to further develop the programme so that it can be offered to other staff disciplines.



- Continue to encourage reporting of errors and incidents in order to learn from them; however we will not tolerate neglect or willful misconduct.

Progress: we have tested alternative methods of reporting incidents in an effort to increase reporting rates, with some success. We have also developed an incident

reporting user group to analyse feedback from users. This year we have demonstrated an increase in the overall number of incidents being reported.

- Continue to support the patient safety award as part of the Trust annual Celebration of Achievement Event.

Progress: we continue to support the patient safety award category at the Trust annual Celebration of Achievement Event and we are delighted with the quality of the submissions.

- Develop a six month Patient Safety Report.

Progress: we have developed a six monthly report on progress with our annual Quality and Safety Priorities. The report is reviewed by the Patient Safety Group and the Quality and Safety Committee on behalf of the Trust Board of Directors.

- Run a Trust wide annual Patient Safety Conference.

Progress: we have had two very successful conferences and are planning our third. Attendance in 2016 was in excess of 300 delegates, mostly from York Teaching Hospital NHSFT.

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 who 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 2016 are detailed below.

Excellence in Patient Experience Award	Awarded to the York and Scarborough Security Teams who were nominated for supporting a patient who had severe mental health issues in the Emergency Department for 11 hours.
Living Our Values Award	Awarded to a ward clerk at Scarborough Hospital who was nominated for going above and beyond the call as a ward clerk to assist patients and others on the ward.
Partnership Matters Award	Awarded to the Child Sexual Assault Assessment Team in York who were nominated for working with North Yorkshire Police and NHS England to develop a child sexual health assessment team.


Enhancing Systems and Services Award	Awarded to Hyper Acute Stroke Services at York Hospital who were nominated for introducing a unique innovative model of hyper acute stroke care.
Efficiency Award	Awarded to the Dressings Formulary Review Team who were nominated for working with other teams across the Trust to reduce the number of wound dressing products used across the Trust.
Unsung Hero Award	Awarded to staff at York Hospital who were nominated for looking after a man and his family who had collapsed in the main entrance at York Hospital whilst at the same time kept people flowing through the doors whilst maintaining the dignity.
Volunteer of the Year Award	Awarded to a volunteer at York Hospital who was nominated for setting up a support group for other amputees, their partners or carers.
Patient Safety Award	Awarded to Beech Ward at Scarborough Hospital who were nominated for developing and implementing a daily patient safety brief and patient safety huddle.
Patient Award	Awarded to a Healthcare Assistant who nominated for being recognised by patients as being 'exceptional'.
Fundraiser of the Year Award	Awarded to a fundraiser at York Hospital who was nominated raising £13,500 for the Cancer Care Centre and Oncology.
Governor's Award	Awarded to the Project Choice Team at Scarborough Hospital who were nominated for their role in helping students with learning disabilities back into work through a one year structured programme of education and work experience placements.
Chair's Award	Awarded to the Organ Donation Team
Chief Executive's Award	Awarded to the Deputy Medical Director, Pharmacist at York Hospital and the Head of Estates and Facilities

National Awards

Awarding Body	Winners
	<p>The Trust's Sustainable Development Group won the Retrofit Project of the Year at the H&V News Awards for a major energy saving and carbon reduction project at York Hospital, working with Vital Energi to create a new energy Centre.</p> <p>This project was also awarded Highly Commended in the Innovation category at the NHS Sustainability Awards.</p>

	<p>Junior Doctors at the Trust won third prize in a national competition about patient safety as part of Sign up to Safety's second birthday celebrations. Together with support of staff at the Trust they gave their own personal perspective on how patient safety could be improved from a junior doctor's perspective.</p>
	<p>The Trust has been recognised as a Disability Confident Employer by the Department for Work and Pensions (DWP). The award is recognition of the Trust's culture, which encourages the inclusion of disabled talent in the workplace and the organisation's commitment to offer interviews to disabled candidates, who meet the minimum requirements for a job or role. The Trust has already achieved Level 1 and 2 and will be working towards Level 3, Disability Confident Leader.</p>
	<p>The Estates Team won the Best Example of Efficiencies' category taking both winner and runner up. The winning award was for a ground-breaking Lilac Ward project at Scarborough Hospital, a unique design created in partnership between the Trust and Kier Group, was named winner for its many service benefits as well as cost reduction.</p>

Local Awards

Awarded By	Winners
	<p>Staff from York Hospital were recognised by Healthwatch York at their Making a Difference Awards. The awards recognise excellence in health and social care services and are nominated by members of the public through the Healthwatch York feedback centre.</p>
<p>York Community Pride Awards 2016, Health Hero Award</p>	<p>Awarded to a Cancer Nurse Specialist at York Hospital , who was crowned Health Hero in this year's Press Community Pride awards</p>

Annex 1 – Statements from Key Stakeholders

Statement on behalf of the Council of Governors (CoG)

The lead governor was pleased to once again receive the draft quality report before it was published to read and make comment on on behalf of the Council of Governors.

The report highlights the work undertaken by the trust to meet specific standards. It reflects the achievements and progress made towards reaching these, highlights the areas that still require improvement and the ways in which the work will continue to do this. The report openly reflects where the trust has been unable to achieve these standards and how they plan to address the highlighted issues.

It is pleasing to know that the trust takes every opportunity to highlight and discuss the patient experience whatever the reflection made by the patient and/or their relatives. The lessons learnt are shared across the organisation and are reflected in everyday practice. Patient safety is highlighted as of real importance and the governors were very aware of this when selecting the National Early Warning Score (NEWS), the scoring system to highlight the deteriorating patient as the audit for this next year. Specifically we have asked the following to be audited.

- * Early identification of the deteriorating patient (NEWS of 5 or more) and reducing the impact of the antimicrobial resistance by:
- * timely identification of patients with sepsis in the Emergency Departments (EDs) and acute inpatient settings
- * timely treatment of sepsis in EDs and inpatient settings.

The Council of Governors will be following with interest the progress made by the trust to ensure the patient experience and their safety whilst in the care of the trust is of the best and meets the required standard. The main issues for governors are the patient experience, their safety, recruitment of staff across all groups and in all areas of the trust, meeting the targets set with particular reference to ED and the trust financial position.

Finally the governors recognise the commitment of all staff in ensuring that patients experience the best possible care despite staff being under significant pressure due to the activity levels and patient dependency. Their thanks go to everyone concerned in achieving this. Once again governors went to the Celebration of Achievement Event where it was so good to hear and listen to the variety of ways staff as individuals or teams were working to meet the needs of patients.

Margaret Jackson, Lead Governor on behalf of the Council of Governors

Response from Healthwatch York to York Teaching Hospital NHS Foundation Trust Quality Report 2015-16



May 2017

Response from Healthwatch York to York Teaching Hospital NHS Foundation Trust Quality Report 2016/17

Thank you for giving Healthwatch York the opportunity to comment on your Quality Report 2016/17. During the past year we have welcomed the Trust's responses to the issues we raised following feedback from members of the public and the recommendations in our reports. We particularly appreciate the Trust's willingness to accept learning from our report on the closure of Archways and the changes to local intermediate care services. During the year Healthwatch York have been working jointly with City of York Council and York Hospital to look at peoples' understanding of intermediate care and we look forward to continuing to co-produce services in our area.

We are pleased that our productive working relationship with the Trust has continued throughout the year. Healthwatch York staff and volunteers continue to attend and actively contribute to a number of Trust meetings, including the Patient Experience Steering Group, Travel and Transport Group and the Fairness Forum.

During the past year Healthwatch York readability group volunteers have reviewed and provided feedback on over 30 Trust patient information leaflets, helping the Trust provide clear and accessible information for patients.

We are very pleased to see that the Night Owl initiative is a Trust priority for 2017-18 as reducing noise at night and helping patients sleep well is so important in improving patients' experience. It is particularly pleasing to see that the patient experience team worked on this initiative as a direct result of feedback from Friends and Family Test results and the National Inpatient Survey.

Healthwatch York very much welcome the Trust's commitment to learning from complaints and are pleased that, following the pilot in 2016-17, they will be implementing a regular complaints audit.

We are very grateful for the support the Trust have given us in the development of our 'Preparing for PLACE' training this year, which is improving consistency and confidence in PLACE (Patient Led Assessment of the Care Environment). We look forward to continuing to work productively with the Trust in a wide variety of ways throughout the coming year.

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16 May 2017

Pat Crowley
Chief Executive
York Teaching Hospital NHS
Foundation Trust
Wigginton Road
YORK

Dear Mr Crowley,

**RE YORK TEACHING HOSPITAL NHS FOUNDATION TRUST
QUALITY REPORT 2017/18**

On behalf of NHS Scarborough and Ryedale CCG, NHS East Riding of Yorkshire CCG, NHS Vale of York CCG is pleased to provide comments on York Teaching Hospital NHS Foundation Trust's Quality Report for 2016/17.

The past twelve months have seen unprecedented change across the whole of the health and social care system. Significant pressures on services have resulted in the Trust continuing to fail the 4 hour Emergency Care Standard due a number of significant challenges across the system.

Specifically these pressures related to population demand for acute services but were often compounded by shortages of work force,

predominantly doctors and registered nurses. It is recognised that the Trust have proactively responded to gaps in staff rotas by using locums and bank staff. In addition, we have received assurance that workforce models are constantly being reviewed. Of note is the on-going recruitment to Advanced Clinical Practitioner trainees as well as the trust being successful at becoming a Nurse Associate pilot site.

