

Dorset HealthCare University NHS Foundation Trust

Annual Report and Accounts

2017/18

The page is left intentionally blank

Dorset HealthCare University NHS Foundation Trust

Annual Report and Accounts

2017/18

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



## Contents

Chapter	Page Number
1. Introduction from Chair and Chief Executive	7
2. Performance Report	9
2.1 Overview	9
2.2 Performance analysis	11
3. Accountability Report	15
3.1 Directors' Report	15
3.2 Remuneration report	40
3.3 Staff Report	55
3.4 NHS Foundation Trust Code of Governance	79
3.5 NHS Improvement Single Oversight Framework	80
3.6 Statement of Chief Executive's responsibilities as Accounting Officer's responsibilities	81
3.7 Annual Governance Statement	83
4. Quality Report 2017/18	1-86
5. Auditors Report	1-6
6. Financial Statements	A1- A44



## 1.0 Introduction from the Chair and Chief Executive

Welcome to our Annual Report and Accounts for 2017/18.

The Trust made commendable progress in the year. The Care Quality Commission (CQC) inspected our services in November 2017 and we are delighted that our overall rating has been upgraded from 'requires improvement' to 'good'. This is a reflection of the hard work, dedication and commitment of our staff. We now aim to support our staff in achieving a rating of outstanding in all our services.

The NHS Dorset Clinical Commissioning Group Governing Body approved the recommendations on the Clinical Services Review and Mental Health Acute Care Pathway Review at the end of 2017. These decisions will set the strategic blueprint for healthcare in Dorset for the next five to ten years, and the new arrangements will transform the way we deliver our services. The Trust fully supports the ambition for high quality, integrated community services for the people of Dorset and will work with system partners in implementing the outcome of the Review

The Trust launched its Better Every Day Programme in September; to ensure we continually improve the way we work and the quality of our services. We will continue to invest in service improvements and enhancing the experience and clinical outcomes of our patients.

Our services continue to be recognised nationally. The Child and Adolescent Mental Health Team (CAMHS), based at Pebble Lodge in Bournemouth was awarded the Quality Network for Inpatient Care (QNIC) accreditation for providing the highest level of care possible for young service users. Our perinatal service at Florence House was awarded the Royal College of Psychiatrists accreditation and Poole Children's Services OFSTED inspection praised our integrated service delivery, including health visiting and speech and language therapy services.

The Trust has a positive future. Our staff are dedicated and committed to learning and continuous improvement in providing high quality care. The Trust has some fabulous services and is determined to ensure that high standards are achieved in all of our services, and that we are Better Every Day.

Yours sincerely



A blue ink signature of Andy Willis.

Andy Willis, Chair



A blue ink signature of Ron Shields.

Ron Shields, Chief Executive





## 2.0 Performance Report

### 2.1 Overview

#### Who We Are

Dorset HealthCare is the principal provider of community and mental health services across Dorset. We serve a population of almost 700,000 people, employing around 5,000 staff covering a range of expertise and specialisms. The Trust's income is approximately £247 million.

The Trust has a large and geographically spread estate, providing services from over 300 sites ranging from village halls and GP surgeries to small, medium-sized mental health in-patient hospitals to single ward community hospitals located in market towns. The services provided by the Trust are diverse and constantly evolving to meet the changing needs of the local population.

We run Dorset's 12 community hospitals and minor injuries units - as well as providing adult and children's community and mental health services, specialist learning disability services, community brain injury services, and community dental services.

Our community health services encompass: district nurses, health visitors, school nursing, end of life care, sexual health promotion, safeguarding children, diabetes education, audiology, speech and language therapy, dermatology, podiatry, orthopaedic services, wheelchair services, anti-coagulation services, pulmonary rehab, early discharge stroke services, Parkinson's services, community oncology and breastfeeding support services.

Dorset HealthCare became a Foundation Trust on 1st April 2007. We are regulated by NHS Improvement (the body formed from the merger of Monitor and the NHS Trust Development Agency from 1 April 2016), which authorises and regulates NHS Foundation Trusts and supports their development, ensuring they are well-governed and financially robust.

The arrangements by which the Trust is governed are reviewed in section 3.1 of this Report.

#### Overview of 2017/18

2017/18 was a good year for the Trust. Our efforts to improve services were duly rewarded at the CQC inspection in November 2017. The Trust was rated good in the effective, caring, responsive and well-led domains and in the safety domain was rated as requires improvement. An action plan has been put in place to address the issues identified from the inspection.

The CQC report noted that the Trust's senior leadership team had the skills, knowledge, experience and integrity necessary for successfully overseeing a large, complex organisation. It was also recognised that 'communication across the Trust had improved with the Board and senior managers being more visible to staff and there was a noticeable improvement in the culture across the Trust, with increased openness and transparency and a clear desire in staff at all levels to learn and improve.'

The financial challenges affecting the NHS and the ever-increasing demand for services set the context for a demanding year for the Trust. However, the Trust has risen to the challenge and delivered a financial surplus of £6.0m (including STF funding).

Challenges to recruiting staff in some service areas continued throughout 2017/18 although the Trust managed to increase its workforce. This together with the increased use of bank

staff resulted in the agency expenditure going down from £6 million 2016/17 to £4 million. Better training and support in the use of the E-roster system has resulted in better management of ward workforce resources and contributed to the reduced agency expenditure.

The staff survey showed an increase in the overall level of staff engagement for a third year in a row. Compared to like Trusts we score highest in England in eight key areas, including: staff recognition and feeling valued, effective team working, support from immediate managers, and work related stress (lowest occurrence). This is a positive trend, although we know that there is still work to be done to raise levels of engagement in all parts of the organisation.

Our focus throughout the year has been to further improve the quality of our services and patient outcomes. The Trust continued to make a considerable investment in service quality and the infrastructure of the organisation and this resulted in some of our services being recognised nationally. However, the year ahead is likely to present the Trust with many more challenges, uncertainties and opportunities. Implementing the decision from the Clinical Services and Mental Health Acute Care Pathway Reviews will radically transform the way we provide our services and will involve working with system partners in the provision of integrated care.

The progress that the Trust has made and the commitment of our staff gives every confidence that services of high quality will continue to be provided now and into the future. On this basis, after making enquiries, the Directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the 'going concern' basis in preparing the accounts.

## 2.2 Performance Analysis

The Trust has, over the last 12 months, continued its journey towards its goal of becoming an exemplary organisation delivering high quality services. The Care Quality Commission (CQC) recently held an inspection of some of our core services, and rated the Trust as 'good', reflecting the significant improvements to the quality of services for patients.

The inspection in November and December was on eight mental health and three community health care services and also looked at management and leadership to assess whether the Trust is well-led.

As a result of the inspection, the Trust was rated as 'good' for being ;

- effective,
- caring,
- responsive and
- well led.

The Trust remains rated as 'requires improvement' for being safe. Overall, this moved the Trust up from its previous rating of 'requires improvement' to 'good'.

One of the big successes was a positive shift from 'good' to 'outstanding' for child and adolescent mental health wards, referring to the Trust's Pebble Lodge unit in Westbourne. This was in addition to the Community Forensic Service, which was rated 'outstanding' during the 2015 inspection. Inspectors found that staff had gone beyond what was required and were clearly focused on wellbeing and recovery of young people. They were working with children and young people to create meaningful care plans and emphasising young people being part of the community.

There was also an improved rating of good for:

- Community mental health services for adults and for older people;
- Community health services for children and young people; and
- Community health inpatient services.

On wards for end of life care, inspectors identified a more open and transparent culture, with a positive impact on patient care and staff morale. They also found that the Trust's Board and senior leadership team had a clear vision and set of values which centered on the key principle of continuous improvement.

Areas which still needed improvements included:

- Ligature points at some acute mental health wards; and
- Some aspects of medicines management.

An action plan will be developed to address the issues identified. Oversight of the quality and effectiveness of the services inspected, and others delivered by the Trust, is monitored through the performance management framework of the organisation (which is addressed in more detail in section 3.1). Key to this is the consideration by the Board, on a monthly basis, of an integrated corporate dashboard. This sets out the key performance measures that have been identified by the Board and tracks progress over the course of the year.

The dashboard sets out performance measures and progress under each of the five CQC domains referred to above.

Core measures within the dashboard reflect the three domains of quality-patient experience, patient safety and clinical effectiveness. Key issues and challenges in respect of the quality of service delivery are set out in Chapter 4-Quality Report 2017/18. This provides an annual evaluation of the quality of our services and how we are seeking to improve them. The Report describes progress against the quality priorities to maintain and improve patient safety, clinical effectiveness and the experiences of people using our services. It also sets out our priority areas for 2018/19 and showcases innovative practice across services.

One of the key challenges and risks identified for the year was the delivery of the financial plan. The Trust delivered a surplus of £6.0 million. This was ahead of the planned deficit of £1.6 million. This performance includes the benefit of receiving £4.7m of Sustainability and Transformation Funding.

The Trust's financial performance history for the past 3 years is summarised below:

Year	Total Income £m	Surplus/(Deficit) £m	%age of Turnover
2017/18	247	6.0	2.43
2016/17	261*	(1.3)	(0.50)
2015/16	251*	(1.9)	(0.76)

Notes:

Total Income includes interest received

\*includes discontinued operations

In terms of regulatory financial performance, the finance and use of resources theme within NHS Improvement's Single Oversight Framework is based on the scoring of five measures from '1' to '4' where '1' reflects the strongest performance. The Trust achieved the highest Use of Resources score of 1 throughout the year as set out in table below (this is covered in more detail in section 3.5 of this report).

2017/18	Metric	Q1 score	Q2 score	Q3 score	Q4 score
Financial sustainability	Capital service capacity	1	1	1	1
	Liquidity	1	1	1	1
Financial efficiency	I&E margin	1	1	1	1
Financial controls	Distance from financial plan	1	1	1	1
	Agency spend	1	1	1	1
<b>Overall Use of Resources Score</b>		<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>

The Trust developed a plan to address the impact on the environment and the challenge of sustainability in respect of energy and carbon management, procurement and food, travel and transport, water, waste, building design, organisation and workforce development, partnerships and networks, governance and finance. Progress in the delivery of the plan and the risks associated is monitored by the Executive Directors. Section 3.3 provides more details on the sustainability initiatives.

The Trust has continued to develop its contribution to equality, diversity and human rights issues both within the organisation and the County as a whole. Details of the actions taken and the relevant Trust policies are set out in Section 3.3 of this report. The Trust continues to be committed to delivering equality and diversity in the organisation and Dorset. The Trust has set clear goals to continue to work with national and local partners to achieve the best outcomes for patients, staff and the local community.

The Trust has continued to develop the services that it offers and invest in new facilities. New initiatives and services over the year have included:

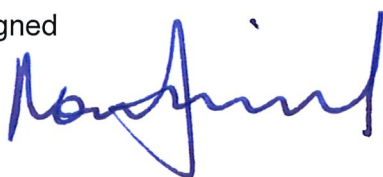
- *Significant investment in single sex wards at St Ann's Hospital in Poole*  
The development of six male en-suite bedrooms on Alumhurst Ward at St Ann's has been completed to ensure compliance with single sex ward regulations. This, alongside further improvements to the site, will improve patient experience and support the Trust in delivering the best service possible.
- *Major construction works to create a Retreat at Hahnemann House*  
Opening in April 2018 and delivered at a cost of almost £500k, the Retreat at Hahnemann House will offer an open access service for people in crisis and distress. This service will be delivered through providing a space for people to be listened to, connect with others and access peer support.
- *Improved radiology facilities at Yeatman Hospital*  
Patients are benefitting from a £340k investment in state of the art static X-ray facilities at Yeatman Hospital. Improvements have included refurbishment of X-ray equipment along with new changing facilities to improve patient privacy and dignity.
- *Investment in the Trust's IT Network Maintenance Programme*  
In order to comply with NHS Digital security standards, there has been significant investment in the Trust's IT network. This has further improved cyber security through installation and management of network switches to reduce IT security risks.

In summary, it has been a successful year for the Trust with the quality of services, patient outcomes and patient experience improving, and the operational financial performance of the organisation remaining strong.

### **Post Balance Sheet Events**

In the opinion of the Directors of the Trust, there are no Post Balance Sheet events.

Signed



Ron Shields, Chief Executive

23 May 2018



### 3. Accountability Report

#### 3.1 Directors' Report

##### Board of Directors; Composition; Committees, Interests

###### Board Composition

The Board of Directors is responsible for managing the Trust, ensuring delivery of financial performance, quality of services and ensuring all standards are achieved and targets are met.

The Trust has a unitary Board, comprising the

- Chair
- Seven other independent Non-Executive Directors (NEDs)
- Seven Executive Directors

Upon appointment to the Board of Directors, Board members receive a comprehensive induction. Director training is reviewed and undertaken to ensure the Board is regularly refreshed and Directors update their skills and knowledge.

The figure below summarises the formal roles of the Directors as part of a unitary Board and when acting collectively in the Boardroom or undertaking distinctive Executive/Non-Executive roles outside of formal meetings:

<u>All directors acting collectively as a unitary Board</u> Establish and communicates the values and behaviours underpinning organisational culture. Determine the organisation strategy from amongst options provided by the Executive. Allocate resources using budgets. Monitor performance. Hold the Executive to account.	
<u>Executives / Executive Groups</u> Establish the operational controls by which organisational objectives are met. Hold management to account.	<u>NEDs / Non-Executive-led Assurance Committees</u> Using a risk based approach, acquire and scrutinise assurances that the operational controls are designed well and operating effectively.

Directors participate in a variety of activities, such as visits to service areas, and learn about the Trust in multiple ways. This provides content, insight and triangulation of information to support evidence-based decision making.

The Board meets at least six times per year in formal Board meetings and also undertakes other activities. The Board generally holds its meetings in public but there are some occasions when the public are excluded from a 'Part 2' meeting in which matters of a confidential nature are discussed. Regular reports from the Chief Executive and other Executives are provided to ensure that the Board has an accurate and balanced assessment of the Trust's position and progress towards its objectives.

Workshops are held in most months throughout the year to raise Board effectiveness and to discuss the development of strategic options and threats to their achievement. They are used for building consensus for support of strategic options such as major business cases,

submissions to tendering exercises, or significant transactions. The Non-Executive Directors also meet together from time to time without the Executive Directors present. Careful consideration has been given to the composition of the Board and the experiences required for managing an NHS Foundation Trust. This resulted in specific experience, values and competencies being sought when appointments were made to the Board during the year. This is to ensure that the Board of Directors is balanced and has the skills needed to meet the objectives of the Trust. Currently our Non-Executive Directors have a wide range of experiences including healthcare governance; strategy; social care, finance and technology, which match the Trust's needs well.

The Board regularly assesses its performance and its development needs. In 2015/16 the Board invited an external reviewer to undertake a 'well-led governance' review based on NHSI's model guidance. No material governance concerns were raised during this review. The reviews take place on a three yearly basis, with the next external review due in 2018/19. Board Committees review their performance annually by way of self-assessment against best practice criteria, such as – in the case of the Audit Committee – the toolkit in the NHS Audit Committee Handbook published by the Healthcare Financial Management Association.

All of the Trust's Non-Executive Directors are free of any connection to the Trust which might be perceived to be likely to bias their judgement in their roles.

The Chair is responsible for the leadership of the Board of Directors and Council of Governors. He ensures the effectiveness in all aspects of their roles whilst at the same time ensuring they work together effectively and constructively. The Chair reports to the Board the views expressed by Governors and by the Council as a whole.

The Chair is also responsible for ensuring that both the Board and Council receive accurate, timely and clear information to enable them to undertake their roles and responsibilities. The Chair has disclosed his other interests which could impact on his time available to perform the role which requires about three days a week of his time. These are set out, along with those of all Directors, in the register of interests, which appears later in this chapter.

All Directors have signed declarations to abide by the Trust's Code of Conduct for Directors. They have each also made declarations as to compliance with NHS's *fit and proper persons* criteria.

The Board takes seriously the duties and responsibilities of its members, both individually and collectively. Annual appraisals of the Chair, other Non-Executive Directors and Executive Directors are carried out to review and develop performance.

## **Board Members**

### **Andy Willis - Non-Executive Director (Chair)**

*(Appointed as Chair in April 2017)*

Andy has a wealth of experience in non-executive roles for organisations in the health, housing, education and third sectors.

A corporate lawyer by background, Andy specialises in corporate governance and leadership development. He works both in the private sector and with organisations such as The King's Fund and the NHS Leadership Academy, focusing on developing leadership skills, improving governance and supporting change.

Andy has served on NHS boards in Bristol, Somerset and Southampton.



**David Brook OBE, Non-Executive Director, Quality Governance Committee Chair**  
*(First appointed January 2014, reappointed for a second term of office until January 2020)*

David joined the RAF in 1982 and held early roles as an Engineering Officer. He served in the UK, the Middle East and Sierra Leone.

After completing his MA in Defence Studies, David led the formulation and development of RAF engineering strategy and policy, including Quality Management.

In 2004, David was appointed to RAF Odiham as Officer Commanding Forward Support Wing. Two years later, David moved to HQ Strike Command where he was responsible for the procurement of technical accommodation, upgrade of runways and aircraft operating services, security systems, domestic accommodation, upgrade of electrical, water and drainage systems for a major upgrade to a front line flying station.

In 2007 he joined the RNLI as Engineering and Supply Director. As a member of the Executive Team he led the technical department of over 400 personnel dispersed throughout the UK and Republic of Ireland.

In 2015 David became the Managing Director and Bursar of Canford School.

**John McBride, Non-Executive Director, Audit Committee Chair**  
*(First appointed 1 August 2014, reappointed for a second term of office until July 2020)*

John trained and qualified in accounting with Broxtowe Borough Council. He progressed through a number of financial roles, including within treasury, before then taking on wider leadership roles including Chief Accountant at the City of York. In the mid-80s he was appointed Deputy Chief Executive of West Dorset Council in 1990. John then joined Poole Council as Policy Director and was appointed Chief Executive in 2002. John has now retired from the Council and is an appointed Council Member of the RNLI.

**Sarah Murray, Non-Executive Director, Chair Mental Health Legislation Assurance Committee and the Charitable Funds Committee**  
*(First appointed 1 August 2014, reappointed for a second term of office until July 2020)*

Sarah began her career as a lawyer working for major London firm, Clifford Chance within property and wider corporate areas. She then moved to a smaller firm in Bristol before relocating to Brussels with her husband. On returning to the UK, Sarah set up her own software/events business which she ran successfully for a number of years. Alongside this work, Sarah was Chair of Hampshire Ambulance Service from 1998 to 2003 and a member of the Prison Service Review Body from 2004 to 2008. Sarah is currently a lay member of the Royal College of Surgeons Independent Review body and of the Society for Cardiothoracic Surgery. She is also the Events Coordinator for the European Maritime Law Organisation.

**Nick Yeo, Non-Executive Director, Senior Independent Director**  
*(First appointed 1 August 2014 until reappointed for a second term of office until July 2020)*

Nick joined the NHS as a management trainee and spent a number of years moving through management and director level roles with the NHS and the Department of Health. He took on his first Chief Executive role with North Surrey PCT in 2002 and then moved over to East Sussex PCT and then Hampshire Partnership NHS Trust, a mental health and social care service provider. Nick's final role in the NHS was as Director of Provider Development for NHS South of England.

### **Heather Baily - Non-Executive Director**

*(Appointed 1 October 2017)*

Heather has more than ten years' experience in senior executive roles in policing. She has held senior management posts in the Metropolitan Police Service as Head of Training and Borough Commander for Hammersmith and Fulham before joining Hertfordshire Constabulary as an Assistant Chief Constable where she was the lead for collaboration with Bedfordshire and for protective services which included counter terrorism and serious and organised crime. She was later promoted to Deputy Chief Constable and led a number of strategic initiatives including improved performance and organisational culture. A passionate supporter of those people who work for us, she led a national mentoring project for senior women in policing. She has extensive experience of partnership working across the public sector and with Government. On leaving Hertfordshire, she took up a senior post with the Garda inspectorate in Dublin, inspecting policing and partnership arrangements across Ireland. She has more recently been a member of the Police and NCA Remuneration Review bodies for three years, advising Government on pay and remuneration across policing nationally. She is also currently a Non-Executive Director with the Department of Justice, Northern Ireland and her voluntary work includes that of Trustee with Watford Community Sports Trust and as publicity officer for SSAFA the Armed Forces Charity, across Dorset.

### **John Carvel - Non-Executive Director**

*(Appointed 1 October 2017)*

John is a former journalist for The Guardian. He retired from the paper in 2009 after 36 years' service. His many roles included education editor (1995-2000) and social affairs editor, specialising in health and social care (2000-2009). He was until recently a member of the Healthwatch England national committee, which champions the interests of patients and service users. He continues to serve on the Panel of the National Data Guardian, Dame Fiona Caldicott and previously sat as a Lay Member on the Department of Health's National Leadership Council. Since 2009 he has provided consultancy and writing, mainly for public sector health organisations including the Department of Health, NHS South West and NHS Digital.

### **Belinda Phipps - Non-Executive Director**

*(Appointed 1 October 2017)*

Graduating with a BSc Hons in Microbiology, Belinda joined Glaxo Pharmaceuticals becoming UK Marketing Manager. Whilst completing an MBA at Ashridge Management College she joined the Blood Transfusion Service as Chief Executive with a view to leading a merger. After a period managing a Medical Publishing company she became Chief Executive of an NHS Trust. Belinda joined the National Childbirth Trust (NCT) as Chief Executive in 1999. She became Chief Executive of the Science Council in 2015 and is Chair of the Fawcett Society. She is also Chair of the NMC Appointments Board, PipUK Patron and trustee for Pro Bono Economics.

### **Ron Shields, Chief Executive Officer**

*(Appointed Interim Chief Executive October 2013; substantive appointment March 2014).*

Ron brings a wealth of leadership experience in the NHS with more than 36 years' experience in healthcare, including 25 years as a director in acute, community and mental health trusts, 17 of which have been as Chief Executive. His experience includes managing large scale service redesign and organisational mergers.

**Fiona Haughey, Director of Nursing Therapies and Quality**

*(Appointed to interim role February 2014, substantive appointment from July 2014 to 31 March 2018)*

Fiona has been in senior leadership roles for the past 14 years and is the Director of Nursing Therapies and Quality. Fiona has been employed by the NHS since qualifying as a general nurse in 1984 going on to register as a mental health nurse and a health visitor. She has more than 17 years' clinical experience in general nursing, acute and community psychiatry and public health/health visiting. Fiona completed a MSc in Leading for Quality with Ashridge Business School and the Health Foundation in 2012 under the GenerationQ programme, achieving a distinction. Fiona is committed and dedicated to improving the services we deliver to our patients and service users to ensure they experience high quality care delivered with kindness and compassion.

**Matthew Metcalfe, Director of Finance and Strategic Development**

*(Appointed September 2016)*

Matthew initially worked at University College London Hospitals when he entered the healthcare industry in 2008. Since then he has had several finance director roles, with both providers and suppliers. Prior to Dorset HealthCare Matthew was Director of Finance at Homerton University Hospital, an acute and community services provider in East London.

Educated at King's College London, Matthew went on to qualify as a Chartered Accountant with Arthur Andersen. Moving into Corporate Finance, Matthew became a director at Rothschild, where he advised a variety of large organisations on strategic development and corporate transactions.

**Nick Kosky, Medical Director**

*(Appointed 1 July 2015)*

Nick has been a member of the Royal College of Psychiatrists since 1991, and a Fellow since 2011. He has a longstanding interest in clinical audit, clinical governance and supporting clinical colleagues to deliver the best services they can. Nick has chaired 2 NICE guideline development groups and has undertaken various other roles at a national level.

**Nicola Plumb, Director of Organisational Development and Participation**

*(Appointed in March 2014, became a voting Board member in April 2017)*

Nicola is passionate about the NHS and has spent her career in the public sector since graduating from Durham University with a Politics degree in 2000.

Nicola has held a variety of communications and development roles in the NHS and Department of Health including working at NHS Bournemouth and Poole, Communications Advisor to the NHS Chief Executive and most recently, working as Head of Brand for NHS England.

**Eugine Yafele, Chief Operating Officer**

*(Appointed as Chief Operating Officer on 1 April 2017)*

Eugine was a Locality Director (Bournemouth/Christchurch) from October 2014 before being appointed Chief Operating Officer. He completed his MBA at Warwick Business School in 2013 and has significant clinical leadership and operational management experience gained in both the NHS and the independent sector. He has broad experience of partnership

working and the development of new models of care and clinical pathways to improve the experience of people using health and social care services.

**Colette Priscott (Director of Human Resources)**

*(Appointed November 2017)*

Colette is a Fellow of the Chartered Institute of Personnel and Development (CIPD), and brings with her vast experience in senior HR roles within the NHS and the wider public and private sector.

In her previous job, Colette was Deputy Director of HR at Great Western Hospitals NHS Foundation Trust for three years, having previously worked at LiveWell South West for around ten years in various senior HR OD and learning and development roles.

**Board members who left in the year :**

**Ann Abraham, Non-Executive Director and Chair**

Ann was appointed Non-Executive Director in December 2013 and became Chair in April 2014. She stood down from the Board at the conclusion of her term of office in April 2017, being replaced as Chair by Andy Willis.

**Lynne Hunt, Non-Executive Director, Deputy Chair**

Lynne was appointed as a Non-Executive Director in December 2013 and was the Deputy Chair from May 2014. She left the Trust in July 2017.

**Peter Rawlinson, Non-Executive Director**

Peter was a Non-Executive Director from 1 October 2014 to September 2017

**Colin Hague, Executive Director of Human Resources**

Colin was the Human Resources Director from 2009 and left the Trust in May 2017

**Attendance at Board of Directors' Meetings**

The table which follows shows the number of meetings attended by each Board Member and the maximum number of meetings that they could have attended;

Name	Title	Attendance / maximum attendance
Directors in post as at 31 March 2018		
Andy Willis	Non-Executive Director, Chair	10/10
Heather Baily	Non-Executive Director	2/4
David Brook	Non-Executive Director	9/10
John Carvel	Non-Executive Director	4/4
John McBride	Non-Executive Director	9/10
Sarah Murray	Non-Executive Director	5/10
Belinda Phipps	Non-Executive Director	4/4
Nick Yeo	Non-Executive Director	10/10

Ron Shields	Chief Executive Officer	9/10
Matthew Metcalfe	Director of Finance and Strategic Development	10/10
Colette Priscott	Director of Human Resources	4/4
Fiona Haughey	Director of Nursing, Therapies & Quality	9/10
Nick Kosky	Medical Director	8/10
Nicola Plumb	Director of Organisational Development and Participation .	9/10
Eugine Yafele	Chief Operating Officer	9/10
Directors no longer in post as at 31 March 2018		
Colin Hague	Director of Human Resources	3/3
Peter Rawlinson	Non-Executive Director	6/6
Lynne Hunt	Non-Executive Director	3/4

### Board Committees

The Board has a schedule of matters which it reserves to itself. These include the power to set the vision, strategic aims, objectives and budget for the Trust.

Other matters are delegated to Board Committees, which operate within defined terms of reference. The current Board Committee structure has been in place since April 2015. Details are set out below.

#### Audit Committee

Comprising independent Non-Executive Directors, the Committee provides the Trust with the means of independent and objective review of all internal control systems and risk management. The Committee discharges its responsibilities through the consideration of reports generated by management and also from independent sources. TIAA provided the Internal Audit service and the External Audit service was provided by PwC. The Committee also receives a report from Local Counter Fraud services. Attendance at the Committee meetings is shown below

Audit Committee Attendance	
Member	Attendance/maximum attendance
John McBride (Committee Chair); Non-Executive Director	5/5
Nick Yeo, Non-Executive Director	5/5
David Brook, Non-Executive Director	1/1
Peter Rawlinson, Non-Executive Director	3/3
John Carvel Non-Executive Director	1/1

Heather Baily Non-Executive Director	1/1
Belinda Phipps Non-Executive Director	1/1

The significant issues that the Audit Committee considered during the year related to:

- Review Assurance as to Compliance with the NHS Foundation Trust's Code of Governance.
- Review Assurance as to Compliance with the Trust Provider Licence.
- Annual Review of the Effectiveness of Internal Audit, local counter-fraud services and the External Auditors. The Committee agreed it was satisfied with the work undertaken.
- Board Assurance Framework (BAF) was reviewed at each meeting and recommendations made to continue strengthening it.
- Annual Report and Annual Governance Statement for 2016/17 - considered by the Committee (April and May meetings) prior to being submitted to the Board of Directors for final approval.
- Committee considered the Self Certification statements required by NHSI (May 2017).
- Quality Report 2016/17, noted by the Committee prior to being submitted to the Board of Directors for final approval.
- Statutory Financial Statements and Accounts 2016/17 received and considered by the Committee (May 2017) prior to being submitted to the Board of Directors for approval.
- Internal Audit Annual Report 2016/17, including the Head of Internal Audit Opinion received and noted. The report found reasonable assurance on the Trust's system of internal controls (May 2017).
- External Audit Report to the Audit Committee on the audit for the year ended 31 March 2017 including the Trust's use of resources, received and noted (May 2017). After significant enquiry, the Committee were satisfied and accepted the opinion that so far as "effective use of resources" was concerned the Trust's position was still that it "requires improvement" – seen as an inevitable consequence of the CQC inspection processes.
- Plans for Internal Audit, External Audit and Counter Fraud Work were agreed.
- Annual Clinical Audit Plan received and noted (April 2017).
- Internal Audit Progress Reports received, reviewed and noted (all meetings). The Committee examined Internal Audit reports where Limited Assurance was given.
- External Audit Progress Reports received and noted (all meetings).
- Local Counter Fraud Services progress reports received and noted (all meetings).
- Audit Committee meeting forward plan and timetable received and noted (all meetings).
- Action Tracker reviewed (all meetings).
- During the year the Committee considered the Trust's risks in respect of cyber-security on several occasions. Despite being assured about the Trust's good work in this regard, they remain concerned at this risk exposure.
- The Committee considered specific reports on a number of "new" issues including:
  - Property Maintenance

- Business Continuity
- Resources and timing for year-end reporting
- Single tender waivers
- Reference costs
- The Committee made recommendations to the Council of Governors in respect of External Audit leading to the appointment of new auditors by Governors. This is a pan- Dorset appointment.
- The Committee Chair and Lead Governor participated in the appointment process for new Internal Auditors.
- The Committee have twice reviewed the progress being made with regard to data quality.
- Treasury Management Policy was received, reviewed and approved (October 2017).
- The Going Concern assumptions were examined and recommended for approval (January 2018).
- The Chair represents the Committee on a small group which examines issues relating to the Trust's whistleblowing policies.
- In May 2017, in accordance with Standing Orders, the Committee received a report on the use of the Trust Seal.
- The Committee reviewed its Terms of Reference (May 2017).

The Trust's external auditors are appointed by the Council of Governors. The appointment process includes a report and recommendation from the Trust's Audit Committee. The Audit Committee continues to consider auditor independence and objectivity throughout the year.

Following a joint procurement with all the Dorset NHS organisations, the Trust appointed KPMG LLP as the Trust's External Auditors on a three year contract, with an option to extend for two further years. The current auditor PricewaterhouseCoopers LLP ('PwC') contract ends at the of the 2017/18 audit.

The fee payable for external audit services in 2017/18 was £ 63,500.

More information about the Committee's role is given in the Annual Governance Statement later in this Annual Report.

### Quality Governance Committee

The Committee acquires and scrutinises assurances that the organisation has a combination of structures and processes at and below Board level that equip it to deliver high-quality services.

The Quality Governance Committee (QGC) focusses on providing assurances in respect of quality governance in the Trust. The Committee met seven times in 2017/18. It seeks assurance that internal controls over quality are designed well and operating effectively.

Attendance at the Committee meetings is shown below

<b>Quality Governance Committee Attendance</b>	
<b>Member</b>	<b>Attendance/maximum attendance</b>
Lynne Hunt; Non-Executive Director (Committee Chair until July 2017)	2/2
David Brook; Non-Executive Director (Committee Chair from Sept 2017)	4/4
Nick Yeo, Non-Executive Director	7/7
Sarah Murray, Non-Executive Director	7/7
John Carvel, Non-Executive Director	3/3
Belinda Phipps, Non-Executive Director	3/3
Heather Baily, Non-Executive Director	1/1
Eugine Yafele, Chief Operating Officer	4/7
Nick Kosky, Medical Director	3/7
Fiona Haughey, Director of Nursing, Therapies & Quality	6/7
Nicola Plumb, Director of Organisational Development and Participation	4/4

The Trust's quality governance structure and performance for the year is explained in depth within our Quality Report in chapter 4 of this Annual Report.

The framework within the Trust for overseeing 'well-led' quality governance is set out below.

The Board retains ultimate responsibility for service quality and quality governance in the Trust. The Board receives an integrated dashboard including a quality dashboard covering all three domains of quality: patient experience, patient safety and clinical effectiveness. This is alongside reports from the QGC.

The QGC provides further scrutiny of the quality of services. This Committee is underpinned by the Executive Quality and Clinical Risk Group, which meets monthly to examine the internal quality and clinical processes and provide an in-depth review of the data in order to assure the QGC as to the adequacy of the systems operated by the organisation.

Alongside this, performance against the Trust quality priorities is monitored by the Board on a quarterly basis.

The Board also monitors performance against the Commissioning for Quality and Innovation (CQUIN) targets as agreed with our commissioners. This information is also set out in our Quality Report. In 2017/18, whilst we did not achieve the 70% threshold for improving the



uptake of flu vaccinations for frontline staff, we achieved a significant percentage improvement from performance in 2016/17 increasing from 34% to 60%. There are two CQUINs that are challenging in regard to accessing data (CQUIN 8b - Supporting proactive and safe discharge – community providers) and changing practice (CQUIN 9 - Preventing ill health by risky behaviours – alcohol and tobacco). As this is a two year CQUINN programme we are working with Dorset Clinical Commissioning Group, as our commissioner, in considering whether or not to withhold payment of the CQUIN, related to these, in this financial year.

The Quality Report also sets out performance against key priorities. Our performance against a core set of indicators set by the Department of Health and NHSI is reported showing comparison, where applicable, against the Q4 position 2017/18.

The Trust arrangements in respect of quality governance are subject to regular reviews by the CQC. An action plan is produced after each inspection. Progress is reported each month to the each meeting of the Board, most recently in November 2017. The core services are supported by quality assurance visits which monitor progress to ensure the actions being implemented are achieving the required outcomes.

Formal reporting through this structure is supplemented by Non-Executive and Executive Director visits to wards and teams to hear and observe first-hand the quality of care being delivered. This enhances the line of sight from Board to ward and allows the opportunity for the triangulation of information.

Complaints provide a further opportunity for triangulation.

The Trust welcomes complaints as constructive feedback to enable us to continually improve our services. We are committed to responding to complaints in a fair, impartial and open way and within a reasonable timeframe. Complaints provide a real barometer of what happens in the Trust, how the public feel about the services they receive and the extent to which professionals and services are genuinely responsive to the patient's needs. Complaints provide a real opportunity for us to learn and to drive improvement in our services.

The Trust's performance in this respect of complaints management is considered through a quarterly report which is made available on the Trust internet.

Alongside this, a Complaints Review Group is in place. This involves service users and others (such as Dorset Clinical Commissioning Group, Dorset Advocacy, Healthwatch Dorset, local patient groups) who are in a position to comment on or influence our services. The Group takes a case study approach to reviewing issues worthy of in-depth study. They are also given the opportunity to meet with Board Directors and clinicians directly involved in care to review particular themes that arise from complaints.

#### Mental Health Legislation Assurance Committee and Mental Health Act Panel Members

This Committee is a specialist arm of the Quality Governance Committee.

The Trust operates a clear separation of the Non-Executive role in acquiring and scrutinising assurances as to quality governance in mental health services (by the Committee) and that of conducting the review process for detained patients in accordance with the required provisions of Mental Health legislation, undertaken by Mental Health Act Panel Members. Four Non-Executive Directors have been trained, alongside other independent lay people, in mental health legislation, and will act as a pool, from which a panel of three will be drawn to consider any individual case.

Attendance at the Committee meetings is shown below:

<b>Mental Health Legislation Assurance Committee</b>	
<b>Member</b>	<b>Attendance/maximum attendance</b>
Sarah Murray ; Non-Executive Director (Committee Chair)	4/4
Andy Willis, Trust Chair	2/2
Lynne Hunt, Non-Executive Director	1/1
John Carvel, Non-Executive Director	2/2
John McBride, Non-Executive Director	2/2
Fiona Haughey, Director of Nursing, Therapies & Quality	4/4
Nick Kosky, Medical Director	3/4

#### Appointments and Remuneration Committee

Details of the role and membership of the Committee are set out in section 3.2 of this Annual Report.

#### Charitable Funds Committee

The Board is the Corporate Trustee of the Trust charity. The Charitable Funds Committee has been established by the Board to make and monitor arrangements for the control and management of the Charitable Fund investments of the Trust and to allocate funds to appropriate projects.

Attendance at the Committee meetings is shown below:

<b>Charitable Funds Committee</b>	
<b>Member</b>	<b>Attendance/maximum attendance</b>
L Hunt, Non-Executive Director (Committee Chair until July 2017)	1/1
P Rawlinson, Non-Executive Director (Committee Chair from July 2017 to September 2017)	2/2
S Murray, Non-Executive Director (Committee Chair from September 2017 to present)	4/5
A Willis, Non-Executive Director	1/2
M Metcalfe, Director of Finance & Strategic	3/5

Development	
J Carvel, Non-Executive Director	2/2
H Baily, Non-Executive Director	2/3
N Plumb, Director of Organisational Development and Participation	2/5

### Register of Interests of Directors 2017/18

Name	Interests Declared
Heather Baily Non-Executive Director	<ul style="list-style-type: none"> <li>• Director of Colfosco Consulting Ltd</li> <li>• Branch Publicity Officer, SSAFA Dorset</li> </ul>
David Brook Non-Executive Director	<ul style="list-style-type: none"> <li>• Managing Director &amp; Bursar, Canford School</li> </ul>
John Carvel Non-Executive Director	<ul style="list-style-type: none"> <li>• Panel Member – National Data Guardian for Health and Care</li> </ul>
Fiona Haughey Director of Nursing Therapies & Quality	<ul style="list-style-type: none"> <li>• None</li> </ul>
Nick Kosky Medical Director	<ul style="list-style-type: none"> <li>• Trustee of 'The Horse Course' non-profit making charity delivering Equine Assisted Therapy to socially disadvantaged</li> <li>• Director, Waddon Productions – film and visual production company</li> </ul>
John McBride Non-Executive Director	<ul style="list-style-type: none"> <li>• Appointed Council Member of the RNLI in an advisory and voluntary role</li> <li>• Audit Committee member at RNLI</li> </ul>
Matthew Metcalfe Director of Finance & Strategic Development	<ul style="list-style-type: none"> <li>• Chairman, Paypal Giving Fund UK</li> </ul>
Sarah Murray Non-Executive Director	<ul style="list-style-type: none"> <li>• Lay reviewer: Independent Review Process of the Royal College of Surgeons</li> <li>• Lay advisor: Society for Cardiothoracic Surgery</li> <li>• Lay representative: National Adult Cardiac Surgery Audit</li> <li>• Lay representative: College of Clinical Perfusionist Scientists</li> </ul>
Belinda Phipps Non-Executive Director	<ul style="list-style-type: none"> <li>• Company Director, Artisan Solutions Ltd</li> <li>• Charity CEO Science Council</li> <li>• Holds a small number of shares in GSK</li> <li>• Chair Fawcett Society</li> <li>• Chair Appointments Board NMC PiP Uk</li> </ul>

	<ul style="list-style-type: none"> <li>• Sister works for the Macular Society</li> <li>• Trustee for Pro Bono Economics.</li> </ul>
Nicola Plumb Director for Organisational Development and Participation	<ul style="list-style-type: none"> <li>• Partner is a Trust employee</li> </ul>
Colette Priscott Director of HR	<ul style="list-style-type: none"> <li>• None</li> </ul>
Ron Shields Chief Executive	<ul style="list-style-type: none"> <li>• Wife is an NHS Director of Specialist Service Commissioning</li> </ul>
Andy Willis Trust Chair & Non-Executive Director	<ul style="list-style-type: none"> <li>• Chair United Communities</li> <li>• Audit Committee chair and director of GreenSquare Group</li> <li>• Windsor House – Leadership Fellow</li> <li>• Leadership Associate, The King’s Fund</li> <li>• Associate, Hay Group</li> <li>• Works with the NHS Leadership Academy</li> </ul>
Eugine Yafele Chief Operating Officer	<ul style="list-style-type: none"> <li>• Wife is employed as a Nurse practitioner in the Trust</li> </ul>
Nick Yeo Non-Executive Director	<ul style="list-style-type: none"> <li>• Son-in-law is a Management Trainee at Dorset CCG</li> </ul>

## **Council of Governors**

### Composition of the Council of Governors

At the end of 2017/18 the Council of Governors comprised 27 Governors under the leadership of the Trust Chair and the elected Lead Governor:

- 14 Public Governors:
  - 8 from Dorset/rest of England Constituency
  - 3 from Bournemouth Constituency
  - 3 from Poole Constituency
- 5 Staff Governors
- 8 Partner Governors.