However, patient flow has been compromised and the direct impact for patients has been highlighted with the particular high numbers of 12 hour trolley waits at Scarborough and York Hospital during the winter months.

Referral to Treatment performance has deteriorated as a result of these continued operational pressures. Cancer target performance has fluctuated throughout the year with a specific issue around Consultant Dermatology capacity being highlighted. The Trust and CCG have worked together to support Primary Care to use photographs to support referral so that patients can be appropriately triaged and support clinical prioritisation to promote the most effective use of resources.

Additionally we have worked in partnership with the Trust to improve the quality and safety of patient services. We are especially pleased to note the following achievements:-

- Revision and improvement of the mortality review process by ensuring that in all cases of death in hospital a mortality review is completed and comprehensive case note review is undertaken when a death is identified as avoidable.
- Our attendance at the Falls and Pressure Ulcer panels has demonstrated evidence of embedded learning and improvements to practice as well as adherence to guidance and the Trust has seen a further reduction in the numbers of incidents. We know the Trust remains committed to further improvements in this area.
- Improved uptake of flu vaccinations for frontline clinical staff.
- Our attendance at post infection reviews has provided increased assurance of robust processes and embedding of adherence to revised infection prevention practices resulting in a reduction in preventable cases of clostridium difficile infection. Changes in practice have also resulted in no further cases of MRSA Bacteraemia being reported in the last quarter of the year.

The commitment the Trust has shown in its participation with both national and local audits is welcomed. This demonstrates the areas for future development to improve the quality of patient care.

York Teaching Hospital NHS Foundation Trust achieved the majority of the requirements of the 2016/17 CQUIN Scheme – but only partially met the national Sepsis indicator.

The Trust and CCGs are working together in response to the National CQUIN indicators for 2017/18 to provide continued opportunity for quality Improvement for both acute and community services as follows.

Acute Services

- NHS Staff Health & Wellbeing
- Proactive & Safe Discharge
- Reducing the impact of Serious Infections
- Improving services for people with Mental Health needs who present at the Emergency Department
- e-Referrals
- Offering Advice & Guidance

Community Services

- NHS Staff Health & Wellbeing
- Pro-active & Safe Discharge
- Wound Care
- Physical Health for people with Severe Mental Illness
- Preventing ill health by risky behaviours – alcohol and tobacco
- Personalised Care/support planning


We understand that you are committed to your priorities for 2017/18 and commend your continued focus on patient quality and safety.

As lead commissioner for York Teaching Hospital NHS Foundation Trust, NHS Vale for York CCG would like to commend the work of the Trust in 2016/17. We can confirm that with NHS Scarborough and Ryedale CCG and NHS East Riding of Yorkshire CCG, NHS Vale of York CCG are satisfied with the accuracy of this Quality Report. The CCGs look forward to working collaboratively with York Teaching Hospital NHS Foundation Trust in 2017/18.

On behalf of NHS Scarborough and Ryedale CCG, NHS East Riding of Yorkshire CCG, NHS Vale of York CCG is pleased to provide

comments on York Teaching Hospital NHS Foundation Trust's
Quality Report for 2017/18.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Michelle Carrington', with a stylized, cursive script.

Michelle Carrington

Executive Director Quality and Nursing

NHS Vale of York Clinical Commissioning Group

Cc: Carrie Wollerton, Executive Nurse, NHS Scarborough and Ryedale
CCG

Paula South, Director of Quality and Governance/Lead Nurse NHS
East Riding CCG

Statements from Overview & Scrutiny Committee

The North Yorkshire Scrutiny of Health Committee has worked with the York Teaching Hospital NHS Foundation Trust over the past 12 months through formal committee meetings and ongoing liaison to maintain an open dialogue about the delivery of hospital based health services in the area. This has included discussions on proposed service changes, contributions to in-depth scrutiny of End of Life Care in the county and early engagement in consultations.

The committee recognises the challenges faced by hospitals serving the population of North Yorkshire as they look to change the way in which key services are delivered, in response to rising demand, workforce shortages and financial pressures. In these circumstances, early and ongoing engagement is more important than ever.

The Scrutiny of Health Committee remains committed to a system-wide view of services that helps to ensure that decisions on the planning and delivery of health care are not made in isolation and that the key role that a broad base of community services have to play is not overlooked.

27 April 2017

Independent Practitioner'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 Hospitals NHS Foundation Trust to perform an independent limited assurance engagement in respect of York Teaching Hospitals NHS Foundation Trust's Quality Report for the year ended 31 March 2017 (the "Quality Report") and certain performance indicators contained therein against the criteria set out in the 'NHS foundation trust annual reporting manual 2016/17' and additional supporting guidance in the 'Detailed requirements for quality reports for foundation trusts 2016/17' (the 'Criteria').

Scope and subject matter

The indicators for the year ended 31 March 2017 subject to the limited assurance engagement consist of the national priority indicators as mandated by NHS Improvement:

- Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period (see page 199); and
- Percentage of patients with total time in Accident and Emergency of four hours or less from arrival to admission, transfer or discharge (see page 199).

We refer to these national priority indicators collectively as the 'Indicators'.

Respective responsibilities of the directors and Practitioner

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 2016/17' and supporting guidance issued by NHS Improvement.

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

- the Quality Report is not prepared in all material respects in line with the Criteria set out in the NHS foundation trust annual reporting manual 2016/17 and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in NHS Improvement's 'Detailed requirements for external assurance for quality reports for foundation trusts 2016/17'; 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 2016/17' and supporting guidance and the six dimensions of data quality set out in the 'Detailed requirements for external assurance for quality reports for foundation trusts 2016/17'.

We read the Quality Report and consider whether it addresses the content requirements of the 'NHS foundation trust annual reporting manual 2016/17' and supporting guidance, and consider the implications for our report if we become aware of any material omissions.

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

- Board minutes for the period 1 April 2016 to 30 May 2017;
- papers relating to quality reported to the Board over the period 1 April 2016 to 30 May 2017;
- feedback from Commissioners dated 16 May 2017;
- feedback from Governors dated 12 May 2017
- feedback from local Healthwatch York dated 15 May 2017;
- feedback from North Yorkshire Scrutiny of Health Committee dated 27 April 2017;
- the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 30 May 2017;
- the national patient survey dated 8 June 2016;
- the national staff survey dated 7 March 2017; and
- the Head of Internal Audit's annual opinion over the Trust's control environment dated 19 May 2017.

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

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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 Hospitals NHS Foundation Trust as a body, to assist the Council of Governors in reporting York Teaching Hospitals NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2017, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the 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 Hospitals NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – ‘Assurance Engagements other than Audits or Reviews of Historical Financial Information’ issued by the International Auditing and Assurance Standards Board (‘ISAE 3000’). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators;
- making enquiries of management;
- limited testing, on a selective basis, of the data used to calculate the indicators tested back to supporting documentation;
- comparing the content requirements of the 'NHS foundation trust annual reporting manual 2016/17' and supporting guidance to the categories reported in the Quality Report; and
- reading the documents.

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

Limitations

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

The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the Quality Report in the context of the criteria set out in the 'NHS foundation trust annual reporting manual 2016/17' and supporting guidance.

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

Our audit work on the financial statements of York Teaching Hospitals NHS Foundation Trust is carried out in accordance with our statutory obligations and is subject to separate terms and conditions. This engagement will not be treated as having any effect on our separate duties and responsibilities as York Teaching Hospitals NHS Foundation Trust's external auditors. Our audit reports on the financial statements are made solely to York Teaching Hospitals NHS Foundation Trust's members, as a body, in accordance with paragraph 24(5) of Schedule 7 of the National Health Service Act 2006. Our audit work is undertaken so that we might state to York Teaching Hospitals NHS Foundation Trust's members those matters we are required to state to them in an auditor's report and for no other purpose. Our audits of York Teaching Hospitals NHS

Foundation Trust's financial statements are not planned or conducted to address or reflect matters in which anyone other than such members as a body may be interested for such purpose. In these circumstances, to the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than York Teaching Hospitals NHS Foundation Trust and York Teaching Hospitals NHS Foundation Trust's members as a body, for our audit work, for our audit reports, or for the opinions we have formed in respect of those audits.

Basis for qualified conclusion

The indicator 'percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period' did not meet the six dimensions of data quality in the following respect of:

- Validity – Our testing identified errors where the Trust's validation process had not been carried out in a timely manner causing 3 out of the 60 cases tested to be incorrectly included in the sample period.

Qualified conclusion

Based on the results of our procedures, with the exception of the matter reported in the basis for qualified conclusion paragraph above, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2017:

- the Quality Report is not prepared in all material respects in line with the Criteria set out in the NHS foundation trust annual reporting manual 2016/17 and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in NHS Improvement's 'Detailed requirements for external assurance for quality reports for foundation trusts 2016/17'; and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report have not been reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual 2016/17' and supporting guidance.

Grant Thornton UK LLP

Chartered Accountants

Manchester

30 May 2017

Annex 2 - 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, to prepare Quality Accounts for each financial year.

NHS Improvement has issued guidance to NHS Foundation Trust Boards on the form and content of Annual Quality Reports (which incorporate the above legal requirements) and on the arrangements that 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 2016-17 and supporting guidance
- The content of the Quality Report is not inconsistent with internal and external sources of information including:
 - Board minutes and papers for the period 1 April 2016 to 30 May 2017
 - Papers relating to the quality reported to the Board over the period 1 April 2016 to 30 May 2017
 - Feedback from Commissioners dated 16 May 2017
 - Feedback from Governors dated 12 May 2017
 - Feedback from Healthwatch York dated 15 May 2017
 - Feedback from North Yorkshire Scrutiny of Health Council dated 27 April 2017
 - The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 30 May 2017
 - The national staff survey dated 7 March 2017
 - The national patient survey dated 8 June 2016
(The current year national patient survey is embargoed at the time of completing the Annual Report. The Board of Directors will receive the national patient survey when the embargo has been lifted)
 - The Head of Internal Audit's annual opinion over the Trust's control environment dated 19 May 2017
- 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 NHS Improvement's annual reporting guidance (which incorporates the Quality Accounts regulations) well as the standards to support data quality for the preparation of the Quality Report

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

By order of the Board

30 May 2017  Chairman

30 May 2017  Chief Executive

Annex 3 - Glossary

Term	Description
Acute Kidney Injury (AKI)	AKI is sudden damage to the kidneys which causes them to stop working properly. This can range from minor loss of kidney function to complete kidney failure.
Age Related Macular Degeneration (AMD)	AMD is a painless eye condition that causes a loss to central vision, usually in both eyes.
Aseptic Non Touch Techniques (ANTT)	ANTT are methods which aim to prevent micro-organisms on hands, surfaces or equipment from being introduced to a susceptible area such as a surgical wound.
Blood Gas Analysis	Blood gas analysis is a test used to check how well your lungs are working and whether they are able to exchange oxygen and carbon dioxide efficiently. The test may be recommended if you are having breathing problems, such as shortness of breath or rapid breathing.
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.
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 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.
Care Quality Commission (CQC)	The CQC regulates care provided by the NHS, local authorities, private companies and voluntary organisations. They aim to make sure better care is provided for everyone – in hospitals, care homes and people's own homes. They also seek to protect the interests of people whose rights are restricted under the Mental Health Act.
CQC Quality Risk Profile (QRP)	The QRP is a tool for healthcare providers, commissioners and CQC staff for monitoring compliance with the essential standards of quality and safety. They help in assessing where risks lie and can play a key role in internal monitoring as well as informing the commissioning of

Term	Description
	services.
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 (CQUIN) Payment Framework	The CQUIN scheme was announced in <i>High Quality Care for All</i> (2008) and introduced through the new standard NHS contracts and the NHS Operating Framework for 2009-10. It is a key element of the NHS Quality Framework, introducing an approach to incentivising quality improvement. CQUIN schemes were mandated for acute contracts from 2009-10.
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 comfortably, ensuring the environment is safe for the patient, addressing personal hygiene needs and any other issues which may be of concern to the patient.
Council of Governors (CoG)	<p>Every NHS Foundation Trust is required to establish a Council of Governors. The main role of the Council of Governors is threefold:</p> <ul style="list-style-type: none"> • Advisory – to advise the Board of Directors on decisions about the strategic direction of the organisation and hold the Board to account. • Strategic – to inform the development of the future strategy for the organisation. • Guardianship – to act as guardian of the NHS Foundation Trust for the local community. <p>The Chair of the Council of Governors is also the Chair of the NHS Foundation Trust. The Council of Governors does not 'run' the Trust, or get involved in operational issues.</p>
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.

Term	Description
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.
Did Not Attend (DNA)	A DNA is defined as a patient failing to give notice that they will not be attending their appointment. Patients who give prior notice, however short, that they will not be attending their appointment will be classed as a CNA (could not attend).
Do Not Attempt Cardiopulmonary Resuscitation (DNACPR)	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 CPR on any individual where cardiac or respiratory function ceases, unless there is direct and written order not to attempt CPR, a 'DNACPR' decision.
Electronic Prescribing and Medicines Administration (EPMA)	EPMA is a system which allows prescribing, administration, reviewing and viewing of medication to be undertaken electronically.
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)	FRRs 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.
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, that is use for non-clinical purposes, of this administrative data.

Term	Description
Hospital Standardised Mortality Ratio (HSMR)	The 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. 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.
Inhaler Technique	Using an inhaler is the most common way of taking asthma medicines and is very effective because inhaling the medicine takes it straight into the lungs. It is very important that inhalers are used properly so that every dose taken gives patients the most benefit.
Intelligent Monitoring Report	The Intelligent Monitoring Report reflects the CQC'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.
Monitor now NHS Improvement	<p>Monitor was established in January 2004 to authorise and regulate NHS Foundation Trusts. Monitor is independent of central government and directly accountable to Parliament. There are three main strands to Monitor's work:</p> <ul style="list-style-type: none"> • Determining whether NHS Trusts are ready to become NHS Foundation Trusts • Ensuring that NHS Foundation Trusts comply with the conditions they signed up to – that they are well-led and financially robust • Supporting NHS Foundation Trusts development
Methicillin-resistant Staphylococcus aureus (MRSA)	MRSA is a bacterium responsible for several difficult-to-treat infections in humans. It may also be called multi-drug-resistant Staphylococcus aureus or oxacillin-resistant Staphylococcus aureus (ORSA). MRSA is, by definition, any strain of Staphylococcus aureus that has developed

Term	Description
	resistance to certain antibiotics.
NHS Improvement	NHS Improvement is responsible for overseeing foundation trusts and NHS trusts, as well as independent providers that provide NHS-funded care. They offer the support these providers need to give patients consistently safe, high quality, compassionate care within local health systems that are financially sustainable. By holding providers to account and, where necessary, intervening, they help the NHS to meet its short-term challenges and secure its future.
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 healthcare 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.
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
Oral Steroids	Steroids (also known as cortisone or corticosteroids) are hormones that occur naturally in the body. Steroids decrease inflammation, suppress the body's immune system and can block a chemical called histamine (released during an allergic reaction). Oral steroids are steroids that you can take by mouth - tablets, soluble tablets and liquids. They are used to treat a large number of conditions.
Oxygen Saturation	Oxygen saturation is a measure of how much oxygen the blood is carrying as a percentage of the maximum it could carry.
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.
Partial Booking	Partial booking is a system where patients receive a letter prior to their appointment advising them to ring the hospital to book an appointment at a time that is convenient for them. If patients do not respond within two weeks, a reminder is sent. If patients fail to book their appointment following this reminder, they are automatically referred back to their GP.
Peak Flow	Peak flow rate is a measure of a person's maximum speed of expiration, using a small hand-held device to monitor a person's ability to breathe out air. It is a measure of how well a patient is breathing and its use is a key part of the asthma care plan.

Term	Description
Pulse	Measurement of a pulse is the equivalent of measuring the heart rate, or how many time the heart beats per minute. Your heart rate can vary depending on what you're doing. For example, it will be slower if you're sleeping and faster if you're exercising.
Pressure Ulcers	<p>Pressure ulcers or decubitus ulcers, are lesions caused by many factors such as: unrelieved pressure; friction; humidity; shearing forces; temperature; age; continence and medication; to any part of the body, especially portions over bony or cartilaginous areas such as sacrum, elbows, knees, and ankles.</p> <p>Pressure ulcers are graded from 1 to 4 as follows:</p> <ul style="list-style-type: none"> • 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.
Risk Adjusted Mortality Indicator (RAMI)	The RAMI model uses a number of factors to calculate the risk of death for each patient and then uses this data to predict an expected number of deaths across a patient group. The RAMI is then calculated as the ratio of the actual number of in-hospital deaths compared to the expected number of deaths.
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.
Respiratory Rate	The number of breaths over a set period of time. In practice, the respiratory rate is usually determined by counting the number of times the chest rises or falls per minute. The aim of measuring respiratory rate is to determine whether the respirations are normal, abnormally fast, abnormally slow or non-existent.
Safety Thermometer	The NHS safety thermometer is an electronic data collection system to collect evidence of four 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'.

Term	Description
Secondary Uses Service (SUS)	The SUS 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.
Summary Hospital-level Mortality Indicator (SHMI)	The 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.
Venous thromboembolism (VTE)	<p>VTE is a condition in which a blood clot (thrombus) forms in a vein. Blood flow through the affected vein can be limited by the clot, and may cause swelling and pain. Venous thrombosis occurs most commonly in the deep veins of the leg or pelvis; this is known as a deep vein thrombosis (DVT). An embolism occurs if all or a part of the clot breaks off from the site where it forms and travels through the venous system. If the clot lodges in the lung a potentially serious and sometimes fatal condition, pulmonary embolism (PE) occurs.</p> <p>Venous thrombosis can occur in any part of the venous system. However, DVT and PE are the commonest manifestations of venous thrombosis. The term VTE embraces both the acute conditions of DVT and PE, and also the chronic conditions which may arise after acute VTE, such as post thrombotic syndrome and pulmonary hypertension, both problems being associated with significant ill-health and disability.</p>
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

Term	Description
	avoided. By following a few critical steps, healthcare professionals can minimise the most common and avoidable risks endangering the lives and well-being of surgical patients.