The role of the Council is set out in the law, in the Constitution and in the Trust’s own Governance Manual, including terms of reference for the Council and its Committees.

The Council periodically assesses its own performance and did so in 2015/16 through an externally facilitated self-evaluation.

### Council Roles and Responsibilities

The Council of Governors has some statutory responsibilities. These include:

- Appointing and if required removing the Trust Chair
- Appointing and if required removing the other Non-Executive Directors
- Approving the appointment of the Chief Executive

- Appointing and if required removing the Trust’s External Auditors
- Holding the Non-Executive Directors to account for the performance of the Board
- Representing the interests of Members
- Receiving the annual report and accounts.

Some other key roles include:

- Approving any amendments to the Constitution
- Approving any significant transactions
- Approving any plans to increase the Trust’s non-NHS income by more than 5% of its current level, whatever that may be.

#### Nominations and Remuneration Committee

The Council has a Nominations and Remuneration Committee which meets, as and when required, to advise on the appointment and remuneration of Non-Executive Directors.

The Committee periodically reviews the numbers, structure and composition of Non-Executive Directors, to reflect the expertise and experience required, and then makes recommendations to the Council of Governors. The Committee also develops succession plans for Non-Executive Directors, taking into account the challenges and opportunities facing the Trust. It keeps the leadership requirements of the Trust under review, to ensure the continued ability to provide cost effective, high quality and appropriate health services.

The members of the Committee during the year were Andy Willis, Jan Owens, Scottie Gregory, Karen Parker, Pat Cooper, Chris Balfe and Angela Bartlett

<b>Member</b>	<b>Attendance</b>
Andy Willis, Trust Chair	7/7
Jan Owens, Lead Governor	7/7
Karen Parker, Partner Governor	5/7
Scottie Gregory, Public Governor	7/7
Pat Cooper, Staff Governor	5/5
Chris Balfe, Lead Governor	1/1
Angela Bartlett, Staff Governor	2/2

The Committee met in the year to;

- Approve the outcome of the appraisals of the Performance of the Chair and Non-Executive Directors
- Appoint John Carvel ,Heather Baily and Belinda Phipps as Non-Executive Directors
- Recommend to the Council a Policy for the Remuneration of the Chair and Non-Executive Directors and the principles for Non-Executive Directors remuneration.

## Lead Governor

Jan Owens was elected by the Council as the Lead Governor in September 2017, taking over from Chris Balfe who had been Lead Governor since 2014. Jan was elected for a period of one year, renewable for a maximum of three terms in total.

The Trust has developed a role description for the Lead Governor which goes above and beyond the 'point of contact' role described in the NHS Foundation Trust Code of Governance. At Dorset HealthCare the role also includes the following:

1. Encouraging positive engagement by Governors to respond to Board reports, plans, consultations and proposed actions when required;
2. Building trust and confidence within the Council of Governors;
3. Ensuring there are effective systems to welcome and induct new governors, in conjunction with Dorset HealthCare;
4. Encouraging all governors to engage in training and development;
5. Working with the Chair, ensuring that all Governors are aware of their collective responsibilities;
6. Representing the views of the Council of Governors where necessary and provide constructive challenge to the Chair and other Non-Executive Directors;
7. Preparing for meetings of the Council of Governors with the Chair and Trust Secretary to ensure agendas are appropriately focussed;
8. Working with the Senior Independent Director in collating the input of Governors to the performance appraisal of the Chair;
9. Working with the Trust Chair in collating the input of Governors to the Performance Appraisal of Non-Executive Directors;
10. Be a member of the Nominations and Remuneration Committee in the process of appointing the Chair and other Non-Executive Directors;
11. Act as point of contact with NHSI where it would not be appropriate for other channels to be used (not normally required);
12. Raise with NHSI any Governor concerns that the Foundation Trust is at risk of significantly breaching the terms of its authorisation, having made every attempt to resolve any such concerns locally (not normally required).

## Links with the Board of Directors

The Board of Directors and Council of Governors work closely together to improve the quality and flow of information and to aid transparency.

The Board and Council have agreed a policy for engagement which sets out how the Council will hold the Board to account, the communication flow between the two bodies and the process for managing disagreements. During the year there have been no substantive areas of disagreement between the Board and the Council.

The recent CQC inspection in November 2017 recognised the healthy relationship of support and constructive challenge between the two bodies.

All Governors have been able to participate in Non-Executive Director appraisals by way of feeding information into the process. The Council of Governors agrees the outcome of the appraisals.

## Governor Elections and Appointments

UK Engage acts as the Returning Officer for all of the Trust's Staff Governor and Public Governor Elections. The Trust has moved to elections by thirds to reduce the scale of change in the composition of the Council in any one year.

The Council had an election in 2017. The following Governors were re-elected:

Governor	Term of office
Jan Owens (Dorset and the Rest of England)	Three years
Sue Howshall (Dorset and the Rest of England)	Two years
Scottie Gregory (Dorset and the Rest of England)	One year
Judith Adda (Bournemouth)	One year
Anna Webb (Poole)	Two years
Pete Kelsall (Staff)	Three years
Pat Cooper (Staff)	Two years

The following Governors were elected for the first time to the Council:

Andrew Mayers (Bournemouth)	Three years
Terry Purnell (Bournemouth)	Two years
Kenneth Lavery (Dorset and the Rest of England)	Three years
Alison Fisher (Dorset and the Rest of England)	Three years
Jack Welch (Dorset and the Rest of England)	Two years
Joy Ford (Dorset and the Rest of England)	Two years
Paul Boseley (Dorset and the Rest of England)	One year
Scott Porter (Poole)	Three years
Celia Millar (Poole)	One year
Stephen Churchill (Staff)	Three years
Karen Loftus (Staff)	One year
Phil Redford (Staff)	One year

Councillor Ray Bryan was appointed as the Partner Governor for Dorset County Council replacing Jill Haynes in February 2018.

## Meetings of the Council of Governors

The Council of Governors meets a minimum of four times a year on a quarterly basis. The meetings are held in public and are advertised on the Trust website.

The table below lists all the Governors in 2017/18, their constituency and the number of meetings attended from the maximum they could have attended, depending upon time of appointment or leaving the Council.

Governors are required to declare their interests in a Register of Interests at the time of their appointment and at the end of the financial year. Any changes during the year are notified to the Trust Secretary. The Register is available for inspection by members of the public and is available via the Trust website. All Governors have signed declarations to abide by the Trust's Code of Conduct for Governors.

### Council of Governors' attendance as at 31 March 2018

Attendance at Council meetings was as follows:-

First Name	Family Name	Role	Meetings Attended	Total # Meetings
Judith	Adda	Public Governor, Bournemouth	5	6
Becky	Aldridge	Partner Governor	5	6
Bill	Batty-Smith	Partner Governor	2	6
Paul	Boseley	Public Governor, Dorset (RoEW)	4	4
Ray	Bryan	Partner Governor, Dorset County	1	1
Stephen	Churchill	Staff Governor	4	4
Steve	Cole	Partner Governor	5	6
Pat	Cooper	Staff Governor	5	6
Bobbie	Dove	Partner Governor	0	6
Alison	Fisher	Public Governor, Dorset (RoEW)	3	4
Joy	Ford	Public Governor, Dorset (RoEW)	2	4
Scottie	Gregory	Public Governor, Dorset (RoEW)	6	6
Vishal	Gupta	Partner Governor	3	6
Jill	Haynes	Partner Governor, Dorset County	4	6
Sue	Howshall	Public Governor, Dorset (RoEW)	5	6
Peter	Kelsall	Staff Governor	5	6



Ken	Lavery	Public Governor, Dorset (RoEW)	2	4
Karen	Loftus	Staff Governor	3	4
Andrew	Mayers	Public Governor, Bournemouth	2	4
Celia	Millar	Public Governor, Poole	3	4
Jan	Owens	Public Governor, Dorset (RoEW)	6	6
Karen	Parker	Partner Governor	3	6
Scott	Porter	Public Governor, Poole	2	4
Terry	Purnell	Public Governor, Bournemouth	2	4
Phil	Redford	Staff Governor	3	4
Anna	Webb	Public Governor, Poole	4	6
Jack	Welch	Public Governor, Dorset (RoEW)	4	4

Attendance for Governors who left in the year was

First Name	Family Name	Role	Meetings Attended	Total # Meetings
Chris	Balfe	Public Governor, Dorset (RoEW)	1	2
Angela	Bartlett	Staff Governor	2	2
John	Bruce	Public Governor, Bournemouth	1	2
Jill	Haynes	Partner Governor, Dorset County	3	5
Justine	McGuinness	Public Governor, Dorset (RoEW)	0	2
Stefan	Morawiec	Public Governor, Dorset (RoEW)	2	2
Angela	Reed	Public Governor, Dorset (RoEW)	0	2
Patricia	Scott	Public Governor, Poole	2	2
Jan	Turnbull	Public Governor, Dorset (RoEW)	1	2

**REGISTER OF GOVERNORS' INTERESTS 2017/18**

Name	Interests Declared
Celia Millar Public Governor, Poole	Mother is Head of Estates, Borough of Poole
Scott Porter Public Governor, Poole	Employed as a Project manager at Southern Health NHS Foundation Trust
Anna Webb Public Governor, Poole	Employed by Dorset Mental Health Forum
Judith Adda Public Governor, Bournemouth	None
Dr Andrew Mayers Public Governor, Bournemouth	<ul style="list-style-type: none"> <li>• Patron and Trustee, Dorset Mind</li> <li>• Principal Academic, Bournemouth University</li> </ul>
Terry Purnell Public Governor, Bournemouth	None
Jan Owens Lead Governor, Public Governor, (Dorset RoEW)	<ul style="list-style-type: none"> <li>• Trustee of Dorset Mental Health Forum</li> <li>• CCG – Dementia care Review and Urgent Treatment Centre Project Group and</li> <li>• CCG Public Engagement Group</li> </ul>
Scottie Gregory Public Governor, (Dorset RoEW)	<ul style="list-style-type: none"> <li>• Member of the Dorset STP Public Participation Group</li> <li>• Member of Christchurch Helpful Neighbours Committee</li> </ul>
Sue Howshall Public Governor, (Dorset RoEW)	<ul style="list-style-type: none"> <li>• Public and Patient representative (voluntary on two committees of the CCG Dorset:-</li> <li>• Dorset Medicines Advisory Group (DMAG)</li> <li>• Dorset Medicines Optimisation Group (MOG)</li> </ul>
Paul Boseley Public Governor, (Dorset RoEW)	None
Alison Fisher Public Governor, (Dorset RoEW)	Governance Partner, Dorset Mental Health Forum
Jack Welch Public Governor, (Dorset RoEW)	None
Kenneth Lavery Public Governor, (Dorset RoEW)	Director of Lyme Forward, a CIC Company.
Joy Ford Public Governor, (Dorset RoEW)	None

Stephen Churchill Staff Governor	None
Karen Loftus Staff Governor	None
Pat Cooper Staff Governor	None
Peter Kelsall Staff Governor	Wife – Kay Kelsall is Mental Health Act Panel member at Dorset Healthcare
Philip Redford Staff Governor	None
Bobbie Dove Partner Governor, Local Government, Bournemouth Borough Council	None
Bill Batty-Smith, Partner Governor, Local Government, District Councils	Dorset County Council Health Scrutiny
Ray Bryan, Partner Governor, Local Government, Dorset County Council	<ul style="list-style-type: none"> <li>• Elected member of Dorset county Council</li> <li>• Elected member of East Dorset District Council</li> </ul>
Vishal Gupta, Partner Governor, Local Government, Poole Borough Council	None
Karen Parker, Partner Governor, Bournemouth University	Employee of Bournemouth University with which the Trust has a MoU. Role as partner governor is a university 'appointment'.
Steve Cole, Partner Governor, League of Friends	<ul style="list-style-type: none"> <li>• Member of the Island and Royal Manor of Portland Rotary Club</li> <li>• Chairman of the Friends of Blandford Hospital</li> </ul>
Becky Aldridge, Partner Governor, Service user, voluntary and carer groups	Chief Executive of Dorset Mental Health Forum

### **The Trust Membership: Public and Staff Constituencies**

It is the Trust's policy that the Membership will be representative of the community we serve. Anyone living in Bournemouth, Poole and Dorset (or the rest of England) and who is aged at least 11 years is welcome to become a Public Member of the Trust.

The three Public Constituencies are:

- Poole (the electoral area covered by Poole Borough Council)
- Bournemouth (the electoral area covered by Bournemouth Borough Council)
- Dorset /rest of England & Wales (the electoral area covered by Dorset County Council and the rest of England and Wales).

The table below shows the number of members in each constituency area:

Membership sub/constituency	31 March 2017	31 March 2018
Poole	861	876
Dorset /rest of England and Wales	2150	2174
Bournemouth	1088	1054
Total	4099	4104
Staff Members	6302	6966
Grand total	10401	11070

The Trust recognises a ‘ladder of engagement’ amongst its Members, starting with the passive receipt of information sent out by the Trust and, at its height, being exemplified by an active, representative, committed elected staff or public Governor. In between there are those who respond to information and surveys; some who come to meetings and events or vote in elections; others who express an interest in nominating themselves for election; and a few who do so and who may win an election, becoming a Governor.

The benefits to the local community and to the Trust include:

- We can listen to and respond to the voice of local people
- We strengthen links with our local communities
- We can reduce stigma through effective information provision
- We can consult with local people about future developments
- We can raise the profile of the needs of people with mental health problems, a learning disability or a brain injury.

The Trust aims to increase the number of Public Members it has. A Membership Strategy and an engagement plan were developed in 2015. A Membership Committee was set up to to achieve these objectives. Members of the Committee are;

Jan Owens, Sue Howshall, Karen Loftus, Karen Parker, Terry Purnell, Anna Webb, Stephen Churchill, Steve Cole and Scottie Gregory

To increase membership the Committee held recruitment events at Bournemouth University and at the Trust sites. It has also been asking staff leavers to join the public membership.

#### Canvassing the opinion of the Trust’s Members

The Trust uses its corporate resources and the Governors themselves to collect information by way of surveys, listening to staff, patients, carers and other stakeholders; participation in multi-organisation forums and using established and newer social media channels to understand what members want.

We encourage our members to make contact with their elected Governors through the membership office and our website. Opportunities to make contact on specific areas of potential interest to members are made available through the publication of the quarterly newsletter produced for all Trust members.

Council of Governors meetings are open to the public and members have the opportunity to talk with Governors and also observe the meeting's business. The formal link for members who wish to contact their representative Governors, or the members of the Board is via the Trust Secretary, who can be contacted on 0808 100 3318 or via email: [membership@dhuft.nhs.uk](mailto:membership@dhuft.nhs.uk).

To become a member of the Trust, visit the Trust website: [www.dorsethealthcare.nhs.uk](http://www.dorsethealthcare.nhs.uk)

Alternately, write to us at:

FREEPOST RTGL-YAKR-CLGZ  
Dorset HealthCare  
4-6 Nuffield Road  
Nuffield Industrial Estate  
Poole BH17 0RB

### **Directors' Report Disclosures and Statements**

The Trust is required to include in this report certain statements and disclosures. These are set out below:

#### Political Donations

The Trust made no political donations in 2017/18.

#### Better Payment Practice Code

The Better Payment Practice Code requires the payment of undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later for 95% of all invoices received by the Trust. The Trust has just fallen short of the 95% target in 2017/18.

#### Non-NHS Trade Creditors

<b>Measure of Compliance</b>	<b>Number</b>	<b>£000s</b>
Total Non-NHS trade invoices paid in year	50,085	54,091
Total Non-NHS trade invoices paid within target	46,922	49,838
Percentage of Non-NHS trade invoices paid within target	95%	94%
2016-17 comparable figures	94%	92%

#### NHS Healthcare Creditors

<b>Measure of Compliance</b>	<b>Number</b>	<b>£000s</b>
Total trade invoices paid in year	1,239	53,660
Total trade invoices paid within target	839	49,850
Percentage of trade invoices paid within target	78%	98%
2016-17 comparable figures	73%	90%

## Total Creditors

<b>Measure of Compliance</b>	<b>Number</b>	<b>£000s</b>
Total NHS trade invoices paid in year	51,324	107,751
Total NHS trade invoices paid within target	47,761	99,688
Percentage of NHS trade invoices paid within target	95%	96%
2016-17 comparable figures	92%	89%

## The Late Payment of Commercial Debts (Interest) Act 1998

The Trust was required to make payments of interest under the Late Payment of Commercial Debts (Interest) Act 1998 as follows:

	<b>Total Liability to Pay Interest by virtue of failing to pay invoices within the 30 day period where obligated to do so</b>	<b>Total Amount of Interest Actually Paid</b>
	<b>£'000</b>	<b>£'000</b>
NHS Healthcare	8	0
Non-NHS Trade	23	0

## **Income disclosures required by Section 43(2A) of the NHS Act 2006**

The Trust's income for 2017/18 was £247 million (2016/17: £261 million) arising from the main contracts with Dorset Clinical Commissioning Group, NHS England and Dorset County Council.

Income received for activities other than the provision of healthcare services amounted to 5.5% of total income (2016/17: 6.3%). The Trust has met the requirement, as set out in Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012), that the income from the provision of goods and services for the purposes of the health service in England must be greater than income from the provision of goods and services for any other purposes.

## Cost Allocation and Charging Guidance

The Trust has complied with the cost allocation and charging guidance issued by HM Treasury.

## Statement as to the Disclosure to Auditors

For each individual who is a Director at the time this report is approved:

- So far as the Director is aware, there is no relevant audit information of which the NHS foundation trust's auditor is unaware and
- The Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the NHS foundation trust's auditor is aware of that information.

The Board has done this through:

- making enquiries of fellow Directors and of the Trust's auditors for that purpose
- taking such other steps (where required) as are required as a Director of the Trust to exercise reasonable care, skill and diligence.

The Annual Governance Statement in section 3.7 of this Report set out the risks to the business and our future developments.

The Chief Executive, as Accounting Officer, is responsible for the regularity and propriety of the Trust's financial management. These responsibilities and the responsibilities for the financial accounts are detailed in the Statement of Accounting Officers Responsibilities set out elsewhere in this Annual Report. The Directors are responsible for preparing the Annual Report and Accounts in accordance with laws and regulations under directions issued by Monitor. The financial statements meet the accounting requirements of NHSI's NHS foundation trust annual reporting manual 2017/18. The accounting policies follow International Financial Reporting Standards (IFRS), HM Treasury's Resource Accounting Manual and Department of Health and Social Care Group Accounting Manual 2017/18, to the extent that they are meaningful and appropriate to the NHS. The accounts represent a true and fair position of the Trust.

The Directors consider the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.

### 3.2 Remuneration Report

The Remuneration Report is not subject to audit, except the elements specifically identified as being subject to audit.

This remuneration report is prepared in compliance with the relevant sub-sections of the Companies Act 2006 s420-422; Regulation 11 and Parts 3 and 5 of Schedule 8 of the Large and Medium Sized Companies and Group (Accounts and Reports) Regulations 2008; Parts 2 and 4 of Schedule 8 of those Regulations as adopted by NHS Improvement within the NHS Foundation Trust Annual Reporting Manual 2017/18 and also, elements of the NHS Foundation Trust Code of Governance.

The Remuneration Report discloses information on those persons in senior positions having authority or responsibility for directing or controlling the major activities of the Trust. The Board has determined that such persons are those who routinely attend Board meetings and which, at the end of the year under review, comprise the Chair, seven Non-Executive Directors, and seven Executive Directors. All are identified in section 3.1. A new operational leadership structure took effect on 1 April 2017. A new Director of Human Resources commenced in November 2017. The Medical Director and Director of Nursing & Quality both tendered their resignations on the grounds of retirement during 2017/18 and successors have been appointed to commence during Spring/Summer 2018.

The Remuneration Report comprises three sections:

- Annual statement on remuneration by the Appointments and Remuneration Committee Chair
- Senior managers' remuneration policy
- Annual report on remuneration (of which some information is subject to audit).

#### **Annual statement on remuneration by the Appointments and Remuneration Committee Chair**

##### The major decisions on senior managers' remuneration;

The pay of Executive Directors was reviewed by the Appointments and Remuneration Committee in July 2017 and increased by 1% in line with the cost of living award made to staff on national terms and conditions of service.

Colette Priscott was appointed to the vacant post of Director of Human Resources, commencing in post on 13 November 2017. Following consideration of benchmarking data it was decided to leave the Director of HR remuneration at the same level as the outgoing postholder.

##### Changes relating to senior managers' remuneration made during the year:

The Appointments and Remuneration Committee received an annual remuneration report from the Chief Executive in November 2017. The Committee recognised that a further review of pay relativities between Executive Directors on the Board, a gender analysis, relativities with other Dorset NHS Foundation Trusts and the merit in adopting the median benchmarking pay position would support the determination of remuneration principles. It was considered that it would be timely to commission this additional research once the recruitment process for the Medical Director and Director of Nursing and Quality had been completed and the full Executive team was in place.

Nick Yeo, Chair, Appointments and Remuneration Committee  
May 2018



## Senior Managers' Remuneration Policy

The following information constitutes the senior managers' remuneration policy of the Trust. There was appropriate engagement with those employees affected by the policy.

### Future Remuneration Policy

In July 2017, the Appointments and Remuneration Committee agreed a set of Remuneration Principles for Executive Directors. These principles, which now form part of the overall Trust remuneration strategy and policy, are aimed at positioning the Trust in a way that it is able to attract, retain and motivate Executive Directors of sufficient calibre to maintain high quality patient-centred healthcare and effective management of Trust resources. The Committee also agreed to delegate to the Chief Executive the decision to pay cost of living uplifts or not to staff on spot salaries who are direct reports to Directors (in 2017 and in future years).

The Appointments and Remuneration Committee acknowledges the merits in the Trust being part of the national Agenda for Change framework, in particular, the concern to ensure that equal pay principles apply. With the exception of Executive Directors, the Trust pay strategy remains within the national Agenda for Change scheme. Discretion beyond Agenda for Change rates is, however, an area where attention may be appropriate to help ensure suitability of staffing and attract and retain high quality staff. An overriding consideration has been the importance of ensuring that the Trust approach to pay and decisions regarding pay is consistent with the performance of the organisation.

In 2017/18 the Trust's Senior Manager Remuneration components were:

Role	Basic salary	Pension	Board allowance
Chief Executive	<input type="checkbox"/>	<input type="checkbox"/>	
Chief Operating Officer	<input type="checkbox"/>		
Medical Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Director of Nursing & Quality	<input type="checkbox"/>	<input type="checkbox"/>	
Director of Finance & Strategic Development	<input type="checkbox"/>	<input type="checkbox"/>	
Director of HR	<input type="checkbox"/>	<input type="checkbox"/>	
Director of Organisation Development & Participation	<input type="checkbox"/>	<input type="checkbox"/>	

Basic salary - Salaries for very senior managers in the Trust have been determined by the Appointments and Remuneration Committee taking into account the weight and range of their responsibilities and involving consideration of benchmarking data of Director roles against those in comparable Trusts. It also considered the differential between the direct reports of Directors who are subject to Agenda for Change national pay rates in the context of the level of additional responsibility and accountability of Directors. Account was also taken of trends in the public sector, austerity measures, equitable pay, competition for talent within the NHS sector and the relative size and complexity of competitor provider organisations.

Pension – Pension contributions are made by both the senior managers and the Trust in accordance with the provisions of the NHS Pensions Scheme.

Board allowance – the Medical Director retains a clinical component to the role and, as such, receives a full-time Consultant salary in accordance with national terms and conditions for doctors, and receives an allowance for Board responsibilities.

The performance of all very senior managers, with the exception of the Chief Executive, is reviewed by the Chief Executive. The Chief Executive's performance is reviewed by the Trust Chair in conjunction with the Appointments and Remuneration Committee. The Chair's performance is reviewed by the Senior Independent Director who gathers views from the other members of the Board of Directors and the views of the Council of Governors. The other Non-Executive Directors are reviewed by the Trust Chair and the Council of Governors. A process is used which allows the Council's perceptions on performance to be included and reflected within the Non-Executive review. The Trust does not operate a performance related pay framework. There were no recorded performance concerns relating to very senior managers during 2017/18.

The Chief Executive is the only very senior manager whose pay exceeds £150,000 p.a. Payment to the Medical Director also exceeds this sum, however the largest component of his salary relates to his clinical duties. The remuneration of very senior managers (Chief Executive and Executive Directors) is determined by the Appointments and Remuneration Committee which makes decisions based on consideration of benchmarking data, market influences and comparison of rates of pay for similar posts in NHS organisations nationally, together with the scope and complexity of roles and responsibilities.

As a general principle, there is a common 'baseline' salary for Executive Directors equivalent to the Agenda for Change Band 9 maxima. It is recognised that certain executive roles may carry additional duties and responsibilities which warrant a higher level of remuneration and individual cases are considered by the Appointments and Remuneration Committee taking account of market forces and the responsibilities of the role, benchmarking data, and NHSI guidance on very senior manager pay.

#### Non-Executive Director remuneration components

Non-Executive Directors receive remuneration in the form of an annual payment and, in some cases, an allowance for additional responsibilities. Details are set out below;

Name	Role	Remuneration £ pa	Additional allowances £ pa	Allowance title
Andy Willis	Chair	44,250	-	
Heather Baily	Non-executive Director	13,000	-	
David Brook	Non-executive Director	13,000	2,000	Quality Governance Committee Chair
John Carvel	Non-executive Director	13,000	-	
John McBride	Non-executive Director	13,000	2,000	Audit Committee Chair
Sarah Murray	Non-executive Director	13,000	2,000	Mental Health Legislation Assurance Committee Chair
Belinda Phipps	Non-executive Director	13,000	-	
Nick Yeo	Non-executive Director	13,000	2,000	Senior Independent Director/Appointments and Remuneration Committee Chair

### Service Contract Obligations

In compliance with the G4 (3) NHSi Condition for Board appointments, contracts for Directors contain a provision permitting summary termination in the event of a Director being or becoming an unfit person.

Contracts do not make provision for individual entitlements for any termination payments, other than pay in lieu of six months' contractual notice pay. Entitlements to payment for outstanding annual leave in accordance with the individual contract provisions can also apply.

### Policy on Payment for Loss of Office

The Trust seeks to support and retain staff who are affected by organisational change wherever possible. Where suitable alternative employment cannot be found at an equivalent pay grade and seniority, the provisions of the Trust's protection policy may apply if alternative mutually acceptable work is found at a lower pay grade. If redundancy is the only option, payments are made in accordance with Agenda for Change national conditions of service. There is provision for pay in lieu of notice when appropriate where there is a contractual provision for this. Notice periods for all grades of staff, including Directors, have been subject to consultation and agreement with trade union representatives.

In cases of redundancy of Directors, the Trust will apply provisions equivalent to Agenda for Change national conditions of service, including the application of any salary caps, and payments will not be expected to exceed contractual entitlements. There were no redundancies amongst Directors in 2017/18.

In cases of capability arising from performance concerns, the Trust will seek to apply the provisions of the Disciplinary & Capability Policy and Procedures to support a return to full performance wherever possible. Where continued performance issues do not support continuation in the senior post, this may involve redeployment to an alternative post at the same or a lower pay grade, or a managed exit from the organisation which may include the exercise of discretion in respect of notice and garden leave within contractual provisions.

In the event of gross misconduct, the Trust may summarily terminate a Director's employment (subject to investigation and consideration in accordance with the Disciplinary & Capability Policy). Notice pay will also not normally apply where termination of employment arises in connection with the fit and proper person provisions. There were no dismissals among Directors in 2017/18.

Assessment of the continued fitness of Directors to perform their duties and responsibilities is undertaken annually via the appraisal process.

### Statement of considerations of employment conditions elsewhere in the Trust

The Trust remunerates senior managers at the rate necessary to attract and retain the talent required to deliver the Board's objectives, without needlessly diminishing finite public resources.

A policy and approach for the remuneration of Chief Executive, Operational and Locality Directors was introduced in February 2016. The baseline remuneration for operational Directors in 2017/18 was equivalent to the maximum salary point of the Band 9 Agenda for Change payscale.

## Annual Report on Remuneration

### Service Contracts

Details of service contracts are set out below;

<b>Job Title</b>	<b>Date of last contract</b>	<b>Unexpired term</b>	<b>Notice period</b>
Chief Executive	1.12.15	n/a - permanent appointment	6 months
Chief Operating Officer	1.3.17	n/a - permanent appointment	6 months
Medical Director (Board allowance only)	1.12.15	n/a - permanent appointment	6 months
Director of Finance & Strategic Development	5.9.16	n/a - permanent appointment	6 months
Director of Human Resources	13.11.17	n/a - permanent appointment	6 months
Director of Nursing Therapies & Quality	1.12.15	n/a - permanent appointment	6 months
Director of Organisation Development & Participation	1.12.15	n/a - permanent appointment	6 months

### Appointments and Remuneration Committee

The Board has an Appointments and Remuneration Committee which, as its core role

- Appoints senior staff,
- Considers recommendations on Executive Director remuneration.

All Non-Executive Directors are members of the Committee. The Chief Executive has a right to be in attendance as a member of the Committee when other Executive Director appointments are being determined and may be invited to attend when the remuneration of the other Executive Directors is under discussion.

The Committee made three senior appointments during 2017/18

- The appointment of Colette Priscott as Director of Human Resources with effect from 13 November 2017.
- The appointment of Dawn Dawson to the post of Director of Nursing and Quality with effect from 16 April 2018, and Dr. Stephen Tomkins to the post of Medical Director with effect from 1 May 2018.

<b>Appointments and Remuneration Committee</b>	
Member	Attendance/maximum attendance
Nick Yeo, Committee Chair and Non-Executive Director	6/6
Andy Willis, Trust Chair	6/6
John McBride, Non-Executive Director	5/6
Lynne Hunt , Non-Executive Director	1/1
David Brook, Non-Executive Director	3/6
Sarah Murray, Non-Executive Director	4/6
Peter Rawlinson, Non-Executive Director	2/2
John Carvel, Non-Executive Director	2/4
Heather Baily, Non-Executive Director	1/4
Belinda Phipps, Non-Executive Director	1/4
Ron Shields, Chief Executive	5/6

#### Expenses Paid to Directors, Senior Managers and Governors

##### Director and Senior Manager Travel & Expenses 2017/18

The Trust has a total of 15 directors in office and 7 received expenses in the reporting period. The aggregate sum of expenses paid to directors in the reporting period was £8,593.55. This compares to £12,073.55 paid in 2016/17 when the Trust had a total of 10 directors in office and 8 received expenses in the reporting period.

##### Expenses Paid to Governors 2017/18

The Trust has a total of 27 governors in office and 17 received expenses in the reporting period. The aggregate sum of expenses paid to governors in the reporting period was £6,200.98. This compares to £3,739.08 in the previous year, from a total of 26 governors in office and 9 received expenses.

1.1.1 Senior Managers' Remuneration (subject to audit)

Names	2016-17						2017-18					
	Salary & Fees (bands of £5,000)	Taxable benefits (nearest £100)	Annual performance-related bonuses (bands of £5,000)	Long-term performance-related bonuses (bands of £5,000)	Pension –related benefits (bands of £2,500)	TOTAL (bands of £5,000)	Salary & Fees (bands of £5,000)	Taxable benefits (nearest £100)	Annual performance-related bonuses (bands of £5,000)	Long-term performance-related bonuses (bands of £5,000)	Pension –related benefits (bands of £2,500)	TOTAL (bands of £5,000)
<b>R Shields</b> Chief Executive	180-185	0-0	0-0	0-0	0-0	180-185	180-185	0.00	0.00	0.00	1,527.5-1,530	<b>1,710-1,715 (4)</b>
<b>J Chai</b> Director of Finance (Leaver 15/09/2016)	50-55	0-0	0-0	0-0	15-17.5	65-70	0	0	0	0	0	<b>0</b>
<b>M Metcalfe</b> Director of Finance	80-85	0-0	0-0	0-0	0-0 (2)	80-85	140-145	0.00	0.00	0.00	0.00	<b>140-145</b>
<b>N Kosky</b> Medical Director	190-195 (1)	0-0	0-0	0-0	150-152.5	340-345	200-205	0.00	0.00	0.00	97.5-100	<b>300-305</b>
<b>C Hague</b> Director of Human Resources (Leaver 09/07/17)	95-100	0-0	0-0	0-0	25-27.5	125-130	25-30	0.00	0.00	0.00	0-0	<b>25-30</b>
<b>L Boland</b> Locality Director (Leaver 06/04/17)	95-100	0-0	0-0	0-0	32.5-35	130-135	0-5	0.00	0.00	0.00	0-0	<b>0-5</b>
<b>S O'Donnell</b> Locality Director (Leaver 30/04/17)	95-100	0-0	0-0	0-0	22.5-25	120-125	5-10	0.00	0.00	0.00	2.5-5	<b>5-10</b>

Names	2016-17						2017-18					
	Salary & Fees	Taxable benefits	Annual performance-related bonuses	Long-term performance-related bonuses	Pension –related benefits	TOTAL	Salary & Fees	Taxable benefits	Annual performance-related bonuses	Long-term performance-related bonuses	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)	(bands of £5,000)	(nearest £100)	(bands of £5,000)	(bands of £5,000)	(bands of £2,500)	(bands of £5,000)
<b>F Haughey</b> Director of Nursing, Therapies & Quality	115-120	0-0	0-0	0-0	200-202.5	315-320	115-120	0.00	0.00	0.00	15-17.5	<b>135-140</b>
<b>E Yafele</b> Chief Operating Officer	100-105	3000 (3)	0.00	0.00	35-37.5	140-145	120-125	3500 (3)	0.00	0.00	0.00	<b>125-130</b>
<b>N Plumb</b> Director of Organisational Development & Participation	95-100	0.00	0.00	0.00	27.5-30	125-130	100-105	0.00	0.00	0.00	22.5-25	<b>125-130</b>
<b>C Priscott</b> Director of Human Resources (13/11/2017)	0-0	0.00	0.00	0.00	0.00	0-0	35-40	0.00	0.00	0.00	22.5-25	<b>60-65</b>
<b>J Boyal</b> Director of Human Resources (Joined 27/04/17 Leaver 23/06/17)	0-0	0.00	0.00	0.00	0.00	0-0	5-10	0.00	0.00	0.00	0.00	<b>5-10</b>

(1) Salary and Fees is combined remuneration of Medical director Salary and Consultant Salary and allowances

(2) Director of Finance opted out of NHS Pension Scheme non recoverable cost of £6,450.88 (employer pension costs) as refunded directly by NHS Pension Division

(3) Taxable Benefit is due to this director being a Trust Lease Car User

(4) The Pension figures is larger than normal due to no pension asset for previous year thus increase is a full pension

1.2.2 Non-Executive Directors Remuneration (subject to audit)

Non-Executive Board Members	2016-17						2017-18					
	Salary & Fees (bands of £5,000)	Taxable benefits (nearest £100)	Annual performance-related bonuses (bands of £5,000)	Long-term performance-related bonuses (bands of £5,000)	Pension-related benefits (bands of £2,500)	TOTAL (bands of £5,000)	Salary & Fees (bands of £5,000)	Taxable benefits (nearest £100)	Annual performance-related bonuses (bands of £5,000)	Long-term performance-related bonuses (bands of £5,000)	Pension-related benefits (bands of £2,500)	TOTAL (bands of £5,000)
A Abraham (Leaver 06/04/17)	40-45	1200	0.00	0.00	0.00	45-50	0-5	0.00	0.00	0.00	0.00	0 - 5
J McBride	15-20	1400	0.00	0.00	0.00	15-20	10-15	600	0.00	0.00	0.00	15-20
S Murray	15-20	300	0.00	0.00	0.00	15-20	10-15	200	0.00	0.00	0.00	15-20
D Brook	10-15	0.00	0.00	0.00	0.00	10-15	10-15	0	0.00	0.00	0.00	10-15
L Hunt (Leaver 02/07/17)	20-25	1700	0.00	0.00	0.00	20-25	5-10	0	0.00	0.00	0.00	5-10
P Rawlinson (Leaver 30/09/17)	15-20	0.00	0.00	0.00	0.00	15-20	5-10	0.00	0.00	0.00	0.00	5-10
N Yeo	15-20	2500	0.00	0.00	0.00	15-20	10-15	1200	0.00	0.00	0.00	15-20



<b>Non-Executive Board Members</b>	<b>Salary &amp; Fees</b> (bands of £5,000)	<b>Taxable benefits</b> (nearest £100)	<b>Annual performance-related bonuses</b> (bands of £5,000)	<b>Long-term performance-related bonuses</b> (bands of £5,000)	<b>Pension-related benefits</b> (bands of £2,500)	<b>TOTAL</b> (bands of £5,000)	<b>Salary &amp; Fees</b> (bands of £5,000)	<b>Taxable benefits</b> (nearest £100)	<b>Annual performance-related bonuses</b> (bands of £5,000)	<b>Long-term performance-related bonuses</b> (bands of £5,000)	<b>Pension-related benefits</b> (bands of £2,500)	<b>TOTAL</b> (bands of £5,000)
A Willis (New Starter 01/10/17)	0-0	0-0	0-0	0-0	0-0	0-0	<b>40-45</b>	<b>1800</b>	<b>0-0</b>	<b>0-0</b>	<b>0-0</b>	<b>45-50</b>
H Baily (New Starter 01/10/17)	0-0	0-0	0-0	0-0	0-0	0-0	<b>5-10</b>	<b>400</b>	<b>0-0</b>	<b>0-0</b>	<b>0-0</b>	<b>5-10</b>
J Carvel (New Starter 01/10/17)	0-0	0-0	0-0	0-0	0-0	0-0	<b>5-10</b>	<b>500</b>	<b>0-0</b>	<b>0-0</b>	<b>0-0</b>	<b>5-10</b>
B Phipps (New Starter 01/10/17)	0-0	0-0	0-0	0-0	0-0	0-0	<b>5-10</b>	<b>0-0</b>	<b>0-0</b>	<b>0-0</b>	<b>0-0</b>	<b>5-10</b>

*Taxable Benefits (benefits in kind) relate to mileage expenses and car allowances & Pay as you earn settlement agreements (PAYSE)*

### 1.2.3 Payments for Loss of Office

There were no payments for loss of office to Senior Managers in 2017/18

No other payments have been made to individuals in connection with the termination of services as a senior manager, including outstanding long term bonuses that vest on or follow termination.

1.2.4 Pension Disclosure of Senior Managers (subject to audit)

Pension disclosure of Senior Managers	2016-17						
	Real Increase in Pension at Pension Age	Real Increase in lump sum at Pension age	Total accrued pension at Pension age at 31/03/17	Lump sum at Pension age related to accrued pension at 31/03/17	Cash equivalent transfer [CETV] at 01/04/16	Real increase in CETV	Cash equivalent transfer [CETV] at 31/03/17
Names	bands of £2,500 £000	bands of £2,500 £000	bands of £5,000 £000	bands of £5,000 £000	Nearest £1,000 £000	Nearest £1,000 £000	Nearest £1,000 £000
<b>R Shields</b> Chief Executive	0 – 0	0-0	0-0	0-0	0.0	0.0	0.00
<b>N Kosky</b> Medical Director	7.5 - 10.0	22.5-25.0	80-85	250-255	1,442	190	1,632
<b>C Hague</b> Director of Human Resources	0 - 2.5	0-0	10-15	0-0	171	34	206
<b>F Haughey</b> Director of Nursing	7.5-10.0	27.5-30.0	45-50	140-145	763	214	976
<b>S O'Donnell</b> Locality Director	0-2.5	2.5-5.0	30-35	100-105	710	57	767

Pension disclosure of Senior Managers	2016-17						
	Real Increase in Pension at Pension Age	Real Increase in lump sum at Pension age	Total accrued pension at Pension age at 31/03/17	Lump sum at Pension age related to accrued pension at 31/03/17	Cash equivalent transfer [CETV] at 01/04/16	Real increase in CETV	Cash equivalent transfer [CETV] at 31/03/17
Names	bands of £2,500 £000	bands of £2,500 £000	bands of £5,000 £000	bands of £5,000 £000	Nearest £1,000 £000	Nearest £1,000 £000	Nearest £1,000 £000
<b>J Chai</b> Director of Finance (15/09/2016)	0-2.5	2.5-5.0	25-30	85-90	504	41 (2)	545
<b>L Boland</b> Locality Director	0-2.5	5.0-7.5	25 – 30	85-90	534	56	590
<b>N Plumb</b> Director of Organisational Development & Participation	0-2.5	0 – 2.5	15-20	35-40	169	22	191
<b>E Yafele</b> Chief Operating Officer	0-2.5	2.5-5	10-15	25-30	108	13	121

Salary and Other Remuneration excludes employers' costs of National Insurance and Pension contributions which are payable in respect of the above officers' employments.