Independent auditor's report to the Council of Governors of York Teaching Hospital NHS Foundation Trust

Our opinion on the financial statements is unmodified

In our opinion:

- the financial statements give a true and fair view of the financial position of the York Teaching Hospital NHS Foundation Trust (the Trust) as at 31 March 2017 and of its
- expenditure and income for the year then ended; and the financial statements have been prepared properly in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, as interpreted and adapted by the NHS foundation trust annual reporting manual 2016/2017 and the requirements of the National Health Service Act 2006.

Who we are reporting to

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Trust's Council of Governors 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 and the Trust's Council of Governors, as a body, for our audit work, for this report, or for the opinions we have formed.

What we have audited

We have audited the financial statements of York Teaching Hospital NHS Foundation Trust for the year ended 31 March 2017 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in taxpayers' equity, the statement of cash flows and the related notes.

The financial reporting framework that has been applied in their preparation is applicable law and the NHS foundation trust annual reporting manual 2016/17.

Overview of our audit approach

- Overall materiality: £4,780,000, which represents 1% of the Trust's gross operating expenses;
- We performed a full-scope audit of York Teaching Hospital NHS Foundation Trust;

- Key audit risks were identified as - Occurrence of income from patient care activities and existence of associated receivables.

Our assessment of risk

In arriving at our opinions set out in this report, we highlight the following risks that, in our judgement, had the greatest effect on our audit and how we tailored our procedures to address these risks in order to provide an opinion on the financial statements as a whole. This is not a complete list of all the risks we identified:

Audit Risk	How we responded to the risk
<p>Occurrence of income from patient care activities and existence of associated receivables</p> <p>82% of the Trust's income is derived from contracts with NHS commissioners for patient care activities. 73% of the Trust's income from patient care activities is derived from contracts with the Trust's two main commissioners. These contracts include the rates for and level of patient care activity to be undertaken by the Trust.</p> <p>The Trust recognises patient care activity income during the year based on the completion of these activities. Patient care activities provided that are additional to those incorporated in the contracts with NHS commissioners are subject to verification and agreement by the NHS commissioners.</p> <p>As such, there is the risk that income is recognised for these additional services that is not subsequently agreed to by the NHS commissioners.</p> <p>We therefore identified occurrence of income from patient care activities and the existence of associated receivables as a significant risk requiring special audit consideration.</p>	<p>Our audit work included but was not restricted to:</p> <ul style="list-style-type: none"> • evaluating the Trust's accounting policy for recognition of income from patient care activities for appropriateness; • gaining an understanding of the Trust's system for accounting for income from patient care activities and evaluating the design of the associated controls; agreeing income from the two main commissioners to signed contracts and contract variations and a further sample of other commissioner income to contracts and contract variations to invoices or supporting documentation; agreeing, on a sample basis, for the remaining NHS Commissioner contracts, amounts recognised as income in the financial statements to signed contracts, contract variations and invoices ; • agreeing, on a sample basis, NHS patient care activity associated receivables at year end to subsequent cash receipts or alternative evidence; and • Department of Health (DoH) that details differences in reported income and expenditure; and receivables and payables between NHS bodies; agreeing the figures in the exception report to the Trust's financial records; and for differences calculated by the

	<p>DoH as being in excess of £250,000, obtaining corroborating evidence to support the amount recorded in the financial statements by the Trust.</p> <p>The Trust's accounting policy on income is shown in note 1.3 to the financial statements and related disclosures are included in notes 2.1 and 2.2.</p>
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Our application of materiality and an overview of the scope of our audit

Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature, timing and extent of our audit work and in evaluating the results of that work.

We determined materiality for the audit of the Trust's financial statements as a whole to be £4,780,000, which is 1% of the Trust's gross operating expenses . This benchmark is considered the most appropriate because we consider users of the financial statements to be most interested in how it has expended its revenue and other funding.

The materiality benchmark is the same as that used in the previous year as we did not identify any significant changes in the Trust's operations or the environment in which it operates .

We use a different level of materiality, performance materiality, to drive the extent of our testing and this was set at 75% of financial statement materiality for the audit of the financial statements. We also determined a lower level of specific materiality for disclosures of salaries and pension entitlements of senior manager in the Remuneration Report and related party transactions .

We determined the threshold at which we will communicate misstatements to the Audit Committee to be £239,000. In addition, we will communicate misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

Overview of the scope of our audit

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 Chief Executive as Accounting Officer; 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 incorrect based on, or 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.

We conducted our audit in accordance with International Standards on Auditing (ISAs) (UK and Ireland) having regard to the Financial Reporting Council's Practice Note 10 'Audit of financial statements of public sector bodies in the United Kingdom'. Our responsibilities under the Code of Audit Practice published by the National Audit Office on behalf of the Comptroller and Auditor General (the Code) and those standards are further described in the 'Responsibilities for the financial statements and the audit' section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Trust in accordance with the Auditing Practices Board's Ethical Standards for Auditors, and we have fulfilled our other ethical responsibilities in accordance with those Ethical Standards. Our audit approach was based on a thorough understanding of the Trust's business and is risk based, and in particular included an interim visit to evaluate the Trust's internal control relevant to the audit including relevant IT systems and controls over key financial systems.

Overview of the scope of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code, having regard to the guidance on the specified criteria issued by the Comptroller and Auditor General in November 2016, as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined these criteria as that necessary for us to consider under the Code in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2017, and to report by exception where we are not satisfied.

We planned our work in accordance with the Code. Based on our risk assessment, we undertook such work as we considered necessary.

Other reporting required by regulations

Our opinion on other matters required by the Code is unmodified

In our opinion:

- the parts of the Remuneration Report and Staff Report to be audited have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the NHS foundation trust annual reporting manual 2016/17 and the requirements of the National Health Service Act 2006; and

- the other information published together with the audited financial statements in the annual report for the financial year for which the financial statements are prepared is consistent with the audited financial statements.

Matters on which we are required to report by exception

Under the ISAs (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or
- materially inconsistent with, our knowledge of the Trust acquired in the course of performing our audit; or
- otherwise misleading.

In particular, we are required to report to you if:

- we have identified any inconsistencies between our knowledge acquired during the audit and the Directors' statement that they consider the annual report is fair, balanced and understandable; or
- the annual report does not appropriately disclose those matters that we communicated to the Audit Committee which we consider should have been disclosed.

Under the Code we are required to report to you if, in our opinion:

- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS foundation trust annual reporting manual 2016/17 or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls; or
- we have reported a matter in the public interest under Schedule 10 (3) of the National Health Service Act 2006 in the course of, or at the conclusion of the audit; or
- we have referred a matter to the regulator under Schedule 10 (6) of the National Health Service Act 2006 because we had reason to believe that the Trust, or a director or officer of the Trust, was about to make, or had made, a decision which involved or would involve the incurring of expenditure that was unlawful, or was about to take, or had taken a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency; or
- 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 for the year ended 31 March 2017.

We have nothing to report in respect of the above matters.

Responsibilities for the financial statements and the audit

What the Chief Executive, as Accounting Officer, is responsible for:

As explained more fully in the Statement of Chief Executive's responsibilities as the Accounting Officer, the Chief Executive, as Accounting Officer, is responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions included in the NHS foundation trust annual reporting manual 2016/17 and for being satisfied that they give a true and fair view. The Accounting Officer is also responsible for the arrangements to secure economy, efficiency and effectiveness in the use of the Trust's resources.

What we are responsible for:

- Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law, the Code and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.
- We are required under Section 1 of Schedule 10 of the National Health Service Act 2006 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report where we have not been able to satisfy ourselves that it has done so. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Certificate

We certify that we have completed the audit of the 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 Code.

Sarah Howard

Sarah Howard
Partner
for and on behalf of Grant Thornton UK LLP

4 Hardman Square,
Spinningfields,
Manchester,
M3 3EB
30 May 2017

Annual Accounts



2016-17

York Teaching Hospital NHS Foundation
Trust

FOREWORD TO THE ACCOUNTS

YORK TEACHING HOSPITAL NHS FOUNDATION TRUST

These accounts for the year ended 31 March 2017 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 NHS Improvement (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 7, paragraph 25 (4) of the National Health Service Act 2006.

Signed

A handwritten signature in black ink, appearing to read 'P. Crowley', written over a light blue horizontal line.

Patrick Crowley – Chief Executive

30 May 2017

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDING 31 MARCH 2017

	Notes	2016/17	2015/16
		£000	£000
Operating income	2	475,435	458,672
Operating expenses	3	(488,154)	(476,583)
(Deficit) before transition support income		(12,719)	(17,911)
Transition support income		10,045	10,906
Sustainability and transformation fund income		9,662	0
Operating Surplus/(Deficit) after transition support income		6,988	(7,005)
Finance Costs			
Finance income	5	148	130
Finance expense – financial liabilities	6	(420)	(406)
Finance expense – unwinding of discount		(16)	(16)
PDC dividends payable	1.19	(6,472)	(6,842)
Net Finance Costs		(6,760)	(7,134)
Gains/(losses) from disposal of assets		(70)	4
Gains/(losses) from transfer by absorption	19	0	(4,690)
(DEFICIT)/SURPLUS FOR THE YEAR		158	(18,825)
Other comprehensive income and expense			
Impairments		(1,413)	(1,489)
Revaluation gains on property, plant and equipment		8,348	19,526
Total other comprehensive income and expense		6,935	18,037
Total Comprehensive (Expenditure)/Income for the Year		7,093	(788)

The notes on page 247 form part of these accounts.

Transition Support Income

The Trust acquired the former Scarborough & North East Yorkshire Healthcare NHS Trust (SNEY) on 1 July 2012. Under the terms of this agreement the Trust received additional transition funding for a period of 5 years; 2016/17 is the last year the Trust will receive transition support. Transition support was received in the following profile - £17.08m in 2012/13, £11.98m in 2013/14, £12.22m in 2014/15, £10.91m in 2015/16 and £10.05m in 2016/17.

Sustainability and Transformation Fund (STF)

As part of the action to strengthen financial performance and accountability in the NHS, a £1.8b Sustainability and Transformation Fund has been created nationally in 2016/17 and all trusts with an emergency care contract were allocated a proportion of the fund. The maximum Trust allocation was £13.6m.

Access to the funding was linked to both financial performance (70%) based on the achievement of an agreed quarterly financial control total and operational performance criteria (30%), which includes achievement of improvement trajectories for emergency care (12.5%), referral to treatment (RTT)(12.5%) and cancer waiting times (5%). The Trust achieved £9.7m of the available £13.6m STF funding in 2016/17.

These figures are included in the Statement of Comprehensive Income as transition support income and Sustainability and Transformation Fund income respectively.

Comparative Figures

Due to a change in the DH GAM 2016-17 Impairment reversals are no longer recognised in Income but are now net off in expenses. For comparative purposes the income and expenditure figures in 2015-16 have been adjusted to reflect this change.

All income and expenditure is derived from continuing operations.

STATEMENT OF FINANCIAL POSITION
31 MARCH 2017

	Notes	31 March 2017 £000	31 March 2016 £000
Non- current assets			
Intangible assets	8	2,818	2,499
Property, plant and equipment	9	251,074	244,279
Trade and other receivables	11	912	1,366
Total non- current assets		254,804	248,144
Current assets			
Inventories	10	8,740	8,090
Trade and other receivables	11	23,703	20,541
Cash and cash equivalents	18	14,031	13,662
Total current assets		46,474	42,293
Current Liabilities			
Trade and other payables	12	(41,965)	(36,721)
Borrowings	14	(1,955)	(1,788)
Provisions	16	(108)	(107)
Other liabilities	13	(1,795)	(1,542)
Total current liabilities		(45,823)	(40,158)
Total Assets less Current liabilities		255,455	250,279
Non-current liabilities			
Trade and other payables		(25)	(16)
Borrowings	14	(16,153)	(18,108)
Provisions	16	(1,084)	(1,055)
Total Non-current liabilities		(17,262)	(19,179)
Total Assets Employed		238,193	231,100
Financed by (Taxpayers' equity)			
Public Dividend Capital		88,967	88,967
Revaluation Reserve	17	79,929	73,721
Income and expenditure reserve		69,297	68,412
Total Taxpayers' equity		238,193	231,100

The financial statements on pages 242 to 276 were approved by the Board of Directors on 30/05/17 and signed on its behalf by:

Signed:  (Chief Executive)

Date: 30 May 2017

**STATEMENT OF CHANGES IN TAXPAYERS' EQUITY
FOR THE YEAR ENDED 31 MARCH 2017**

	Total £000	Public Dividend Capital £000	Revaluation Reserve £000	Income and Expenditure Reserve £000
Taxpayers' Equity at 31 March 2015	228,851	85,930	56,337	86,584
Deficit for the Year	(18,825)	0	0	(18,825)
Transfers by Absorption Between Reserves	0	0	(653)	653
Transfer from revaluation to I&E reserve for impairments	0	0	0	0
Transfers to I & E Reserve on Disposal of Assets	0	0	0	0
Revaluation Gains on Property, Plant and Equipment	19,526	0	19,526	0
Impairments	(1,489)	0	(1,489)	0
Public Dividend Capital Received	3,037	3,037	0	0
Taxpayers' Equity at 31 March 2016	231,100	88,967	73,721	68,412
Surplus/Deficit for the Year	158	0	0	158
Transfers by Absorption Between Reserves	0	0	0	0
Transfer from revaluation to I&E reserve for impairments	0	0	0	0
Transfers to I & E Reserve on Disposal of Assets	0	0	(727)	727
Revaluation Gains on Property, Plant and Equipment	8,348	0	8,348	0
Impairments	(1,413)	0	(1,413)	0
Public Dividend Capital Received	0	0	0	0
Taxpayers' Equity at 31 March 2017	238,193	88,967	79,929	69,297

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 MARCH 2017**

	2016/17	2015/16
	£000	£000
Cash flows from operating activities		
Operating surplus/(deficit)	6,988	(7,005)
Non Cash Income and Expense		
Depreciation and amortisation	11,852	11,092
Impairments	2,262	3,121
Reversal of Impairments	(516)	(1,403)
Income recognised in respect of capital donations	(760)	(471)
Decrease/(Increase) in Trade and other Receivables	(2,273)	(190)
(Increase)/Decrease in Inventories	(650)	(1,250)
Increase/(Decrease) in Trade and other Payables	5,165	5,694
Increase/(Decrease) in Other Liabilities	253	(65)
Increase/(Decrease) in Provisions	14	(77)
Other movements in operating cash flows	2	10
NET CASH GENERATED FROM OPERATIONS	22,337	9,456
Cash flows from investing activities		
Interest received	148	130
Purchase of intangible assets	(575)	(78)
Purchase of Property, Plant and Equipment	(14,494)	(18,291)
Sales of Property, Plant and Equipment	841	243
Receipt of donations to purchase capital assets	760	471
Net cash used in investing activities	(13,320)	(17,525)
Cash flows from financing activities		
Public Dividend Capital received	0	3,037
Loans received from the Department of Health	0	8,357
Loans repaid	(1,789)	(1,258)
Capital element of finance lease rental payments	0	(54)
Interest paid	(430)	(357)
Interest element of finance lease	0	(9)
PDC dividend paid	(6,429)	(6,478)
Net cash generated from/(used in) financing activities	(8,648)	3,238
(Decrease)/Increase in cash or cash equivalents	369	(4,831)
Cash and cash equivalents at 1 April 2016	13,662	18,493
Cash and cash equivalents at 31 March 2017 (Note 18)	14,031	13,662

NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICIES

NHS Improvement in exercising the statutory functions conferred on Monitor, the Independent Regulator of Foundation Trusts, is responsible for issuing an accounts direction to NHS Foundation Trusts under the NHS Act 2006. NHS Improvement has directed that the financial statements of NHS Foundation Trusts shall meet the accounting requirements of the Department of Health Group Accounting Manual (DH GAM) which shall be agreed with Secretary of State. Consequently, the following financial statements have been prepared in accordance with the DH GAM 2016/17 issued by the Department of Health. The accounting policies contained in that manual follow International Financial Reporting Standards and HM Treasury's FReM to the extent that they are meaningful and appropriate to 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

Following a formal tender process by the commissioner, which the Trust decided not to participate in, the Whitby Community Services contract transferred to Humber NHS Foundation Trust in March 2016. In line with the NHS Foundation Trust Annual Reporting Manual the pre transfer activities remained within the Trust 2015/16 accounts. The transfer of this service represented a machinery of government change and was accounted for as a transfer by absorption. As part of the transfer, £0.1m of assets were transferred to the new provider, Humber NHS Foundation Trust, for no financial consideration in line with the terms of the Transforming Community Care (TCS) initiative. Under absorption accounting, the full write down value of (£0.1m) was accounted for as a loss in expenses, but not within operating activities. There is no further impact of this transfer within the 2016/17 accounts.

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 2016/17 accounts, the most significant judgement relates to the recognition of clinical income due from the Trust's key commissioners. The impact of estimation has been mitigated as year-end positions have been agreed in advance with the Trusts commissioners wherever possible. 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 anticipate recovery of outstanding debts in line with previous settlements.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Provisions

The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the year, taking into account the risks and uncertainties.

Injury Benefits -

The carrying amount of injury benefit provisions is estimated as the present value of those cash flows using HM Treasury's discount rate of 0.24% in real terms. The period over which future cash flows will be paid is estimated using the England life expectancy tables as published by the office of National Statistics.

Other Legal-

Estimates are based on information supplied by the NHS Litigation Authority and the Trust's solicitors

Non-Current Asset Valuations

In line with accounting policies, every five years the Trust receives a full valuation carried out by the District Valuer, who is a member of the Royal Institute of Chartered Surveyors. The impact of this valuation was reflected in the accounts as at the 31st March 2014. In subsequent years desk top valuations of the Trust's estate were obtained and this has been the basis for the valuation as at 31st March 2017.

Actuarial Assumptions for costs relating to the NHS pension scheme

The Trust reports, as operating expenditure, employer contributions to staff pensions. The employer contribution is based on an annual actuarial estimate of the required contribution to the scheme's liabilities. It is an expense that is subject to change.

Critical judgements in applying accounting policies

Estimates and judgements have to be made in preparing the Trust's annual accounts. These are continually evaluated and updated as required, although actual results may differ from these estimates.

The following are the critical judgements, apart from those involving estimations that management has made in the process of applying the Trust's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Segmental Reporting

The Trust has one material segment, being the provision of healthcare. Service divisions within the Group all have similar economic characteristics; all of the healthcare activity is undertaken in relation to NHS patients.

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 the accounts have been prepared on a going concern basis.