(1) Denotes increase based on part year basis

(2) Included protected pensionable pay through to March 2018 due to loss of office

2017 /2018								
Pension disclosure of Senior Manager	Real Increase in Pension at Pension Age	Real Increase in lump sum at Pension age	Total accrued pension at Pension age at 31/03/18	Lump sum at Pension age related to accrued pension at 31/03/18	Cash equivalent transfer [CETV] at 01/04/17	Real increase in CETV	Cash equivalent transfer [CETV] at 31/03/18	Employers Contribution to Stakeholder Pension
	bands of £2,500	bands of £2,500	bands of £5,000	£5,000 bands of	Nearest £1,000	Nearest £1,000	Nearest £1,000	Nearest £1,000
	£000	£000	£000	£000	£000	£000	£000	£000
<b>R Shields</b> Chief Executive	65 – 67.5	200-202.5	65-70	200-205	0.0-0.0	0	0 (2)	0
<b>C Hague</b> Director of HR (Leaver 09/07/17)	0.0-2.5	0.0-0.0	0.0-0.0	0.0-0.0	208	0	0 (1)	0
<b>L Boland</b> Locality Director (Leaver 06/04/17)	0.0-0.0	0.0-0.0	0.0-0.0	0.0-0.0	590	0	0 (1)	0
<b>F Haughey</b> Director of Nursing, Therapies and Quality	0 – 2.5	2.5 – 5	50 -55	150 -155	976	85	1,072	0
<b>N Kosky</b> Medical Director	5-7.5	15-17.5	90-95	270-275	1,632	206	1,855	0
<b>N Plumb</b> Director of Org Dev & Corp Affs	0-2.5	0.0-0.0	20 – 25	0.0-0.0	176	30	206	0
<b>S O'Donnell</b> Locality Director (Leaver 22/04/17)	0.0-2.5	0-2.5	30-35	100-105	767	0	0 (2)	0
<b>E Yafele</b> Chief Operating Officer	0-0.0	0.0	0-0	0-0	121	0 (4)	0	0
<b>C Priscott</b> Director of HR	15 -20	32.5 – 35	15-20	30 – 35	245	8 (3)	269	0

(1) CETV is 0 at year end due to member taking pension during the year

(2) CETV is 0 at year end due to member passed normal retirement age for the pension (1995 scheme)

(3) The real increase for this member is the real increase funded by the employer based on time in post and not the total general increase in the year

(4) Real increase in CETV is 0 as member has taken their pension out in the year.

Median Pay (information subject to audit)

The Trust is required to disclose the relationship between the remuneration of the highest paid director in the organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest paid director in Dorset HealthCare University NHS Foundation Trust in the financial year 2017/18 was £203k (2016/17 £191k). This was 7.5 times the median salary in 2017/18 (2016/17: 8.2) of the median remuneration of the workforce which was £27k (2016/17 £23k).

In 2017/18 5 employees/agency staff (2016/17, 5) received remuneration at an annualised full time equivalent in excess of the highest paid director. The full time equivalent remuneration rate ranged from £208K - £253K (2016/17 £192k - £254k). No employee received a total remuneration in excess of the highest paid director.

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

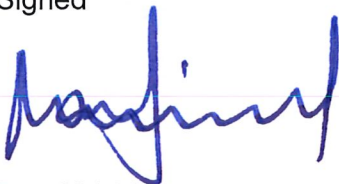
The reports used the pay at month 12 for both years, which were then adjusted for variances in the pay in that month. These variances included payment of redundancy pay, large pay adjustments and where employees were leavers during the year. No adjustments have been made for any other variances, e.g. maternity pay or sick pay. No adjustment has been made for staff with multiple contracts.

The pay reports include bank staff. No adjustment has been made for this pay, which has been treated the same as any other pay. This pay at month 12 has been converted to a whole time equivalent basis, based on the hours worked at month 12. This has then been annualised.

Agency staff included in the Median pay calculation excluding agency commission costs. This has been done by extracting a report of agency costs incurred during the period. Agency commission has been deducted using an average of 25%.

Spot-checks on numerous staff cumulative figures held in Electronic Staff Records confirmed the accuracy of the figures supplied. Where making adjustments to the month 12 figures would not have made a difference to the outcome of the resulting Median pay these were not changed.

Signed



Ron Shields  
Chief Executive

23 May 2018



### 3.3 Staff Report

#### Introduction

Our ambition is to provide high quality care, first time, every time and this means the Trust needs a workforce which is empowered to take action for patients with staff who feel able to take responsibility for the outcome of the decisions that they make. We want our staff to feel engaged and well-motivated and able to deliver excellent care because they feel proud about where they work and passionate about the role they play within the Trust. At the core of our HR Strategy is the attraction, recruitment and retention of an expert, diverse and compassionate workforce that is single minded in its patient focus.

Our organising principle is to be Better Every Day and we know we need an empowered workforce to achieve this. We want to be the employer of choice and for our staff to be proud of what they do for the people of Dorset.

The HR Strategic Goals are:

**Goal 1:** To become a **recognised** employer of choice so that we **attract** and **recruit** to meet our workforce needs.

**Goal 2:** To **retain** a compassionate, expert workforce that is proud to work at Dorset HealthCare, and feels **developed** and supported to make decisions, innovate and improve the lives of our patients.

There are five key themes for activity woven throughout our HR strategy - **Attraction, Recruitment, Retention, Recognition** and **Development** - and these support delivery of our objectives.

Staff engagement is a priority from day one of employment and we are working to redesign the corporate induction, workplace induction and preceptorship programmes as appropriate, to ensure they align with, and embed, the Trust's new Vision, Values and Behaviour framework, and ensure staff feel valued from the day they join the Trust.

We are developing and embedding a diverse portfolio of flexible learning opportunities for staff to access anytime, anyplace, and which cater for different learning styles, thus enhancing the knowledge, skills, behaviours and confidence of the existing, new and future workforce, to support the Trust's Better Every Day aspirations. We want to build on the patient voice within learning and development programmes by co-designing and co-delivering learning activities with patient and carer groups

We recognise that we are in competition with other local and regional organisations to attract and retain excellent staff and we also know that we have a particular set of dynamics with regard to our geography and ageing workforce. With well evidenced national shortages in some occupations, we are seeking ever more innovative and unique approaches to recruitment and our Recruitment and Retention Project Group has been working hard to support this aim. We take heed of the reasons why people leave the Trust and, in addition to views gathered through the annual staff survey, use this information to fuel our consideration of retention measures, such as increased opportunities for flexible working. Recruitment and retention go hand in hand and we are working hard to maximise both for the benefit of patients and service users and make Dorset HealthCare an organisation where people want to work.

## Our Staff Profiled

The tables below provide an overview of the composition of our workforce.

Employee Expenses (subject to audit)	Total	Permanently employed	Other	Total	Permanently employed	Other
	2017/18	2017/18	2017/18	2016/17	2016/17	2016/17
	£000	£000	£000	£000	£000	£000
Salaries and wages	148,150	138,378	9,772	148,520	139,030	9,490
Social security costs	12,607	11,882	725	12,822	12,110	712
Apprenticeship levy	729	681	48	0		
Pension cost - employer contributions to NHS pension scheme	18,855	18,089	766	18,752	17,945	807
Temporary staff - agency/contract staff	4,183		4,183	6,455		6,455
<b>TOTAL STAFF COSTS</b>	<b>184,524</b>	<b>169,030</b>	<b>15,494</b>	<b>186,549</b>	<b>169,085</b>	<b>17,464</b>
<b>Included within:</b>						
Costs capitalised as part of assets	143	125	18	174	148	26
Operating expenditure analysed as:						
Employee expenses - staff & executive directors	182,218	166,814	15,404	184,277	166,878	17,399
Research & development	230	230	0	142	132	10
Education and training	1,869	1,827	42	1,901	1,872	29
Redundancy	0	0	0	0		
Internal audit costs	64	34	30	55	55	
Early retirements	0	0	0	0		
Special payments	0	0	0	0		
<b>Total employee benefits excl. capitalised costs</b>	<b>184,381</b>	<b>168,905</b>	<b>15,476</b>	<b>186,375</b>	<b>168,937</b>	<b>17,438</b>



The tables below provide an overview of the composition of our workforce.

<b>Average number of employees (WTE basis) (subject to audit)</b>	<b>Total 2017/18</b>	<b>Permanent 2017/18</b>	<b>Other 2017/18</b>	<b>Total 2016/17</b>	<b>Permanent 2016/17</b>	<b>Other 2016/17</b>
Medical and dental	111	106	5	117	110	7
Ambulance staff	2	2	0	2	2	
Administration and estates	1,138	1,067	71	1,127	1,048	79
Healthcare assistants and other support staff	394	360	34	374	344	30
Nursing, midwifery and health visiting staff	2,534	2,274	260	2,647	2,406	241
Nursing, midwifery and health visiting learners	39	39	0	46	46	
Scientific, therapeutic and technical staff	725	699	26	718	692	26
Healthcare science staff	17	17	0	22	19	3
Social care staff	0	0	0	0		
Agency and contract staff	0			0		
Bank staff	0			0		
Other	1	1	0	0		
<b>Total average numbers</b>	<b>4,961</b>	<b>4,565</b>	<b>396</b>	<b>5,053</b>	<b>4,667</b>	<b>386</b>
Of which:						
Number of employees (WTE) engaged on capital projects	3	3	0	2	2	

### Breakdown of male and female employees

Dorset HealthCare staffing is 6966 (down 140) including bank workers. 2707 are full time (down 157) while 4259 are part time 4259 (up 17). Of all staff 17% are male and 83% are female.

	Male	Female
Senior Managers	11	38
Directors	9	6

### Sickness absence data

The sickness absence rate for the 12 months April 2017-March 2018 was 4.26% compared to 4.39% in 2016/17.

### **Supporting Our Staff**

The Trust employed 54 people during 2017/18 who had declared a disability in their application, representing 5.2% of all successful applicants for jobs.

The Health, Wellbeing and Attendance Policy and Procedure has been applied during the financial year for continuing the employment of employees who have become disabled persons during the period, supported by the Learning and Development Policy and Appraisal Policy for reviewing, identifying and implementing training needs.

The following policies have been applied during the financial year for the training, career development and promotion of disabled employees:

Recruitment and Selection Policy and Procedures  
Appraisal Policy  
Learning and Development Policy  
Mandatory Training Policy

### Health & Safety

The Trust continues to promote a 'Positive Health and Safety Culture'.

Over the course of the year, the Trust has strengthened its health and safety / fire safety capability through:

- Collaborative working with Dorset & Wiltshire Fire Rescue Service through joint training and site familiarisation visits.
- Designing and delivering a range of health, safety and fire training;
- Continual review of ligature management plans for inpatient services and designing safe free anti-ligature alternatives.
- Developing, reviewing and updating a range of Trust-wide health and safety policies;
- Delivering a range of in-house 'tool box talks' to Trust maintenance staff.

Throughout 2017/18 the health and safety team has implemented safety awareness campaigns focussing on Slips, Trips & Falls and Musculoskeletal (Manual Handling).

Alongside this, our Occupational Health and Wellbeing Service (OHWS) provide a comprehensive occupational health service across Dorset to the Trust and its

employees. The service protects, promotes and improves the health of the workforce with the aim of contributing to the delivery of the Trust Strategy. The service has an important role to play in the overall delivery of patient care, safety and outcomes.

The range of services offered by the OHWS includes pre-employment/placement health assessments, occupational vaccination programmes, fitness for work assessments and medicals, health surveillance programmes (audiometry, spirometry, skin, hand arm vibration), workplace and ergonomic assessments, incident management, policy and procedure development and training.

The OHWS largest customer is the Trust. In addition, the OHWS provides services to over 140 companies annually across Dorset.

Over the course of the year, the service has:

- developed the Health and Wellbeing champion job descriptions and recruited further Health and Wellbeing Champions across the organisation to assist with promoting campaigns and supporting colleagues to improve their health and wellbeing
- attended a number of conferences to promote health and wellbeing issues directly with staff
- played a key role in the Staff Wellbeing Steering Group
- encouraged staff involvement in various health awareness campaigns throughout the year, Dry January, Mental Health Awareness Week, Bike Week, Back Care Awareness Week
- facilitated health awareness events for staff (measuring blood pressure, heart rate,)
- promoted NHS Health Checks among staff via intranet, Weekly Roundup and posters, with link to local GPs/pharmacies who will carry out the free check
- continued to raise the profile of staff health and wellbeing in the Weekly Roundup and Trustlink
- produced a range of posters, to encourage staff to use the stairs at work and to promote physical activity
- Raised staff awareness of Trust EAP, Care first, via internal newsletters and Weekly Roundup
- Purchased 20 pedometers for loan to staff and encouraged H & W Champions to organise challenges
- Engaged LiveWell Dorset to deliver training sessions for Health and Wellbeing champions at locations across the Trust
- Supported staff initiatives, e.g. regular badminton, Dorset Healthcare entry in Poole Lions Swimathon

### Equality and Diversity

The Director of Human Resources is the nominated Director responsible for equality and diversity within the Trust providing the direct link to the Board for the Equality and Diversity Steering Group. The equality objectives for 2017-18 were agreed by the Board following consultation and discussions to ensure the objectives were not only aligned to the Trust Goals but also challenging and enable a positive cultural shift for staff, patients and the Board. By achieving the equality objectives the Trust will be in a position to demonstrate that it is achieving its Values, Vision and Strategic Goals from an equality and diversity perspective.

## **Our Equality Objectives 2016-19 are:**

### **Objective 1 - Better health outcomes**

Dorset HealthCare will aim to achieve improvements in patient health, public health and patient safety for all, based on comprehensive evidence of needs and results

### **Objective 2 - Improved patient access and experience**

Dorset HealthCare will aim to improve accessibility and information, and deliver the right services that are targeted, useful, useable and used in order to improve patient experience.

### **Objective 3 - A representative and supported workforce**

Dorset HealthCare will aim to increase the diversity and quality of the working lives of the paid and non-paid workforce, supporting all staff to better respond to patients' and communities' needs.

### **Objective 4 - Inclusive leadership**

Dorset HealthCare will aim to ensure that equality is everyone's business, and everyone is expected to take an active part, supported by the work of specialist equality leaders and champions. A detailed action plan has been agreed that has the priority actions which are reviewed annually

## **Key Activities and Achievements during 2017/18**

- Mentioned for positive results in two areas in the [National WRES report 2017/18](#).
  - KF 26. The percentage of staff experiencing harassment, bullying or abuse from staff in last 12 months.
  - Q17. In the last 12 months have you personally experienced discrimination at work from any of the following? Manager/team leader or other colleagues
- Successful publication of the initial Trust [Gender Pay Gap report 2017/18](#).
- Supporting the delivery of key regional projects and Equality Impact Analysis i.e. Clinical Services Review, Mental Health Services Review, Dorset Care Record.
- Partnership work with Bournemouth University, Dorset Mental Health Forum and Dorset Mind to promote Mental Health Awareness. Demonstrated by the talk by [Frank Bruno MBE](#) and the youth film [#lifeunfiltered](#).
- Staff support has been developed further and this has included a specific BME Staff Network, inclusion of Equality and Diversity in the Leadership programmes that also looks at unconscious bias and the launch of the [Dorset NHS LGBT Network](#).

## **Policies / Guidance**

The following policies and guidance have been updated to reflect changes in processes:

- Equality and Diversity Implementation Scheme: this responds to our statutory duties to promote equality.
- Interpretation and Translation Policy: updated, to include the refreshed

- Accessible Information Standard (AIS) guidelines and relevant supporting material.
- Prevent Policy
- Action Counters Terrorism (ACT) page set up on the Trust intranet to increase Staff awareness to report any suspicious activity.

### Existing Training

This table shows the number of staff that have completed equality and diversity level 1, 2 or 3 training in the period 1 April 2017 to 31 March 2018.

Level	Head Count	Delivered By
Level 1	1270	Face to Face or On Line
Level 2	57	Face to Face
Level 3	13	Face to Face
<b>Total</b>	<b>1340</b>	

### Prevent – Counter Terrorism

Table 1 shows the number of staff that have completed Prevent awareness and the full workshop to raise awareness of prevent (WRAP) in the period 1 April 2017 to 31 March 2018.

Table 1

Count of Job Type	Quarter 1		Quarter 2		Quarter 3		Quarter 4	
	Count	%	Count	%	Count	%	Count	%
Add Prof Scientific And Technical	71	9%	73	8%	74	8%	52	7%
Additional Clinical Services	217	26%	257	28%	246	29%	223	29%
Administrative And Clerical	123	15%	127	14%	107	13%	160	21%
Allied Health Professional	101	12%	117	13%	110	13%	57	7%
Estates And Ancillary	9	1%	9	1%	9	1%	41	5%
Medical And Dental	25	3%	29	3%	26	3%	20	3%
Nursing And Midwifery Register	283	34%	302	33%	261	31%	213	28%
Students	3	0%	1	0%	1	0%	0	0%
Job type not stated	0	0%	0	0%	12	1%	2	0.3%
<b>Grand Total</b>	<b>832</b>		<b>915</b>		<b>846</b>		<b>768</b>	

Prevent training is now also available on line through the eLearning hub on the Trust Intranet. Dorset HealthCare has made 23 Prevent referrals in total 14 of which were made this year.

## **Workforce Data**

The BME profile of the Trust has increased by 1% to 11.46% of total staff. This is an all-time high. The areas of 'undefined' or 'not stated' continue to fall to a record low.

Equality and Diversity Priority Actions 2018-2019:

- Dorset HealthCare will continue to work in partnership with Public Sector Organisations and Diverse Community Groups to foster good relationships between communities and remove barriers, perceived or otherwise, to tackle Health Inequalities and improve access to Health Services in line with the specific duties in the Equality Act 2010.
- Refresh our Equality Objectives using the Equality Delivery System and engage the Trust Board with the assessment and analysis process, sharing the results for comment before publishing.
- Continue to be an active partner in support of Dorset Clinical Commissioning Group in the development of the Equality Impact Analysis on changes to Health Services in Dorset as a result of the Clinical Services Review through to implementation. This means engaging with Staff, Patients and Stakeholders ensuring voices are heard from the wider diverse community in Dorset.
- Supporting Dorset County Council with the introduction of the Dorset Care Record (DCR). Ensuring Dorset HealthCare services are in a position to adopt this new system of sharing patient data across all services including Public Health.
- Work internally and externally to support the development of programmes of work that aims to provide our staff with development, training and wellbeing opportunities moving forward. Early indications are that the Staff Survey results have shown a marked improvement for BME Staff. Work with Staff with Disabilities is still an area for concern and focus as the Workforce Disability Equality Standard (WDES) implementation in 2019 is imminent.
- Deliver the Level 3 Equality training to the Leadership Courses including Equality Impact Analysis Training.
- The Trust Workforce Race Equality Standard (WRES) report continues to show an improvement in comparison to similar organisations. The 2018/19 report will be included in the Equality Objective setting process and the reduction in any disproportionality remains a focus.

## **The Annual Staff Survey - What Our Staff Say**

The annual NHS staff survey is one of the important ways through which we find out people's experiences of working at Dorset HealthCare. Its benchmarking results allow us to see how we compare as an employer with similar Trusts, as well as showing us where we need to take action to continue our journey of improvement.

Our approach to staff engagement is to nurture a culture of openness and transparency, where we encourage everyone to be involved in decision-making and quality improvement. In addition to supporting line managers and leaders to engage their staff we also have additional channels in place to hear about staff experiences, including ad hoc workshops, Heroes tea parties, the Staff, Friends and Family Test, and visits to services by board directors.

In 2017/18 this has included: an extensive programme of engagement events to inform our Trust response to the Dorset CCG Clinical Services Review; engagement events to develop our approach to quality improvement; and engagement events to develop our approach to flexible working.

Insight from all our staff engagement initiatives are triangulated at our staff engagement steering group that brings together staff governors and staff side representatives to review the insights and support development of further initiatives to understand and improve staff experience.

With this group we have also developed and trialed a cultural barometer, which brings qualitative insights together with typical workforce metrics such as turnover, mandatory training rates and sickness absence. We are continually improving the methodology and how the insights are used to further improve staff experience.

From 2018/19, the Staff, Friends and Family Test will include the additional seven questions that make up the annual staff survey engagement score, allowing us to track staff engagement levels quarterly.

The annual NHS staff survey comprises 98 questions that are grouped into 32 key findings and summarised in nine key themes:

- Appraisals and support for development,
- Equality and diversity,
- Errors and incidents,
- Health & wellbeing
- Job satisfaction,
- Managers,
- Patient care and experience,
- Violence, harassment and bullying,
- Working patterns.

This year's overall results build on the improvements made in the last two years. Against our 2016 results, of 32 Key Findings:

- 22 have improved since last year, ten of which are statistically significant improvements
- Five have stayed the same as last year
- Five have had negative changes that are not statistically significant.

Compared to other combined mental health, learning disability and community trusts:

- 25 Key Findings are better than average
- Three are average
- Four are below average.

Analysis of the national staff survey results completed by independent organisation 'Listening into Action' has placed us third in its league table of results for all combined mental health and community Trusts.

This is based on the number of key findings that have improved since 2016 combined with the number of key findings that are above average for similar Trusts.

## 1. Response rate compared with previous year

Response rate				
	2016/17 (previous year)	2017/18 (current year)		Trust improvement/ deterioration
	Dorset HealthCare University NHS Foundation Trust	Dorset HealthCare University NHS Foundation Trust	<i>Combined MH/LD and Community Health Trusts (Average)</i>	
Response rate	47%	49%	45%	2% point increase

The improvement in response rate in 2017 is attributed to improved locality and specialty lead engagement.

## 2. Top five ranking scores

	2016/17 (previous year)	2017/18 (current year)		Trust improvement/ deterioration
	Dorset HealthCare University NHS Foundation Trust	Dorset HealthCare University NHS Foundation Trust	<i>Combined MH/LD and Community Health Trusts (Average)</i>	
KF14 - Staff satisfaction with resourcing and support	3.45	3.5	3.33	Improvement
KF28 - % staff witnessing potentially harmful errors, near misses or incidents in last month	19	17	23	Improvement
KF18 - % staff feeling pressure in the last 3 months to attend work when feeling unwell	51	48	53	Improvement
KF17 - % staff suffering work related stress in last 12 months	32	33	40	Deterioration
KF9 - Effective team working	3.93	3.96	3.85	Improvement



### 3. Bottom five ranking scores

	2016/17 (previous year)	2017/18 (current year)		Trust improvement/ deterioration
	Dorset HealthCare University NHS Foundation Trust	Dorset HealthCare University NHS Foundation Trust	Combined MH/LD and Community Health Trusts (Average)	
KF24 - % staff/colleagues reporting most recent experience of violence	87	84	88	Improvement
KF27 - % staff/colleagues reporting most recent experience of harassment, bullying or abuse	56	55	57	Improvement
KF29 - % staff reporting errors, near misses or incidents witnessed in the last month	89	91	92	Improvement
KF11 - Percentage of staff appraised in last 12 months	90	90	92	No change
KF16 - % staff working extra hours	71	71	71	No change

### 4. Key areas to highlight

#### Areas of improvement from 2016:

- Errors and incidents - The fairness and effectiveness of procedures for reporting errors, near misses, and incidents (KF30) has increased from 3.75 in 2016 to 3.79 in 2017). This is a statistically significant improvement and higher than the national average for similar Trusts.
- Health & wellbeing - Organisational and management interest and action on staff health and wellbeing (KF19) has increased from 3.74 in 2016 to 3.91. This is a statistically significant improvement and is now higher than the national average for similar Trusts.
- Job satisfaction – Staff recommendation of the Trust as a place to work or receive treatment (KF1) has seen a statistically significant improvement to 3.87 (from 3.79 in 2016).
- Job satisfaction – Effective team working (KF9) has increased to 3.96 (from 3.93), a statistically significant improvement and is now the best score compared to similar organisations.
- Job satisfaction – Staff satisfaction with resourcing and support (KF9) has increased to 3.5 (from 3.45), a statistically significant improvement and is now the best score compared to similar organisations.

- Managers – Recognition and value of staff by managers and the organisation (KF5) has improved to 3.66 (from 3.61). This is a statistically significant improvement and is ranked highest against similar Trusts.
- Managers – Percentage of staff reporting good communications between senior management and staff (KF6) has increased to 39% (from 36%). This is a statistically significant improvement.
- Managers – Support from immediate managers (KF10) has increased to 4.00 (from 3.93) a statistically significant improvement and ranked highest compared to similar organisations.
- Patient care and experience - Effective use of patient feedback (KF32) continues to improve and is now 3.76 against an average 3.69. The improvement is statistically significant.
- Violence, harassment and bullying – The percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public (KF25) has improved and is now 24% (from 27% in 2017). This is better than average for similar Trusts (26%) and is a statistically significant improvement.
- Violence, harassment and bullying – The percentage of staff/colleagues reporting most recent experience of violence (KF24) has decreased to 84% (from 87%). Violence, harassment and bullying – The percentage of staff/colleagues reporting most recent experience of harassment, bullying or abuse (KF27) has decreased to 55% (from 56%).

#### Areas of deterioration from 2016:

- Health and wellbeing – The percentage of staff suffering work related stress in the last 12 months (KF17) has increased to 33% (from 32%).
- Patient care and experience – Staff satisfaction with the quality of work and patient care they are able to deliver (KF2) has decreased to 3.92 (from 3.94).
- Patient care and experience – Percentage agreeing that their role makes a difference to patient/service users (KF3) has decreased to 90% (from 92%).

#### 5. Specific results by theme

- Appraisal and support for development – Quality of appraisals (KF12). People aged between 16 and 30 (87%) and those with disabilities (87%) have a lower score for appraisals taking place in the previous 12 months. The Trust score is 90%. Full-time staff (3.24) have higher scores for quality of appraisals than part-time staff (3.05) and 16-30 year age group (3.38) scored higher than the organisation's average as did the BAME group (3.63). The Trust score is 3.19.
- Equality and Diversity – Scores for each of the key findings for staff who considered themselves disabled are overall worse than the Trust level of any protected characteristic group (28 of 32 key findings). There are two exceptions, one relating to reporting violence, harassment and bullying from the public, and the other relating to working additional hours. BAME staff have better scores for 21 of the 32 key findings compared to the Trust as a whole. The key findings that are lower than the Trust level relate to equality and diversity; witnessing and reporting errors and incidents seen in the previous month, and experiencing violence, harassment and bullying from either services users and the public or staff.
- Errors and incidents - The age group most likely to report errors and incidents (KF29) are 16-30 year olds. Fairness and effectiveness of procedures around errors and incidents (KF30) has had a statistically significant improvement with the 16-30 year olds (3.86), the 41-50 year olds (3.81), and BAME staff (3.91).

- Health and Wellbeing - The Trust score for the organisation and management interest in health & wellbeing (KF19) has seen a statistically significant year on year improvement (3.81, up from 3.74 in 2016). BAME staff agree with this assessment (3.99) while disabled staff do not (3.07). Staff experiencing work related stress (KF17) has increased to 33% (1% higher than in 2016) but remains lower than the 38% reported in the 2015 survey. Stress levels are lower in part-time staff (27%) and highest in the youngest age group (16-30 – 37%) and the disabled staff group (48%).
- Job satisfaction – The scores describing staff recommendation of the Trust as a place to work or receive treatment (KF1) are particularly strong for the youngest age group (3.97) and for BAME staff (4.02). Staff motivation (KF4) levels are highest for the 51+ age group (4.07) and BAME staff (4.14). BAME staff scores (4.05) for effective team working (KF9) are higher than the Trust level while disabled staff scores (3.87) are lower. The Trust score is 3.96
- Managers - Part time staff report poorer communications (KF6) between senior management and staff (33% against a Trust score of 39%). The youngest age group (16-30) report the best scores (45%) for communications along with the BAME staff group (52%). Disabled staff report lower levels of support (3.9) from their immediate managers (KF10) as do the 51+ age group (3.98).
- Violence, harassment and bullying – Both key findings (KF24 and KF27) that relate to staff reporting incidents are better than average and better than last year. The groups least likely to report are part-time staff, 41-50 year olds, and disabled staff. Groups most likely to report these incidents are 16-30 year olds, men and BAME.
- Working patterns – The key finding about opportunities for flexible working (KF15) has increased since last year but remains below average (up to 58% from 56% in 2016). Disabled staff (52%) and those aged 51+ (56%) are the least satisfied. Part time staff (62%), BAME (65%), and those aged 41-50 (74%) are the most satisfied.

## 6. Addressing specific areas of concern

As with 2017 (for the 2016 results) our primary approach to acting on the survey findings is to embed ownership of the results and actions in teams and services, as well as key Trust groups identifying cross-cutting themes.

From March to May detailed reports and breakdowns are provided to a number of forums. These include the Staff Partnership Forum, the Council of Governors, the Health and Safety Committee, the Equality and Diversity Steering Group, the Security Advisory Group, the Doctors and Dentists' Joint Negotiating Forum and Hidden Abilities.

Below are the Trust-wide specific areas of concern that have been identified for further action.

### **The number of staff saying that they report errors, near misses and incidents, harassment, bullying or abuse.**

The appointment of a lead “Speak Up Guardian”, as recommended by Sir Robert Francis following his review and subsequent report into the failings in Mid-Staffordshire, was put in place in 2017 and subsequently a team of associate guardians are now trained and available to staff. The Guardian role is continually promoted at all levels of the Trust and will help to raise the profile of raising concerns and provide confidential advice and support to staff in relation to concerns staff have about patient safety and/or the way their concern has been handled.

Coaches, trained in conjunction with Thames Valley and Wessex Leadership Academy, are now available to managers and leaders on request.

Mediators are being trained to help support staff. Mediation can be undertaken to resolve a situation before a grievance is formally raised. This improves the likelihood of maintaining good, productive employment relations in the longer term, and has been shown to reduce levels of grievances.

An awareness campaign to highlight all of the above will be run in 2018 for staff. The staff survey data will be examined further and cross cut with other data collected by the Trust to identify specific areas for improvement and more targeted action, working with senior leaders and managers.

### **Levels of violence, harassment, bullying and abuse**

A small working group is in place to identify ways in which we can tackle bullying and harassment in the workplace, linked with our health and wellbeing action plan.

Work to identify and target work in areas where there is higher prevalence reported will be undertaken in 2018.

### **Work related stress and working extra hours**

These two areas will be considered together, to identify whether the two correlate. Action plans will be developed once further investigation is completed.

### **Communication with senior managers**

The area of communication will be explored in greater detail to understand where the key areas for improvement are. Initial work commences with two 'Hack' events scheduled for May; these bring together clinical and support services staff to understand the issues and identify areas for improvement and solutions.

### **The overall response rate is below half the eligible staff cohort**

Further work has been undertaken to ensure that the results can be disseminated at levels most useful to individual teams, groups of services or geographic locations, with each area being provided with detailed results and the opportunity to discuss and action plan based on the results. Additionally, further work will be undertaken across the course of the year to help staff make the connection between the staff survey results and the actions being taken.

### **Future priorities**

We have taken a very deliberate approach to embedding ownership of actions within services, whilst sharing the insights with as many people as possible across the organisation.

Directorate-specific reports have been produced for discussion and action planning at each of the directorate-level management meetings and are being cascaded through to locality and service leads and managers. Priorities will be identified by team / service as appropriate and monitored in those areas.

The staff engagement group has also identified three key Trust-wide themes and a task and finish group will identify the actions to take at organisation level to address these findings. Those themes are:

- Staff experiencing violence, harassment, bullying and abuse at work (while encouraging people to report such incidents)
- Improving levels of reporting errors and incidents
- Reducing work-related stress

The Board will be updated on actions taken and progress made.

Improving the ways through which we hear about and understand staff experience of the Trust remains a priority. In addition to the existing engagement routes in place, a review of internal communications in 2018/19 will include assessment of where we can improve feedback loops. We are also in the process of introducing *DHC Connect*, an initiative that will invite staff from all parts of the organisation to meet with Board directors to share their views of the Trust and its services.

### **Stakeholder relations**

Being a partner of choice is important to us and we have worked hard to develop partnership working across many areas of our business and services in order to improve our offer to local people. Highlights in 2017/18 include:

- Being a member of Dorset Integrated Care System, one of the first eight in the country to operate in shadow form and recognised by NHS England as a trailblazer for integrated partnership working. The integrated working allows for better planning and delivery of services, getting better value for money and driving effectiveness and efficiency
- Being appointed to lead the West Dorset cluster partnership for widening access to primary care and being a partner on the board of the equivalent for Mid and East Dorset
- Working with NHS and third sector partners to deliver sexual health services' integration
- Developing The Retreat in east Dorset with Dorset Mental Health Forum
- Working as part of the Child and Adolescent Mental Health services partnership with local and regional NHS mental health services providers. This will deliver enhanced Dialectical Behaviour Therapy (DBT) across all teams, shared bed management, new secure services for the region in Hampshire, and psychiatric intensive care services for the region in Dorset
- Being a member of the Thames Valley and Wessex forensic network to develop a new care model for forensic services. This will deliver more bed capacity on our existing inpatient ward, deliver low secure accommodation for women in Dorset, and introduce a community pathfinder initiative for women in Dorset.
- Leading a consortium of local NHS organisations to develop a response to the tender opportunity for a new urgent care service for Dorset
- Ongoing development of integrated hubs at a number of our community hospitals, co-locating NHS and local authority teams to better co-ordinate their work and reduce hospital admissions, funded as part of business as usual
- Expanding the partners we work with to enhance our services provided to veterans. A major achievement has been securing £234,000 over two years from the Ministry of Defence for a joint project in Dorset with Borough of Poole Council, Bournemouth Borough Council, Dorset County Council and Dorset Police and Crime Commissioner
- Detailed discussions with local authority colleagues to identify the opportunity for much closer service delivery.

We had a major role working with Dorset CCG to support public engagement events across the county, engaging local communities to shape the future of integrated community services. Our model of co-production with service users, the public, staff, Dorset CCG and Dorset Mental Health Forum on the future of acute adult mental health services has been recognised as an exemplar.

We had an active role in the establishment of the Dorset STP Public Engagement Group. The purpose of the Group is to provide advice, guidance and challenge to inform public

engagement during planning and implementation.

### **Other public and patient involvement activities**

We commissioned independent partner Healthwatch Dorset to review the effectiveness of how we collect and act on patient / public / carer feedback and insights. They have given us their report and we are in the process of working with them to develop our action plan.

Some teams and services have user reference groups and other innovative feedback mechanisms. For example:

- The Support Transition and Recovery Team have developed a series of postcards to gather user feedback
- Dorset Community Pain Service has a very active user group and recruits ex-service users as volunteers/peers. They gather feedback on all their group programmes and ask what information would most support service users
- Community Mental Health (Adults) Poole North run events to talk to service users about their care and also regularly hold 1-2-1 discussions as part of care planning
- The Community Mental Health team (Older People) Dorchester use a sticker system in Reception for feedback. The Locality Team have devised postcards to gather feedback asking “what went well” and “what could be improved”
- Health Visitors (Poole Bay) have a Parent Forum who have been involved in process reviews and had input to survey wording
- Yeatman Hospital has joined the Sherborne Town Council Dementia Alliance Team. Hospital Dementia Champions attend meetings and have access to resources and training
- Community Hospitals are currently implementing the Quality Mark for Elder-Friendly Hospital Wards which explicitly involves requesting feedback from service users
- Community Mental Health teams work closely with Dorset Mental Health Forum and their Peer Specialists to gather service user feedback (such as carers’ events).

An additional important focus has been supporting the Council of Governors in their role and as Trust ambassadors. The Governor Membership Committee drives our membership recruitment and engagement arrangements.

This year we refreshed our Participation Strategy and established a new working group including stakeholders, to oversee implementation and ensure we deliver our outcomes. This was facilitated by a participation workshop co-delivered with the Coalition for Collaborative Care.

We have a thriving group of more than 250 volunteers across the Trust. A new Volunteering Strategy takes the opportunity to describe our approach for promoting, recruiting and supporting volunteers now and in the future. It builds on existing good practice and seeks to spread that across all of our services, along with helping develop constructive partnerships between all volunteers and the Trust.

Working with volunteers and staff, a new vision has been developed, and eight themes have been identified that will help us to consistently improve and embed volunteering. Within the strategy we describe our relationship with the community hospitals’ Friends of / League of Friends. A steering group including volunteers and staff will co-produce a plan detailing how we will implement this strategy across the eight themes.

We are signed up to the ‘Valuing Carers in Dorset’ system-wide vision for supporting and listening to the views of carers (80,000 + across Dorset). Carers’ reference groups feed into

a pan-Dorset steering group, which includes carers and officers, to have an overview of how we are implementing the vision.

## **Sustainability**

*\*Please note that the 2017/2018 figures contain estimated data and are subject to final validation*

Sustainability has become increasingly important in all aspects of life, helping to reduce harmful impacts on our own environment and reducing the economic impact of high energy costs. The impacts of what we do affect people and we, The Trust, acknowledge the responsibility to our patients, staff, local community and environment by striving to reduce our carbon footprint.

As part of the local NHS, public health and social care framework, and as a spender of public funds, we have an obligation to work in a way that has a positive effect on the communities we serve. Sustainability enables us to deliver our carbon reduction commitments and contribute to the ambitious targets to reduce the NHS and Social Care carbon emissions by 34% from a 1990 baseline by 2020.

Demonstrating that we consider the social and environmental impacts ensures that the legal requirements in the Public Services (Social Value) Act (2012) are met.

In order to fulfil our responsibilities for the role we play, Dorset Healthcare University NHS Foundation Trust has a Board approved Sustainable Development Management Plan (SDMP). The existing SDMP will be reviewed following completion of the Sustainability Development Assessment Tool (SDAT). The Director of Organisational Development and Participation is the lead Executive Director for Sustainability and supports the Trust Sustainability lead.

One of the ways in which we measure our impact as an organisation on corporate social responsibility is through the use of the Sustainability Development Assessment Tool (SDAT) which replaces the previous Good Corporate Citizenship (GCC) tool. The SDAT has been recently launched and the Trust are working towards completing the first round by end of Q1 2018/19.

As an organisation that acknowledges its responsibility towards creating a sustainable future, we help achieve that goal by running awareness campaigns that promote the benefits of sustainability to our staff including “Turn it Off” and the Warp It reuse and recycle portal. The turn off campaigns have caught the attention of our staff and enabled greater engagement. An example of this is amongst our administrative staff during the Christmas break when offices are often closed. They ensure a double check takes place before people depart and by aligning the message with an extended break – a time which is usually positive – we gain a real buy in from our people. The Warp It reuse and recycle portal has been very well received and after a small pilot in Autumn 2017 a full roll out commenced in early 2018. The portal is easy to use and rather like “ebay” in format and presentation leading to high interest amongst staff.

Climate change brings new challenges to our business both in direct effects to the healthcare estates, but also to patient health. Examples of recent years include the effects of heat waves, extreme temperatures and prolonged periods of cold, floods, droughts etc. Our Estates & Facilities Team works with the Emergency Planning & Resilience and Capital Teams to continually develop effective measures to address and adapt the delivery of the organisation's activities and infrastructure to meet climate change and adverse weather events. In the future we will also consider this subject in the reviewed SDMP by referencing the National Adaptation Programme to take account of Heat, Cold, Ground Level Ozone,

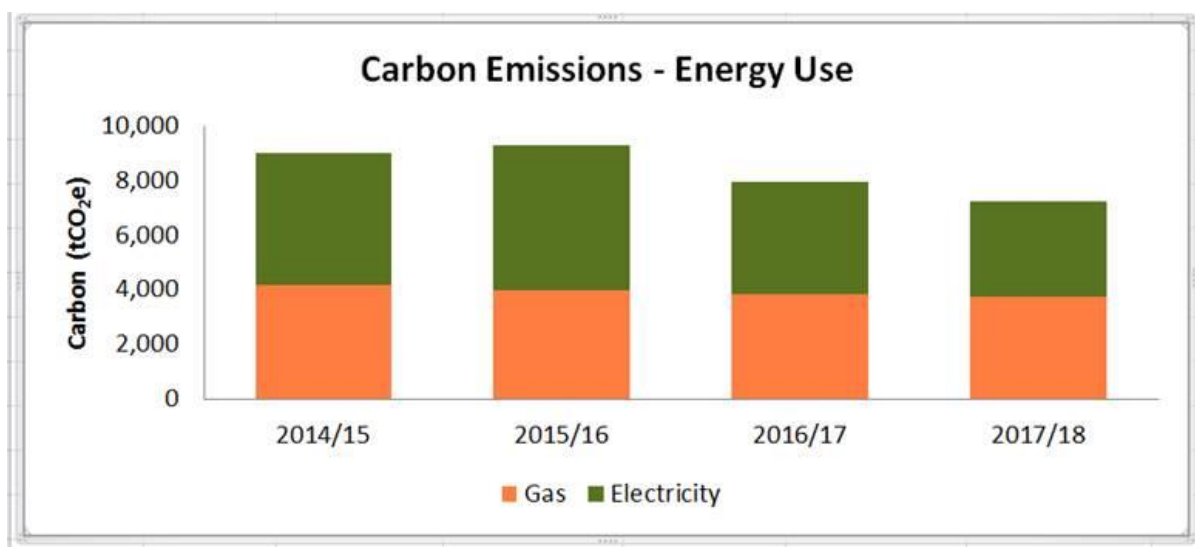
Flood & Storms, Sunlight (UV risk) and linking in with existing plans such as through Local Resilience Partnerships.