1.3 Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the NHS Foundation Trust is contracts with commissioners in respect of healthcare services.

Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred.

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

1.4 Expenditure on employee benefits

Short term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

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.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

1.5 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of these goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

1.6 Property, plant and equipment

Recognition

Property, Plant and Equipment is capitalised where:

it is held for use in delivering services or for administrative purposes;

it is probable that future economic benefits will flow to, or service potential be provided to, the NHS Foundation Trust;

it is expected to be used for more than one financial year;

the cost of the item can be measured reliably; and

individually has a cost of at least £5,000; or

collectively has a cost of at least £5,000 and individually has a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or

form part of the initial equipping and setting-up cost of a new building, ward or unit irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

Valuation

Land and buildings used for the NHS Foundation Trust's services or for administrative purposes are stated in the Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the Statement of Financial Position date. Fair values are determined as follows:

Specialised buildings – depreciated replacement cost based on modern equivalent assets

Land and non-specialised buildings – existing use value

Non-operational properties (including surplus land) – existing use value - An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirement of IAS 40 or IFRS 5

From 2015/16 IFRS 13 Fair Value is adopted in full; however, IAS 16 and IAS 38 have been adapted and interpreted for the public sector context which limits the circumstances in which a valuation is prepared under IFRS 13.

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 desk top revaluation was carried out at 31 March 2017 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*. (www.rics.org)

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 re-valued 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 DH GAM, 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 expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. 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 of 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 stated at the lower of cost and net realisable value. Inventories are stated 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" see note 1.18). 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 note 16.

1.14 Non-clinical risk pooling

The NHS Foundation Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the NHS Foundation Trust pays an annual contribution to the NHS Litigation Authority and, in return, receives assistance with the costs of claims arising. The annual membership contributions and any excesses payable in respect of particular claims are charged to operating expenses as and when they become due.

1.15 Financial instruments

Financial assets and financial liabilities are initially recognised at fair value. This is determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active markets are determined with reference to quoted market prices.
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.
- the fair value of derivative instruments are calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instrument.

Financial assets

Financial assets are classified into the following categories:

- financial assets 'at fair value through income and expenditure'
- '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 income and expenditure
- 'other financial liabilities'.

The NHS Foundation Trust's financial liabilities all fall under the category 'other financial liabilities'.

Other financial liabilities including borrowings are initially measured at fair value, less transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense.

1.16 Value Added Tax

Most of the activities of the NHS Foundation Trust are outside the scope of VAT and in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable the amounts are stated net of VAT.

1.17 Foreign currencies

Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Resulting exchange gains and losses are taken to the Statement of Comprehensive Income. At the Statement of Financial Position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the Statement of Financial Position date.

1.18 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS Foundation Trust has no beneficial interest in them. Details of third party assets are given in note 25 to the accounts in accordance with HM Treasury FReM.

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;

- donated assets
- 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

and

(iii) 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 does not undertake any activities that would give rise to the payment of corporation tax and therefore 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 2016/17 is £1.64m (2015/16 is £1.13m) which represents 0.34% (2015/16 0.24%) of the operating income of the Foundation Trust and, if consolidated, would not have a material effect on the accounts of the Foundation Trust.

1.23 Accounting standards that have been issued but have not yet been adopted

The HM Treasury FReM does not require the following Standards and Interpretations to be applied in 2016-17. These standards are still subject to HM Treasury FReM interpretation, with IFRS 9 and IFRS 15 being for implementation in 2018-19, and the Government implementation date for IFRS 16 still subject to HM Treasury consideration.

- IFRS 9 Financial Instruments – Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted.
- IFRS 15 Revenue for Contracts with Customers - Application required for accounting periods beginning on or after 1 January 2017, but not yet adopted by the FReM: early

adoption is not therefore permitted.

- IFRS 16 Leases – Application required for accounting periods beginning on or after 1 January 2019, but not yet adopted by the FReM: early adoption is not therefore permitted.

IFRS 10 Sale or Contribution of assets – Application required for accounting periods beginning on or after 2016/17 but not yet adopted by the FReM, early adoption is not therefore permitted.

IAS 1 – Amendment to Disclosure Initiative – Application required for accounting period 2016/17 but not yet adopted by the FReM, early adoption is not therefore permitted.

IFRIC 22 Foreign Currency Transactions and Advance Consideration – Application required for accounting periods beginning on or after 1 January 2018.

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)	2016/17	2015/16
	£000	£000
Income from Activities		
Elective income	65,254	61,565
Non elective income	110,361	106,013
Outpatient income	65,941	62,933
A & E income	14,217	14,691
Other NHS clinical income	144,659	132,260
Community income	30,538	36,838
Private patient income	943	979
Other non-protected clinical income	1,607	1,716
Total Income from Activities	433,520	416,995
Other Operating Income	41,915	41,677
Total Operating income (not incl Transition support or STF Income)	475,435	458,672
Transition Support Income	10,045	10,906
Sustainability and transformation fund income	9,662	0
TOTAL OPERATING INCOME	495,142	469,578
2.2 Operating Income (by type)	2016/17	2015/16
	£000	£000
Income from Activities		
NHS Foundation Trusts	0	1
CCGs and NHS England	425,643	407,772

Local Authorities	5,038	6,310
NHS: Other	289	216
Non NHS: Private patients	943	979
Non NHS: Overseas patients (non-reciprocal)	250	135
NHS injury scheme (was RTA)	854	1,254
Non NHS: Other	503	328
Total Income from Activities	433,520	416,995
Other Operating Income		
Research and development	3,481	4,844
Education and training	15,135	15,531
Charitable contributions for the purchase of capital assets	760	472
Charitable and other contributions to expenditure	172	171
Non-patient care services to other bodies	14,074	12,733
Income in respect of staff costs	2,721	2,455
Rental revenue from operating leases	749	529
Other	4,823	4,942
Total Other Operating Income	41,915	41,677
Sustainability and transformation fund	9,662	0
Transition Support Income	10,045	10,906
Total Operating Income	495,142	469,578

2.3 Overseas visitors (relating to patients charged directly by the foundation trust)

	2016/17	2015/16
	£000	£000
Income recognised this year	250	135
Cash payments received in-year (relating to invoices raised in current and previous years)	172	74
Amounts added to provision for impairment of receivables (relating to invoices raised in current and prior years)	43	24
Amounts written off in-year (relating to invoices raised in current and previous years)	1	8

2.4 Operating Lease Income

	2016/17	2015/16
	£000	£000
Rents recognised as income in the period	749	529
Total operating lease income	749	529
Future minimum lease payments due on leases of buildings expiring:		
- Not later than one year	112	109
- Later than one year and not later than five years	120	123
- Later than five years	0	0
Total operating lease income	232	232

2.5 Analysis of Other Operating Income: Other

	2016/17	2015/16
	£000	£000
Car parking	1,962	1,937
Staff accommodation rentals	749	529
Catering	1,303	1,249
Other	809	1,227
Total	4,823	4,942

3.1 Operating Expenses (by type)

	2016/17	2015/16
	£000	£000
Services from NHS Foundation Trusts	1,511	883
Services from NHS Trusts	1,383	1,268
Services from CCGs and NHS England	0	0
Services from other NHS Bodies	439	473
Purchase of healthcare from non NHS bodies	6,144	5,986
Employee expenses - Executive directors costs	1,570	1,708
Employee expenses – Non-Executive director costs	165	161
Employee expenses - Staff	317,947	314,422
Drug costs	52,845	47,610
Supplies and services - clinical (excluding drug costs)	43,692	42,709
Supplies and services - general	6,911	6,804
Establishment	3,756	3,716
Research and development (not included in employees expenses)	262	1,332
Research and development (included in employees expenses)	2,095	1,798
Transport (business travel only)	1,822	1,902
Transport (other)	1,229	1,687
Premises	13,591	15,111
Rentals under Operating Leases	7,532	6,279
Increase in provision for impairment of receivables	804	322
Change in provisions discount rate	85	(5)
Depreciation on property, plant and equipment	11,504	10,635
Amortisation of intangible assets	348	457
Impairment of property, plant & equipment	1,746	1,718
Audit fees - statutory audit	62	66
Audit fees - related assurance services	10	10
Fees – Non Statutory Audit Services	0	92
Clinical negligence	6,445	4,603
Legal fees	295	270
Consultancy costs	40	31
Internal Audit Costs (included in employee expenses)	371	371
Training, courses and conferences	1,141	1,018
Patient travel	53	70
Redundancy	109	595
Early Retirements	17	(13)
Hospitality	10	17
Insurance	642	648

Losses & special payments	28	302
Other	1,550	1,527
Total Operating Expenses	488,154	476,583

3.2 Arrangements containing an operating lease	2016/17	2015/16
	£000	£000
Minimum lease payments	7,532	6,279
Total Lease Payments	7,532	6,279

3.3 Arrangements containing an operating lease	31 March 2017	31 March 2016
	£000	£000
Total future minimum lease payments due:		
- not later than one year;	4,776	4,871
- later than one year and not later than five years;	7,799	9,177
- later than five years	1,203	1,316
	13,778	15,364

4.1 Employee Expenses	2016/17			2015/16		
	Total	Perm	Other	Total	Perm	Other
	£000	£000	£000	£000	£000	£000
Salaries and wages	248,913	227,507	21,406	245,694	220,793	24,901
Social security costs	24,198	22,117	2,081	18,901	17,275	1,626
Pension costs - defined contribution plans - Employers contributions to NHS Pensions	29,541	27,000	2,541	29,385	26,858	2,527
Pension costs – other	25	25	0	20	20	0
Termination benefits	126	126	0	595	595	0
Agency/contract staff	20,216	0	20,216	25,262	0	25,262
Total Staff Costs	323,019	276,775	46,244	319,857	265,541	54,316
of which						
Costs capitalised as part of assets	(910)	(910)	0	(963)	(963)	0
Total employee benefits excl. capitalised costs	322,109	275,865	46,244	318,894	264,578	54,316

During the year 9 Executive Directors had benefits accruing under the NHS Pension Scheme and the Trust made employer contributions to the NHS Pension Scheme of £134,659 in respect of these Directors.