The NHS policy framework already sets the scene for commissioners and providers to operate in a sustainable manner. Strategic partnerships are already established with Dorset CCG.

The Trust is proud of its cook fresh facilities in a number of the Community Hospitals. A number of the staff who work within them have won awards in regional competitions such as Salon Culinnaire. They are rightly proud of the contribution they make to patient recuperation and care through the use of fresh wholesome ingredients. A number of healthy options exist to compliment the standard menu with the emphasis on balanced eating. The CQUIN relating to “Healthy Food for NHS staff, visitors & patients” has been met by the Trust and this ensures healthy food options are available and that advertising and price promotion of sugary, high fat and unhealthy foods and drinks is banned.

### Energy

Energy is one of Trust’s largest areas of expenditure. The chart below shows the CO2 emissions from our energy usage over the last four financial years. It is positive to see a downward trend despite a very warm summer in 2017 and one of the coldest winters in 2017/2018; experienced in the last 5 years. These temperature extremes inevitably cause greater energy usage.



The chart below show’s energy consumption over the last four years. Again this is reducing steadily over the last four years. The energy costs increased in 2017/2018, this due to an increase in costs for utilities. Further energy cost rises will be experienced in forthcoming years due to the abolition of the Carbon Reduction Credit (CRC) scheme and its replacement by Climate Change Levy (CCL) which will be applied to each unit of energy purchased. Electricity consumption has reduced by 3.8% and Gas consumption by 4.6%. This resulted in a Total Energy CO2 emission reduction of 9.5%. Over the last four years we have seen a 20% Total Energy CO2 emission reduction. We purchase our energy from the CCS Framework and within this basket there is an element of renewable energy acquired.



Resource		2014/15	2015/16	2016/17	2017/18
Gas	Use (kWh)	19,810,463	19,022,112	18,399,530	17,653,590
	tCO <sub>2</sub> e	4,156	3,981	3,845	3,743
Electricity	Use (kWh)	7,827,861	9,233,688	8,052,599	7,805,206
	tCO <sub>2</sub> e	4,848	5,309	4,134	3,479
Total Energy CO <sub>2</sub> e		9,004	9,290	7,979	7,222
Total Energy Spend		£ 1,544,853	£ 1,391,948	£ 1,142,263	£ 1,444,401

The work undertaken at our largest 13 sites (in the main our Community Hospitals) to reduce energy consumption is now paying off and demonstrated in these figures. In addition, the new Building Environmental Management System (BEMS) being rolled out at a number of sites is giving greater control of energy usage. The boiler plant replacement schemes commenced a few years ago must also be factored into these reductions. The new plant are more compact, uses less energy and is cleaner and more efficient.

Replacement LED light fittings are being installed across the Estate as part of Capital works and when light fittings reach the end of life. The LED lights use less energy, emit less heat, are maintenance free for at least 5 years and provide a better environment due to the light emitted by them.

### Reuse and Recycling

The Trust launched the Warp It reuse and recycling portal in autumn 2017 on a pilot basis and this has been very well received by everyone. The whole organisation can now access and make use of the portal which is reached by the Intranet. Surplus equipment description is entered on Warp It with a picture and staff seeking equipment search the system and then claim items needed. This avoids the cost of buying new items, their associated raw material, manufacturing and distribution costs. To date nearly £20,000 has been saved in new items purchase costs, over 9000kg of CO<sub>2</sub> emissions saved through manufacturing and distribution of new items, 3000kg of existing reused items that may have become “waste” equipment requiring disposal for which we would have been required to pay for to remove. The Trust now recycles over 40% of its waste and this figure has been growing steadily over the last few years. The waste compounds now in evidence at most of our larger sites have enabled economies of scale that derive greater benefits from recycling material.

### Paper Usage and Paperless

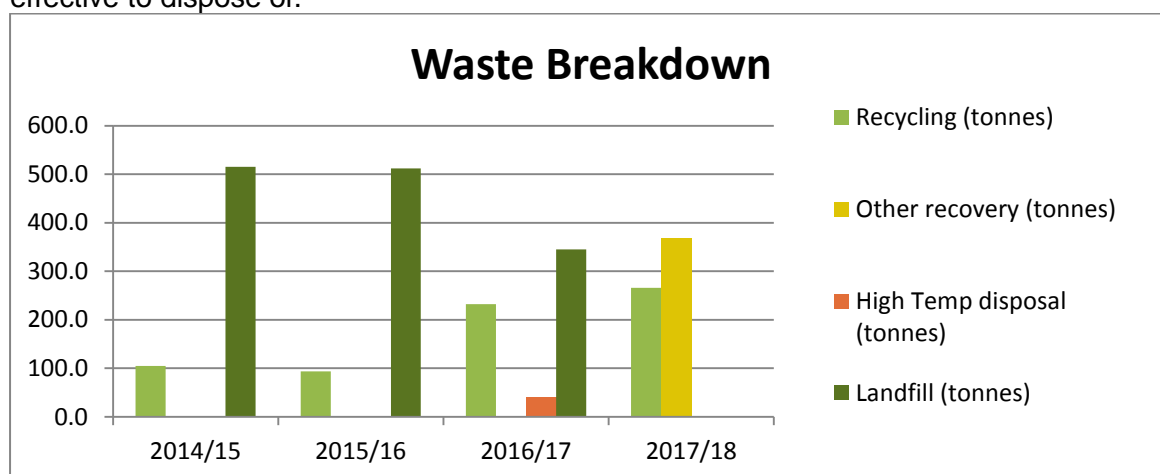
In common with most organisations the Trust is always looking at ways to reduce paper usage which then introduces further efficiencies in our processes. The NHS has an aspiration to be paperless in the next few years. By moving to paperless, costs will be reduced, security improved, communications become more efficient, care improved and the environmental impact which paper production creates mitigated. In the last four years our paper usage has reduced by nearly 20%. Trust paper usage is beginning to reduce as this trend is seen in the table below:

Paper		2014/15	2015/16	2016/17	2017/18
Volume used	tonnes	188	217	183	153
Carbon emissions	tCO <sub>2</sub> e	452	523	440	359

## Waste

In the last 12 months we have reached the great achievement of “Zero to Landfill” and this means our waste is either recycled or sent for disposal and used to create energy. Nearly 300 tonnes of waste is now recycled representing a 42% recycling rate. There is an opportunity for improvement in the future to improve the recycling percentage.

The majority of our healthcare waste which is bagged is disposed of as Offensive Waste and not Infectious Waste. This minimises the environmental impact of the waste and is more cost effective to dispose of.



The waste stream volumes and respective CO<sub>2</sub> emissions are detailed in the chart below and they illustrate a trend that is reducing CO<sub>2</sub> production from our waste and reducing the waste we are sending for processing.

In addition to the traditional waste products the Trust sends food waste for processing at a local anaerobic digestion facility where the waste food is turned into methane which is converted into power and sent to the National Grid. The organic material remaining after the process is made available to local farmers who use in their agricultural processes. The fact this all takes place locally reduces the travel footprint and brings the derived benefits to the Dorset Community.

In November 2017 the Trust held a “Waste Awareness Week” which involved multiple site visits on a bus converted to educational use to engage with staff and visitors to showcase how the Trust deals with waste and introduce Warp It the new Reuse and Recycling Portal.

Waste		2014/15	2015/16	2016/17	2017/18
Recycling	(tonnes)	105.00	94.00	232.00	266.00
	tCO <sub>2</sub> e	2.21	1.88	4.87	5.79
Other recovery	(tonnes)	0.00	0.00	0.00	368.00
	tCO <sub>2</sub> e	0.00	0.00	0.00	8.01
High Temp disposal	(tonnes)	0.00	0.00	40.00	0.00
	tCO <sub>2</sub> e	0.00	0.00	8.80	0.00
Landfill	(tonnes)	515.00	512.00	345.00	0.00
	tCO <sub>2</sub> e	125.88	125.14	106.95	0.00
Total Waste (tonnes)		620.00	606.00	617.00	634.00
% Recycled or Re-used		17%	16%	38%	42%
Total Waste tCO <sub>2</sub> e		128.08	127.02	120.62	13.80

## Finite Resource Use – Water

As a precious resource and a very important ingredient in health and wellbeing it's essential that we manage water carefully and ensure it is used appropriately. We have worked hard to reduce leaks within the Estate and work with our water supplier to identify usage patterns that may indicate loss of resource. We have nearly reduced by one third our water usage compared to 4 years ago and continue to strive in maintaining the reduced demand we place on this finite resource. The table below shows 33% reduced consumption since 2014/15 with the associated CO2 emissions reduction. Since last year we are using 15.4% less water.

Water		2014/15	2015/16	2016/17	2017/18
Mains Water	m <sup>3</sup>	120,506	118,269	94,076	79,656
	tCO <sub>2</sub> e	110	108	86	73
Water & Sewage Spend		£ 302,317	£ 302,317	£ 308,417	£ 240,791

## Travel

Trust travel which is business mileage from staff using their own vehicles and the staff commute, as shown in the table below, is a large part of our Trust carbon footprint. Being a Community Trust its very nature requires car use to access and treat patients, in the main, in their own homes. The trend is for decreasing business mileages and associated CO2 emissions. The indicative staff commute is also reducing accordingly.

Category	Mode	2014/15	2015/16	2016/17	2017/18
Staff commute	miles	5,218,075	5,422,686	5,424,845	4,481,281
	tCO <sub>2</sub> e	1,917.27	1,961.04	1,960.60	1,596.79
Business travel	miles	6,402,971	5,333,964	5361522	4,755,668
	tCO <sub>2</sub> e	2,352.64	1,928.95	1937.71	1,694.56

We continually look into actions to reduce travel related CO2 and are members of the Dorset Business Travel Network. The Trust has a cycle to work scheme and invest in bike shelters on site which provide a safe & secure storage area. A Car Share scoping exercise will be undertaken with the intention to relaunching at key sites during 2018. As part of this work we will look at parking controls and methods of incentivising alternative travel options. Further work will be done to promote video and audio conferencing along with use of Skype via NHS Mail to reduce unnecessary staff travel.

## Biodiversity and Green Space

As part of the Capital Planning process the Trust gives consideration to creating green and outdoor space for patients and staff. It is recognised as having substantial therapeutic and health benefits which are essential to the human recovery process. There are environmental benefits to this also including support to local ecology and flora & fauna.

## Procurement

The Procurement Team recently worked with the Sustainability Lead to develop a Sustainable Procurement Policy which highlights the process to consider the sustainable impact of procurement and supply chain. This raises awareness amongst suppliers and potential suppliers to the Trust. In future we will improve the procurement elements of the revised SDMP to enable meaningful monitoring and audit to take place. We also have to

identify the end of life implications of procurement decisions and the impact this will have on our community.

### **Support & Wellbeing in the Workforce**

We recognise the great value of and contribution our workforce make to the organisation. It is therefore important to support all employees. We do this through a range of ways including:

- Access to a confidential service provided by Care First which supports staff by counselling, information and advice.
- Care First Zest on line health tool
- Mindfulness for staff courses
- Quit Smoking in house support
- Keep Active Support including lunchtime walks
- Public Transport information
- NHS Health Checks

The Trust support a cycle to work scheme enabling staff to purchase a bicycle in monthly instalments. There is also discounted Gym and Leisure Club memberships.

### **Expenditure on consultancy**

The Trust has focussed on reducing consultancy and off-payroll arrangements in 2017/18 alongside work to reduce agency expenditure. In 2015/16, we introduced a Professional Register of people with a wide range of skills and experience in fields such as operational management, human resources, and project management, who are able to undertake short and medium-term assignments as and when required, working within a pay framework aligned to Agenda for Change rates. Through this arrangement in 2017/18, total expenditure on consultancy amounted to £252k (2016/17 £140k).

### **Counter Fraud Service**

The Trust's Local Counter Fraud Specialist received 14 reports of suspected fraud during 2017/18, of which ;

- 3 resulted in criminal investigations being conducted,
- 2 of the investigations were closed with recommendations that disciplinary action should be considered,
- 1 investigation remains open and ongoing at 31 March 2018.

No sanctions were imposed and no losses were identified as a result of LCFS investigations during the period.

A wide ranging programme of fraud awareness work was completed; this included the use of posters, leaflets, internet and intranet material, social media, face-face training and the SAFE roadshow and International Fraud Awareness Week events. As a result, 100% of respondents to the staff survey of fraud awareness stated that if they had a concern about fraud, bribery or corruption, they would report it or seek advice about how to report it.

Significant improvements have been made in terms of compliance with individual NHS Counter Fraud Authority (NHSCFA) standards since an inspection in Summer 2017. There has been a 75% reduction in those standards rated as red (not compliant), and a 62.5% increase in those rated as green (fully compliant); overall the organisation is rated as amber in terms of compliance with the NHSCFA standards.

## Off – Payroll Engagement

The data below covers highly paid and / or senior off- payroll engagements between 1 April 2017 and 31 March 2018. The Trust aims to minimise the numbers of off-payroll workers by offering work through the Trust Bank and Professional Register wherever possible. Payments are made to individuals conducting short term consultancy assignments.

Table 1: For all off-payroll engagements as of 31 March 2018, for more than £245 per day and that last for longer than six months

<b>No. of existing engagements as of 31 Mar 2018</b>	34
<b>Of which:</b>	
Number that have existed for less than one year at the time of reporting	12
Number that have existed for between one and two years at the time of reporting	10
Number that have existed for between two and three years at the time of reporting	4
Number that have existed for between three and four years at the time of reporting	3
Number that have existed for four or more years at the time of reporting	5

Table 2: For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2017 and 31 March 2018, for more than £245 per day and that last for longer than six months:

Number of new engagements, or those that reached six months in duration between 01 Apr 2017 and 31 Mar 2018	34
<b>Of which:</b>	
Number assessed as within the scope of IR35	1
Number assessed as not within the scope of IR35	33
Number engaged directly (via PSC contracted to trust) and are on the trust's payroll	0
Number of engagements reassessed for consistency/assurance purposes during the year	34
Number of engagements that saw a change to IR35 status following the consistency review	1

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

Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year*	20

\*includes Executive Directors, Associate Directors and Non-Executive Directors

## Exit packages (information subject to audit)

Details of exit packages agreed during the year are as follows;

Exit package cost band	Number of compulsory redundancies	Cost of compulsory redundancies	Total number of exit packages	Total cost of exit packages
<£10,000	4	15	4	15
£10,000 - £25,000	2	26	2	26
£25,001 - 50,000	1	41	1	41
£50,001 - £100,000			0	0
£100,001 - £150,000			0	0
£150,001 - £200,000			0	0
>£200,000			0	0
<b>Total</b>	<b>7</b>	<b>82</b>	<b>7</b>	<b>82</b>

Include:

- Those made under nationally agreed arrangements
- Or, local arrangements for which Treasury approval was required

Exit packages: non compulsory departure payments

Exit packages: other (non-compulsory) departure payments – 2017/18	Number of agreements	Total value of agreements £000's
Voluntary redundancies including early retirement contractual costs		
Mutually agreed resignations (MARs) contractual costs		
Early retirement in the efficiency of the service contractual costs		
Contractual payments in lieu of notice	7	27
Exit payments following Employment Tribunals or Court Orders		
Non-contractual payments requiring HMT approval		
<b>Total</b>	<b>7</b>	<b>27</b>
Of which: non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months of their annual salary		

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

Dorset HealthCare University NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Code of Governance issues in 2012.

The Trust is compliant with all Code provisions.

### 3.5 NHS Improvement 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 1 to 4, where '4' reflects providers receiving the most support, and '1' reflects providers with maximum autonomy. A foundation trust will only be in segments 3 or 4 where it has been found to be in breach or suspected breach of its licence.

The Single Oversight Framework applied from Quarter 3 of 2016/17. Prior to this, Monitor's *Risk Assessment Framework* (RAF) was in place. Information for the prior year and first two quarters of 2016/17 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

The Trust is in segment 2.

This segmentation information is the Trust's position as at 31 March 2018. 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	2017/18 Scores				2016/17 Scores	
		Q4	Q3	Q2	Q1	Q4	Q3
Financial sustainability	Capital service capacity	1	1	1	1	1	1
	Liquidity	1	1	1	1	1	1
Financial efficiency	I&E margin	1	1	1	1	1	1
Financial controls	Distance from financial plan	1	1	1	1	1	1
	Agency spend	1	1	1	1	1	1
<b>Overall scoring</b>		<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>



### **3.6 Statement of the Chief Executive's responsibilities as the Accounting Officer of Dorset HealthCare University NHS Foundation Trust**

The NHS Act 2006 states that the Chief Executive is the Accounting Officer of the NHS Foundation Trust. The relevant responsibilities of the Accounting Officer, including his responsibility for the propriety and regularity of public finances for which he is 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 Dorset HealthCare University NHS Foundation Trust to prepare 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 Dorset HealthCare University NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

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

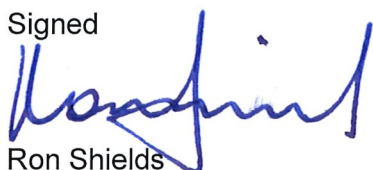
- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and 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
- 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.

Statement of the Chief Executive's responsibilities as the Accounting Officer of Dorset HealthCare University NHS Foundation Trust

Signed



Ron Shields  
Chief Executive

Date

23 May 2018



## **3.7 Annual Governance Statement**

### **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*.

### **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 Dorset HealthCare University NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in Dorset HealthCare University NHS Foundation Trust for the year ended 31 March 2018 and up to the date of approval of the annual report and accounts.

### **Capacity to handle risk**

#### Risk Management Leadership and Training

The Trust has continued to develop risk management processes in the organisation. These processes are overseen by coherent and comprehensive management structures and roles.

Non-Executive Directors are aware of their responsibilities in relation to risk management and chair all Board Committees. All Board Committees and Executive Groups have defined terms of reference setting out responsibilities for risk management where appropriate.

Two Executive groups-the Executive Quality and Clinical Risk Group and the Executive Performance and Non-Clinical Risk Group-receive details of all risks scoring 10+, information relating to material changes to the significant risk profile, action plans and progress made.

A Risk Management Policy is in place, supported by comprehensive training and communication plans. This, together with the Ulysses electronic risk management system, enables the Trust to effectively manage its clinical and non-clinical risks.

As Chief Executive I am the Chief Risk Officer ultimately responsible for risk. High level operational responsibility for risk has been delegated to the Director of Nursing, Therapies & Quality for clinical risk and to the Trust Secretary for non-clinical risk.

All Directors have a specific responsibility for the identification and prudent control of risks within their sphere of responsibility and are responsible, where required, for the provision of specialist advice to the Board of Directors. This acknowledges that all Directors are subject matter experts and have specific responsibilities for interpreting and applying national policy, legislation and regulations in respect of their specific areas of expertise.

The Senior Clinical Risk Manager, reporting to the Deputy Director of Nursing, Therapies and Quality, has day to day responsibility for the clinical risk management process. This encompasses the development of risk management policy, administration of risk management systems and oversight of clinical risk exposures facing the organisation, ensuring the provision of risk management training, supporting Localities, carrying out checks within and across Localities to monitor the management of risk and triangulating lessons for learning from clinical risks ensuring defects alerts or changes in practice are conveyed to front line teams promptly.

The Head of Regulation and Compliance monitors the quality of services against CQC standards and progress against Quality Priorities, advises on and escalates risks relating to regulatory standards and patients, monitors risks relating to medical devices and leads on the implementation of CQUIN targets to improve quality.

The Trust Secretary has day to day responsibility to lead on corporate, ie non-clinical risk management processes across the Trust and for managing the Board Assurance Framework.

In addition the capacity to provide leadership to and deliver the risk management function is underpinned by a number of other key roles including;

- Head of Clinical Effectiveness and Audit
- Lead managers for safeguarding children and adults
- Health and Safety Manager
- Local Security Management Specialist
- Fire Safety Officer
- Caldicott Guardian
- Senior Information Risk Owner (SIRO)

Staff are provided with guidance on risk management through the Risk Management Policy which clearly sets out why it is essential to manage risk well and communicate openly with one another. The Policy sets out a framework that:-

- Reduces harm for patients, carers, staff, volunteers, contractors, any other stakeholders and the Trust itself;
- Continuously improves patient safety, experience, and quality performance;
- Protects everything of value to the Trust (such as reputation, market share, exemplary clinical outcomes);
- Promotes the success of the Trust.

## **The risk and control framework**

### Risk Reporting

The Trust aims to keep patients and staff safe at all times. Risk is therefore anything that is stopping or might stop it from keeping them safe whilst in its care or preventing improvements in the quality of care.

To help identify risks, consideration is given of the Trust's historical operational performance and trends, previous events, current challenges, new innovations from inside and outside the

Trust, changes in practice identified by external organisations and the needs of the people who use the Trust's services.

The risk analysis involves determining risk severity (the impact the risk has on the people in the Trust's care and the Trust itself) and likelihood (the probability of that impact happening within 12 months). The scores are multiplied to give an overall risk rating of between 1-25. The risk rating is used to determine risk management priorities and monitor acceptable levels of risk. The Trust actively encourages constructive challenge of assumptions made regarding severity and likelihood.

To manage these risks, there is a combination of prevention, detection and contingency controls. Prevention controls are part of a system of internal controls designed to prevent a risk from occurring at all. They typically involve policies, procedures, standards, guidelines, training, protective equipment/clothing, pre-procedure checks. Detection controls provide an early warning of control failure, such as an alarm, incident reports, complaints, performance reports, audits. They tell the Trust how well the prevention controls are working. Contingency controls help prepare for an effective reaction in response to a major control failure, shocks or an overwhelming event. Contingency controls are designed to maintain resilience. They include reserves of time and money.

The process for managing risk is clearly defined in the Risk Management Policy in six steps as follows:

Step 1: Determine priorities

Step 2: Identify risk

Step 3: Assess risk

Step 4: Respond to the risk—seek, accept, avoid, transfer, modify

Step 5: Report Risk

Step 6: Review Risk

The framework for reviewing risks, controls, assurances and action plans is through the submission of reports, generated from Ulysses, as follows:

- $\geq 15$  – Board of Directors; significant risk report (ie 15+); monthly;
- $\geq 15$  – Board of Directors; Board assurance framework (BAF) quarterly;
- $\geq 15$  – Audit Committee and the QGC: Board assurance framework (BAF) quarterly;
- $\geq 10$  – Executive Quality & Clinical Risk Group monthly;  
Executive Performance & Corporate Risk Group monthly;
- $\geq 8$  – Specialty/Locality Management Groups monthly;
- $\geq 6$  – Ward/Departmental Management monthly.

During the course of 2017/18 the Board agreed a risk appetite statement. This provides further guidance to Directors with regard to the tolerance for risk within the Trust.

Any risk which exceeds the designated risk appetite score is reported to the relevant Board Committee and, if appropriate, the Board.

### Strategic Risks

The Board identified seven risks to the Trust strategic objectives in 2017/18:

- Failures in care caused by inconsistent and unwarranted variations in the provision of services to patients.

- Failure to provide a positive patient experience as a result of not implementing best practice or learning from the lessons from incidents within the Trust and from other organisations.
- Failure to maximise the opportunities provided by strategic partnerships to deliver integrated health and social care.
- Failure to have in place the required workforce by not
  - recruiting and retaining a sufficient workforce to deliver the Trust objectives;
  - developing an engaged and motivated workforce.
- Failure to deliver the Trust Financial Plan by not delivering the CIP and lack of appropriate budgetary control and inadequate forecasting.
- Failure to secure the medium term financial sustainability of the Trust as a result of changed commissioning intentions, service reconfigurations, structural change and/or inadequate financial planning and forecasting.
- Failure to limit the environmental impact of the Trust as a result of not delivering the Sustainable Development Management Plan.

These have been reviewed over the course of the year by the Board, the Quality Governance Committee, the Audit Committee, the Executive Quality & Clinical Risk Group and the Executive Performance & Non-Clinical Risk Group.

Reporting of progress in mitigating the likelihood of these risks occurring has developed over the course of 2017/18 to enhance understanding of key assurances and actions planned and completed.

During the course of the year the Board agreed that the failure to limit the environmental impact of the Trust as a result of not delivering the Sustainable Development Management Plan was no longer a strategic risk to the organisation and could be de-escalated to the risk register.

### Quality Governance Arrangements

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

Quality performance is reported to the Directorate Management Groups and the Executive Quality and Clinical Risk Group on a monthly basis. Scrutiny and assurance is obtained through the Quality Governance Committee. Quality performance is also monitored by the Clinical Commissioning Group at the monthly contract review meetings.

With regard to data quality, a sample is checked monthly to ensure that it is accurate and reliable.

Compliance with Care Quality Commission (CQC) registration has, over the course of the year, been based around assessment visits by the Regulation and Compliance Team and the production and review of action plans following the CQC inspection in June 2015 and the follow-up visit in respect of seven core services in March 2016.

A further re-inspection was carried out in November and December 2017, which included an assessment of the Trust against the Well-Led Framework. Full details of the outcome of the inspection are set out in section 2.2 and in chapter 4 of this document.

In summary, the CQC rated the Trust as good overall (compared to the previous rating of requires improvement). The CQC commented in their report that:

- We rated effective, caring, responsive and well-led as good. We rated safe as requires improvement. Our rating for the Trust took into account the previous ratings of services not inspected this time;
- We rated well-led at the Trust level as good. The senior team had led a very effective programme of improvement which had resulted in the majority of issues we had identified in our previous inspection being addressed;
- The Trust's senior leadership team had the skills, knowledge, experience and integrity necessary for successfully overseeing a large, complex organisation;
- We saw evidence of some excellent leadership at all levels across the Trust with many dedicated, compassionate staff who were striving to deliver the very best care for patients;
- Communication across the Trust had improved with the Board and senior managers being more visible to staff. There was also a noticeable improvement in the culture across the Trust, with increased openness and transparency and a clear desire in staff at all levels to learn and improve;
- Staff within the services inspected were generally providing safe, effective, compassionate and kind care to patients.

However, the CQC also commented that 'We rated safe as requires improvement. We identified a number of issues, some new and others on-going, primarily in relation to the safety of patients and staff at a smaller number of services. We require the Trust to take action to address those issues and will request an action plan from them to identify clearly how they will do so.

### Data Security Risk Process

Staff are encouraged to report all information security incidents, whether suspected or actual so that they can be investigated, appropriate actions taken to address the incident and lessons learnt to prevent reoccurrence. They are reported using Ulysses, with the risks being graded in accordance with the risk matrix in the usual way.

The Information Governance Manager, Senior Information Risk Owner and Caldicott Guardian and deputies are alerted of all data security incidents. All level two incidents will be reported via the IG Toolkit Incident Reporting Tool which informs the Department of Health, HSCIC and the Information Commissioner's Office of data breaches. This is done within 24 hours of the incident and investigated, with the aim of closing the incident within five days.

The Trust Information Governance Steering Group (IGSG) promotes a consistent approach to information governance. It is responsible for developing and sharing good practice across the Trust and ensuring that information governance standards are included in other work programmes and projects. It co-ordinates the review of the Trust's information governance

management and accountability arrangements and produces and monitors the annual information governance work programme. Any matters of concern are escalated to the Executive Performance & Corporate Risk Group.

The Trust will, under its duty of candour, inform service users if there has been a breach in respect of their personal information.

### Incident Reporting

The Trust uses an online reporting system, Ulysses, for all types of incidents (clinical and non-clinical). The system enables real time notifications to be sent to identified people. These are centrally set up and relate to the type or severity of the incident ensuring that the correct people are aware when an incident has occurred.

The Trust encourages staff to report incidents and near misses and sees reporting as a sign of a healthy safety culture. The Trust remains in the top third of the highest reporters to the National Reporting and Learning System for patient safety incidents in the reporting cluster. Training in incident reporting is embedded in various training programmes such as the prevention and management of violence and aggression, induction, health and safety and clinical risk training. Samples of clinical records are reviewed to see whether incidents recorded in the clinical record are reported via the incident reporting system.

In 2017/18 there were 10655 incidents reported, broken down by the following levels of harm: 5982 No harm, 3347 Minor (non-permanent harm), 729 Moderate (Semi-permanent harm), 16 Major (major permanent harm), 403 Catastrophic (death) and 178 Preventable harms.

The top five reported types of incident for 2017/18 were:

Type of Incident	Total
Violence/Assault	1732
Pressure Ulcers	1539
Slips, Trips And Falls	1293
Self Harm	1173
Medication	600

The lessons learnt from serious incidents are captured in real time on the intranet via the lessons learnt booklet and details are included monthly in the Quality Matters newsletter and within the locality quality reports. Learning is also incorporated into clinical training.

### Employment Practice

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

Under the pension auto enrolment legislation, we also use NEST as our alternative scheme for those not eligible to access the NHS Pension scheme.

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



Human Rights implementation Scheme which details the Trust's commitment to Equality and Diversity in the provision of services and the support for all staff. Training, communication and equality impact assessment, consultation and involvement strategies to address health inequalities and improve equality outcomes are all outlined within the scheme.

Equality and Diversity training is carried out by all staff that join the Trust as part of the Trust's mandatory induction process. In addition there is a Level 2 Face to Face Equality and Diversity Course for Front Line Clinical Staff, an online Level 2 course and a Level 3 Course for managers and leaders which sets out how to carry out Equality Impact Analysis.

Whilst the Trust has undertaken risk assessments currently Carbon Reduction Delivery Plans are not in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

### **Review of economy, efficiency and effectiveness and the use of resources**

The Trust has an established system of financial control which is led by the Director of Finance & Strategic Development. The annual budget setting process for 2017/18 was approved by the Trust Board before the start of the financial year and was communicated to all managers in the organisation.

The Director of Finance & Strategic Development and his team have worked closely with managers throughout the year to ensure robust financial management across the Trust.

All budget managers have a responsibility to manage their budgets and systems of internal control effectively and efficiently. The processes to achieve this are reviewed on an ongoing basis by managers themselves and are also examined by internal audit as part of their annual activities.

The Integrated Corporate Dashboard covers quality, operational, workforce and financial performance and is reported to the Trust Board on a monthly basis. It is set against updated quality metrics as well as overall Trust performance which is tracked with trend analysis over a 13 month period.

All staff have a responsibility to identify and assess risk and to take action to ensure controls are in place to reduce and/or mitigate risks, whilst acknowledging the need for economy, efficiency, and effectiveness of the resources.

The Audit Committee receives reports from Directors of the Trust as well as internal and external audit and Counter Fraud and Security Management, on the work undertaken to review the Trust's systems of control including economy, efficiency and effectiveness of the use of resources. Action plans are agreed from these reports to improve controls where necessary.

The Trust external auditors give an opinion on the economy, efficiency and effectiveness and the use of resources. For 2017/18, the external auditors have commented that:-

Under the Code of Audit Practice, we must satisfy ourselves, by examination of the financial statements and otherwise, that you have made proper arrangements for securing economy, efficiency and effectiveness in your use of the Trust's resources. We are able to conclude that nothing has come to our attention that indicates that the Trust may not have had proper arrangements in place throughout the year to ensure effective use of resources.

## **Information governance**

In 2017/18 the Trust classified two information governance incidents at Level 2, and reported both to the Information Commissioners Office via the NHS Digital Information Governance Toolkit.

The first incident involved the loss of a laptop bag containing laptop and paper notes relating to 42 individual patients. The laptop bag was left in a car park by a member of staff on the way home from work. It was subsequently found by a Trust contractor and returned intact. This incident attracted media attention and the Trust issued a reactive media statement. The ICO have requested further information but at the time of writing no further action by the ICO has been taken.

The second incident again involved the loss of a laptop, this time a laptop bag and notebook containing patient information were left in a car and subsequently stolen. The bag has not been recovered.

Following these two incidents the Trust issued a reminder to all staff regarding the need to securely transport bags and to avoid transporting paper documents containing patient identifiable information wherever possible.

## **Annual Quality Report**

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. NHS Improvement (in the exercise of 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 Board is able to assure itself that the Quality Report represents a balanced view and that there are appropriate controls in place to ensure the accuracy, completeness and timeliness of the data by the process detailed below.

Progress against the agreed priorities and indicators in the 2017/18 Quality Report have been reported to the Executive Quality and Clinical Risk Group, the Quality Governance Committee and the Trust Board, quarterly throughout the year.

As part of the consultation for the priorities and indicators for the 2018/19 Quality Report the Trust consulted with staff and stakeholders including through the Quality Matters Conference in January 2018 and at the Council of Governors.

Feedback from staff has informed the proposed quality priorities and indicators, which have been provided to external stakeholders including the Trust's Commissioners and Healthwatch for consultation.

In line with guidance, the Trust commissions external auditors to carry out an assurance review of the Quality Report. This review includes reviewing the content of the Quality Report for consistency with what has been reported internally to the Trust Board throughout the year, feedback from Commissioners, Governors and other external stakeholders. The Trust's External Auditors have issued an unqualified limited assurance

All policies and procedures are produced in line with the NHS Litigation Authority requirements, which are still deemed to be best practice, although the formal risk

management assessments do not now take place. The effectiveness of policies in ensuring quality of care provided is monitored through a variety of mechanisms including:

- as part of root cause analysis,
- by undertaking audit,
- by monitoring incident and complaint data.

Should the Trust wish to explore a particular aspect in the quality of care in more detail a focussed 'deep dive' review will be undertaken.

The Trust wide Clinical Audit programme includes topics from priority areas such as CQC inspection reports, NICE guidance, and contractual requirements. The Trust audit database is a key tool in ensuring monitoring of action plans and that audit activity is effective.

During 2017/18 the Board has continued to refine reporting through the integrated corporate dashboard. The metrics are used to populate team level dashboards. All staff have access to the same information and insights as the Board. These metrics will be monitored by the Executive Quality and Clinical Risk Group.

The data used to support the integrated corporate dashboard comes from various sources including clinical audits, surveys, information management systems, incident reports and internal and external audits. All of these are used to produce the monthly Integrated Dashboard. Data in relation to performance and quality is collated and reviewed by the Directors of Finance, Human Resources and Nursing and Quality. These Directors are responsible for ensuring reliable information is produced on a timely basis.

### **Review of effectiveness**

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS foundation trust who 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 management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

### **System of Internal Control**

There are a number of components which form our system for maintaining and reviewing the system of internal control

### **The Trust Board**

The Board has overall responsibility for the activity, integrity and strategy of the Trust. Its role is largely supervisory and strategic and has six key functions:

- to set strategic direction, define objectives and agree plans for the Trust
- to monitor performance and ensure corrective action
- to ensure financial stewardship
- to ensure high standards of corporate and clinical governance
- to appoint, appraise and remunerate executives
- to ensure dialogue with external bodies and the local community.

## Audit Committee

The role of the Audit Committee is to provide the Trust Board with the assurance that adequate processes of corporate governance, risk management, audit and internal control are in place and working effectively. It oversees the establishment and maintenance of an effective system of internal control throughout the organisation.

It ensures that there are effective internal audit arrangements in place that meet mandatory NHS Internal Audit Standards and provides independent assurance to the Trust Board. The Committee reviews the work and findings of External Audit and provides a conduit through which their findings can be considered by the Trust Board.

It reviews the Trust's annual statutory accounts before they are presented to the Trust Board, ensuring that the significance of figures, notes and important changes are fully understood.

The Committee maintains oversight of the trust's Counter Fraud arrangements. It also provides assurance over the Trust's risk process ensuring that risk is dealt with consistently throughout the organisation.

## Internal Audit

Internal Audit during 2017/18 was undertaken by TIAA who produce an annual internal audit plan, produced in discussion with the Trust to enable high level scrutiny of the effectiveness of the processes and procedures that the Trust has in place.

TIAA carried out 24 reviews in 2017/18 designed to ascertain the extent to which the internal controls in the system are adequate to ensure that activities and procedures are operating to achieve the Trust's objectives 2017/18. Of these 6.5 returned a finding of substantial assurance, 13 of reasonable assurance and 4.5 of limited assurance. The reviews resulting in a finding of limited assurance were in respect of:

- patient monies and property;
- NHS Data Security Standards;
- medical device management;
- CQC fundamental standard in respect of being smoke free;
- End of life care plan recording; and

The Trust Internal Auditors have concluded that reasonable assurance can be given that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. However, some weakness in the design and/or inconsistent application of controls, put the achievement of particular objectives at risk.

## **Conclusion**

This Annual Governance Statement highlights the continuing improvements made within the Trust. No significant internal control issues have been identified during the course of the year.

The Board has absolute clarity of purpose on the priority of moving the Trust's governance structures to an 'exemplary' standard and will continue to make improvements over the course of 2018/19.

Annual Governance Statement

Signed

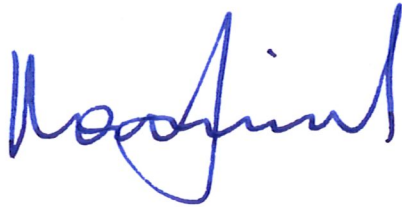
A handwritten signature in blue ink, appearing to read 'Ron Shields', written in a cursive style.

Ron Shields  
Chief Executive

23 May 2018

Accountability Report

Signed

A handwritten signature in blue ink, appearing to read 'Ron Shields', written in a cursive style.

Ron Shields  
Chief Executive

23 May 2018

# QUALITY ACCOUNT and REPORT 2017/2018



<b>PART ONE</b>	
<b>Statement on quality of the healthcare services provided from the Chief Executive</b>	<b>5</b>
<b>Declaration of Accuracy</b>	<b>6</b>
<b>PART TWO</b>	
<b>Priorities for Improvement and Statements of Assurance from the Board</b>	<b>8</b>
Patient Experience	9
Patient Safety	10
Clinical Effectiveness	11
<b>Quality Improvement Priorities 2018/19</b>	<b>12</b>
Patient Experience	12
Patient Safety	13
Clinical Effectiveness	13
<b>Quality Improvement – Sign up to Safety Campaign</b>	<b>14</b>
<b>Mortality</b>	<b>21</b>
<b>Celebrating Achievement</b>	<b>22</b>
Leg Ulcer Service	22
Patient experience in mental health	22
Carers Passport	23
First Admiral Nurse	23
Improving end of life care	24
Dragons' Den	24
'NHS Club 7'	25
Staff Heroes	26
<b>Duty of Candour</b>	<b>27</b>
<b>Statement of Assurance from the Board 2017/18</b>	<b>28</b>
Review of Services	28
Participation in Clinical Audits and National Confidential Enquiries	31
Participation in Clinical Research	35
Commissioning for Quality and Innovation (CQUIN) Framework	38
<b>Registration with the Care Quality Commission (CQC)</b>	<b>40</b>
<b>Meeting Care Quality Commission Fundamental Standards</b>	<b>40</b>
Staff Survey	44
Quality of Data	47
Information Governance	47
Information on Payments by Results	48
<b>Performance against the key national priorities – quality indicators 2017/18</b>	<b>50</b>
<b>PART THREE</b>	

<b>Quality Indicators 2017/18</b>	<b>63</b>
Patient Experience	64
Patient Safety	65
Clinical Effectiveness	66
<b>Performance against key national quality indicators</b>	<b>67</b>
<b>How to contact us</b>	<b>70</b>
<b>Join us a member and have your say in our future plans</b>	<b>70</b>
<b>Check out our website</b>	<b>70</b>
<b>ANNEX 1</b>	
<b>Feedback from our stakeholders</b>	<b>71</b>
Comments by the Council of Governors	71
Comments from Dorset Clinical Commissioning Group	72
Comments from Dorset Health Scrutiny Committee	72
Comments from Borough of Poole's Health & Social Care Overview and Scrutiny Committee:	73
Comments from Bournemouth Borough Council Overview and Scrutiny Committee	74
<b>ANNEX 2</b>	
Statement of Directors' Responsibilities	75
<b>ANNEX 3</b>	
Definition of Indicators	77
<b>Quality Report - Limited Assurance Report</b>	<b>79</b>
<b>GLOSSARY OF TERMS</b>	<b>83</b>



THIS PAGE IS INTENTIONALLY BLANK

## PART ONE

### STATEMENT ON QUALITY OF THE HEALTHCARE SERVICES PROVIDED FROM THE CHIEF EXECUTIVE OF THE TRUST



In the last year we have continued our journey to be Better Every Day and deliver our number one strategic goal: to deliver high quality care, first time, every time.