4.2 Average number of employees (WTE basis)

	2016/17			2015/16		
	Total Number	Perm Number	Other Number	Total Number	Perm Number	Other Number
Medical and dental	722	380	342	708	371	337
Administration and estates	1,690	1,595	95	1,660	1,560	100
Healthcare assistants and other support staff	1,525	1,307	218	1,371	1,347	24
Nursing, midwifery and health visiting staff	2,312	2,109	203	2,464	2,228	236
Scientific, therapeutic and technical staff	930	880	50	905	856	49
Healthcare science staff	334	320	14	328	316	12
Bank and agency staff	559	0	559	743	0	743
Total average numbers	8,072	6,591	1,481	8,179	6,678	1,501
of which						
WTE employees engaged on capital projects	19	19	0	18	18	0

4.3 Exit Packages

Exit package cost band	Total		2016-17				2015-16	
	No.	£000	Compulsory Redundancies		Other departures agreed		Total	
	No.	£000	£000		£000		No.	£000
< £10,000	1	3	1	3	0	0	5	25
£10,001 - £25,000	0	0	0	0	0	0	14	217
£25,001 - £50,000	1	34	0	0	1	34	11	353
£50,001 - £100,000	1	72	1	72	0	0	0	0
£100,001 - £150,000								
Total	3	109	2	75	1	34	30	595

4.4 Analysis of non-compulsory exit packages

	2016-17		2015-16	
	Number of cases	Cost of cases £000s	Number of cases	Cost of cases £000s
Voluntary redundancies	1	34	0	0
MARS Local	0	0	27	545
Total	1	34	27	545

This note provides an analysis of exit packages agreed during the year. Other departure costs include voluntary redundancy costs and 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 2016/17 there were 13 early retirements (9 in 2015/16) from the Trust on the grounds of ill-health. The estimated additional pension liabilities of ill-health retirements will be £0.490m (£0.262m in 2015/16). This information has been supplied by NHS Pensions and the cost will be borne by the NHS Business Services Authority Pensions Division.

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2017, is based on valuation data as 31 March 2016, updated to 31 March 2017 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account their recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level

of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

The next actuarial valuation is to be carried out as at 31 March 2016. This will set the employer contribution rate payable from April 2019 and will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

Employers pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

5. Finance income

	2016/17	2015/16
	£000	£000
Interest on bank accounts	148	130

6. Finance costs - interest expense

	2016/17	2015/16
	£000	£000
Interest on loans from the Independent Trust Financing Facility	413	393
Interest on Finance Leases	7	13
	420	406

7. Losses and special payments

	2016/17		2015/16
	Number	Value £000	Number Value £000
Cash losses (including overpayments, physical losses, un-vouched payments and theft)	19	7	34 20
Bad debts and claims abandoned	114	59	55 40
Stores losses (including damage to buildings and other properties as a result of theft, criminal damage and neglect)	16	3	8 33
Compensation Payments	88	73	112 151
	237	142	209 244

8. Intangible assets

	Total (all software licences)
	£000
Gross cost at 31 March 2016	5,784
Additions - purchased	528

Additions - donated	47
Reclassifications	92
Disposals/derecognition	(5)
Gross cost at 31 March 2017	6,446
Amortisation at 31 March 2016	3,285
Provided during the year	348
Disposals/derecognition	(5)
Amortisation at 31 March 2017	3,628
Net book value	
NBV at 1 April 2016	2,499
NBV at 31 March 2017	2,818
Gross cost at 1 April 2015	4,544
Additions – purchased	78
Additions – donated	0
Reclassifications	1,162
Gross cost at 31 March 2016	5,784
Amortisation at 1 April 2015	2,828
Provided during the year	457
Amortisation at 31 March 2016	3,285
Net book value	
NBV at 1 April 2015	1,716
NBV at 31 March 2016	2,499

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	£0 00	£000	£000
Cost or valuation at 1 April 2016	297,369	17,067	198,952	2,036	9,983	43,064	185	26,000	82
Additions - purchased	13,400	0	1,881	40	10,060	378	0	1,041	0
Additions - donated	713	0	396	0	0	317	0	0	0
Impairments through expenditure	(2,337)	(70)	(2,253)	0	(14)	0	0	0	0
Impairments through revaluation reserve	(2,758)	(232)	(2,387)	(139)	0	0	0	0	0
Reversal of Impairments	72	0	72	0	0	0	0	0	0
Reclassifications	(92)	400	9,034	0	(11,924)	945	0	1,453	0
Revaluations	3,035	153	2,882	0	0	0	0	0	0
Disposals / derecognition	(1,344)	(251)	(628)	0	0	(428)	(37)	0	0
Cost or valuation at 31 March 2017	308,058	17,067	207,949	1,937	8,105	44,276	148	28,494	82
Accumulated depreciation at 1 April 2016	53,090	0	839	0	0	33,787	167	18,229	68
	11,504	0	7,223	1	0	2,089	4	2,080	3
Provided during the year				0 5					
Impairments through expenditure	(75)	0	(75)	0	0	0	0	0	0
Impairments through revaluation reserve	(1,345)	0	(1,259)	(86)	0	0	0	0	0
Reversal of impairments	(444)	0	(444)		0	0	0	0	0
Revaluations	(5,313)	0	(5,294)	(19)	0	0	0	0	0
Disposals / derecognition	(433)	0	(8)	0	0	(388)	(37)	0	0
Accumulated depreciation at 31 March 2017	56,984	0	982	0	0	35,488	134	20,309	71
Net book value									
NBV - Owned at 1 April 2016	239,478	17,067	194,507	2,036	9,983	8,087	18	7,766	14
NBV – Finance Leased at 1 April 2016	0	0	0	0	0	0	0	0	0
NBV - Donated at 1 April 2016	4,801	0	3,606	0	0	1,190	0	5	0
NBV total at 1 April 2016	244,279	17,067	198,113	2,036	9,983	9,277	18	7,771	14

NBV - Owned at 31 March 2017	245,894	17,067	203,029	1,937	8,105	7,546	14	8,185	1
NBV – Finance Leased at 31 March 2017	0	0	0	0	0	0	0	0	0
NBV - Donated at 31 March 2017	5,180	0	3,938	0	0	1,242	0	0	0
NBV total at 31 March 2017	251,074	17,067	206,967	1,937	8,105	8,788	14	8,185	1

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 2015	275,787	18,020	185,176	1,940	7,890	40,736	205	21,738	82
Transfers by absorption	(5,278)	(850)	(3,849)	0	0	(579)	0	0	0
Additions - purchased	18,096	0	1,527	14	16,191	152	0	212	0
Additions - donated	471	0	27	0	73	371	0	0	0
Impairments through expenditure	(3,308)	(193)	(2,963)	0	(152)	0	0	0	0
Reversal of Impairments	1,032	35	997	0	0	0	0	0	0
Reclassifications	(1,162)	0	6,184		(14,019)	2,623	0	4,050	0
Impairments through revaluation reserve	(1,727)	(197)	(1,530)	0	0	0	0	0	0
Revaluations	13,717	252	13,383	82	0	0	0	0	0
Disposals	(259)	0	0	0	0	(239)	(20)	0	0
Cost or valuation at 31 March 2016	297,369	17,067	198,952	2,036	9,983	43,064	185	26,000	82
Accumulated depreciation at 1 April 2015	49,905	0	650	0	0	32,273	179	16,738	65
Transfers by absorption	(588)	0	(95)	0	0	(493)	0	0	0
Provided during the year	10,635	0	6,794	95	0	2,246	6	1,491	3
Impairments through expenditure	(187)	0	(187)	0	0	0	0	0	0
Impairments through revaluation reserve	(238)	0	(238)	0	0	0	0	0	0
Impairments through revaluation reserve	(371)	0	(371)	0	0	0	0	0	0
Revaluations	(5,809)	0	(5,714)	(95)	0	0	0	0	0
Disposals	(257)	0	0	0	0	(239)	(18)	0	0
Accumulated depreciation at 31 March 2016	53,090	0	839	0	0	33,787	167	18,229	68

Net book value

NBV - Owned at 1 April 2015	221,405	18,020	181,185	1,940	7,890	7,392	26	4.935	17
NBV – Finance Leased at 1 April 2015	53	0	0	0	0	0	0	53	0
NBV - Donated at 1 April 2015	4,424	0	3,341	0	0	1,071	0	12	0
NBV total at 1 April 2015	225,882	18,020	184,526	1,940	7,890	8,463	26	5,000	17
NBV - Owned at 31 March 2016	239,478	17,067	194,507	2,036	9,983	8,087	18	7,766	14
NBV – Finance Leased at 31 March 2016	0	0	0	0	0	0	0	0	0
NBV - Donated at 31 March 2016	4,801	0	3,606	0	0	1,190	0	5	0
NBV total at 31 March 2016	244,279	17,067	198,113	2,036	9,983	9,277	18	7,771	14

9.2 Property, plant and equipment (continued)

The total at 31 March 2017 included land valued at £2.575m open market value (31 March 2016 £2.575m). There were no buildings or dwellings valued at open market value.