We have made good progress on quality improvement in many services and this is down to the hard work and commitment of our staff. Whilst we have worked through major initiatives such as Dorset's Clinical Services Review and the Mental Health Acute Care Pathway Review, to improve and protect services for the future, staff have maintained their focus on ensuring the best possible care for our patients and service users.

Underpinning our approach to quality improvement is a commitment to nurturing an environment and culture that is supportive and empowering, and giving people the tools and knowledge they need so that everyone feels able to work to the very best of their ability, to innovate and improve our services.

We have made a further significant commitment to maintaining the pace of improvement through development of our Quality Improvement programme in 2017/18. The creation of a small, dedicated team this year has been accompanied by conversations with staff about what quality means to them and the tools they need. In 2018/19 we will formally launch our programme, which will bring a systematic approach and methodology to how we drive quality improvement at Dorset HealthCare.

This report sets out an evaluation of our progress to improve quality during 2017/18 whilst on our journey to 'outstanding'. It provides an assessment of progress against our quality priorities, an overview of our quality performance, the detail of the progress we made to close the majority of our CQC action plans, and includes just a few of our other achievements. It goes on to set out our quality priorities for the year ahead and our ongoing commitment to quality improvement.

The CQC inspection of our services is of course an important indicator of progress being made. Between 13 and 17 November 2017, the CQC inspected a number of our core service areas and inspected the well-led key domain at Trust level in December 2017. The final report was published on 13 April 2018.

There is much in this report to demonstrate the progress we have made to improve quality and I am proud of the hard work of staff. We remain committed to improving the quality of services at Dorset HealthCare so they are the very best they can be for the people we serve.

Ron Shields, Chief Executive

28 April 2018

A handwritten signature in blue ink, which appears to read 'Ron Shields'. The signature is fluid and cursive.

## DECLARATION OF ACCURACY

Dorset HealthCare University NHS Foundation Trust (DHC) remains committed to continuous quality improvement in all the services we provide. The Board has strengthened over the past year and continues to improve the way it obtains assurance.

This report is an open and honest assessment of what we have achieved and how we have improved the quality of our services through our quality priorities and other quality indicators. It details the progress made against our quality targets and the priorities we have set for ourselves over the past year. The report is consistent with internal and external information presented to and agreed by our Quality Governance Committee (QGC) and the Trust Board. Each meeting receives monthly updates or quarterly quality reports against our agreed targets.

The Board receives an integrated performance report including a quality dashboard covering all three domains of quality:

- patient experience
- patient safety
- clinical effectiveness.

The Quality Governance Committee provides further scrutiny of the quality of services. This committee is supported by the Executive Quality and Clinical Risk Group which meets monthly to examine the internal quality and clinical processes. It provides an in-depth review of the data to assure the QGC that adequate systems are operated by the organisation.

Non-Executive and Executive Directors have visited wards and teams to hear and observe first-hand the quality of care being delivered, enhancing the line of sight from 'Board to Ward'. The Board is committed to being visible and accessible to front-line staff and patients.

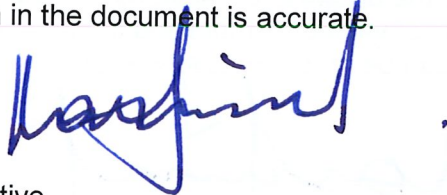
The Trust is committed to raising standards of care and will respond promptly and positively to criticism and suggestions for improving care. We value the feedback of patients, carers, family and friends alongside all our staff to guide how we improve the quality of services.

The Council of Governors, Board of Directors and clinical leaders are committed to delivering a programme of continuous quality improvement during 2018/19.

In preparing our Quality Account and Report, we have worked hard to ensure that the information presented is accurate and provides a fair reflection of our performance during the year. I hope you find this report an interesting and informative document. I think it presents a fair and balanced view of what we have achieved and what we hope to achieve this coming year. To the best of my knowledge the information in the document is accurate.

Date: 28 April 2018

Ron Shields - Chief Executive



THIS PAGE IS INTENTIONALLY BLANK

## PART TWO

### PRIORITIES FOR IMPROVEMENT AND STATEMENTS OF ASSURANCE FROM THE BOARD

#### PRIORITIES FOR IMPROVEMENT 2017/18

We are committed to providing the highest standard of care. To determine our quality priorities for 2017/18 we listened to the views of our patients, our staff, our commissioners and other stakeholders to ensure we continue to deliver improvements. Internally we triangulated information from many sources including patient and service users, staff feedback, incidents, compliments, complaints, and performance against our key quality indicators. We also look at recommendations from external inspections including the Care Quality Commission, NHS England, NHS Improvement and national reports and recommendations.

Progress against our priorities is reported quarterly to the Executive Quality and Clinical Risk Group. This group reports into the Quality Governance Committee, a sub-committee of the Trust Board.

Using this information we drafted our proposed quality priorities and carried out a wide consultation with our staff, public, stakeholders and Governors.

As a new initiative we conducted our consultation using Survey Monkey™. We launched the consultation with our staff at our Quality Matters Conference on 27 January 2017. We wrote to 21 of our stakeholders who had been engaged with the Trust over the previous year, signposting them to the survey on our website and included a link for ease of access.

Respondents were asked to select their preferred option from a choice of three, for each domain, and provide some dialogue as to their reason for choosing it. We also asked people to include any other areas they felt we should consider for a quality priority.



## QUALITY PRIORITIES 2017/18

We start this section by reporting on our achievements against the Trust's quality priorities we set ourselves for 2017/18. The following tables outline the priorities and progress over the past year.

<b>Priority 1 Patient Experience:</b>			<b>Outcome:</b>
<b>We will introduce the Triangle of Care across our mental health inpatient areas</b>			<b>Achieved</b>
<b>Rationale:</b>			
<p>The Triangle of Care Membership Scheme is for mental health providers to evidence their commitment to changing the culture of their organisation to one that is carer inclusive. The Triangle of Care seeks to challenge the traditional treatment approach of a primary focus on the individual accessing the service to that of a partnership between the person, their supporters and professionals.</p> <p>Dorset HealthCare (DHC) has had previous involvement with the Triangle of Care but re-registered as a member in March 2016. This project is being jointly led by the Participation Team and Mental Health Services Carers Participation Lead and Lead for Recovery and Social Inclusion supported by Rethink Mental Illness, Dorset Mental Health Forum and Dorset Mental Health Carers Project.</p> <p>The reason for signing up to the Triangle of Care is to shift the culture of DHC to continue our focus on carers and supporters to improve not just the experience of carers and supporters but also people who access services and staff.</p> <p>The Carers Trust is a charity for, with and about carers. It works to improve, support services for anyone living with the challenges of caring, unpaid for a family member. In a statement they said "A number of organisations have acknowledged that one of the key improvements they are seeing is in staff attitude to carers, and carer and staff engagement. This shift in cultural practice and attitudes is proving to be a slow process but feedback is positive."</p> <p>Whilst there are positive steps being taken in working with carers and supporters in DHC; such as the development of peer carer roles, carers' officers, Recovery Education Centre courses for carers and family work, the Triangle of Care provides the opportunity to make this much more consistent and robust and enable DHC to evidence systematic, sustainable progress.</p> <p>Trusts who join the membership scheme and complete the appropriate stages for their organisation receive an award to recognise their commitment. For Mental Health Trusts this is up to two stars and for Trusts that are integrated such as DHC there is a third star. The first star is achieved for completing stage one (self-assessing all inpatient and crisis teams) and then committing to improve. The second star is for completing self-assessments for all of their community services. This is all mental health, learning disability, older people and dementia and substance misuse services. Trusts who are integrated (provide community physical health services), receive a third star if they complete self-assessment in all of their physical health services.</p>			
<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>
We completed an audit of progress against completion of self-assessment for the six standards developed by the Carers Trust for all mental health inpatients and Crisis Teams	We submitted self-assessments, including team action plans to the Carers Trust from inpatient and Crisis Teams	We reviewed and updated the submitted Team action plans from quarter 2	We completed an audit of Community Mental Health Teams progress  We were awarded the first of three stars from the Carer Trust
<b>Going forward:</b>			
<ul style="list-style-type: none"> <li>Having been awarded the first of three stars from the Carer Trust we now want to build on that success and enhance the experience of people who use our services and their carers</li> </ul>			

<b>Priority 2 Patient Safety:</b> <b>We will identify areas where we can upskill our workforce to bring care to the patient rather than transferring the patient to another care provider in order to receive care</b>	<b>Outcome:</b> <b>Achieved</b>
---	------------------------------------

**Rationale:**

In 2017/18 we aimed to build on the work completed in the previous year in reducing the number of patients using our services who experience an unexpected deterioration in their physical condition resulting in an admission to an acute general hospital.

We aimed to identify where we could upskill our workforce to bring care to the patient rather than transferring the patient to another provider in order to receive the appropriate care. Given the increasing integration of health and social care services, it is essential that the patient's journey along the care pathway is as smooth as possible, particularly when moving from a hospital ward back into the community.

Patients report frustration and reduced satisfaction when they are referred to a variety of services in order to meet their needs. Points of transfer between people or services can increase risk if communication is not robust and can lead to the patient having to re-tell their story, especially when information recording systems differ between services. This priority provides a way of creating a multi-skilled workforce that is able to adapt faster to the needs of the local community and alleviate the pressure on Emergency Departments and GPs.

Quarter 1	Quarter 2	Quarter 3	Quarter 4
<p>We developed and agreed a competency framework of treatments/interventions that could be provided by our hospital staff</p> <p>We established baseline data and identified reasons for emergency department attendance</p>	<p>We developed a plan to build cross boundary relationships and establish networks and pathways</p> <p>We identified training needs and planned changes to practice</p>	<p>The Willows Unit, Yeatman Hospital, a 30 bed physical health ward with 40 WTE staff piloted the competency framework linked to appraisal.</p> <p>As appraisals are completed the competency framework will be reviewed as part of the appraisal process.</p> <p>A Registered General Nurse (RGN) has been recruited for Haven Ward at St Ann's Hospital</p>	<p>Competency framework incorporated within management supervision and appraisals across physical and mental health inpatient wards</p> <p>Using learning from the pilot we started to roll out across inpatient services</p> <p>Three Registered General Nurses have been recruited to mental health acute ward broadening the knowledge and skills to support patients with physical health needs.</p>

**Going forward:**

- We will continue to develop cross boundary working with our acute trust colleagues
- We will continue to develop bespoke training. Next session is dysphagia training for mental health staff in June 2018.

<b>Priority 3 Clinical Effectiveness:</b> <b>Support our staff to be more effective in the assessment, treatment and management of patients with dementia</b>	<b>Outcome:</b> <b>Achieved</b>
--	------------------------------------

**Rationale:**

As reported by the NHS Confederation dementia affects about 3% of people aged 65 and over in the UK, and over 20% of those aged over 80. As the population ages these numbers will rise, while national strategies aimed at improving diagnosis of dementia means a greater proportion will be identified. As these people will have healthcare needs unrelated to their dementia they will come into contact with healthcare professionals in all clinical settings.

Inspired by the national John’s Campaign, we launched the carer’s passport in our community hospitals as part of our patient experience quality priority last year, and will continue rolling out this initiative in our inpatient units.

We are committed to ensuring that all staff have access to relevant knowledge training and support from other Trust services so that patients’ mental health needs can be met whilst they are being treated for a physical condition, and vice versa.

Finally our commitment to continuing our work started in 2016/17 supporting wards to focus on delivery of high quality care for older people. We worked with the Royal College of Psychiatrists and the six physical health wards who achieved stage 1 to achieve full accreditation of The Quality Mark for Elder-Friendly Hospital Wards Programme during 2017/18. We also recruited and supported a second cohort of wards from our community hospital through the first stage.

Quarter 1	Quarter 2	Quarter 3	Quarter 4
<p>We established a cohort of dementia champions to receive training and carried out a training needs analysis</p> <p>We used the learning identified from the John’s Campaign pilot in 2016/17 to adapt the implementation plan</p> <p>The six wards who achieved Royal College of Psychiatrists Stage 1 Quality Mark during 2016/17 continued to work on their action plans</p>	<p>We developed a communication plan and provided training to our dementia champions</p> <p>We rolled out the implementation plan for John’s Campaign</p> <p>The six wards who achieved Royal College of Psychiatrists Stage 1 Quality Mark during 2016/17 completed their action plans</p>	<p>We continued to provide training for our dementia champions</p> <p>We rolled out the implementation plan for John’s Campaign and undertook data collection on the number of carers passports</p> <p>The six wards who achieved Royal College of Psychiatrists Stage 1 Quality Mark progressed to Stage 2 data collection</p> <p>A further five wards commenced data collection for Stage 1</p>	<p>We evaluated the training provided to dementia champions and the effect it has had when delivering care</p> <p>Carers Passport are being embedded with the support of the Trust’s electronic health record system</p> <p>Six wards were awarded the Quality Mark</p> <p>Three wards having successfully completed stage 1 are able to progress to stage 2</p>

**Going forward:**

- We will support the wards progressing from Quality Mark Stage 1 to Stage 2
- We will continue to support the second cohort of wards to achieve stage 2



## QUALITY IMPROVEMENT PRIORITIES 2018/19

This year to identify the quality priorities we held a workshop to review all the improvement programmes underway in the Trust. We have a wealth of improvement plans to address various work streams, including:

- National Institute for Health and Care Excellence quality standards and guidance
- Commissioning for Quality and Innovation
- Various national accreditation awards
- Sign up to Safety Campaign
- Better EveryDay Programme

There are also local improvement plans specific to particular wards or teams, to address areas the staff want to improve.

We also considered themes from complaints, incident feedback from patients and staff and performance against key quality indicators. We reviewed recommendations from external reviews such as those published by the Care Quality Commission, NHS Improvement and other national bodies.

From all the information we held we identified those areas which would have the most impact for people who use our services to develop our quality priorities and supporting indicators.

These were then launched at the Quality Matters Conference on 26 January 2018 and the feedback used to refine our selection. Respondents wanted a focus on children's services and inclusion of our new patient experience feedback system called Gather™. Using this feedback we refined our priorities and went to wider consultation with our stakeholders who have been engaged with the Trust during the year. We also made the consultation available on our website to enable members of the public and other stakeholder express their views.

The quality priorities support the Trusts' vision to be better every day through excellence, compassion and expertise in all we do, as well as the strategic goal to provide high quality care; first time, every time.

### **PATIENT EXPERIENCE**

#### **To be an organisation that involves the patient, their families and carers**

The Triangle of Care guide was launched in July 2010 as a joint piece of work between Carers Trust and the National Mental Health Development Unit, emphasising the need for better local strategic involvement of carers and families in the care planning and treatment of people with mental ill-health. The Triangle of Care Membership Scheme is designed for mental health providers to evidence their commitment to changing the culture of their organisation to one that is carer inclusive.

In 2017/18 we focussed on introducing the Triangle of Care in our mental health inpatient and crisis services. Our aim was to improve not just the experience of carers and supporters but also people who access services and staff. This proved very successful and the Trust has been awarded its' first of three stars from the Carers Trust which confirms our commitment to being carer inclusive.

We now want to build on that success and further enhance the experience of people who use our services and their carers. We will continue to embed the Triangle of Care in our mental health inpatient and crisis teams whilst rolling out to our community mental health teams.

Alongside this work in mental health services, we will commit to sign up to the Dementia Friendly Hospital Charter. The Charter sets the standards anyone with dementia or their carer can expect from any hospital and builds on the work we have undertaken with John's Campaign and the carer's passport in our community hospitals.

The last element for this priority will be to develop patient experience feedback mechanisms in Child and Adolescent Mental Health Services to understand and improve their experiences of our services.

By taking forward these three work streams we will be improving the experience of people using our mental health, physical health and children's services.

## **PATIENT SAFETY**

### **To be an organisation that creates a positive and strong safety culture**

Our patient safety priority in 2017/18 was to upskill our workforce to bring care to the patient rather than transferring them to another care provider to receive treatment. We developed competency frameworks and improved working across inpatient and community teams. This year we want to focus on specific aspects to ensure we are keeping patient safety at the heart of all we do.

We want to support our staff in the early detection and management of deterioration in adult inpatients. A key element in the detection is the National Early Warning Score which is a tool whereby scores are allocated to six physiological measurements;

1. respiration rate
2. oxygen saturation
3. systolic blood pressure
4. pulse rate
5. level of consciousness or new confusion
6. temperature

Changes in these measurements can indicate deterioration in the patients physical health and act as a trigger for early clinical intervention.

Leading on from this indicator we want to support our staff in the early detection and management of emergency situations affecting adult patients. These emergency situations include choking as well as sudden cardiac arrest. We are going to review our levels of life support training to make sure use of oxygen and suction are included to promote airway management in these situations. We are going to enhance our classroom-based learning with onsite scenarios so that teams can gain real time experience in a controlled environment.

## **CLINICAL EFFECTIVENESS**

### **To be an organisation that supports health promotion, effective preventative interventions and delivers quality standards for our patients**

In 2017/18 we supported our staff to be more effective in the assessment, treatment and management of patients with dementia. This year we want to focus on the prevention of ill health and support people who use our services to adopt healthier lifestyles. We want to continue supporting staff who work in the mental health setting to prevent and manage potential blood clots, known as venous thromboembolisms. Whilst the condition is not common in our older people with mental health needs, the effects can be serious so prevention and early detection are essential.

We will support staff on the older peoples' mental health wards to be effective in the prevention and management of Venous Thromboembolism (VTE). We know that our policy and assessment tools are designed for use in the physical health setting, so we will develop an extended screening tool that is fit for purpose and supports staff in mental health inpatient teams. The screening is designed to be undertaken for patients who are over 65 years of age so we will work with our older peoples mental health wards to develop this work.

We will support the work to screen our adult inpatients for smoking status and offer stop smoking medication supported by referral to smoke stop services for those who wish to quit. Those who are not so sure about quitting will be offered advice on ways to stop if it is appropriate for them. Research has shown that smoking cessation interventions are effective for hospitalised patients regardless of admitting diagnosis and we want to offer this opportunity to our inpatients. *(Rigotti N, Munafo MR, Stead LF. Interventions for smoking cessation in hospitalised patients. Cochrane Database of Systematic Reviews 2007; Issue3.Art.No.:CD001837.DOI:10.1002/14651858.CD001837.pub2).*

We will screen our adult patients for alcohol consumption and offer advice or referral to specialist services if that is appropriate. There are around 22,500 deaths per year which can be attributed to alcohol consumption; although people may not be dependent on alcohol, their consumption puts them at risk of heart disease, liver disease, cancer, depression or indeed accidental injury. It is proven that identification and brief advice helps these people to reduce their weekly alcohol consumption by around 12%. Reducing regular consumption by any amount reduces the risk of ill health. We want to help any of our adult inpatients reduce their risk of alcohol related illness.

<http://www.hscic.gov.uk/catalogue/PUB13218/HSE2012-Ch6-Alc-cons.pdf>

## QUALITY IMPROVEMENT – SIGN UP TO SAFETY CAMPAIGN

Dorset HealthCare University NHS Foundation Trust pledged a commitment to the three year NHS England 'Sign Up to Safety' campaign in November 2014 and has made the following five pledges.

<b>Put safety first</b>	A commitment to reduce avoidable harm.
<b>Continually learn</b>	Acting on the feedback from patients and constantly measuring and monitoring how safe services are.
<b>Honest</b>	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.
<b>Collaborative</b>	Take a leading role in supporting local collaborative learning, so that improvements are made across all of the local services that patients use.
<b>Supportive</b>	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.

The 'Sign Up to Safety' campaign vision brings all of the national safety work streams together under one campaign. Dorset HealthCare developed a plan which incorporates nine 'Sign up to Safety' work streams to reduce avoidable harm and save lives. Each work stream has a nominated lead, supported by staff from a wide variety of services throughout the organisation. The Director of Nursing, Therapies and Quality chairs the Safe Care steering group which meets quarterly to monitor progress against the campaign action plan and a quarterly report is sent to the Executive Quality and Clinical Risk Group.

The tables below summaries progress against the nine work streams of national aims:

<b>PRESSURE ULCERS</b>
<p><b>Aim:</b> In 2017/18 reduce the number of hospital-acquired avoidable pressure ulcers reported in 2016/17 by 50%. In 2017/18 reduce the number of community-acquired avoidable pressure ulcers reported in 2016/17 by 20%.</p>
<p>There were eight inpatient avoidable pressure ulcers reported in 2017/18 against a threshold of seven. Six of these relate to pressure ulcers on heels, one on a sacrum and one on an elbow. A Community Hospital Support Programme has been put in place where there has been identification of avoidable pressure ulcers.</p> <p>To date there have been 30 community avoidable pressure ulcers reported, a 7.2% reduction. These have occurred in 18 community nursing teams.</p>
<p><b>Key successes:</b></p> <ul style="list-style-type: none"> <li>• Positive evaluations of the training provision for clinical teams, one day and half-day training in addition to 'Deal with Heels' workshops and Tissue Viability Nurse link advisors training</li> <li>• Introduction and implementation of a single Trust-wide pressure ulcer risk assessment tool, Purpose T</li> <li>• Engagement from teams at all levels with the Root Cause Analysis Pressure Ulcer panels</li> <li>• Implementation of Community Hospital Support Programme to areas where an avoidable pressure ulcers is identified</li> <li>• Trust engagement with the international STOP Pressure Ulcer Day</li> </ul>
<p><b>Going forward:</b></p> <ol style="list-style-type: none"> <li>1. Update the Wound Management Educational Resource Folder and launch in conjunction with the Pan Dorset Formulary; launch is due 01/04/2018, and launch events booked for April, May, June and July 2018.</li> <li>2. Pressure Ulcer Competencies and Workbook for all relevant clinical staff – delayed due to team vacancy due for completion before end of Q1.</li> <li>3. Review of referral form and referral process to Tissue Viability Service before end of Q1.</li> <li>4. Wound Management Policy to support CQUIN to be completed Q1 2018/19.</li> <li>5. Patient information leaflet about wounds to be completed Q1 2018/19.</li> <li>6. Continued focus on prevention of heel related pressure ulcers during 2018/19</li> </ol>



**PROMOTING POSITIVE AND PROACTIVE PRACTICE TO REDUCE RESTRICTIVE INTERVENTION**

**Aim:** To create a culture where the need for restrictive practices are reduced and, when required, are carried out in a safe, proactive and positive manner with 95% of patients experiencing seclusion/ rapid/ prone restraint to have evidence of de-escalation and full completion of physical observations by December 2019.

Table below shows progress to date:

<b>Total seclusions by quarter</b>					
Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
2016/17	23	16	9	3	51
2017/18	21	31	29	27	108
<b>Total rapid tranquilisation by quarter</b>					
Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
2016/17	58	58	39	54	209
2017/18	36	40	57	61	194
<b>Total prone restraint by quarter</b>					
Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
2016/17	56	54	31	46	187
2017/18	36	50	67	66	219

There has been an increasing trend in all three areas of prone restraint, rapid tranquillisation and seclusion. The majority of incidents reported occurred on the psychiatric intensive care unit where people are acutely unwell.

A quality improvement plan focussing on promoting positive and proactive practice was commenced in quarter 3 which is ongoing.

**Key successes:**

- Quarterly ‘Complex Case Reviews’, including recurrent and multiple incidents reviewed by an independent team
- Engagement with ‘Safewards’, promoting positive and proactive care
- Participation in the NHSI Engagement and Observation project saw improvements with observation recording and with obtaining feedback from patient and staff of their experience whilst on or undertaking increased observations
- ‘Joy in Work’ project based on the framework developed by Institute for Health Care Improvement

**Going forward:**

1. Further work is required to involve peer support workers with the reducing of restrictive interventions on Haven Ward, St Ann’s.
2. Seek learning from Exploring current publications on how other organisations have succeeded in reducing restrictive practice (CQC Publication on Restrictive Intervention in Dec 2017 and other relevant publications).
3. Training for staff to improve confidence in de-escalation and conflict resolution and the use of other psychological interventions.
4. Recruitment of Occupational Therapists and Psychologist for Haven Ward.
5. Work with ward teams to engage in Quality Improvement projects based on the reviewed Driver Diagram.

## CARE PLANS

**AIM:** To improve quality of patient care plans by increasing collaboration and shared decision making within Care Planning, Risk Assessment and Management in Mental Health.

There has been an improvement in the completion of the care plan audits quarter on quarter by mental health inpatient wards.

The monitoring of the new wellbeing plan agreed prior to full implementation and is a mixture of quantitative and qualitative measures.

One of the group's objectives was to identify opportunities to streamline and improve recording in the electronic patient record as part of the work stream. The new plan needs to improve collaborative care planning with patients and the recording of these plans, and also reduce administration time for staff.

### Key successes:

- New wellbeing plan template is part of the main care plan, incorporating crisis and contingency plan and my crisis plan into one document
- Process for implementation of the new wellbeing care plan will be used

### Going forward:

1. Complete the ongoing pilots of the new care plan in July and review staff feedback in August 2018.
2. Amend the wellbeing plan/guidance in line with pilot feedback and outcome before mobilising change across all mental health and Learning & Development services.
3. Conclude the review of the clinical care plan library in time for full roll out of wellbeing plan.
4. Agree the process for use of the new plan for service users seen by medical staff / under standard care in time for full roll out of wellbeing plan.



<b>SUICIDE PREVENTION</b>
<b>Aim:</b> To reduce the number of suicides by 10% by the end of 2020.
<p>Of the serious incidents reviewed between quarter 1 and quarter 4 2016/17 there were 18 suicides, one narrative verdict, one accidental death and one open verdict. There are two inquests yet to take place for 2016/17 incidents.</p> <p>The time lag between a reported possible suicide and a coroner's conclusion of suicide makes it difficult to compare year on year figures in a timely manner. As at 31 March 2018 there have been 11 conclusions of suicide reported, 10 inquests are yet to take place and there are 23 still awaiting an inquest date.</p>
<p><b>Key successes:</b></p> <ul style="list-style-type: none"> <li>• Revised Trust Clinical Risk Policy which is available to staff via the intranet</li> <li>• Development of the draft suicide prevention action plan aligned to the Pan Dorset Action Plan and supports the national strategy</li> <li>• Daisy Chain Project has started to look at Section 136 process for patients who are not then detained under the Mental Health Act</li> <li>• Process in place for all families to have been offered the opportunity to participate in investigations following suicide</li> <li>• Consultant psychiatrist appointed in March 2018 as the new lead for the work stream</li> </ul>
<p><b>Going forward:</b></p> <ol style="list-style-type: none"> <li>1. To participate in the NHS Dorset Clinical Commissioning Group (CCG) Pan Dorset Suicide Prevention Strategy development and ongoing work.</li> <li>2. With the new work stream lead in place, the group will review aims and further develop carer involvement.</li> <li>3. Review impact of the Retreats model being implemented in April 2018 to see impact on 10 ways to improve safety.</li> <li>4. Encourage Dorset CCG to lead Pan Dorset Suicide Prevention group</li> <li>5. Share learning from suicides as part of the Pan Dorset Mortality Group</li> <li>6. Review support available to staff in light of increased inquest activity</li> <li>7. Consider how the Pre Inquest Review Process can assist with making contact with families</li> </ol>
<b>SAFE TRANSFER OF CARE</b>
<b>Aim:</b> This work stream has looked at improving communication at the time of admission/transfer/discharge. Focus has been on the improvement of the nursing handover process and the use of clinical systems to enhance discharge information.
<p><b>Key successes:</b></p> <ul style="list-style-type: none"> <li>• Mapping of the transfer processes for the east of Dorset as part of the Pan Dorset Transfer of Care group</li> <li>• Expanding the access to Single Point of Access referrals so that any patients waiting for a community hospital bed can be seen by matrons as well as the ward</li> <li>• Acute wards admission checklist/discharge check list/inter-ward transfer checklist has been added to the clinical record for mental health services</li> </ul>
<p><b>Going forward:</b></p> <ol style="list-style-type: none"> <li>1. Improve the timeliness of responses when a referral for admission is received</li> <li>2. Campaign to discharge community hospital patients to be "home for lunch", allowing admissions from acute partners to occur before 18.00hours</li> <li>3. Review of incidents regarding safety of transfer within secondary care services</li> <li>4. Develop more collaborative working with the acute trusts in West, North and South Dorset, reviewing transfer concerns and incidents</li> <li>5. Links with the delayed transfer of care work stream</li> </ol>

<b>FALLS</b>
<p><b>Aim:</b> To reduce the number of falls resulting in harm by 10% Annually (as agreed with Dorset CCG in 2016).</p>
<p>The falls work stream has seen an overall reduction of 18% in the number of falls sustained that resulted in injury, this includes both minor and moderate injury and is against an agreed reduction trajectory of 10%. The number of patients who sustained a fall resulting in fracture in 2017/18 has reduced by 44% compared to 2016/17.</p> <p>An audit of inpatient community hospital wards completed in 2017/18 and findings supported the learning being identified from Root Cause Analyses. These findings have led to:</p> <ol style="list-style-type: none"> <li>1. A review of the current falls assessment.</li> <li>2. Lying and standing blood pressure assessment guidance revised, posters circulated to all wards and education delivered through the Falls Champions.</li> <li>3. Q1 to Q3 lying and standing Blood Pressure had not been completed in 50% of incidents, however in Q4 100% of incidents reviewed complied.</li> <li>4. Introduction of vision assessment including guidelines and posters.</li> </ol>
<p><b>Key successes:</b></p> <ul style="list-style-type: none"> <li>• Introduction of Multifactorial Falls Assessment (MFFA) tool, shared with Bournemouth University who are using it in training with therapy and nursing students</li> <li>• Audit of inpatient services and learning from Root Cause Analysis of falls</li> <li>• Provision of 12 lifting aids which can be used by one person to lift someone up from the floor</li> <li>• Monthly falls newsletter distributed to raise awareness of learning from falls, local and national guidance</li> <li>• Working with Bournemouth University as part of a six month project looking at balance and exercise classes within the community to enable a pathway to access exercise classes from NHS to the community providers.</li> </ul>
<p><b>Going forward:</b></p> <ol style="list-style-type: none"> <li>1. Audit of falls in mental health</li> <li>2. Better Balance Guidance to be completed and available to staff</li> <li>3. Training plan for clinical staff via e-Learning to be developed</li> <li>4. MFFA incorporation into IT clinical systems including SystemOne and RIO</li> </ol>
<b>SAFE MEDICATION</b>
<p><b>Aim:</b> Reduce Medication Errors by 25% by January 2019</p>
<p>The average number of monthly medication incidents reported in 2016/17 was 85; the average number of monthly medication incidents reported in 2017/18 was 50 – a 41% decrease. This reduction is almost entirely attributable to the loss of the prison contract.</p>
<p><b>Key successes:</b></p> <ul style="list-style-type: none"> <li>• New community drug chart approved at the Medicines Management Group in December 2017</li> <li>• Development of a new Transdermal Patch administration chart, following an medication error</li> <li>• Response to Medicine and Health Care product Regulation Authority (MHRA) alert issued on the safe prescribing of valproate in women of child-bearing potential</li> <li>• Delivery of medicines management training via e-hub, face-to-face session and training scenarios for Learning Disability team</li> <li>• Involvement of Medicine Safety Office in Root Cause Analysis of incidents</li> <li>• Medication Safety Thermometer tool implemented</li> <li>• Medicines Safety Bulletins distributed to staff</li> <li>• Review of the safe prescribing and administration of emergency drugs with the Trust's Resuscitation Officer</li> <li>• Improvements to Insulin safety Trust-wide</li> </ul>
<p><b>Going forward:</b></p> <ol style="list-style-type: none"> <li>1. Drive the uptake of Self Administration of Medicines across the trust, to include self-administration of insulin</li> </ol>



## DETERIORATING PATIENT AND SEPSIS

**Aim:** By May 2020, all patients under the care of the Trust who deteriorate are identified and have a timely response.

The aim of the work stream was revised in July 2017 and the initial work has focused on the identifying and reporting of incidents where patients within our care have experienced an unexpected deterioration in their physical health.

In 2016/17 there were 159 deteriorating patient incidents reported all of which related to inpatients. The group has looked at how data collection can be improved to help measure improvements within this work stream. This includes classification and grading of incidents when patients deteriorate and a review process to consider identification and early response to signs of deterioration.

In 2017/18 there have been a total of 287 deteriorating patient incidents reported, 252 incidents relate to inpatients and 35 relate to community patients. This demonstrates an increased awareness in reporting.

### Key successes:

- The level of action taken when indicated by the National Early Warning Score (NEWS) was above 96%
- Deteriorating Patient Policy updated
- National Early Warning Score (NEWS) online training developed
- Reviews of emergency transfers into an acute hospital
- Patient Safety Manager working with the physical health team to review current working practices and plan how these can be developed and embedded into practice to meet the increasing physical needs of our mental health patients

### Going forward:

1. Roll out of the Deteriorating Patient Review Process, to include community teams
2. Sepsis protocol for Urgent Care Centre's to be agreed and launched
3. Deteriorating patient workshops to be relaunched
4. Development of an Acute Kidney Injury (AKI) pathway

Dorset HealthCare is affiliated to the Wessex Academic Health Science Network (AHSN) which works in partnership with the local Patient Safety Collaborative (PSC), NHS Improvement (NHSI) and the 'Sign Up to Safety' campaign. The Institute of Healthcare Improvement (IHI) methodology is used by each of these. Dorset HealthCare has been working towards embedding the IHI methodology by continuing to deliver Quality Improvement (QI) training to clinical teams, enabling and supporting them to deliver their own QI projects. This will be expanded and developed by the newly established dedicated Quality Improvement Team going forwards.

In 2017/18 the Sign Up To Safety campaign aimed to improve the integration between physical and mental health, striving to improve the physical health of our mental health patients. There has been a drive to engage members of staff at all levels, within both physical and mental health, to join in the work streams and work collaboratively.

<b>MORTALITY</b>			
During 2017/18 415 of Dorset HealthCare University NHS Foundation Trust's patients died. This comprised the following number of deaths which occurred in each quarter of that reporting period:			
101 in the first quarter	95 in the second quarter	119 in the third quarter	100 in the fourth quarter
By 31 March 2018, 299 case record reviews and 35 investigations have been carried out in relation to 334 of the deaths included above. In 0 cases a death was subjected to both a case record review and an investigation. The number of deaths in each quarter for which a case record review or an investigation was carried out was:			
76 in the first quarter	77 in the second quarter	105 in the third quarter	76 in the fourth quarter.
Two representing 0.5% of the patient deaths during the reporting period are judged to be more likely than not to have been due to problems in the care provided to the patient. In relation to each quarter, this consisted of:			
1 representing 0.9% for the first quarter	0 representing 0% for the second quarter	1 representing 0.9% for the third quarter	0 representing 0% fourth quarter
These numbers have been estimated using the Royal College of Physicians (RCP) structured judgement tool of avoidability.			

**A summary of learning from case record reviews and investigations conducted in relation to the three deaths judged avoidable using the Royal College of Physicians (RCP) are:**

For the two deaths where problems in the care provided was identified using the Royal College of Physicians (RCP) structured judgement tool of *avoidability* the following learning points were identified:

- The need to obtain the patient's previous clinical records and to involve the patient's family and General Practitioner in direct conversations in relation to the patient's care and changes in prescribing of medication
- Information about the patient's previous history would have had a direct influence on the prescribing of medication
- The need to obtain and review written handover information from external hospitals
- Staff to adhere to the Trust policy for the prevention of venous thromboembolism
- The need to ensure that care-coordinators are allocated when additional support and interventions for mental health patients are required

Action plans have been produced to address the care and service delivery problems identified as part of the root cause analysis investigations. This included record keeping audits with exception reporting in place for care planning and risk assessments. These action plans are reviewed by the Executive Quality and Clinical Risk Group and progress against these are reviewed by the Quality Governance Committee.

The actions identified aim to assist in the reduction of unwarranted variation in practice in the areas to provide safe and effective care for patients.

293 case record reviews and 1 investigation completed after 31/03/2017 which related to deaths which took place before the start of the reporting period.

0 representing 0% of the patient deaths before the reporting period, are judged to be more likely than not to have been due to problems in the care provided to the patient. This number has been estimated using the After Death Analysis process. After Death Analysis (ADA) are undertaken following all deaths in community hospitals and within the two Older Peoples Mental Health wards at Alderney Hospital. It is best practice for the team undertaking the review to include the hospital Matron, Advanced Nurse Practitioner (ANP), ward staff and the ward doctor.

0 representing 0% of the patient deaths during 2016/17 are judged to be more likely than not to have been due to problems in the care provided to the patient.

### **Learning Disability Death Reviews**

DHC participates in the national Learning Disabilities Deaths Reviews. There are eight reviewers in Dorset who are co-ordinated by the Dorset Clinical Commissioning Group and the reviews involve families, carers and all professionals involved in the care of the person. Good practice and lessons learnt are shared at the pan Dorset Steering Group. However there are challenges with reviewers being able to complete reviews along with their current roles and responsibilities. Findings from these reviews have made positive changes to the lives of people with learning disabilities, and none reviewed so far have been considered avoidable.

## **CELEBRATING ACHIEVEMENT**

### **Leg Ulcer Service marks its 20<sup>th</sup> anniversary**

Our Leg Ulcer Service celebrated its 20th anniversary in style, with a conference at the Hamworthy Club in Poole attended by more than 200 delegates. Guest speakers included Joy Tickle, a Tissue Viability Nurse Specialist who has appeared on Channel 4's 'Embarrassing Bodies' programme, and independent wound care consultant Jacqueline Fletcher.

Locality Manager Sharon Powell closed the conference, and said: "There could not have been a better way to celebrate 20 years of the service. The expert speakers covered many aspects of complex leg ulcer care, providing useful updates and new information."

The service had modest beginnings in 1997, when service manager Val Reynolds, then a district nurse, won approval to run a specialist leg ulcer clinic from Shelley Road, Boscombe, for half an afternoon a week. She began teaching at Bournemouth University the following year, and the service slowly began to expand. It now has almost 30 staff – including nurses, healthcare assistants and administrative workers – providing specialist assessments and care, including dressings, bandaging and advice. There are clinics across the county, with a current weekly caseload of more than 200 people. The team also provides training for district nurses, hospital staff, practice nurses and care home workers.



Val (pictured above, right, with Jacqueline Fletcher, International Speaker) said: "We are proud of our healing rates but equally as important is ensuring we improve patients' quality of life. The conference celebrated our achievements so far, but also helped share good practice so we can improve in the future."

### **Dorset leads the way for patient experience in mental health**

The Care Quality Commission (CQC) has rated Dorset HealthCare as one of the best in the country for positive feedback received from mental health patients. The findings have been published in the annual CQC Community Mental Health Survey 2017, and are based on feedback from 12,139 patients who received care between September and November 2017, including 229 from Dorset.

Some 56 health care providers took part in the CQC survey, and the overall score for patient experience was 7.5 and this was the highest trust score achieved. Compared to others, we rated particularly well for crisis care achieving a score of 7.1. The highest trust score achieved was 7.3

Chief Operating Officer Eugene Yafele said: “I am delighted to see such positive results in our annual survey. The feedback we receive from people who have used our services is so important in helping us continue to improve the support we offer. We shall be closely looking at areas of best practice, as well as those where people have told us they would like to see more change, and using this to help inform how we deliver services in the future.”

### **'Carer's passport' gives extra support to hospital patients and staff**

Carers can now spend more time alongside loved ones in our community hospitals, thanks to a new scheme on the wards. We have introduced a 'carer's passport' system, giving people hospital access outside of regular visiting hours and providing vital extra support to patients as and when they need it.

The passport was piloted at Weymouth, Portland and St Leonards hospitals. Initially open to carers of people with dementia, it proved so successful it has been rolled out to all 12 community hospitals across Dorset. And it is now open to anyone who cares for a relative, partner or friend with on-going physical or mental health problems.

Under the system, carers identify themselves on arrival at the hospital and are given a badge, or 'passport', which allows them to stay beyond regular visiting hours providing reassurance and additional help for the person they are caring for. Hospital staff welcome carers throughout the day and into the evening, though overnight stays will be at the discretion of ward nurses.

Alison Low, Senior Sister on the Fayrewood Ward at St Leonards Hospital, said: “It makes a huge difference to the care we can provide when we have inside knowledge of a patient from their loved one. It helps us to meet their individual needs more effectively, and also gives the patient additional support at what can be a difficult time.”



### **First Admiral Nurse Service launches in Dorset**



Families living with dementia in Purbeck now have access to specialist dementia support, thanks to incredible local fundraising efforts. Our own Rachel Murray, an experienced registered nurse with wide-ranging knowledge of dementia care, has been appointed Dorset's first Admiral Nurse.

When things become challenging or difficult, Admiral Nurses work alongside people with dementia, their families and carers, providing one-to-one support, expert guidance and practical solutions.

The service was made possible following a year of tireless campaigning and fundraising by the Dementia Friendly Communities in Swanage and Wareham. And they will work in partnership with the charity Dementia UK and ourselves to ensure local families receive the help they need at the right time.

“I consider myself incredibly fortunate to be able to embrace this opportunity,” said Rachel. “It is an honour to serve the Purbeck community and work collaboratively to help provide individual care and support to those living with dementia.”

Pictured at the official launch event at Durlston Castle in Swanage are (from left), our Purbeck Locality Manager Alison Tallant, Rachel Johnstone from Dementia UK, Admiral Nurse Rachel Murray and Dr Hilda Hayo, Chief Admiral Nurse with Dementia UK.

## **Improving end of life care**

Brand new palliative care areas have opened at two of our community hospitals. Lord Julian Fellowes, accompanied by his wife Lady Emma, cut the ribbon to unveil a modern and spacious £200,000 facility on the first floor of Blandford Hospital's Tarrant Ward.

The new unit provides a quiet, tranquil and warm environment for those entering the final days of their life. It houses two large patient bedrooms with shower and toilet facilities, an activity area and family room with kitchen and ensuite, as well as a small open air garden. Patients and staff helped to shape the design of the unit, and additional televisions, artwork, furniture and equipment for the unit were funded by the Friends of Blandford Hospital.

Lord Fellowes said: "To be able to pass away peacefully in comfortable surroundings with your family is invaluable, and this new facility gives people this opportunity, which is fantastic."

And at the Yeatman Hospital in Sherborne, Chairman of the League of Friends, David Hayes, opened the Ada Kearvell Suite. The Friends of the Yeatman funded the reconfiguration of the Beech Ward, part of the Willows Unit, to provide an extra patient bedroom with an ensuite wet area, soothing sensory lighting, internet access and an adjacent sitting room for use by close relatives.

The £140,000 suite was named after the hospital's longest-serving matron (from 1908-1934), who was awarded the Royal Red Cross Medal by King George V in recognition of the exceptional care provided to First World War veterans at the Yeatman. Matron Anne Hiscock said: "We are delighted to have this additional facility and very grateful for the Friends' support in transforming this space into something that will be such a fantastic legacy for our future patients and relatives. We have already received overwhelmingly positive feedback about it."

The Willows Unit and Tarrant Ward are among five Dorset HealthCare sites accredited with the Gold Standard Framework (GSF) for end of life care, the others being the Castletown Ward at Portland, Wareham's Saxon Ward and the Stanley Purser Ward at Swanage.

## **We're in! Sports stars help showcase our Dragons' Den project**

A new initiative which encourages our staff to pitch innovative ideas for improving patient care has netted the support of two famous local footballers. Former AFC Bournemouth keeper Jimmy Glass and current Cherries ace Tyrone Mings attended a garden party at St Ann's Hospital, in Poole, to unveil the fruits of its Space for Growth project.

Space for Growth has provided specific garden spaces within the hospital grounds, in Canford Cliffs, to help improve the health and wellbeing of patients, visitors and staff. These areas allow people to grow vegetables, learn new skills, build new relationships and enjoy the outdoors.

Space for Growth was the first winning entry of Dorset HealthCare's very own Dragons' Den competition, an idea based on the BBC's popular TV show. Staff were encouraged to submit imaginative ideas last year. A shortlist was then drawn up, and other staff voted for their favourites with the four finalists then pitching their proposals to a panel of Trust senior managers and patient care representatives. Space for Growth came out on top, and was awarded £2,000 to bring it to life.

Local businesses also supported the scheme, with Eco Sustainable Solutions, Dorchester Timber and G. Burley & Sons generously contributing labour and materials to develop the garden plots. There were also valuable donations from a host of local church and community groups.

St Ann's provides assessment and treatment for a wide range of mental health illnesses. Research indicates that recovery rates improve with social interaction and outdoor activities such as gardening.

Senior Occupational Therapist Mel Harding and nurse Alison Rose devised Space for Growth with this in mind, and led its development with support from hospital chaplain Rev. Mike Oates and local volunteer Babs Plumbridge. Mel said: "It is really inspiring to start with an idea and a conversation, and then bring it to life for the benefit of others. The project is ideal for aiding the transition of our service users from inpatient back into the local community."



### 'NHS Club 7' help the medicines go down

Harmonious healthcare staff showed they have the X-factor in a bid to crack the charts. Only it's not the Top 40 they were looking to conquer, but patients' drug charts, producing a pop video to help raise awareness about medicines safety in its hospitals and out in the community.

Staff recorded a new version of the S Club 7 classic 'Reach', with specially re-written lyrics to promote good practice in administering medication. And the fun-packed film of 'Reach for the Charts', which can be seen at <https://youtu.be/OZZS-DC2Hsk> was viewed almost 2,500 times on YouTube™ and played at staff conferences and in training sessions across Dorset.



The project, funded by the Wessex Academic Health and Science Network was led by the Trust's Medication Safety Officer Katie Griffiths. "We wanted to find a way to raise awareness of common medication errors, such as missed doses, delays in obtaining the right medication and not filling in drug charts properly," she explained.

"We chose 'Reach' because it was a catchy, upbeat song, and it was fairly easy to re-write the lyrics.

Once we had the necessary permissions, we put a call out to staff for volunteer singers and performers."

Solent Creatives, a team of students from the media department at Southampton's Solent University, filmed the music recording session in Dorchester, before obtaining further footage at Bridport Hospital and the Herm Ward at Alderney Hospital in Poole.

## BBC Radio spotlights our “extraordinary” Heroes!

Some of our 2017 staff Heroes Award winners were showcased during a special ‘Dorset HealthCare’ week on BBC Radio Solent’s Breakfast in Dorset show in the autumn.

A total of 14 staff and volunteers were honoured at our Annual Members’ Meeting in September, and several were featured in a series of early morning broadcasts the following month.

Describing them as “extraordinary people who work or volunteer for the NHS”, the presenters interviewed chef Greg Coomer, exercise instructor Nicki Jenks, Pain Service volunteer Carol Calf and healthcare assistant Yasmin Kehru. There was also a special feature on the unique boxing sessions run by The Fight Back Mental Health team in Weymouth, and the week concluded with a special outside broadcast from Bridport Hospital.

Community Rehabilitation Team Lead Jon Kimber, Matron Jane Turner and members of the Catering Team were among those interviewed live by reporter Laurence Herdman during the show, along with Heather Purse from the League of Friends. Everyone gave a fantastic impression of Dorset HealthCare and the work we do.



## DUTY OF CANDOUR

Health professionals must be open and honest with patients when things go wrong. This is also known as the Duty of Candour. Candour is defined in Robert Francis' report as: "The volunteering of all relevant information to persons who have or may have been harmed by the provision of services, whether or not the information has been requested and whether or not a complaint or a report about that provision has been made."

The Duty of Candour is a legal duty on hospital, community and mental health trusts to inform and apologise to patients if there have been mistakes in their care that have led to significant harm. The Duty of Candour aims to help patients receive accurate, truthful information from health providers. All NHS provider bodies registered with the Care Quality Commission (CQC) have to comply with the statutory Duty of Candour.

As a Trust we are committed to being open with patients and carers when events such as these occur so that we gain a shared understanding of what happened, and what we can do to prevent it from happening again.

The Patient Safety Team and the Learning and Development team have developed an animated duty of candour video. This has been available to all staff on the intranet site since October 2017. Locality managers and matrons have received notification about the video to disseminate to their staff.

Duty of candour training occurs as part of the pressure ulcer prevention and management training and Root Cause Analysis Training on a regular basis.

Training to individual teams is being delivered where a need is recognised or requested by the team.

All patient safety incidents reported that result in moderate harm or above are investigated and the investigation process includes involvement of the patient and carers where possible. In those incidents where Duty of Candour has been identified due to an act or omission by the Trust, the locality managers have a responsibility to manage the Duty of Candour process and ensure the process is carried out in line with the prescribed steps. They are also responsible for liaising with patients/service users and their family and confirming what action is being taken.

The Medical Director and Director of Nursing, Therapies and Quality are also available to meet with families and their carers to discuss the care and treatment of their family member.

The table below shows the number of times we have invoked Duty of Candour and the types of incidents.

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Dec-17	Jan-18	Feb-18	Mar-18	Total
Death Of A Patient	-	-	-	-	-	-	-	1	-	-	1	2
Deterioration Of An In-Patient	-	-	-	-	-	-	-	-	-	-	1	1
Medication	-	1	-	-	-	1	-	-	-	-	-	2
Pressure Ulcers	9	3	8	6	7	4	7	4			5	53
Self Harm	-	-	-	-	-	-	-	-	-	-	1	1
Slips, Trips And Falls	-	-	-	1	-	1	-	-	-	-	-	2
<b>Total</b>	<b>9</b>	<b>4</b>	<b>8</b>	<b>7</b>	<b>7</b>	<b>6</b>	<b>7</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>61</b>



## STATEMENTS OF ASSURANCE FROM THE BOARD

### **Mandatory Statement One:**

**During 2017/18 the Dorset HealthCare University NHS Foundation Trust provided and/or sub-contracted 104 relevant health services.**

**The Dorset HealthCare University NHS Foundation Trust has reviewed all the data available to them on the quality of care in 104 of these relevant health services.**

**The income generated by the relevant health services reviewed in 2017/18 represents 93.71 percent of the total income generated from the provision of relevant health services by the Dorset HealthCare University NHS Foundation Trust for 2017/18.**

### **Review of Services**

Dorset HealthCare University NHS Foundation Trust is responsible for community and mental health services across Bournemouth, Poole and Dorset. The Trust also provides Steps to Wellbeing services in Southampton. The Trust serves a population in excess of 787,000 people, employing some 5,793 substantive staff with an income of £246,622,000. Dorset HealthCare University NHS Foundation Trust provides 104 services and has reviewed them in the following ways:

### **The Board**

The Board receives a monthly integrated corporate dashboard which sets out performance across a range of quality metrics under the domains of safe, effective, caring, well-led and responsive. The dashboard includes exception reports where further information is provided to explain performance and actions being taken to improve the position.

The Board also receives annual reports in respect of patient experience, complaints, safeguarding and infection prevention and control.

The Board receives a patient story at each meeting.

### **The Quality Governance Committee**

The Quality Governance Committee, which meets every other month, receives reports on:

- Serious incidents requiring investigation
- Progress with recommendations following review of serious incidents requiring investigation
- Inpatient staffing level assurance.

### **The Audit Committee**

The purpose of the Committee is to acquire and scrutinise assurances during the year as to the integrity of the Trust's principal disclosure statements, including financial statements. This is carried out by scrutinising assurances on the design and operation of controls. The Committee will acquire and scrutinise assurances relating to the following:

- Annual Governance Statement relating to the system of internal control, which may include letters of representation;
- Annual Report and Accounts, with accounting policies, and Notes to the Accounts;
- Compliance with the Monitor Licence and, in particular, the Corporate Governance Statement;

- Annual disclosures in relation to the Code of Governance for NHS Foundation Trusts;
- To set and agree the internal audit plan and review the findings and recommendations of the reports received.

### **Mental Health Legislation Assurance Committee**

The Committee, which meets quarterly, is the specialist arm of the Quality Governance Committee. The Committee receives a quarterly dashboard on Mental Health Act compliance metrics.

### **Executive Quality & Clinical Risk Group**

The monthly meeting of the Group receives reports on:

- Moderate, major and catastrophic incidents
- A summary of reviewed serious incidents, falls and pressure ulcers
- Screening incidents and reports
- A staffing level assurance report
- Clinical Risks
- Mortality governance
- Clinical audit plan progress.

### **Director Visits**

Underpinning the formal reporting to groups is a system of director visits to Trust services and sites.

### **Information relating to patient experience**

Regular performance reports to the Trust Board incorporating measures on patient experience including: percentage of patients that felt safe, Friends and Family Test (FFT) scores, compliments and complaints.

Reports to the Board, Quality Governance Committee, Executive Quality and Clinical Risk Group:

- National and local service user survey results
- Real time feedback
- Quarterly Patient Experience report
- Quarterly Complaints Board report (available on the Trust Website)
- Annual compliments and complaints reporting including lessons learnt (available on the Trust website).

In addition the Trust Non-Executive Directors have undertaken a combination of announced and unannounced visits to the wards and units.

The Trust continues to use Quality of Interaction Schedule (QUIS) (Dean, Proudfoot & Lindesay 1993), a well-regarded observational technique to capture patient experience. QUIS pioneered by the Patient Association is a systematic way of observing the quality of interactions of care between staff and patients. It is an additional way of capturing patient experience, pioneered to understand the care experiences of people who are unable to tell us themselves. Observations are recorded if the interaction was positive, basic care/neutral care or negative care. Feedback is given directly to the manager at the time of observation. The observations are carried out for a forty minute period. Feedback overall is collated and a written account is produced to share with staff and wider to see if there is any further learning.

### **Information relating to patient safety**

A range of reports are sent to the Board, Quality Governance Committee, Executive Quality and Clinical Risk Group, including;

- Incident report included within the monthly directorate reports
- Moderate Harm and Above Incidents monthly report
- Early Warning Trigger Tool and Quality, Effectiveness and Safety Trigger Tool reports
- Central Alerting System compliance reports
- Safety Thermometer reports
- Quarterly report of serious incident recommendations and progress
- Quarterly safeguarding children and vulnerable adult report
- Six-monthly National Reporting and Learning Service Cluster Report
- Quarterly and Annual Sign Up To Safety reports
- Clinical Risks.

### **Information relating to clinical effectiveness**

Regular performance reports to the Board incorporating measures on clinical effectiveness include:

- The number of inpatients having an annual physical health check
- The percentage of patients screened for malnutrition
- The percentage of patients screened for Venous Thromboembolism (within 24 hours of admission)
- The number of falls that have resulted in harm to a patient.

Reports to the Board, Quality Governance Committee and, Executive Quality and Clinical Risk Group, include:

- Monthly reporting on compliance with NICE Technology Appraisals and Guidelines
- Report on the annual clinical audit programme
- Quarterly Mortality Report
- Monthly report on Care Quality Commission action plans.

## PARTICIPATION IN CLINICAL AUDITS AND NATIONAL CONFIDENTIAL ENQUIRIES

### Mandatory Statement Two:

During 2017/18, 15 national clinical audits and 2 national confidential enquiries covered relevant health services that Dorset HealthCare University NHS Foundation Trust provides.

During that period Dorset HealthCare University NHS Foundation Trust participated in 100% national clinical audits and 100% national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that Dorset HealthCare University NHS Foundation Trust was eligible to participate in during 2017/18 are as follows:

<b>National Clinical Audits</b>
Elective Surgery (National PROMs Programme)
Falls and Fragility Fractures Audit programme (FFFAP)
Learning Disability Mortality Review Programme (LeDeR)
National Audit of Anxiety and Depression (Pilot audit)
National Audit of Diabetes - Adults
National Audit of Intermediate Care (NAIC)
National Audit of Psychosis
National Chronic Obstructive Pulmonary Disease Audit programme (COPD)
National End of Life care audit
POMH Topic 1g & 3d Prescribing High Dose and Combined Antipsychotic
POMH Topic 17a Use of depot/LA antipsychotic injections for relapse prevention
POMH Topic15b Prescribing Valproate for Bipolar Disorder
POMH Topic 16b Rapid Tranquilisation in the context of the pharmacological management of acutely-disturbed behaviour
Sentinel Stroke National Audit Programme
UK Parkinson's Audit
<b>National Confidential Enquiries / Inquiries</b>
Children and Young People's Mental Health
National Confidential Inquiry into Suicide and Homicide (NCISH)

**Mandatory Statement Two continued:**

**The national clinical audits and national confidential enquiries that Dorset HealthCare University NHS Foundation Trust participated in during 2017/18 are as follows.**

<b>National Clinical Audits</b>
Elective Surgery (National PROMs Programme)
Falls and Fragility Fractures Audit programme (FFFAP)
Learning Disability Mortality Review Programme (LeDeR)
National Audit of Anxiety and Depression (Pilot audit)
National Audit of Diabetes - Adults
National Audit of Intermediate Care (NAIC)
National Audit of Psychosis
National Chronic Obstructive Pulmonary Disease Audit programme (COPD)
National End of Life care audit
POMH Topic 1g & 3d Prescribing High Dose and Combined Antipsychotic
POMH Topic 17a Use of depot/LA antipsychotic injections for relapse prevention
POMH Topic15b Prescribing Valproate for Bipolar Disorder
POMH Topic 16b Rapid Tranquilisation in the context of the pharmacological management of acutely-disturbed behaviour
Sentinel Stroke National Audit Programme
UK Parkinson's Audit
<b>National Confidential Enquiries</b>
Children and Young People's Mental Health
National Confidential Inquiry into Suicide and Homicide (NCISH)

**Mandatory Statement Two continued:**

The national clinical audits and national confidential enquiries that Dorset HealthCare University NHS Foundation Trust participated in, and for which data collection was completed during 2017/18, are listed below alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

<b>National Clinical Audit</b>	<b>Participated</b>	<b>Number of cases submitted</b>	<b>% cases submitted</b>
Elective Surgery (National PROMs Programme)	Yes	120	99 %
Falls and Fragility Fractures Audit programme (FFFAP)	Yes	80	100%
Learning Disability Mortality Review Programme (LeDeR)	Yes	22	N/A
National Audit of Anxiety and Depression (Pilot)	Yes	13	65% *
National Audit of Diabetes - Adults	Yes	613	100%
National Audit of Intermediate Care (NAIC)	Yes	21 services	N/A
National Audit of Psychosis	Yes	70	70% *
National Chronic Obstructive Pulmonary Disease Audit programme (COPD)	Yes	50	100%
POMH Topic 17a Use of depot/LA antipsychotic injections for relapse prevention	Yes	98	N/A
POMH Topic15b Prescribing Valproate for Bipolar Disorder	Yes	86	N/A
Sentinel Stroke National Audit Programme	Yes	60	100%
UK Parkinson's Audit	Yes	60	100%
<b>National Confidential Enquiries / Inquiries</b>	<b>Participation</b>	<b>Number of cases submitted</b>	<b>% cases submitted</b>
Children and Young People's Mental Health	Yes	2 complete 5 partial	41% **
National Confidential Inquiry into Suicide and Homicide (NCISH)	Yes	22	96%

\* Numbers affected by difficulties identifying relevant cases for sample.

\*\* First time this type of study in MH Services has been undertaken and national submission rates are low.

**Mandatory Statement Two continued:**

**The reports of 14 national clinical audits were reviewed by the provider in 2017/18 and Dorset HealthCare University NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:**

Following completion of a national audit an initial action plan will be proposed by the nominated Audit Lead. The action plan will then be reviewed and agreed by Clinical Effectiveness group.

Trust-wide audit action plans will then be monitored by the Clinical Effectiveness Group. Exception reporting on a quarterly basis will occur at this group.

Audits reports and action plans will also be shared with other appropriate groups as appropriate to maximise shared learning opportunities.

**Mandatory Statement Two continued:**

**The reports of 36 local clinical audits were reviewed by the provider in 2017/18 and Dorset HealthCare University NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:**

Following completion of a local audit, an initial action plan will be proposed by the Audit Lead. The action plan will then be reviewed and agreed by the relevant Locality meeting.

Local audit action plans will be monitored by the nominated Audit Lead and will be reported on to the Locality quarterly or as necessary.

Results will be discussed at Locality Management Group meetings and will then be cascaded to staff via the relevant manager.

Audits reports and action plans will also be shared with other appropriate groups as appropriate to maximise shared learning opportunities.

## PARTICIPATION IN CLINICAL RESEARCH

### **Mandatory Statement Three:**

**The number of patients receiving relevant health services provided or sub-contracted by Dorset HealthCare University NHS Foundation Trust in 2017/18 that were recruited during that period to participate in research approved by a Research Ethics Committee 1250.**

Dorset HealthCare's research and development function has continued to promote participation in clinical research in 2017/18, greatly expanding the number of people participating and expanding areas of the Trust engaging in research activity. Research helps the NHS to improve the quality of care and the future health of the population. The continued participation and expansion in clinical research demonstrates the Trusts commitment to improve the quality of care offered to users of the services it provides.

This year the Trust has developed its research activity expanding into a number of new areas including mindfulness in primary care mental health, physiotherapy in spinal stenosis and genetics in the onset of childhood psychosis. This has occurred alongside further research in the areas of dementia looking at how improving balance could reduce falls and in mental health looking at patient preferences in the psychological help they receive.

The Trust opened its first commercial research study in October 2017 with inVentiv Health, a global company which supports research programmes and drug development, in dementia and recruited the first participant to the study within the 35 day target set nationally.

We have seen studies completed, such as the evaluation of peer-supported self-management for relatives of those with bi-polar disorder which has led to new tools to support carers which will become available to the NHS over the next year.

The Trust has continued to support non-portfolio research led by its own staff as well as studies adopted on-to the National Institute for Health Research (NIHR) portfolio. This investment and support has enabled Trust staff to develop both their interest and skills in the development and delivery of research. It has also created a greater number of opportunities for patients and carers to join in research. Examples of the types of studies are;

- Developing learning tools for community nurses to develop excellence in safeguarding practice for those at risk of financial abuse/scamming through evidence based learning
- Mental Health Nurses' knowledge of adverse events related to anti-psychotic medications
- The role of self-compassion in wellbeing and burn-out among learning disabilities professionals
- Improving balance in those with dementia using Tai Chi
- Examining whether the addition of a patient and carer skill sharing intervention improves long-term patient wellbeing following hospital treatment for anorexia nervosa

This expansion has been mirrored by the continued embedding of strong research governance systems within the Trust which following internal audit of the research function was judged to provide substantial assurance to the Trust.

### **Collaborative Working**

The Trust views collaboration with other organisations in the research field as essential to increasing the opportunities for patients and carers to participate in research and for staff to gain experience of research. In light of this the Trust works in collaboration with other NHS Trusts, Dorset CCG, Primary Care and Bournemouth University to develop Dorset as an attractive area to carry out research and to promote opportunities for research across the patient pathway and between organisations.



The Trust won the Wessex NIHR 2017/18 'Outstanding achievement in research' award for collaborative work with Dorset County Hospital on a study looking at rehabilitation following knee surgery (CORKA). This study investigated how providing the option of rehabilitation in their own home rather than having to return to the hospital to people undergoing knee replacement surgery impacts on outcomes.

However as the Trust does not provide knee surgery we could not participate in this study but clinicians and the R&D team recognised the potential benefits for patients and staff of participation. The R&D team and clinicians from the Trust approached colleagues in Dorset County where knee surgery is carried out and negotiated an agreement in principle to work together to submit an expression of interest to the study sponsors at Oxford.

The Clinicians and team worked with Dorset County Hospital and Oxford to ensure the study could open despite the obstacles to there being two different organisations working as a single site and successfully opened the study in Dorset in 2017. The study progressed well and recruited the target number of participants and did so in the time allocated by the sponsor.

The clinical staff involved in the study also acquired an enhanced skills set through the training they received from the study team and this is now available to patients in Dorset. The Wessex NIHR awards committee in presenting the award recognised the flexibility, creativity and sheer hard work required to set up and run the study across organisations and that without this level of collaboration the patients in Dorset could not have had access to this ground breaking research.



Left to right: Ciarán Newell, Susan Dowdle, Hazel Burt, Kerry Ashton, Kim Meldrum, Brandon Bule, joined by three colleagues from Dorset County Hospital, Andrew Rees, Simon Sharpe and Chris Squires with Nathan Hawker from DHC

Within Wessex the Trust has worked closely with other Mental Health/Community providers, such as Southern Health NHS Foundation Trust and Solent NHS Trust, on research studies which have involved more than 350 people.

The Trust has maintained its links with national research centres such as Kings College London and the Maudsley Hospital expanding the range of research that can be accessed by those who use our services an example being;

- Does adding patient and carer skills training to interventions after inpatient admission for anorexia improve outcomes for patients and families?

We have expanded the number of universities we collaborate with in research projects, for example the Trust now has studies with the universities of Manchester, Oxford, Sussex, Newcastle, Nottingham and University College London. The Trust continues to have close links with Bournemouth University and staff collaborate in research with academic staff at Bournemouth such as genetic counselling in psychiatric disorders and how to improve motivation to attend assessments in eating disorders. The Trust continues its support of a NIHR fellow research development programme looking into falls reduction in dementia with Bournemouth University and Southern Health NHS Foundation Trust.

Two members of Trust staff have been successfully supported to attain research development internships. One staff member secured a grant of £10,000 and is working with Bournemouth University on the use of therapeutic touch in fibromyalgia. The other secured a grant of £20,000 and is working with Southampton University in the area of loneliness and frailty. Both of these projects are being carried out with the staff members' area of clinical practice and the funds enable backfill for them to complete the research. Both projects will complete in 2018.

The Trust also ensures regular participation in and support of the National Institute for Health Research (NIHR) Wessex team and its functions supporting research across the Wessex region.

### **Research studies**

During 2017/18 the Trust participated in 27 research studies both portfolio and non-portfolio studies and a total of 1250 participants across both types of studies. The Trust publishes its performance in research on its website quarterly in line with Government guidance. The Trust has recruited 1233 participants into NIHR portfolio research studies. This is a fourfold increase, from 279 last year, in people participating in research and exceeds the Trust target set by the NIHR by over 600. The Trust's performance in successfully increasing its recruitment figures year on year has led to investment from the NIHR being maintained and enables the Trust to support capacity to deliver research.

### **Going forward**

The Trust has maintained momentum and enthusiasm for clinical research and the plan is to continue to develop its clinical research activity and capacity. Now that commercial research has started the Trust will expand its commercial research portfolio in the coming year. The income generated from commercial research activity will hasten the growth of the research capacity of the Trust and greatly increase the opportunity for patients and carers to participate in clinical research within our services.

We are also looking in collaboration with Bournemouth University at opportunities for Trust staff to engage in research through the vehicle of match funded PhD studentships. These studentships enable the staff member to continue clinical work two days a week whilst working in research the other three days and securing their PhD. Two particular areas of research which the Trust is working on are the developments in mental health care in Dorset and the identification and assessment of contractures in older people. The Trust will contribute with the other NHS organisations, social care and Bournemouth University to the promotion of Dorset as a place to carry out research.

The Research Strategy agreed by the Trust Board covering the years 2016-2019 will also be reviewed in the coming year and will refresh the aims and the objectives of the Trust with a focus on increasing research activity across more services by more Trust staff thus enabling more patients and carers who use our services to access quality research.

#### **Mandatory Statement Four:**

**A proportion of Dorset HealthCare University NHS Foundation Trust income in 2017/18 was conditional upon achieving quality improvement and innovation goals agreed between Dorset HealthCare University 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.**

**Further details of the agreed goals for 2017/18 and for the following 12 month period are available electronically at: <https://www.england.nhs.uk/nhs-standard-contract/cquin/cquin-17-19/>**

The 2017/18 CQUIN programme saw the introduction of projects spanning two years. The total value of schemes reported during 2017/18 was £5.1m and included contractual arrangements with:

- Dorset Clinical Commissioning Group (CCG)
- NHS England – Specialised
- NHS England – Dental
- Dorset County Council – Public Health
- NHS England – Public Health

Although the Dorset County Council scheme was not an official NHS CQUIN, it was included in the programme as its performance incentive payment mirrored the NHS schemes.

There was also a small amount of CQUIN income agreed with NHS Wiltshire and NHS West Hampshire which was reliant on successful achievement of the Dorset Clinical Commissioning Group schemes but did not have specific additional deliverables commissioned.

The progress of CQUIN targets was monitored on a monthly basis. Reports were provided monthly to the Executive Performance and Corporate Risk Group, quarterly to the Trust Board and discussed regularly with commissioners.

At the end of Quarter 4, the RAG statuses were as follows:

Closed (Completed all milestones required)	=	1
Green (On track)	=	3
Amber/Green (work in progress-expected to deliver)	=	5
Amber (reduced confidence in delivery)	=	6
Red (Off track)	=	2

The projects RAG rated Red were due to the following issues:

- CQUIN 3a (Improving Physical healthcare to reduce premature mortality in people with SMI: Cardio Metabolic Assessment and treatment for Patients with Psychoses) concerns have arisen due to issues around diagnosis, methodology and processes. Additional work has been carried out to begin to overcome this but this will not be counted towards the CQUIN.
- CQUIN 3b (Collaboration with primary care clinicians): Due to the lack of an automated system, it is not possible to share the information in the required format as outlined in this CQUIN. Dorset CCG is aware of these difficulties.

Deliverable	Scheme RAG
<b>1. NHS Staff health and wellbeing</b>	
1a Improvement of health and wellbeing of NHS staff	A
1b Healthy food for NHS staff, visitors and patients	G
1c Improving the uptake of flu vaccinations for frontline staff within Providers	A
<b>3. Cardio and metabolic assessment and treatment for patients with psychoses</b>	
3a Improving physical healthcare to reduce premature mortality in people with SMI: Cardio Metabolic Assessment and treatment for Patients with Psychoses	R
3b Collaboration with primary care clinicians	R
<b>4. Improving services for people with mental health needs who present to A&amp;E</b>	A/G
Reduce by 20% the number of attendances to A&E for those within a selected cohort of frequent attenders who would benefit from mental health and psychosocial interventions, and establish improved services to ensure this reduction is sustainable	
<b>5. Transitions out of Children and Young People's Mental Health Services (CYPMHS)</b>	A/G
This CQUIN aims to incentivise improvements to the experience and outcomes for young people as they transition out of Children and Young People's Mental Health Services (CYPMHS)	
<b>8b Supporting proactive and safe discharge – community providers</b>	A
Actions to map existing discharge pathways, roll-out new protocols, collect baseline/trajectories	
<b>9 Preventing ill health by risky behaviours – alcohol and tobacco</b>	A
9a Tobacco screening	
9b Tobacco brief advice	
9c Tobacco referral and medication offer	
9d Alcohol screening	
9e Alcohol brief advice or referral	
<b>10 Improving the assessment of wounds</b>	A/G
The indicator aims to increase the number of wounds which have failed to heal after 4 weeks that receive a full wound assessment	
<b>11 Personalised care and support planning</b>	A
To be delivered over two years with an aim of embedding personalised care and support planning for people with long-term conditions	
<b>NHSE - Specialised</b>	
Reducing the Length of Stay (LoS) in Specialised Mental Health services (Medium and Low Secure version)	A/G
Reducing the Length of Stay (LoS) in Specialised Mental Health services (CAMHS services)	A/G
<b>NHSE - Dental</b>	A
Managed Clinical Networks	
<b>DCC - Public Health - Health Visiting</b>	C
1. Improved data collection and reporting	
2. Implementing the integration of Health Visiting with LA Provision for 0-5's	
<b>DCC - Public Health - School Nursing</b>	G
School Nursing	
<b>NHSE - Public Health (TBC)</b>	G
Immunisation	

## Mandatory Statement Five:

### Registration with the Care Quality Commission (CQC)

Dorset HealthCare University NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is 'without restrictive conditions'.

Dorset HealthCare University NHS Foundation Trust has the following conditions on registration 'licensed to provide the following regulated activities':





- Personal care
- Termination of pregnancies
- Family planning
- Treatment of disease, disorder or injury
- Assessment or medical treatment for persons detained under the Mental Health Act 1983
- Surgical procedures
- Diagnostic and screening procedures

The Care Quality Commission has not taken enforcement action against Dorset HealthCare University NHS Foundation Trust during 2017/18.






## Meeting Care Quality Commission Fundamental Standards

The Trusts overall rating by CQC is 'good'. The CQC award ratings based on a combination of what they find at inspection, what people tell them, data they collect and local information provided by the Trust. The ratings are awarded on a four point scale;

### CQC Ratings

	<b>Outstanding</b>	The service is performing exceptionally well.
	<b>Good</b>	The service is performing well and meeting our expectations.
	<b>Requires improvement</b>	The service isn't performing as well as it should and we have told the service how it must improve.
	<b>Inadequate</b>	The service is performing badly and we've taken action against the person or organisation that runs it.

CQC use five key questions in their assessment of quality each one having equal weight. A rating is awarded for each question and our overall rating for each one is shown below.

Domain	Overall Rating	RAG
Are services safe?	Requires improvement	
Are services effective?	Good	
Are services caring?	Good	
Are services responsive	Good	
Are services well-led?	Good	

During 2017/18 CQC changed the way they carry out inspections now that all Trusts have received a comprehensive inspection. Using information gathered from external data sources, and data submitted by the Trust, CQC will inspect certain core services followed by an inspection of well led at trust level. It is intended this will be an annual process once established.

Between 13 and 17 November 2017, the CQC carried out planned inspections of 8 core services areas:

- Acute wards for adults of working age and Psychiatric Intensive Care Unit (PICU)
- Crisis and health based place of safety (HBPoS)
- Learning disability services
- Community-based mental health services for adults of working age (Adult CMHT)
- Community-based mental health services for older people (CMHT OP)
- Community health inpatient services
- Community health services for children, young people and families
- End of life care services

The inspection of core services was followed by the well-led inspection which took place from 4 to 8 December 2017.

The draft report was received on 27 February 2018 for review by the Trust and we had an opportunity to make any comments about factual accuracy. The final report was published on 13 April 2018.

The Trust's overall rating has improved from 'requires improvement' to 'good'.

The table below shows the ratings by core service and arrows indicate where the rating has changed

## TRUST RATINGS 2017/18 BY CORE SERVICE AND QUALITY DOMAIN

	Safe	Effective	Caring	Responsive	Well-led		Overall
Acute wards for adults of working age and psychiatric intensive care units (PICU's)	Requires Improvement ↓	Good	Good ↓	Good ↓	Good		Good ↓
Long stay/rehabilitation mental health wards for working age adults	Requires Improvement	Good	Good	Good	Good		Good
Forensic inpatient / secure wards	Good ↑	Good	Good	Good	Good		Good
Child and adolescent mental health wards	Good	Outstanding ↑	Outstanding ↑	Good	Outstanding ↑		Outstanding ↑
Wards for older people with mental health problems	Requires Improvement	Good	Good	Good	Good		Good
Community-based mental health services for adults of working age	Good ↑	Good ↑	Good	Good ↑	Good ↑		Good ↑
Mental health crisis services and health based places of safety	Requires Improvement	Good ↑	Good	Good ↑	Requires Improvement ↓		Requires Improvement
Specialist community mental health services for children and young people	Requires Improvement ↓	Good	Good	Good ↑	Good		Good
Community-based mental health services for older people	Good	Good ↑	Good	Good	Good ↑		Good ↑
Community mental health services for people with a learning disability or autism	Good	Good	Good	Good	Good		Good
Forensic Community	Good	Outstanding	Outstanding	Good	Good		Outstanding
Community health services for adults	Requires Improvement	Good	Good	Good	Good		Good
Community health services for children, young people and families	Good ↑	Good	Good	Good	Good ↑		Good ↑
Community health inpatient services	Good ↑	Good ↑	Good	Good ↑	Good ↑		Good ↑
End of life care	Good	Good	Outstanding ↑	Good ↑	Good ↑		Good ↑
Urgent Care Services	Good	Good	Good	Good	Good		Good

The CQC report noted that the senior team had led a very effective programme of improvement which had resulted in the majority of issues previously found being addressed. Communication across the Trust had improved with the Board and senior managers being more visible to staff. There was noticeable improvement in the culture across the Trust with increased openness and transparency and a clear desire in staff at all levels to learn and improve.

The CQC report states that the trust's senior leadership team have the skills, knowledge, experience and integrity necessary for successfully overseeing a large, complex organisation. They saw evidence of excellent leadership at all levels across the trust with many dedicated, compassionate staff who strive to deliver the very best care for patients.

The inspectors saw a clear focus on supporting both the physical and mental health of patients, regardless of whether the service they were accessing was primarily for their physical or mental health needs. Staff found innovative ways to enable people to manage their own health and care.

Pebble Lodge the child and adolescent mental health ward was noted as having met all the requirements from the last inspection and the staff had gone above and beyond what was required in making the changes. There was a strong emphasis on young people being part of the community. They raised money for a chosen charity each month and the work they had done with this allowed them to volunteer at certain sites such as a farm. There were universally positive reports about the staff from both children and their parents or carers.

Many staff who spoke with the CQC inspectors expressed pride in working for the trust and felt they are valued and able to raise concerns freely and without fear of retribution in what they felt is an atmosphere of openness. Staff reported that the trust has developed a culture of learning and improvement without apportioning blame.

The CQC found that there are three regulations in four services resulting in nine actions that we must take, and there are 36 should do actions. The 'should do' actions are areas for improvement but do not represent a breach in regulations.

The 'must do' actions relate to

1. Community Health Inpatient Services
2. Acute Wards for Adults of Working age and PICU
3. Mental Health Crisis Services and HBPOS
4. Specialist Community Base Mental Health Services for Children and Young People

The change in ratings for each domain is shown below:

Domain	Rating	Change
Safe	Requires improvement	Same
Effective	Good	Improved
Caring	Good	Same
Responsive	Good	Improved
Well-led	Good	Improved



## **Mandatory Statement Seven:**

### **Registration with the Care Quality Commission**

**Dorset HealthCare University NHS Foundation Trust has participated in special reviews or investigations by the Care Quality Commission relating to the following areas during 2017 / 18 'system of services that support children and young people's mental health.' Dorset HealthCare University NHS Foundation Trust intends to take the following action to address the conclusions or requirements reported by the Care Quality Commission:**

**Work with our partners and the Dorset Health and Wellbeing Board to strengthen the mental health system to make sure that children, young people and their families and carers have timely access to high quality mental health care.**

**Dorset HealthCare University NHS Foundation Trust has made the following progress by 31 March 2018 in taking such action**

**We are working with our partners to review the provision of care across the county and improve access to mental health services.**

In October 2017 we took part in the CQC independent review of the system of services that support children and young people's mental health. The report published in March 2018 drew on evidence gathered from fieldwork in 10 health and wellbeing board areas and Dorset was one of them in England, during which CQC spoke with children, young people, parents, families, carers and staff working across the system, reviewed local policies and plans, and tracked how individual children and young people moved through the system.

The report makes recommendations for action at national level, regional level as well as local actions.

The full report can be found at <http://www.cqc.org.uk/publications/themed-work/are-we-listening-review-children-young-peoples-mental-health-services>

## **Staff Survey**

Each year NHS Staff are offered the opportunity to give their views on the range of their experience at work by completing a staff survey questionnaire. This year the questions are grouped around nine key themes, which include 32 key findings, summarised from 98 questions. The nine themes are:

- Appraisals and support for development,
- Equality and diversity,
- Errors and incidents,
- Health and wellbeing,
- Job satisfaction,
- Managers,
- Patient care and experience,
- Violence, harassment and bullying,
- Working patterns.

Overall in the 2017 staff survey, there is an improvement across 68% of 32 key findings; a decline across 16% of key findings and 16% of key findings remained the same. Ten of the key findings showing improvement (31% overall) are statistically significant. Our overall staff engagement score has had a statistically significant improvement from 3.88 in 2016 to 3.91 in 2017. Our response rate in 2017 has also improved from 47% in 2016 to 49% in 2017.

Improvements of 3% or more for specific questions, compared to 2016 scores, are:

- My organisation treats staff who are involved in an error, near miss or incident fairly
- When errors, near misses or incidents are reported, my organisation takes action to ensure that they do not happen again
- I would recommend my organisation as a place to work
- If a friend or relative needed treatment I would be happy with the standard of care provided by this organisation
- I have adequate materials, supplies and equipment to do my work
- How satisfied are you with the extent to which the organisation values your work?
- Communication between senior management and staff is effective
- Senior managers here try to involve staff in important decisions
- Senior managers act on staff feedback
- My immediate manager encourages those who work for her / him to work as a team
- I receive regular updates on patient / service user experience feedback in my directorate / department (e.g. via line managers or communications teams)
- Feedback from patients / service users is used to make informed decisions within my directorate / department
- How satisfied are you with the opportunities for flexible working patterns?