9.3 Assets held for sale

The trust had a terrace property held for sale as at 31 March 2015 which was sold in June 2015.

	2016/17	2015/16
NBV of non-current assets held for sale at 1 April 2016	0	237
Assets classified as available for sale in the year	0	0
Less assets sold in year	0	(237)
NBV of non-current assets held for sale at 31 March 2017	0	0

10. Inventories

	31 March 2017 £000	31 March 2016 £000
Drugs	1,784	1,636
Consumables	6,813	6,309
Energy	143	145
	8,740	8,090

11.1 Trade receivables and other receivables	31 March 2017 £000	31 March 2016 £000
Current		
NHS Receivables - Revenue	5,763	9,054
Other Receivables with related parties – Revenue	2,043	2,904
Provision for impaired receivables	(1,371)	(1,279)
Prepayments	2,632	1,863
Accrued income	9,788	4,098
PDC Dividend	155	198
Other receivables	4,693	3,703
Total current trade and other receivables	23,703	20,541
Non-Current		
Other Receivables with related parties - Revenue	1,073	1,518
Provision for impaired receivables	(161)	(152)
Total non-current trade and other receivables	912	1,366

11.2 Provision for impairment of receivables	2016/17	2015/16
	£000	£000
At 1 April	1,431	1,160
Increase in provision	964	439
Amounts utilised	(703)	(51)
Unused amounts reversed	(160)	(117)
At 31 March	1,532	1,431
11.3 Analysis of impaired receivables	31 March 2017	March 2016
	£000	£000
Ageing of impaired receivables		
0-30 days	503	161
31-60 days	6	0
61-90 days	4	2
91-180 days	19	156
Over 180 days	1,000	1,112
Total	1,532	1,431
Ageing of non-impaired receivables past their due date		
0-30 days	4,244	1,687
31-60 days	869	760
61-90 days	617	429
91-180 days	783	616

12. Trade and other payables	31 March 2017	31 March 2016
	£000	£000
Current		
Receipts in advance	751	799
NHS payables - revenue	1,445	2,550
Amounts due to other related parties – revenue	4,008	4,061
Trade payables - capital	2,038	1,941
Other trade payables - revenue	8,308	5,164
Social security costs	6,369	5,395
VAT Payable	193	0
Other payables	4,096	3,057
Accruals	14,757	13,754
Total current trade and other payables	41,965	36,721
Non-current		
Other trade payables – revenue	25	16
Total non-current trade and other payables	25	16

13. Other Liabilities

Deferred income

31 March 2017 £000	31 March 2016 £000
1,795	1,542

14. Borrowings**Current**

Loans from Independent Trust Financing Facility
Other Loans
Obligations under finance leases

31 March 2017 £000	31 March 2016 £000
1,955	1,782
0	6
0	0

Total current borrowings**14. Borrowings (continued)****Non-current**

Loans from Independent Trust Financing Facility
Other Loans
Obligations under finance leases

31 March 2017	31 March 2016
16,153	18,108
0	0
0	0

Total non-current borrowings

16,153	18,108
---------------	--------

15. Finance Lease Obligations

The Trust has no finance lease obligations.

16. Provisions for liabilities and charges**At 1 April 2016**

Change in the discount rate
Arising during the year
Utilised during the year
Reverse unused provisions
Unwinding of discount

**Pensions
- other
staff
£000**

1,162
85
37
(108)
0
16

At 31 March 2017**1,192****Expected timing of cash flows**

- not later than one year;
- later than one year and not later than five years;
- Later than five years.

108
430
654
1,192

£142.70m (2015/16 - £124.26m) is included in the provisions of the NHS Litigation Authority at 31 March 2017 in respect of clinical negligence liabilities of York Teaching Hospital NHS Foundation Trust.

17. Revaluation reserve

	Revaluation Reserve £000
Revaluation reserve at 31 March 2016	73,721
Transfer by absorption	0
Impairments	(1,413)
Revaluation gains on property, plant and equipment	8,348
Asset disposals	(727)
Revaluation reserve at 31 March 2017	79,929
Revaluation reserve at 1 April 2015	56,337
Transfer by absorption	(653)
Impairments	(1,489)
Revaluation gains on property, plant and equipment	19,526
Revaluation reserve at 31 March 2016	73,721

18. Cash and cash equivalents

	2016/17 £000	2015/16 £000
At 1 April	13,662	18,493
Net change in year	369	(4,831)
At 31 March	14,031	13,662
Broken down into:		
Cash at commercial banks and in hand	66	620
Cash with the Government Banking Service	13,965	13,042
Cash and cash equivalents as in SoFP	14,031	13,662
Cash and cash equivalents as in SoCF	14,031	13,662

19. Transfers by Absorption

York Teaching Hospital NHS Foundation Trust transferred Whitby Hospital to NHS Property Services on 2 November 2015, under the terms of the Transforming Community Care (TCS) initiative the asset transferred for no financial consideration. Under absorption accounting the full write down value of the asset (£4.6m) has been accounted for as a loss in expense, but not within operating activities. Following a tender process by the commissioner, the Whitby Community Services contract transferred to Humber NHS Foundation Trust on 1st March 2016. The transfer of this service represents a machinery of Government change and has been accounted for as a transfer by absorption. As part of the transfer, £0.1m of assets were transferred to the new provider for no financial consideration in line with the TCS initiative described above. Under absorption accounting,

the full write down value of (£0.1m) has been accounted for as a loss in expense, but not within operating activities.

There have been no transfers by absorption during 2016/17.

	2016/17	2015/16
	£000	£000
Property, Plant & Equipment	0	4,690
Total Assets Transferred	0	4,690
Revaluation Reserve: transfers to I & E reserves	(727)	(653)
I & E reserve: transfer from revaluation reserve	727	653
Total Equity	0	0

20. Capital Commitments

Commitments under capital expenditure contracts at 31 March 2017 were £1.3m (31 March 2016 £1.7m).

21. Contingent Liabilities

There are no contingent liabilities identified for this financial year.

22. Post Balance Sheet Events

There are no post balance sheet events.

23. Related Party Transactions

York Teaching Hospital NHS Foundation Trust is a corporate body 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 £764k towards revenue expenditure and £760k towards capital expenditure from the York Teaching Hospital Charity, the

Corporate Trustee for which is the York Teaching Hospital NHS Foundation Trust. At the year-end there was a receivable balance in the Trust of £395k due from the York Teaching Hospital Charity.

Related Party Transactions	Balances			
	Receivables	Payables	Income	Expense
	£000	£000	£000	£000
Sheffield Teaching Hospitals NHS FT	0	0	2,802	0
Harrogate & District Foundation Trust	1,057	536	2,725	0
Health Education England	0	0	13,734	0
Hull & East Yorkshire Hospitals NHS Trust	609	0	0	0
Leeds Teaching Hospital NHS Trust	0	0	0	2,105
NHS East Riding of Yorkshire CCG	0	0	42,720	0
NHS England	3,120	0	82,675	0
NHS Hambleton, Richmondshire and Whitby CCG	0	0	9,266	0
NHS Harrogate and Rural District CCG	0	0	5,265	0
NHS Scarborough and Ryedale CCG	3,568		84,803	0
NHS Vale of York CCG	2,596	847	215,988	0
North Yorkshire County Council	0	0	3,175	0
City of York Council	0	0	1,758	0
NHS Pension Scheme	0	4,008	0	29,541
HM Revenue & Customs	0	6,369	0	24,198
Department of Work & Pensions	2,649	0	0	0
NHS Litigation Authority	0	0	0	6,782
TOTAL	13,599	11,760	464,911	62,626

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. Due to 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. Therefore, York Teaching Hospital NHS Foundation Trust is not 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		16,865
Cash and cash equivalents (at bank and in hand)		13,662
Total at 31 March 2016		30,527
Trade and other receivables excluding non-financial assets		19,179
Cash and cash equivalents (at bank and in hand)		14,031
Total at 31 March 2017		33,210
24.2 Financial liabilities by category	Other financial liabilities	£000
Liabilities as per SoFP		
Borrowings		19,896
Obligations under finance leases		0
Trade and other payables excluding non-financial liabilities		30,484
Total at 31 March 2016		50,380
Borrowings		18,108
Obligations under finance leases		0
Trade and other payables excluding non-financial liabilities		34,652
Total at 31 March 2017		52,760

24.3 Fair Values

The NHS Foundation Trust has carried all financial assets and financial liabilities at fair value for the year 2016/17.

25. Third Party Assets

The NHS Foundation Trust held £1k cash at bank and in hand at 31 March 2017 (31 March 2016 - £3k) which relates to monies held by the NHS Foundation Trust on behalf of patients.

26. Limitation on auditor's liability	2016/17	2015/16
	£000	£000
Limitation on auditor's liability to any part of any loss suffered which is proportional to their responsibility.	2,000	2,000