Key finding areas which demonstrate further action to be taken are:

- Percentage of staff appraised in the last 12 months (90%) was lower than the national average for similar Trusts (92%)
- Staff reporting errors, near misses or incidents witnessed in the month prior to completing the survey (91% compared to the national average for similar Trusts of 92%)
- Percentage of staff/colleagues reporting most recent experience of violence (84% compared to the national average for similar trusts of 88%)
- Percentage of staff/colleagues reporting most recent experience of harassment, bullying or abuse (55% compared to the national average of 57%).

A specific reporting requirement is our performance against two particular indicators detailed below:

### **Percentage of staff experiencing harassment, bullying or abuse from staff in the last 12 months**

18% of our staff expressed that they had experienced harassment, bullying or abuse from other staff during the 12 months prior to completing the survey, a decrease from the previous year's score of 20%. The national average for similar Trusts is 20%.

We are working to continue to improve this indicator, with a series of actions to further embed our Trust Behaviours Framework, building on the NHS values, setting out what we should expect of ourselves and each other.

Our 5 behaviours are:

- Supportive

- Reliable and trustworthy
- Positive
- Proactive
- Respectful

These behaviours have been integrated into our recruitment processes, all elements of training and leadership development, and development of a managers toolkit to support our line managers to help us to create an environment where people feel valued and where everyone is proud to work for Dorset HealthCare. They enable us to challenge such behaviours which can be perceived as bullying, harassment or abuse from other staff.

### **Percentage of staff believing that the trust provides equal opportunities for career progression or promotion**

The Trust's score for staff believing we provide equal opportunities for career progression or promotion is 91%, which is the same as our score for 2016. The national average for similar Trusts for this indicator is 86%. The highest score for similar Trusts is also 91% so we match or set the highest level for a Trust of our type.

Overall, the survey shows very positive improvements but it also highlights important areas where staff want the Trust to be much better. It is really important for staff to feel that Dorset HealthCare is a great place to work if we are to achieve our ambitions for delivering the best possible care to the people of Dorset. Individual staff and teams are at their best when they feel valued and supported and it is clear that we still have much more to do before all staff feel so positive.

Our Organisational Development Team are providing specific local reports for every Directorate and locality / service area, which will be discussed with each of the teams and local action plans developed.

Staff views are important and the 2017 Staff Survey reports have been published on the Trust's intranet and publicised in the Weekly Roundup. Throughout 2018 the Communications Team will periodically publish "You said - we did" bulletins to share with staff the actions the Trust is taking on the survey findings.

The survey results have been sent to directors to enable them to carry out staff briefings and to consider actions for specific groups and directorates.

The Equality and Diversity Group will be considering equality areas. A particular area of concern and for attention is how staff with a disability have a less favourable experience of work compared with staff without a disability. The Equality and Diversity steering group have set up a support group for employees experiencing disability issues to try and improve experiences.

In addition, the survey results will receive attention at the Trade Union Partnership Forum, the Health and Safety Committee, and Security Advisory Group, and the Trust Board, where they will receive the full results at the end of March, and a follow up report in May to describe the actions so far.

**Mandatory Statement Eight:**

**Quality of data**

**Dorset HealthCare University NHS Foundation Trust submitted records during 2017/18 to the Secondary Uses service for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records in the published data:**

Which included the patient's valid NHS Number was:

- 99.05% for admitted patient care;
- 99.98% for outpatient care; and
- N/A for accident and emergency care.

Which included the patient's valid General Medical Practice Code was:

- 100% for admitted patient care;
- 100% for outpatient care; and
- N/A for accident and emergency care.

**Mandatory Statement Nine:**

**Information Governance (IG)**

**Dorset HealthCare University NHS Foundation Trust Information Governance Assessment Report overall score for 2017/18 was 66% and was graded 'Green' from the Information Governance Toolkit Grading Scheme.**

**Mandatory Statement Ten:**

**Payment by results**

**Dorset HealthCare University NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during the reporting period by the Audit Commission.**

The Trust's Clinical Coding Department was audited by the external auditors D&A Clinical Coding Consultancy Limited on 19th – 21st of February, 2018. The Trust achieved a score of level 3 which is the highest score in the audit.

Fifty episodes of care were audited for Mental Health and one hundred episodes of care for Community Health. The one hundred episodes for community health included patients admitted for rehabilitation as well as the specialities General Surgery, Oral Surgery, Trauma and Orthopaedics, Gynaecology, Urology, General Medicine and Gastroenterology.

Within the mental health services a high standard of coding was demonstrated, the coding of co-morbidities has again improved since the last audit.

Within the community health services, although the discharge was lacking in information to aid the coding process, it was timely and the coders utilise the system well to compensate for the lack of information resulting in a high standard of coding.

A more detailed breakdown of the audit is shown below.

	Mental Health	Community Health
Primary Diagnosis	90%	97%
Secondary Diagnosis	92.16%	98.6%
Primary Procedure	N/A	97.9%
Secondary Procedure	N/A	100%

It should be noted that the results of the external audit should not be extrapolated further than the actual sample audited.

**Mandatory Statement Eleven:**

**Payment by results**

**Dorset HealthCare University NHS Foundation Trust will be taking the following actions to improve data quality:**

- **Coders to ensure that cannabis use is only coded to drug use unless indicated as harmful or dependence by the Clinician**
- **Care to be taken when inputting codes**
- **Coders to ensure that all relevant and mandatory co-morbidities are extracted and coded**
- **The coding of obesity to be agreed and a local coding policy created**
- **Discussions with clinicians to improve the content of the discharge letter.**

## PERFORMANCE AGAINST THE KEY NATIONAL PRIORITIES – QUALITY INDICATORS 2017/18

The following table provides an overview of the Trust performance against a core set of indicators set by the Department of Health and Monitor. Data relates to the end of 2016/17 and the end of 2017/18 as published on the Health and Social Care Information Centre website.

<i>Prescribed Indicator</i>	<i>National average 2016/17</i>	<i>DHC 2016/17 Position</i>	<i>Comparison with other Trusts</i>	<i>National average 2017/18</i>	<i>DHC 2017/18 Position</i>	<i>Comparison with other Trusts</i>
The data made available to the NHS Foundation Trust by NHS Digital with regard to the percentage of patients on Care Programme Approach who were followed up within 7 days after discharge from psychiatric inpatient care during the reporting period.	At the time of reporting, national data is unavailable	Q1: 97.8% Q2: 99.0% Q3: 97.5% Q4: 97.9% Year-end 98.1%	Highest – 100%  Lowest – 0%	Not Yet available: Published by NHS Digital in June 2018	Q1: 94.6% Q2: 97.74% Q3: 93.41% Q4: 96.48%  Year-end 95.68%	Not Yet available: Published by NHS Digital in June 2018
<p>The Dorset HealthCare University NHS Foundation Trust considers that this data is as described for the following reasons: This data is taken directly from the RIO (electronic patient records) and is audited daily to check accuracy.</p> <p>The Dorset Healthcare University NHS Foundation Trust has taken the following action to improve this percentage, and so the quality of its services, by continuing to follow up patients within seven days of discharge. The Indicator remains above required thresholds and is actively monitored. Dorset Healthcare continue to maintain this position and report any variances via the Directorate Management Groups.</p>						

<b><i>Prescribed Indicator+</i></b>	<b><i>National average 2016/17</i></b>	<b><i>DHC 2016/17 Position</i></b>	<b><i>Comparison with other Trusts</i></b>	<b><i>National average 2017/18</i></b>	<b><i>DHC 2017/18 Position</i></b>	<b><i>Comparison with other Trusts</i></b>
The data made available to the NHS Foundation Trust by NHS Digital with regard to the percentage of admissions to acute wards for which the Crisis Resolution Home Treatment Team acted as a gatekeeper during the reporting period.	At the time of reporting, national data is unavailable	Q1: 98.32% Q2: 98.92% Q3: 100% Q4: 98.26%	Comparison data with other Trusts is not available	At the time of reporting, national data is unavailable	Q1: 100.00% Q2: 98.00% Q3: Indicator Removed Q4: Indicator Removed	Comparison data with other Trusts is not available
The Dorset HealthCare University NHS Foundation Trust considers that this data is as described for the following reasons: This is being regularly monitored and staff have been reminded of the requirements to involve the Crisis Service in assessments prior to a person being offered a hospital bed to help decide if an admission may be avoided through additional support at home. Since the review of this indicator in 2013/14, clinical staff are continuously reminded of how to record in a consistent manner.						
The Dorset Healthcare University NHS Foundation has taken the following action to improve this percentage, and so the quality of its services, by: The Indicator remains above required threshold of 95% and has now been retired. Local monitoring continues.						



<b>Prescribed Indicators</b>	<b>National average 2016/17</b>	<b>DHC 2016/17 Position</b>	<b>Comparison with other Trusts</b>	<b>National average 2017/18</b>	<b>DHC 2017/18 Position</b>	<b>Comparison with other Trusts</b>
The data made available to the NHS Foundation Trust by the NHS Digital with regard to the percentage of patients aged – 0 to 15 <sup>1</sup> ; and 16 or over, readmitted to a hospital which forms part of the trust within 28 days of being discharged from a hospital which forms part of the trust during the reporting period.	Not Yet Available	4% (Monthly position as at March 2017)	Highest - 40% Lowest – 0%	Not Yet Available: Published by NHS Digital June 2018	10.34%	Not Yet Available: Published by NHS Digital June 2018
The Dorset HealthCare University NHS Foundation Trust considers that this data is as described for the following reasons: Data extracted directly from SystmOne™ (Patient Clinical System) with rules applied following discussions with the responsible teams.						
The Dorset HealthCare University NHS Foundation Trust intends to take the following actions to improve this percentage, and so the quality of its services, by: Continuing to ensure effective discharge planning to minimise the risk of re-admission. Information is available at ward level to inform decision makers connected with service improvement.						

---

<sup>1</sup> The Trust does not report for patients under the age of 18, this does not form part of the current compliance or risk assessment framework guidance for Foundation Trust's.

<b>Prescribed Indicators</b>	<b>National average 2016/17</b>	<b>DHC 2016/17 Position</b>	<b>Comparison with other Trusts</b>	<b>National average 2017/18</b>	<b>DHC 2017/18 Position</b>	<b>Comparison with other Trusts</b>
The data made available to the NHS Foundation Trust by NHS Digital with regard to The Trust's 'Patient experience of community mental health services' indicator score with regard to a patient's experience of contact with a health or social care worker during the reporting period.	National average data is not available	7.3	Highest: 8.1 Lowest: 6.9	National average data is not available	7.9	About the same
<p>The Dorset HealthCare University NHS Foundation Trust considers that this data is as described for the following reasons: Data provided by the CQC.</p> <p>The Trust has seen an increase of 0.6 in the <i>health and social care worker</i> key theme of the survey in 2017; increasing from 7.3 in 2016/17 to 7.9 in 2017/18 on a 10 point scale. The Trust continues to perform on a par (about the same<sup>2</sup>) with other trusts which took part in the survey.</p> <p>The <i>health and social care worker</i> section score of 7.9 is made up of the following, a comparison against last year's score and national information is included below.</p>						
<b>Question</b>	<b>2017 Scores for Dorset HealthCare</b>	<b>Lowest trust score</b>	<b>Highest trust score</b>	<b>2016 Results for Dorset HealthCare</b>		
Did the person or people you saw listen carefully to you?	8.5	7.2	8.7	7.9		
Were you given enough time to discuss your needs and treatment?	7.6	6.2	8.1	7.4		
Did the person or people you saw understand how your mental health needs affect other areas of your life?	7.6	5.8	7.8	6.7		

<sup>2</sup> 'About the same' is the wording used by the CQC. It is based on a statistic called the 'expected range' which determines the range within which the trust's score could fall without differing significantly from the average, taking into account the number of respondents for each trust and the scores for all other trusts.

The Trust results show an improvement in scores across all questions compared to the previous report, although remaining within the 'about the same' range when compared to other trusts nationally. The CQC's statistical release report, published in November 2017, stated that nationally the 2016 survey showed that many people who use services were experiencing poor quality care. The 2017 survey found overall that there has been little or no improvement across many of the areas covered by this survey, despite this, around two-thirds of respondents reported a positive experience of overall care and the vast majority of respondents (97%) said that they knew how to contact the person in charge of their care if they had concerns. A higher proportion of respondents this year (71%, up from 68% in 2015) also knew who to contact out of hours if they were experiencing a crisis.

The Dorset HealthCare University NHS Foundation Trust intends to take the following actions to improve this score, and so the quality of its services, by:

The Acute Care Pathway is the largest system wide review of Mental Health Services across Dorset. This transformation project is currently underway and is redesigning how Mental Health Services are designed, commissioned and delivered. This has been developed using a co-production method of NHS and lived experience expertise and country wide consultation with people who use services. The first part of the redesign 'The Retreat' is scheduled to open in late April 2018 and will be a pilot approach to further system redesign and service delivery. The services designed as part of the ACP will specifically address feedback that services needed to be more accessible, especially in times of crisis.

<b>Prescribed Indicators</b>	<b>National average 2016/17</b>	<b>DHC 2016/17 Position</b>	<b>Comparison with other Trusts</b>	<b>National average 2017/18</b>	<b>DHC 2017/18 Position</b>	<b>Comparison with other Trusts</b>
The data made available to the NHS Foundation Trust by NHS Digital with regard to the number and, where available, rate of patient safety incidents reported within the Trust during the reporting period, and the number and percentage of such patient safety incidents that resulted in severe harm or death.	1.1% from NRLS cluster data with 0.06% for DHC from October 1 2016 to March 31 2017 (most up to date data available)	6446 patient safety incidents reported (57% of all incidents).  39 patient safety incidents (0.60%) resulted in severe harm (4) or death (35) from internal incident reporting data April 1 2016 - March 31 2017.	Below average for the rate of patient safety incident that resulted in severe harm or death (currently – to be confirmed with end of year data)	1% from NRLS cluster data with 0.6% for DHC April 1st 2017– September 30 <sup>th</sup> 2017	6,602 patient safety incidents reported (62% of all incidents).  58 patient safety incidents (0.9 %) resulted in severe harm (11) or death (47)  From internal incident reporting data April 1 2017 to March 2018	Below average for the rate of patient safety incidents that resulted in severe harm or death

The Dorset HealthCare University NHS Foundation Trust considers that this data is as described for the following reasons:  
The Trust's reporting rate (per 1,000 bed days) was the fifth highest (out of 53 trusts) at 79.16 with the median reporting rate being 42.43 within the mental health reporting organisations reporting to the National Reporting and Learning System (NRLS). The levels of severe harm or death continue to be below the comparison data provided by the NRLS report (April 2017 to September 2017). There has been a 0.3% (based on current data) increase in the percentage of incidents reporting severe harm or death on the previous year (2016/17) within the Trust's internal incident reporting data.

The Dorset HealthCare University NHS Foundation Trust has taken / intends to take the following actions to improve this percentage, and so the quality of its services. Investigations are carried out for patient safety incidents of moderate harm and above and learning from these reviews are incorporated into the Sign up to Safety work streams and shared via the Directorate Management and Locality meetings. Summaries of learning children and adult safeguarding reviews are shared via the learning pages that have been developed on the intranet available to all staff and are incorporated in to the training provided to staff. Multiagency learning events have been held with DHC staff, social care and the police. A weekly report of all deaths is reviewed by the Patient Safety Team, Director of Nursing Thearapies and Quality and the Medical Director to ensure that the investigation approach identified is appropriate to the nature of the incident. We have trained 9 staff in the Learning Disability Mortality review process as part of the Bristol University project. We have reviewed the National Guidance on Learning from Deaths and developed an action plan and published our mortality data. The Trust worked with Dorset Clinical Commissioning Group in developing the Dorset co-produced local suicide prevention action plan which supports the national suicide prevention strategy. There is both an internal and pan Dorset Mortality Review group which consider learning from unexpected deaths from natural causes.

<b>Prescribed Indicators</b>	<b>National average 2016/17</b>	<b>DHC 2016/17 Position</b>	<b>Comparison with other Trusts</b>	<b>National average 2017/18</b>	<b>DHC 2017/18 Position</b>	<b>Comparison with other Trusts</b>
The data made available to the NHS Foundation Trust by NHS Digital with regard to Early Intervention in Psychosis (EIP): people experiencing a first episode of psychosis treated with a NICE-approved care package within two weeks of referral (year-end position for this indicator has been reviewed by PWC (A))	Not Available	Q1: 54.55% Q2: 62.71% Q3: 77.27% Q4: 96.88%	Not Available	Not Yet Available: Published by NHS Digital June 2018	Q1: 81.8% Q2: 88.3% Q3: 64.71% Q4: 74% Year end 77%	Not Yet Available: Published by NHS Digital June 2018

The Dorset HealthCare University NHS Foundation Trust considers that this data is as described for the following reasons:

This data is taken directly from the RIO (electronic patient records) and is audited daily to check accuracy.

The Dorset HealthCare University NHS Foundation Trust intends to take the following actions to improve this score, and so the quality of its services, by:

The Indicator remains above required thresholds and is actively monitored. Dorset Healthcare continue to maintain this position and report any variances via the Directorate Management Group.

<i>Prescribed Indicators</i>	<i>National average 2016/17</i>	<i>DHC 2016/17 Position</i>	<i>Comparison with other Trusts</i>	<i>National average 2017/18</i>	<i>DHC 2017/18 Position</i>	<i>Comparison with other Trusts</i>
<p>The data made available to the NHS Foundation Trust by NHS Digital with regard to ensure that cardio-metabolic assessment and treatment for people with psychosis is delivered routinely in the following service areas:</p> <ul style="list-style-type: none"> <li>a) inpatient wards</li> <li>b) early intervention in psychosis services</li> <li>c) community mental health services (people on care programme approach)</li> </ul>	Not an element of the Single Oversight Framework			Reported figure to be sourced from local audit in June 2018		
<p>The Dorset HealthCare University NHS Foundation Trust considers that this data is as described for the following reasons:</p> <p>No figures to comment on</p>						
<p>The Dorset HealthCare University NHS Foundation Trust intends to take the following actions to improve this score, and so the quality of its services, by</p> <p>No figures to comment on</p>						

<b>Prescribed Indicators</b>	<b>National average 2016/17</b>	<b>DHC 2016/17 Position</b>	<b>Comparison with other Trusts</b>	<b>National average 2017/18</b>	<b>DHC 2017/18 Position</b>	<b>Comparison with other Trusts</b>
The data made available to the NHS Foundation Trust by NHS Digital with regard to improving access to psychological therapies (IAPT): b) waiting time to begin treatment (from IAPT minimum dataset): i. within 6 weeks of referral	Not Available	Q1: 90.36% Q2: 87.50% Q3: 85.74% Q4: 84.42%	Not Available	Not Yet Available: Published by NHS Digital June 2018	Q1: 78.25% Q2: 81.76% Q3: 87.15% Q4: 91.70%	Not Yet Available: Published by NHS Digital June 2018
ii. within 18 weeks of referral	Not Available	Q1: 100.00% Q2: 100.00% Q3: 99.81% Q4: 99.72%	Not Available	Not Yet Available: Published by NHS Digital June 2018	Q1: 99.67% Q2: 99.74% Q3: 99.70% Q4: 98.80%	Not Yet Available: Published by NHS Digital June 2018
a) proportion of people completing treatment who move to recovery (from IAPT dataset)	Not Available	Indicator introduced 2017/18  Q3: 53.39%  Q4: 56.56%	Not Available	Not Yet Available: Published by NHS Digital June 2018	Q1: 53.62% Q2: 55.27% Q3: 53.34% Q4: 53.80%	Not Yet Available: Published by NHS Digital June 2018

The Dorset HealthCare University NHS Foundation Trust considers that this data is as described for the following reasons:  
This data is taken directly from the IAPTuS (electronic patient records) and is audited to check accuracy.

The Dorset HealthCare University NHS Foundation Trust intends to take the following actions to improve this score, and so the quality of its services, by The Indicator remains above required thresholds and is actively monitored. Dorset Healthcare continue to maintain this position and report any variances via the Directorate Management Group.

<i>Prescribed Indicators</i>	<i>National average 2016/17</i>	<i>DHC 2016/17 Position</i>	<i>Comparison with other Trusts</i>	<i>National average 2017/18</i>	<i>DHC 2017/18 Position</i>	<i>Comparison with other Trusts</i>
The data made available to the NHS Foundation Trust by NHS Digital with regard to admissions to adult facilities of patients under 16 years old	Not a reported indicator			Not Yet Available: Published by NHS Digital June 2018	Q1: 0 Q2: 0 Q3: 0 Q4: 0	Not Yet Available: Published by NHS Digital June 2018
<p>The Dorset HealthCare University NHS Foundation Trust considers that this data is as described for the following reasons:</p> <p>The Indicator remains above required thresholds and is actively monitored.</p>						
<p>The Dorset HealthCare University NHS Foundation Trust intends to take the following actions to improve this score, and so the quality of its services, by Dorset Healthcare continue to maintain this position and report any variances via the Directorate Management Group.</p>						



<b><i>Prescribed Indicators</i></b>	<b><i>National average 2016/17</i></b>	<b><i>DHC 2016/17 Position</i></b>	<b><i>Comparison with other Trusts</i></b>	<b><i>National average 2017/18</i></b>	<b><i>DHC 2017/18 Position</i></b>	<b><i>Comparison with other Trusts</i></b>
The data made available to the NHS Foundation Trust by NHS Digital with regard to inappropriate out-of-area placements for adult mental health services		Not a reported indicator		Not Yet Available: Published by NHS Digital June 2018	Not Yet Available: Published by NHS Digital June 2018	Not Yet Available: Published by NHS Digital June 2018
The Dorset HealthCare University NHS Foundation Trust considers that this data is as described for the following reasons: Not Yet Available: Published by NHS Digital June 2018						
The Dorset HealthCare University NHS Foundation Trust intends to take the following actions to improve this score, and so the quality of its services, by Not Yet Available: Published by NHS Digital June 2018						

<b>Prescribed Indicators</b>	<b>National average 2016/17</b>	<b>DHC 2016/17 Position</b>	<b>Comparison with other Trusts</b>	<b>National average 2017/18</b>	<b>DHC 2017/18 Position</b>	<b>Comparison with other Trusts</b>
<p>The data made available to the NHS Foundation Trust by NHS Digital with regard to the Trust's patient reported outcome measures scores for</p> <p>(i) Groin hernia  (ii) Varicose vein surgery  (iii) Hip replacement surgery, and  (iv) Knee replacement surgery,</p> <p>During the reporting period.</p> <p><i>EQ Visual Analogue Scale (EQ VAS) is a thermometer style scale. Patients are asked to indicate their general health on the scale with 0 being the worst and 100 being the best.</i></p> <p><i>The average adjusted health gain is the difference between the patients' pre and post-operative scores, a negative score would denote that an individual's health has deteriorated.</i></p> <p><i>The EQ-5D health questionnaire asks patients to classify their health based on self-assessed levels of problems ("no", "some", "extreme" in the following five areas: mobility, self-care, usual activities, pain/discomfort and anxiety/depression.</i></p>	<p>EQ-5D Index Average adjusted health gain (April-Sept 2016): 0.089</p> <p>EQ-5D VAS Average adjusted health gain (April-Sept 2016): -0.116</p>	<p>EQ-5D Index Average adjusted health gain (April-Sept 2016): 0.087</p> <p>EQ-5D VAS Average adjusted health gain (April-Sept 2016): 0.266</p>	<p>EQ-5D Index Lowest adjusted health gain (April-Sept 2016): 0.016</p> <p>EQ-5D Index Highest adjusted health gain (April-Sept 2016): 0.162</p> <p>EQ-5D VAS Lowest adjusted health gain (April-Sept 2016): -4.646</p> <p>Highest adjusted health gain (April-Sept 2016): 3.115</p>	<p>EQ-5D Index Average adjusted health gain (April-Sept 2017): 0.089</p> <p>EQ-5D VAS Average adjusted health gain (April-Sept 2017): -0.132</p>	<p>Less than 30 Questionnaires reported, therefore not calculated.</p>	<p>EQ-5D Index Lowest adjusted health gain (April-Sept 2017): 0.042</p> <p>EQ-5D Index Highest adjusted health gain (April-Sept 2016): 0.145</p> <p>EQ-5D VAS Lowest adjusted health gain (April-Sept 2017): -6.119</p> <p>Highest adjusted health gain (April-Sept 2017): 4.247</p>

The Dorset HealthCare University NHS Foundation Trust considers that this data is as described for the following reasons:  
The Trust undertakes a relatively small number of operations at three of its Community Hospitals. The patients are carefully screened for surgery in a community hospital and are therefore relatively otherwise healthy individuals whose scores for health state are generally high on the first assessment. The Trust continues to monitor all PROMS data on an ongoing basis.

The Dorset HealthCare University NHS Foundation Trust intends to take the following actions to improve this score, and so the quality of its services, by continuing to regularly review detailed patient level data to identify issues/trends which may impact on patients' health following surgery and take action if issues are identified.

## PART THREE

### REVIEW OF QUALITY PERFORMANCE

#### QUALITY INDICATORS 2017/18

This section of our Quality Report highlights how we have performed as a Trust against a core set of national quality indicators and indicators of quality agreed by the Trust Board. Our indicators have changed from those used in 2016/17 and the following table provides an overview of the reasons for these changes.

QUALITY DOMAIN	INDICATOR	REASON FOR CHANGE
<b>Patient Experience</b>	As a partner agency we will adopt the Pan Dorset Carers Strategy	Dorset HealthCare achieved these indicators in 2016/17 and will continue to embed processes going forward
<b>Patient Safety</b>	Reduce the number of unnecessary emergency transfers from inpatient settings to acute hospitals	Dorset HealthCare will continue this work as part of our Sign up to Safety Campaign deteriorating patient work streams
	Communicate vital signs and National Early Warning Score (NEWS) at the point of transfer to other care settings following deterioration	Dorset HealthCare achieved this indicator in 2016/17. The Trust will take forward the NEWS2 as an indicator for 2018/19
	Development of a Trust and Pan Dorset mortality reporting and review process	Dorset HealthCare achieved this indicators in 2016/17 and will continue to embed processes going forward
<b>Clinical Effectiveness</b>	Reduce risk to patients by ensuring all inpatients receive timely venous thromboembolism (VTE) preventative management (prophylaxis)	Dorset HealthCare will continue to embed processes taking this indicator forward in 2018/19
	Support staff to provide optimal end of life care, by the right person, in the right place and at the right time	Dorset HealthCare achieved this indicator in 2016/17 and will continue to embed processes going forward
	Support staff to undertake robust Clinical Audit aligned to National Standards, as a quality improvement initiative, to drive up the quality of care	Dorset HealthCare achieved this indicator in 2016/17 will continue to embed processes going forward

## PROGRESS WITH OUR QUALITY INDICATORS 2017/18

<b>Patient Experience</b>
<b>Indicator:</b> Complete a self-assessment against the 6 standards developed by the Carers Trust for all mental health inpatient and Crisis Teams
<ul style="list-style-type: none"><li>• The Carers Trust representing the Triangle of Care Scheme awarded Dorset HealthCare its first star following submission of self-assessment against the 6 standards</li></ul>
<b>Indicator:</b> Develop an action plan to address areas which were not rated as green in the self-assessment
<ul style="list-style-type: none"><li>• Action plans have been developed for areas not rated green</li><li>• Action plans are monitored at the Carers Leads Meeting</li><li>• The action plans are 'live' documents which will evolve as the Triangle of Care programme proceeds</li></ul>
<b>Indicator:</b> Develop an implementation plan to roll out the Triangle of Care across our community mental health teams
<ul style="list-style-type: none"><li>• Community Mental Health Teams (CMHT) (adults), Older People Mental Health and Children and Adolescent Mental Health Services (CAMHS) identified Carers Leads</li><li>• A Carers Lead role description stating the expectations of the role was developed</li><li>• Leads underwent training to equip them to undertake their roles as Carers Leads</li><li>• CMHT participation in Triangle of Care was launched at a 'Learning Set' in October 2017</li></ul>



<b>Patient Safety</b>
<p><b>Indicator:</b></p> <p>Identify treatments / interventions that could be provided in house in line with the competency framework</p>
<ul style="list-style-type: none"> <li>• Generic competencies have been developed for physical health clinical roles Band 6-8</li> <li>• Role specific competencies have been developed for mental health inpatient Band 6 and 7</li> <li>• Development of mental health Band 5 competency framework, which includes identification of the deteriorating patient and management of a patient with diabetes</li> <li>• Competency framework linked to annual appraisal</li> <li>• Four Registered Mental Health Nurses (RMN) participating in the Wessex Health Education England trailblazing credentialing mental health course</li> <li>• Safer Caring Interventions for Older People (SCIOP) training to support community hospital teams to care for patients who are agitated and confused</li> <li>• Physical Health offer to mental health inpatients</li> <li>• Physical Health clinics for mental health inpatients</li> <li>• Smoking cessation training for staff to support the smoke free site programme</li> </ul>
<p><b>Indicator:</b></p> <p>Improve working across inpatient and community boundaries for specific interventions</p>
<ul style="list-style-type: none"> <li>• All Dorset care providers use the catheter record which is held by the patient enabling staff to manage the patients' needs regardless of setting</li> <li>• County wide programme to reduce gram negative bloodstream infections</li> <li>• District nursing project to support mental health wards by providing skills and training to teams. The mental health teams are in turn able to provide advice and support for district nurses who have patients with cognitive impairments or mental health issues on their caseloads</li> <li>• Physical health link nurse allocated to each mental health inpatient ward</li> <li>• Trust collaboration with the CCG Sepsis Focus Group</li> </ul>
<p><b>Indicator:</b></p> <p>Reduce Emergency Department attendance at Poole Hospital NHS Foundation Trust of our mental health inpatients</p>
<ul style="list-style-type: none"> <li>• Collaborative working with Poole Hospital NHS Foundation Trust Emergency Department reviewing Dorset HealthCare mental health inpatient attendances</li> <li>• Recruited a General Practitioner for a mental health inpatient site</li> <li>• Recruitment of Registered General Nurse (RGN) for two mental health wards</li> <li>• Patient Safety Manager providing clinical support to the Mental health physical support team, enabling upskilling and outreach to some mental health wards</li> <li>• Safer Caring Interventions for Older People (SCIOP) training to mental health community hospital staff</li> </ul>

<b>Clinical Effectiveness</b>
<p><b>Indicator:</b></p> <p>Ensure all staff have access to relevant knowledge, training and support from other Trust services to be able to manage challenging behaviour in patients</p>
<ul style="list-style-type: none"> <li>• Monthly Dementia Steering Group provides development and support to the Trust's dementia champions</li> <li>• Role description for dementia champions developed</li> <li>• Training, Tier 1, 2 and 3 training developed relevant to role involvement and contact with dementia patients who may have challenging behaviours</li> <li>• Specific training sessions 'Managing Challenging Behaviours' and 'Prevention and Management of Violence and Aggression'</li> </ul>
<p><b>Indicator:</b></p> <p>Embed John's Campaign, Carers Passport in our community hospitals</p>
<ul style="list-style-type: none"> <li>• John's Campaign resource literature circulated to all community hospitals</li> <li>• SystemOne™ (Trust's electronic health record) supporting standardisation of recording carers related information. A dedicated field has been incorporated within the patient record to facilitate recording of passports offered. This will enable us to monitor uptake of the carers passports and provide further support to teams if needed.</li> <li>• In March, 22 carers passports are recorded on SystemOne™ as being offered to carers.</li> <li>• Integrated working with the Triangle of Care scheme</li> <li>• Trust website and Trust internal website pages developed to support the implementation of John's Campaign</li> <li>• Carers Pledge in place</li> </ul>
<p><b>Indicator:</b></p> <p>Community hospital wards signed up to the Quality Mark for Elder Friendly Hospital Wards to complete work out lined in their action plans</p>
<ul style="list-style-type: none"> <li>• Five wards awarded the Royal College of Psychiatrist Quality Mark for Elder Friendly Hospital Wards</li> <li>• Four wards completed stage 1 data collection now working on their action plans and will progress to stage 2 in September 2018</li> </ul>

**Performance against key national quality indicators**

<b>Monitor Mandatory Service Targets – Compliance framework</b>	<b>Target threshold values</b>	<b>March 15 Position</b>	<b>March 16 position</b>	<b>Q4 March 17 Position</b>	<b>Q1 June 17 Position</b>	<b>Q2 Sept 17 Position</b>	<b>Q3 Dec 17 Position</b>	<b>Q4 March 18 Position</b>	<b>Year End Position</b>
Referral to treatment waiting times (patients on an incomplete pathway) (the year end position for this indicator has been reviewed by PwC <sup>(A)</sup> )	SOF performance indicator: 92% <18 weeks	98.13%	97.51%	98.04%	97.83%	98.13%	97.80%	96.99%	97.70%
A&E maximum waiting time of 4 hours from arrival to admission / transfer / discharge	SOF performance indicator: 95% <4 hours	99.98%	99.96%	Not applicable to the Trust					
Maximum 6-week wait for diagnostic procedures	SOF performance Indicator: 99%				99.88%	99.43%	99.71%	99.18%	99.59%
Care Programme Approach (CPA) patients receiving follow up contact within seven days of discharge from hospital.	SOF performance Indicator: 95%	96.92%	97.63%	97.9%	95.83%	97.74%	93.41%	96.48%	95.68%
CPA patients having formal review within 12 months		96.63%	95.80%	95.5%	97.04%	95.14%	93.97%	94.61%	95.04%



Monitor Mandatory Service Targets – Compliance framework	Target threshold values	March 15 Position	March 16 position	Q4 March 17 Position	Q1 June 17 Position	Q2 Sept 17 Position	Q3 Dec 17 Position	Q4 March 18 Position	Year End Position
Admissions to inpatient services had access to Crisis Resolution / Home Treatment Teams	SOF performance indicator: 95%	99.12%	97.45%	98.26%	100.00%	98.00%	Indicator removed from SOF		
C.difficile – meeting the C.difficile objective	SOF performance indicator: <=1	1	2	1	0	2	1	3	6
Early intervention in Psychosis (EIP): People experiencing a first episode of psychosis treated with a NICE approved care package within two weeks of referral. . (The year end position for this indicator has been reviewed by PwC (A))	SOF performance indicator 50%	<b>Indicator introduced part year 2015/16</b>	71.67%	96.88%	81.82%	86.67%	64.71%	74%	75%
Ensure that cardio-metabolic assessment and treatment for people with psychosis is delivered routinely in the following service areas: a) inpatient wards b) early intervention in psychosis services c) community mental health services (people on care programme approach)	SOF Performance Indicator: 90%	<b>Indicator introduced 2017/18</b>			Awaiting annual audit figure. Expected June/July 2018				

Monitor Mandatory Service Targets – Compliance framework	Target threshold values	March 15 Position	March 16 position	Q4 March 17 Position	Q1 June 17 Position	Q2 Sept 17 Position	Q3 Dec 17 Position	Q4 March 18 Position	Year End Position
Admissions to adult facilities of patients under 16 years old		Indicator introduced 2017/18			0	0	0	0	0
Inappropriate out-of-area placements for adult mental health services		Indicator introduced Q4 2017/18						Expected June/July 2018	0
Improving access to psychological therapies (IAPT): <ul style="list-style-type: none"> <li>People with common mental health conditions referred to IAPT programme will be treated within 6 weeks of referral</li> </ul>	SOF performance indicator: 75%	90.98%	84.42%	78.25%	81.76%	87.15%	91.70%	84.73%	
<ul style="list-style-type: none"> <li>People with common mental health conditions referred to IAPT programme will be treated within 18 weeks of referral</li> </ul>	SOF performance indicator: 95%	99.87%	99.97%	99.67%	99.74%	99.70%	98.80%	99.70%	
<ul style="list-style-type: none"> <li>Proportion of people completing treatment who move to recovery</li> </ul>	SOF Performance Indicator: 50%	Indicator introduced 2017/18			53.62%	55.27%	53.34%	53.80%	53.92%

## HOW TO CONTACT US

### LET US KNOW WHAT YOU THINK

We hope that our Quality Report has been informative and interesting to you. We welcome feedback, along with any suggestions you may have for next year's publication. Please get in touch with:

The Director of Nursing, Therapies and Quality  
Dorset HealthCare University NHS Foundation Trust  
Trust Headquarters  
Sentinel House  
4-6 Nuffield Industrial Estate Nuffield Road  
Poole Dorset  
BH17 RB  
Email: [Dawn.dawson4@nhs.net](mailto:Dawn.dawson4@nhs.net)

### JOIN US AS A MEMBER AND HAVE YOUR SAY IN OUR FUTURE PLANS

A representative and meaningful membership is important to the success of the Trust and gives members of our local communities the opportunity to be involved in how the Trust and its services are developed and improved. Membership is free and the extent to which our members are involved is entirely up to them. Some are simply happy to receive a newsletter four times a year, while others are keen to be involved in consultations and come along to meetings. Some have even become members of our Council of Governors.

For further information please contact our Membership Office on:

**0808 100 3318** or email: [dhc.membership@nhs.net](mailto:dhc.membership@nhs.net)

### CHECK OUT OUR WEBSITE

Our website provides comprehensive details of the Trust's services and where they are provided, including information about mental health, learning disabilities and community health services, what to do in a crisis, updates on Trust initiatives and links to other useful websites.

There is also a section about Foundation Trust membership under the 'About the Trust/Membership' heading, where there is an opportunity to sign up online. One of the benefits of becoming a member is that you have a vote when elections for public governors are held and thereby a say in who represents you.

Visit: <http://www.dorsethealthcare.nhs.uk/>

This Quality Report can be found on the NHS Choices website at [www.nhs.uk](http://www.nhs.uk). This report can be made available in a variety of formats, available on request.

## **ANNEX 1**

### **FEEDBACK FROM OUR STAKEHOLDERS**

#### **Comments from the Council of Governors on the Trust Quality Report 2017/18**

1. The Council of Governors welcomes the opportunity to comment on the Trust Quality Account Report for 2017/18.
2. The Council holds the view that the quality of the services delivered by the Trust is an important measure of success. Reviewing the Quality Account Report is therefore an important element of our overall approach to holding the Board, through the Non-Executive Directors, to account for the performance of the Trust.
3. Public understanding of the quality of Trust services is key. The Quality Account Report, given the mandated content, does not lend itself to review by the public at large and in response to comments made by the Council 2016/17; an easy read version was published. The Council is pleased that this year a shorter, publicly focused and more accessible document will be produced to provide a summary of the progress being made by the Trust, the issues to be addressed, the Quality Account priorities for 2017/18 and the achievements and ambitions of the organisation.
4. The Council is satisfied with the progress being made by the Trust in maintaining and improving the quality of the services delivered to our community and beyond. The Council fully supports the commitment of the Board and our staff to deliver nothing less than services of the highest quality. The Council considers that it is necessary for the Board to lead by example in this area.
5. The Care Quality Commission (CQC) inspection in November 2017 was an important test of the quality of services provided. The Council is pleased with the positive comments made by the CQC and the fact that the Trust's overall rating has been upgraded from 'requires improvement' to 'good'. The Council would like to congratulate the Board and staff on the outstanding work they put in to achieve this rating and urge the Board to develop a plan for moving the Trust from being rated 'good' to 'outstanding'. We note that whilst the safe domain is still rated 'required improvement' due to a number of issues identified at a smaller number of our services, some new and others on-going, the CQC report does note progress made in this domain. The Trust has developed an action plan to address the issues identified and this will be monitored by the Board.
6. The Council fully supports the Trust in taking forward its commitment to participation and engagement. The Council encourages the Trust to continue to engage with patients, people who access services, carers, staff and the general public to deepen the understanding of what quality means to the people of Dorset. .
7. The Council also comments that:
  - The Board should be congratulated on the progress made in respect of each of the Quality Priorities for 2017/18 and the fact that all three have been achieved in the year;
  - The Quality Account Report celebrates important specific areas of achievement. The Council believes that having evidence of improving people's experiences of services is an important part of measuring progress with the Quality Priorities. The Council would like to see this progress reported over the next year.
  - The selection of the priorities for 2018/19 is supported by Governors; these priorities seem to address patient safety welfare and support for families and carers.
8. In conclusion, the Council recognises the progress being made by the Trust, the commendable attitude and the effort being displayed by staff, and the results being achieved in improving the quality of services delivered to the community.

May 2018

## **Comments from Dorset Clinical Commissioning Group**

Dorset CCG has been working closely with the Trust during the year, gaining assurance of the delivery of safe and effective services. The information presented within the quality account is consistent with quality, safety and performance information supplied to the CCG throughout the year through contract reporting and discussions at meetings with the Trust. We can confirm that we have no reason to believe this Quality Account is not an accurate representation of the performance of the organisation during 2017/18.

The recent CQC rating, 'Good' overall for the Trust reflects the significant improvement work undertaken across all services and it is good to see some areas rated as outstanding. Members of CCG staff have undertaken a number of announced quality assurance visits during the year and the findings of these are aligned with those of the CQC inspection.

The Carers Trust award of the first star of three recognises the progress in the patient experience priorities in 2017/18 which included the introduction of the Triangle of Care across mental health services in patient services and the commitment to continue to improve service users' and carers' experience.

The work to bring care to the patient through development of staff skills has supported the patient safety priority to reduce transfers of patients between services and healthcare professionals. This has seen benefits in improving the management of deteriorating patients and the CCG supports the aim for the forthcoming year to develop integrated working with acute and primary care colleagues through implementation of the National Early Warning Score (2).

As the first community hospitals to achieve the Quality Mark for Elder-Friendly Hospital Wards during the year, the Trust have demonstrated commitment to the clinical effectiveness priorities identified for 2017/18.

The CCG is supportive of the focus of the quality priorities for 2018/19 and will continue to work with the Trust over the coming year to ensure all quality standards are monitored as set out in the reporting requirements of the NHS Contract. The CCG also recognises the Trust's support and collaborative working with all health and social care partners to improve the quality of services for all Dorset patients.

## **Comments from Dorset Health Scrutiny Committee**

Three Members of the Dorset Health Scrutiny Committee are appointed annually to form a Task and Finish Group which meets twice per year with representatives of the Dorset HealthCare University NHS Foundation Trust. These meetings provide a constructive and informal opportunity to discuss the progress being made in improving quality and performance. The Committee's representatives welcome these opportunities to meet and would like to offer the following comments with regard to the Annual Quality Account for 2017/18:

- The Trust should be congratulated on its performance and progress this year. Members were delighted to hear that the Care Quality Commission has very recently awarded the Trust with an overall 'good' rating: an improvement from the previous rating of 'requires improvement';
- The work undertaken to support and involve carers this year is highly commendable, with the Triangle of Care scheme and John's Campaign being of particular interest and note;
- The work relating to the achievement of the Quality Mark for Elder-Friendly Wards is also commendable and Members hope that this can be continued in the coming year;
- Members were pleased to see a focus on suicide prevention going forwards, but questioned whether a target of a 10% reduction (by the end of 2020) was sufficiently challenging. The rationale behind the setting of this target would provide useful context;
- With regard to probable or possible avoidable deaths of patients under the Trust's care, Members noted the learning from case reviews and investigations and in particular supported

the need to ensure that full records are obtained wherever possible when patients are admitted to hospitals, from within or outside Dorset;

- The outcome of the annual national staff survey shows continued improvement and demonstrates a commitment to supporting the workforce;
- Overall Members found it difficult to judge the Trust's performance against some key national indicators due to a lack of current local data or national comparison data. However, the apparent drop in performance with regard to people experiencing a first episode of psychosis treated with a NICE-approved care package within two weeks of referral, was a cause for concern. More detailed explanation as to anomalies such as this would be helpful;
- Members were pleased to note that performance against national and locally agreed quality indicators is good, with targets achieved and/or work to embed practice on-going.

In summary, the Dorset Health Scrutiny Committee has found that Dorset HealthCare University NHS Foundation Trust continues to be open and cooperative in its meetings and communications with the Committee, and Members congratulate the Trust on its work and progress over the last year.

### **Comments from Borough of Poole's Health and Social Care Overview and Scrutiny Committee**

Members of Borough of Poole's P(HSC)OSC would like to thank the Trust for enabling representatives of the committee to meet with yourselves to discuss quality issues over the last year and also to comment on this draft Quality Account for 2016/17. The Report gives a clear outline of how the Trust is endeavouring to deliver high quality care and the activities undertaken during the financial year to improve services.

The P(HSC)OSC are encouraged to note that the Trust has continued to consult with its staff, residents and stakeholders to establish the three priorities for improvement. With regard to the priority areas for 2016/17 we commend the Trust in achieving the majority of what it had planned in relation to:

**Patient Experience- to ensure that patients and carers are engaged and active participants in care planning and delivery.** Representatives from the committee were interested to hear about the impact of "John's Campaign" which calls for the families and carers of people with dementia to have the same rights as the patients of sick children, and to be allowed to remain with them in hospital for as many hours as they are needed, and as they are able to give. It is encouraging to note that the feedback from the pilot has indicated that the 'open visiting' improves the patient and carers experience and that the Trust will join other NHS Trusts across England with the implementation of the Carers Passport, during the end of the 16/17 financial year.

**Patient Safety- to reduce the number of patients using the service who experience an unexpected deterioration in their physical condition which results in admission to an acute general hospital.** Representatives from the committee were encouraged to note that 6 key conditions were identified where a transfer may have been unnecessary if staff were upskilled to manage these conditions outside of an acute setting.

**Clinical Effectiveness- Implementing NICE quality standards-** The Trust identified areas such as treatment of Venous Thromboembolism (VTE) and support to staff delivering End of Life Services needed improving through use of NICE quality standards. Representatives of the committee were glad to learn that progress had been made in developing a VTE Training Module which has been rolled out and training delivered to appropriate staff. It is also encouraging to note that 9 out of 11 community hospitals had achieved or were working towards the Gold Standards Framework accreditation for end of life care. Members of the committee were also encouraged to note substantial progress made in reducing avoidable pressure ulcers.

Moving forward to 17/18 the committee note that priority improvement areas build on and expand on those from 16/17. Of particular interest over the next year will be understanding how the triangle of care approach shifts culture; alongside upskilling of staff to bring care to the patient rather than transfer

them to another provider and also ensuring that the carers passport continues to be rolled out along with achieving the Quality Mark for Elderly Friendly Hospital Wards.

Thank you for the opportunity to comment on an interesting Quality Account. We look forward to reading the published version but please take this letter as Borough of Poole's response to the draft version sent to the Council on 7th April 2017.

### **Comments from Bournemouth Borough Health Overview and Scrutiny Committee**

The quality account has shown that DUHFT has met the majority of their targets, they set out their main priorities clearly and achieved them. They have also set themselves recommendations for the future. Their priorities were focused on the quality of care the patient received, their experience whilst in care, and the experience of those who care about them. These are vital priorities of any care giving service. It is an important to set objectives that push you to achieve the best quality service possible whilst being realistic in your goals, DUHFT seem to have achieved this balance very well. However as set out in the account there is always room for improvement, and hopefully DUHFT will continue to do so.

### **Changes made as a result of feedback from our stakeholders**

Following receipt of these written statements, there are no significant changes to our Quality Account required from the feedback and therefore no changes were necessary.

## ANNEX 2

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year.

NHS Improvement has issued guidance to NHS foundation trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS foundation trust boards should put in place to support the data quality for the preparation of the quality report.

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

- the content of the Quality Report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2017/18 and supporting guidance;
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
  - board minutes and papers for the period April 2017 to March 2018;
  - papers relating to Quality reported to the Board over the period April 2017 to March 2018;
  - feedback from the commissioners dated 4 May 2018
  - feedback from governors dated May 2018;
  - feedback from Overview and Scrutiny Committee dated 3 May 2018 and 8 May 2018,
  - The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated May 2018;
  - The national patient survey dated November 2017
  - The national staff survey dated 2017;
  - The Head of Internal Audit's annual opinion over the Trust's control environment dated April 2018;
  - Care Quality Commission inspection reports dated 13 April 2018
- the Quality Report presents a balanced picture of the NHS Foundation Trust's performance over the period covered;
- the performance information reported in the Quality Report is reliable and accurate;
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice;
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review; and
- the Quality Report has been prepared in accordance with NHS Improvement annual reporting manual and supporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the Quality Report

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

By order of the Board

Date: 23/05/2018

  
Andy Willis, Chair.

Date: 23/05/2018

  
Ron Shields, Chief Executive



**THIS PAGE IS INTENTIONALLY BLANK**

## ANNEX 3

### DEFINITION OF INDICATORS

These are the detailed definitions for the indicators tested by external audit and are the subject of their Limited Assurance report on page 79 of this quality report.

INDICATOR	DEFINITION
<p><b>Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period (relates to consultant led)</b></p>	<p><b>Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways</b></p> <p><i>Source of indicator definition and detailed guidance</i></p> <p>The indicator is defined within the technical definitions that accompany <i>Everyone counts: planning for patients 2014/15 - 2018/19</i> and can be found at <a href="http://www.england.nhs.uk/wp-content/uploads/2014/01/ec-tech-def-1415-1819.pdf">www.england.nhs.uk/wp-content/uploads/2014/01/ec-tech-def-1415-1819.pdf</a></p> <p>Detailed rules and guidance for measuring referral to treatment (RTT) standards can be found at <a href="http://www.england.nhs.uk/statistics/statistical-work-areas/rtt-waiting-times/rtt-guidance/">http://www.england.nhs.uk/statistics/statistical-work-areas/rtt-waiting-times/rtt-guidance/</a></p> <p><i>Detailed descriptor</i></p> <p>E.B.3: The percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the period</p> <p><i>Numerator</i></p> <p>The number of patients on an incomplete pathway at the end of the reporting period who have been waiting no more than 18 weeks</p> <p><i>Denominator</i></p> <p>The total number of patients on an incomplete pathway at the end of the reporting period</p> <p><i>Accountability</i></p> <p>Performance is to be sustained at or above the published operational standard. Details of current operational standards are available at: <a href="http://www.england.nhs.uk/wp-content/uploads/2013/12/5yr-strat-plann-guid-wa.pdf">www.england.nhs.uk/wp-content/uploads/2013/12/5yr-strat-plann-guid-wa.pdf</a> (see Annex B: NHS Constitution Measures).</p> <p><i>Indicator format</i></p> <p>Reported as a percentage</p>

INDICATOR	DEFINITION
<p><b>Early intervention in psychosis (EIP): people experiencing a first episode of psychosis treated with a NICE-approved care package within two weeks of referral</b></p>	<p><i>Detailed descriptor</i></p> <p>The proportion of people experiencing first episode psychosis or 'at risk mental state' who wait two weeks or less to start NICE recommended package of care.</p> <p><i>Numerator</i></p> <p>The number of referrals to and within the trust with suspected first episode psychosis or at 'risk mental state' that start a NICE-recommended package of care package in reporting period within 2 weeks of referral.</p> <p><i>Denominator</i></p> <p>The number of referrals to and within the trust with suspected first episode psychosis or at 'risk mental state' that start a NICE-recommended package of care package in reporting period.</p> <p><i>Detailed guidance</i></p> <p>More guidance is available at <a href="http://www.england.nhs.uk/statistics/statistical-work-areas/eip-waiting-times/">www.england.nhs.uk/statistics/statistical-work-areas/eip-waiting-times/</a> and <a href="https://www.england.nhs.uk/mentalhealth/wp-content/uploads/sites/29/2016/02/tech-cyped-eip.pdf">https://www.england.nhs.uk/mentalhealth/wp-content/uploads/sites/29/2016/02/tech-cyped-eip.pdf</a></p>

## LIMITED ASSURANCE REPORT

### Independent Auditors' Limited Assurance Report to the Council of Governors of Dorset HealthCare University NHS Foundation Trust on the Annual Quality Report

We have been engaged by the Council of Governors of Dorset HealthCare University NHS Foundation Trust to perform an independent assurance engagement in respect of Dorset HealthCare University NHS Foundation Trust's Quality Report for the year ended 31 March 2018 (the 'Quality Report') and specified performance indicators contained therein.

#### Scope and subject matter

The indicators for the year ended 31 March 2018 subject to limited assurance (the "specified indicators") marked with the symbol **(A)** in the Quality Report, consist of the following national priority indicators as mandated by Monitor:

<b>Specified Indicators</b>	<b>Specified indicators criteria</b> (exact page number where criteria can be found)
Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period	Page 77
Early intervention in psychosis (EIP): people experiencing a first episode of psychosis treated with a NICE-approved care package within two weeks of referral	Page 78

#### Respective responsibilities of the Directors and auditors

The Directors are responsible for the content and the preparation of the Quality Report in accordance with the specified indicators criteria referred to on pages of the Quality Report as listed above (the "Criteria"). The Directors are also responsible for the conformity of their Criteria with the assessment criteria set out in the NHS Foundation Trust Annual Reporting Manual ("FT ARM") and the "Detailed requirements for quality reports for foundation trusts 2017/18" issued by Monitor (operating as NHS Improvement) ("NHSI").

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 does not incorporate the matters required to be reported on as specified in the FT ARM and the "Detailed requirements for quality reports for foundation trusts 2017/18";
- The Quality Report is not consistent in all material respects with the sources specified below; and
- The specified indicators have not been prepared in all material respects in accordance with the Criteria set out in the FT ARM and the "Detailed requirements for external assurance for quality reports for foundation trusts 2017/18".

We read the Quality Report and consider whether it addresses the content requirements of the FT ARM and the "Detailed requirements for quality reports for foundation trusts 2017/18"; and consider the implications for our report if we become aware of any material omissions.

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

- Board minutes for the financial year, April 2017 to March 2018 (the period);
- Papers relating to quality report reported to the Board over the period April 2017 to March 2018;
- Feedback from the Commissioners, NHS Dorset Clinical Commissioning Group, dated 4 May 2018;
- Feedback from Governors dated May 2018;
- Feedback from the Borough of Poole Health and Social Care Overview and Scrutiny Committee dated 3 May 2018;
- Feedback from the Dorset Health Scrutiny Committee dated 8 May 2018;
- Feedback from Bournemouth Borough Council Overview and Scrutiny Committee dated May 2018;
- The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated May 2018;
- The latest national and local patient survey dated November 2017;
- The latest national and local staff survey dated 2017;
- Care Quality Commission inspection report, dated 13 April 2018; and
- The Head of Internal Audit's annual opinion over the Trust's control environment dated April 2018.

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.

### **Our Independence and Quality Control**

We applied the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. We apply International Standard on Quality Control (UK) 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Use and distribution of the report**

This report, including the conclusion, has been prepared solely for the Council of Governors of Dorset HealthCare University NHS Foundation Trust as a body, to assist the Council of Governors in reporting Dorset HealthCare University NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2018, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Dorset HealthCare University NHS Foundation Trust for our work or this report save where terms are expressly agreed and with our prior consent in writing.

### **Assurance work performed**

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('ISAE 3000 (Revised)'). Our limited assurance procedures included:

- reviewing the content of the Quality Report against the requirements of the FT ARM and the "Detailed requirements for quality reports for foundation trusts 2017/18";
- reviewing the Quality Report for consistency against the documents specified above;

- obtaining an understanding of the design and operation of the controls in place in relation to the collation and reporting of the specified indicators, including controls over third party information (if applicable) and performing walkthroughs to confirm our understanding;
- based on our understanding, assessing the risks that the performance against the specified indicators may be materially misstated and determining the nature, timing and extent of further procedures;
- making enquiries of relevant management, personnel and, where relevant, third parties;
- considering significant judgements made by the NHS Foundation Trust in preparation of the specified indicators;
- performing limited testing, on a selective basis of evidence supporting the reported performance indicators, and assessing the related disclosures; and
- reading the documents.

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

### **Limitations**

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

The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Quality Report in the context of the assessment criteria set out in the FT ARM and “Detailed requirements for quality reports for foundation trusts 2017/18” and the Criteria referred to above.

The nature, form and content required of Quality Reports are determined by NHSI. This may result in the omission of information relevant to other users, for example for the purpose of comparing the results of different NHS Foundation Trusts.

In addition, the scope of our assurance work has not included governance over quality or non-mandated indicators in the Quality Report, which have been determined locally by Dorset HealthCare University NHS Foundation Trust.

## Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that for the year ended 31 March 2018:

- The Quality Report does not incorporate the matters required to be reported on as specified in the FT ARM and the "Detailed requirements for quality reports for foundation trusts 2017/18";
- The Quality Report is not consistent in all material respects with the documents specified above; and
- The specified indicators have not been prepared in all material respects in accordance with the Criteria set out in the FT ARM and the "Detailed requirements for external assurance for quality reports for foundation trusts 2017/18".

PricewaterhouseCoopers LLP

**PricewaterhouseCoopers LLP**  
Southampton

25 May 2018

The maintenance and integrity of the Dorset HealthCare University NHS Foundation Trust's website is the responsibility of the directors; the work carried out by the assurance providers does not involve consideration of these matters and, accordingly, the assurance providers accept no responsibility for any changes that may have occurred to the reported performance indicators or criteria since they were initially presented on the website.

## GLOSSARY OF TERMS

### **Avoidable**

Avoidable means the patient receiving care developed a pressure ulcer and the provider of care did not do one of the following: evaluate the patients clinical condition and pressure ulcer risk factors; plan and implement interventions that are consistent with patient needs, goals, and recognised standards of practice; monitor and evaluate the impact of those interventions; or revise the interventions as appropriate (NPSA 2010).

### **Board of Directors**

The Board of Directors agree the future plans of the organisation and consists of Non-Executive Directors, Executive Directors and Locality Directors.

### **Care Programme Approach (CPA)**

The process that providers of mental health care use to co-ordinate the care, treatment and support for people who have mental health needs.

### **Care Quality Commission (CQC)**

The CQC is the independent regulator of health and adult social care services in England. It also protects the interests of people whose rights are restricted under the Mental Health Act.

### **Child and Adolescence Mental Health Services (CAMHS)**

CAMHS provides assessment and treatment for children and young people up to the age of 18 years (and their families/carers), who are suffering significant mental health problems which have not responded to intervention at primary care and early intervention level.

### **Clinical audits**

A systematic process for setting and monitoring standards of clinical care. 'Guidelines' define what the best clinical practice should be, 'audit' investigates whether best practice is being carried out and makes recommendations for improvement.

### **Clinical Commissioning Group (CCG)**

The CCG's are clinically led NHS organisations which organise the delivery of NHS services in England.

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

A payment framework that has been a compulsory part of the NHS contract from 2009/10. It allows all local health communities to develop their own schemes to encourage quality improvement and recognise innovation by making a proportion of NHS service provider's income conditional on locally agreed goals.

### **Community Health Services (CHS)**

Provides a range of services to assist people with their physical, emotional and mental health needs. These services are provided in the community so are close to people's homes. Dorset HealthCare



works in partnership with GP, Social Services and local health providers to provide these services.

### **Community Hospitals**

Community hospitals provide many services including elderly inpatient care, outpatient appointments, therapy services and theatre.

### **Community Mental Health Team (CMHT)**

Community Mental Health Teams (CMHTs) are multi-disciplinary, multi-agency assessment teams designed to provide mental health care and treatment for individuals with more complex and enduring mental health needs in the community.

### **Council of Governors**

The Council of Governors are guardians of the Trust working on behalf of local communities and staff. The Council ensure that the Trust complies with the terms of its authorisation as an NHS Foundation Trust and meets regularly to advise the Board of Directors on the Trust's development and strategies.

### **Dementia**

Dementia is associated with an ongoing decline of the brain and its abilities, most notably including memory, language and understanding.

### **Foundation Trust**

Foundation Trusts are a type of NHS organisation with greater local accountability and freedom to manage themselves. They remain within the NHS overall, and provide the same services as traditional trusts, but have more freedom to set local goals. Staff and members of the public can join their Boards or become members.

### **Friends and Family Test (FFT)**

The FFT asks patients if they would recommend services to their family and friends. The FFT is now in place in all community hospitals, inpatient mental health hospitals, minor injury units and all teams in the community.

### **Gold Standards Framework**

The Gold Standards Framework (GSF) is a model that enables good practice to be available to all people nearing the end of their lives, irrespective of diagnosis

### **Healthwatch**

Healthwatch is an independent organisation which ensures the voice of patients and carers are heard throughout health and care services. They can raise issues of concern within an organisation and work with them to improve services. They ensure that patients are getting the services they need.

### **Hospital Episode Statistics**

Hospital Episode Statistics is the national statistical data warehouse for England of the care provided by NHS hospitals and for NHS hospital patients treated elsewhere.

### **Information Governance Toolkit**

An online tool that enables organisations to measure their performance against information governance standards.

There are several elements of law and policy from which information governance standards are derived. It encompasses legal requirements, central guidance and best practice in information handling, including:

- The common law duty of confidentiality
- Data Protection Act 1998
- Information security
- Information quality
- Records management
- Freedom of Information Act 2000.

### **John's Campaign**

A Campaign set up by the family of Dr John Gerrard to promote the use of family and carer support for patients admitted to a hospital with dementia. <http://johnscampaign.org.uk/#/about>

### **Mental Health Services (MHS)**

Provides a range of treatments for people across Dorset who are suffering from a mental health problem. These services can be provided at home, in the community or in more specialised inpatient units.

### **Minor Injury Unit's (MIU's)**

MIU's provide help for people with injuries which are not life threatening, enabling Accident and Emergency Departments to concentrate on those with serious conditions.

### **National Institute of Health and Care Excellence (NICE)**

NICE provides guidance, sets quality standards and manages a national database to improve people's health and prevent and treat ill health.

NICE makes recommendations to the NHS on:

- new and existing medicines, treatments and procedures
- treating and caring for people with specific diseases and conditions
- how to improve people's health and prevent illness and disease.

### **National patient surveys**

The National Patient Survey Programme, coordinated by the Care Quality Commission, gathers feedback from patients on different aspects of their experience of recently received care, across a variety of services/settings.

### **Monitor**

The independent regulator of NHS Foundation Trusts, ensuring they are well led and financially robust.

### **Non-Executive Director**

An outside member of the Board of Directors who is not affiliated with the organisation, they are sometimes known as independent directors.

### **POMH**

Prescribing Observatory for Mental Health (Royal College of Psychiatrists).

## **Pressure Ulcer (PU)**

Pressure ulcers are a type of injury that breaks down the skin and underlying tissue. They are caused when an area of skin is placed under pressure. They are also sometimes known as 'bedsores' or 'pressure sores'.

## **Q1, Q2, Q3, Q4**

Q1 stands for Quarter 1. The Trust reports progress with our priorities every 3 months (quarterly). Quarter one is April – June in any calendar year. Quarter two is July – September in any calendar year. Quarter three is October - December. Quarter four is January - March.

## **Quality Mark Elder Friendly Hospital Ward Programme**

A quality improvement programme for individual hospital wards run by the Royal Collage of Psychiatrists. Participation in the programme ensures a continuous focus on the care provided for people over the age of 65 and demonstrates the commitment made by the hospital, the ward and the staff to identify and carry out improvements, and to achieve a consistent quality of care for older people.

## **Research**

Clinical research and clinical trials are an everyday part of the NHS. The people who do research are mostly the same doctors and other health professionals who treat people. A clinical trial is a particular type of research that tests one treatment against another. It may involve either patients or people in good health, or both.

## **Root Cause Analysis (RCA)**

Root Cause Analysis (RCA) is the structured approach to identifying the factors which resulted in an incident. The root causes are the fundamental issues which have led to an incident occurring and must be addressed to improve the delivery of care.

## **Safeguarding**

A term used in conjunction with measures that are taken to protect, safeguard and promote the health and welfare of children and vulnerable people. Ensuring they live free from harm, abuse and neglect.

## **Secondary Uses Service**

The Secondary Uses Service 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.

## **Triangle of Care**

A programme launched in July 2010 between the Carers Trust and the National Mental Health Development Unit, emphasising the need for better local strategic involvement of carers and families in the care planning and treatment of people with mental ill-health.

## **Venous Thromboembolism (VTE)**

Venous thrombosis or phlebothrombosis is a blood clot (thrombus) that forms within a vein.

---

# **Independent auditors' report to the Council of Governors of Dorset HealthCare University NHS Foundation Trust**

---

## **Report on the audit of the financial statements**

---

### **Opinion**

In our opinion, Dorset HealthCare University NHS Foundation Trust's financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 March 2018 and of the Trust's income and expenditure and cash flows for the year then ended
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2017/18.

We have audited the financial statements, included within the Annual Report and Accounts 2017/18 (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 March 2018; the Statement of Comprehensive Income for the year then ended; the Statement of Cash Flows for the year then ended; the Statement of Changes in Taxpayers' Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

---

### **Basis for opinion**

We conducted our audit in accordance with the National Health Service Act 2006, the Code of Audit Practice and relevant guidance issued by the National Audit Office on behalf of the Comptroller and Auditor General (the "Code of Audit Practice"), International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

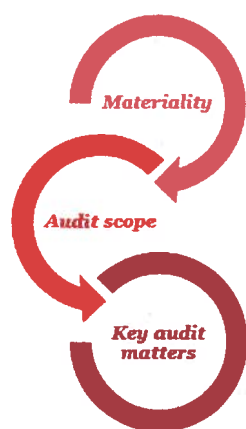
---

### **Our audit approach**

#### **Context**

Our audit for the year ended 31 March 2018 was planned and executed having regard to the fact that the Trust's operations and financial stability were largely unchanged in nature from the previous year. In light of this, our approach to the audit in terms of scoping and areas of focus was largely unchanged.

#### **Overview**



1. Overall materiality: £4,932,000 which represents 2% of total revenue.
2. In establishing our overall approach we assessed the risks of material misstatement and applied our professional judgement to determine the extent of testing required over each balance in the financial statements.
3. The Key Audit Matters we identified were:
  - Risk of fraud in revenue and expenditure recognition; and
  - Valuation of land and buildings.

## The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

## Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

Key audit matter	How our audit addressed the Key audit matter
<p><b>Risk of fraud in revenue and expenditure recognition</b></p> <p><i>See note 1 to the financial statements for the directors' disclosures of the related accounting policies, judgements and estimates relating to the recognition of income and expenditure for further information.</i></p> <p>We focused on these areas because the Trust had an incentive to exceed the control total agreed with NHS Improvement ("NHSI") and receive additional income from the Sustainability and Transformation Fund ("STF") including core STF for meeting its control total and incentive and bonus STF for exceeding its control total.</p> <p>The control total agreed for the Trust was a surplus of £2.2m (before transfers and impairments) including core STF of £1.8m. As the Trust exceeded its control total, it was therefore entitled to the full £1.8m of core STF income plus additional STF of £3.0m.</p> <p>There was a risk that management would overstate the financial result for the year to meet its control total:</p> <ul style="list-style-type: none"><li>Income may be recognised in 2017/18 that relates to 2018/19 or income may be recognised that does not exist.</li><li>Expenditure relating to 2017/18 may not be recognised.</li></ul>	<p><b>Income</b></p> <p>For a sample of CQUIN income, we read the terms and conditions of the relevant contract, traced the amount that had been recognised to supporting documentation, including an analysis of the Trust's achievement of the performance indicators. We agreed the CQUIN income to the invoices raised.</p> <p>There were no material variations to the block contracts during the year.</p> <p>For a sample of non-block contract income recognised throughout the year, we traced the amount that had been recognised to supporting documentation (for example, a signed contract or agreement, an invoice and correspondence) and where possible, to subsequent cash receipt.</p> <p>We tested a sample of income transactions that had been accounted for in the month before and after the year end to check that income had been recognised in the correct accounting period by agreeing the transaction to supporting documentation (for example, signed contract or agreement, an invoice and correspondence).</p> <p>We tested the largest element of accrued income at year-end being the final STF income receivable to ensure the Trust had correctly recognised the income within 2017/18.</p> <p>For a sample of accounts receivable balances as at 31 March 2018, we agreed the amount outstanding to supporting documentation (such an invoice or correspondence) and subsequent receipts, where possible, to ensure the income had been recognised in the correct period, and was recoverable.</p>
<p><b>Income</b></p> <p>The Trust's principal source of income is from Clinical Commissioning Groups (CCGs). The contracts with the CCGs are annual and the majority of the income is fixed for the year under a block contract and does not fluctuate with the level of activity. In line with the standard NHS contract, 2.5% of this income relates to Commissioning for Quality and Innovation (CQUIN) and is received based on achievement against a series of performance indicators. There may also be contract variations to the block contracts signed during the year. These elements are more subject to management judgement regarding the amount of such income to which the Trust is entitled.</p> <p>The Trust's non-block contract income arises from a number of different activities, for example, education and training and is subject to differing terms and conditions and, hence, subject to management judgement regarding the amount and timing of income that is recognised.</p> <p>We focused our work on:</p>	<p><b>Expenditure</b></p> <p>We selected a sample of post year end expenditure transactions and payments and checked that the corresponding expense had been recognised in the correct period by agreeing to supporting documentation (such as invoice).</p> <p>We tested accrued expenses as at the year-end by agreeing a sample of items to the subsequent invoice or to other relevant supporting documentation including contracts or calculations of the accrual. We agreed estimates and assumptions to previous invoices received for the goods/service to check they had been recognised at the correct amount and had been recognised in the correct</p>

---

### **Key audit matter**

- CQUIN income;
- variations to the block contract amounts agreed at the start of the year;
- non-block contract income; and
- non-standard journal transactions, including those impacting income and accrued income.

#### **Expenditure**

We focused our work on the elements of expenditure that we considered to be the most susceptible to misstatement, being non-pay and non-depreciation expenditure. We also focused our work on non-standard journal transactions, including those impacting expenditure.

---

### **How our audit addressed the Key audit matter**

period.

We tested a sample of provisions recognised at the year-end by checking to supporting documentation such as agreements or correspondence with third parties. We also read Board and Audit Committee minutes to identify whether there were indications that the balance was not complete.

There were no material prepayment balances at the year-end

#### **Intra-NHS transactions and balances**

We obtained the Trust's mismatch reports received from NHSI, which identified transactions and balances with other NHS bodies (debtor, creditor, income or expenditure balances) that were disputed by the counterparty. We checked that management had investigated all disputed amounts and discussed with them the results of their investigation and the resolution. We read correspondence with the counterparties, which corroborated these results. We considered the impact, if any, that the remaining disputed amounts would have on the Trust's financial statements and determined that there was no material impact.

#### **Journals**

We selected a risk-based sample of manual and automated journals, focusing on those journals that increased income or decreased expenditure with the corresponding double entry to a balance sheet account excluding accounts that would be expected for such entries such as cash, accounts receivable and accounts payable.

We traced these journals entries to supporting documentation (for example, invoices, cash receipts and payments and correspondence with third parties) to check that the journal was appropriate and had been recognised in the right period.

---

### **Valuation of land and buildings**

*Management's accounting policies, key judgements and use of experts relating to the valuation of the Trust's land and buildings are disclosed in note 1 to the financial statements.*

All property, plant and equipment is measured initially at cost, with land and buildings subsequently measured at fair value in accordance with the Department of Health Group Accounting Manual 2017/18.

As at the balance sheet date the Trust's land and buildings were valued at £146.9 million. The financial statements show:

- a revaluation gain of £2.6 million and an impairment of £2.0 million recognised through the Statement of Changes in Taxpayer's Equity; and
- a reversal of impairment of £0.5 million recognised within operating expenditure.

We focused on this area due to the material nature of this balance, and the consequent impact on the financial statements were it to be materially misstated.

Valuations are performed by a professionally accredited expert, in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual, and performed with sufficient regularity to

We obtained (directly from the valuer) and read the relevant sections of the valuation performed by the Trust's Valuer. We then used our own valuations specialists to evaluate and challenge the assumptions and methodology applied in the valuation exercise, finding the assumptions and methodology applied to be consistent with our expectations.

We checked and found that the valuer had a UK qualification, was part of an appropriate professional body and was not connected with the Trust.

We tested the underlying data (upon which the valuation was based) by agreeing it back to land area and floor plans for a sample of properties. Where an adjustment had been made to reflect the Modern Equivalent Asset (MEA) basis, we considered the assumptions made and whether this was appropriate based on the site plans provided.

For a sample of assets we obtained the title deed from HM Land Registry that confirmed that the Trust had ownership of the property.

We checked and found that the change in valuation was correctly reflected in the financial statements.

---

**Key audit matter****How our audit addressed the Key audit matter**

---

ensure that the carrying value is not materially different from fair value at the balance sheet date.

The specific areas of risk are:

- accuracy of the detailed information on properties provided to the valuation expert – most significantly the land area and floor plans, on which the valuation of NHS properties is routinely based;
- the methodology, assumptions and underlying data used by the valuation expert;
- the accounting transactions resulting from this valuation.

---

**How we tailored the audit scope**

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the accounting processes and controls, and the environment in which the Trust operates.

**Materiality**

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

<b>Overall materiality</b>	£4,932,000 (2017: £5,218,000)
<b>How we determined it</b>	2% of revenue (2017: 2% of revenue (including discontinued operations))
<b>Rationale for benchmark applied</b>	Consistent with last year, we have applied this benchmark, a generally accepted auditing practice, in the absence of indicators that an alternative benchmark would be appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £200,000 (2017: £200,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

---

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Trust's ability to continue as a going concern.

---

**Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material

misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Performance Report and the Accountability Report, we also considered whether the disclosures required by the NHS Foundation Trust Annual Reporting Manual 2017/18 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) and the Code of Audit Practice require us also to report certain opinions and matters as described below.

---

## **Responsibilities for the financial statements and the audit**

### *Responsibilities of the directors for the financial statements*

As explained more fully in the Accountability Report on page 39, the directors are responsible for the preparation of the financial statements in accordance with the Department of Health and Social Care Group Accounting Manual 2017/18, and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

The Trust is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism

We are required under Schedule 10(1) 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 to you 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. We have undertaken our work in accordance with the Code of Audit Practice, having regard to the criterion determined by the Comptroller and Auditor General as to whether the Trust has proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary.

We will prepare an annual audit letter which will cover the Trust's key risks in securing economy, efficiency and effectiveness in its use of resources, how these have been discharged by the Trust, and our actions to review these. The Trust is responsible for publishing this annual audit letter, and ensuring that it is available to the public.

### *Use of this report*

This report, including the opinions, has been prepared for and only for the Council of Governors of Dorset HealthCare University NHS Foundation Trust as a body in accordance with paragraph 24 of Schedule 7 of the National Health Service Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

---

## **Other required reporting**

### **Opinions on other matters prescribed by the Code of Audit Practice**

#### *Performance Report and Accountability Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Performance Report and Accountability Report for the year ended 31 March 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.



In light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we did not identify any material misstatements in the Performance Report or Accountability Report.

In addition, the parts of the Remuneration and Staff Reports to be audited have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2017/18.

---

### **Arrangements for securing economy, efficiency and effectiveness in the use of resources**

Under the Code of Audit Practice we are required to report, by exception, if we conclude we are not satisfied that the Trust has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2018. We have nothing to report as a result of this requirement.

---

### **Other matters on which we report by exception**

We are required to report to you if:

- the statement given by the directors on page 38, in accordance with provision C.1.1 of the NHS Foundation Trust Code of Governance, that they consider the Annual Report taken as a whole to be fair, balanced and understandable, and provides the information necessary for members to assess the Trust's performance, business model and strategy is materially inconsistent with our knowledge of the Trust acquired in the course of performing our audit.
- the section of the Annual Report on pages 21 to 23, as required by provision C.3.9 of the NHS Foundation Trust Code of Governance, describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee.
- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2017/18 or is misleading or inconsistent with our knowledge acquired in the course of performing our audit. We have not considered whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.
- we have referred a matter to Monitor 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.
- we have issued a report in the public interest under Schedule 10 (3) of the National Health Service Act 2006.
- we have not received all the information and explanations we require for our audit.

We have no exceptions to report arising from this responsibility.

---

## **Certificate**

We certify that we have completed the audit of the financial statements in accordance with the requirements of Chapter 5 of Part 2 to the National Health Service Act 2006 and the Code of Audit Practice.



Sasha Lewis (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Southampton  
25 May 2018

# ANNUAL ACCOUNTS 2017/18

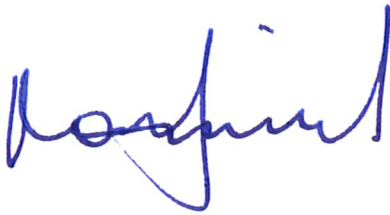
# Dorset HealthCare University NHS Foundation Trust

## Annual Accounts for the year ended 31 March 2018

INDEX	Annual Accounts and Notes to the Accounts	Page
	Foreword to the Accounts	A1
	Statement of Comprehensive Income	A2
	Statement of Financial Position	A3
	Statement of Changes in Taxpayers' Equity	A4
	Statement of Cash Flows	A5
Note 1	Accounting Policies and Other Information	A6 - A17
Note 2.1	Operating Income	A18
Note 2.2	Income from activities arising from Commissioner Requested Services	A18
Note 2.3	Income from patient care (by nature)	A18
Note 2.4	Overseas visitors (relating to patients charged directly by the provider)	A19
Note 2.5	Operating Lease Income	A19
Note 2.6	Income from patient care (by source)	A19
Note 2.7	Segmental Analysis	A20 - A21
Note 3.1	Operating Expenses	A22
Note 3.2	Limitations of Auditors' Liability	A22
Note 3.3 - 3.4	Arrangements containing an Operating Lease	A23
Note 3.5	Other Audit Remuneration	A23
Note 4.1 - 4.2	Employee Expenses and Numbers	A24
Note 4.3	Employee Benefits	A24
Note 4.4	Early retirements due to ill health	A24
Note 4.5	Exit packages	A25
Note 4.6	Pension Costs	A26
Note 5.1	Finance Revenue	A27
Note 5.2	Finance Expense	A27
Note 6.1	Impairment and reversals of impairment of Assets (PPE & Intangibles)	A27
Note 6.2	(Loss)/Gain on Disposal of Assets	A27
Note 7.1	Intangible Assets	A28
Note 7.2	Intangible Assets acquired by Government Grant	A28
Note 7.3	Economic Life of Intangible Assets	A28
Note 8.1 - 8.2	Property, Plant and Equipment 2017/18	A29 - A30
Note 8.3 - 8.4	Property, Plant and Equipment 2016/17	A31- A32
Note 9	Assets held under finance leases	A32
Note 10	Non-current assets held for sale and assets in disposal groups	A33
Note 11	Investments	A34
Note 12	Inventories	A34
Note 13	Receivables	A35
Note 14	Trade and other payables	A36
Note 15	Finance Lease Obligations	A36
Note 16	Provisions	A37
Note 17	Revaluation Reserve	A38
Note 18	Cash and cash equivalents	A38
Note 19	Third Party assets held by the Trust	A39
Note 20	Contractual Capital Commitments	A39
Note 21	Other Financial Commitments	A39
Note 22	Events after the reporting period	A39
Note 23	Related Party Transactions	A40 - A41
Note 24	Financial Instruments	A41- A43
Note 25	Losses and special payments	A43
Note 26	Discontinued operations	A43
Note 27	Pooled Budget Arrangements	A44
Note 28	The Late Payment of Commercial Debts (Interest) Act 1998	A44
Note 29	Transfer by absorption	A44

## **FOREWORD TO THE ACCOUNTS**

These accounts for the year ended 31 March 2018 have been prepared by Dorset HealthCare University NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006 and are presented to Parliament pursuant to Schedule 7, paragraph 25 (4) (a) of the National Health Service Act 2006.



Ron Shields  
Chief Executive

Date: 23 May 2018

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED  
31 March 2018**

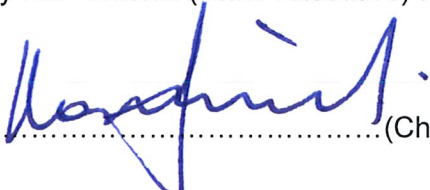
	NOTE	2017/18 £000	2016/17 £000
<b>Operating Income</b>	2.1	246,622	244,098
<b>Operating Expenses</b>	3.1	<u>(236,549)</u>	<u>(241,307)</u>
<b>OPERATING SURPLUS</b>		10,073	2,791
<b>FINANCE COSTS</b>			
Finance revenue	5.1	102	91
Finance expense	5.2	(3)	(17)
Public Dividend Capital Dividend charge		<u>(4,039)</u>	<u>(4,214)</u>
<b>NET FINANCE COSTS</b>		<u>(3,940)</u>	<u>(4,140)</u>
(Loss)/Gains on disposal of assets	6.2	(85)	943
(Loss) from transfer by absorption	29	<u>-</u>	<u>(346)</u>
<b>Surplus/(Deficit) from continuing operations</b>		6,048	(752)
(Deficit) of discontinued operations and the (loss) on disposal of discontinued operations	26	<u>-</u>	<u>(520)</u>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<u>6,048</u>	<u>(1,272)</u>
<b>Other comprehensive income/(expense)</b>			
Impairments	17	(2,012)	(16,798)
Revaluations	17	2,615	5,328
<b>TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR</b>		<u><u>6,651</u></u>	<u><u>(12,742)</u></u>

The notes on pages A6 to A44 form part of these accounts.

**STATEMENT OF FINANCIAL POSITION AS AT  
31 March 2018**

	NOTE	31 March 2018 £000	31 March 2017 £000
<b>Non-current assets</b>			
Intangible assets	7.1	1,349	826
Property, plant and equipment	8.1	<u>149,345</u>	<u>141,980</u>
<b>Total non-current assets</b>		<b>150,694</b>	<b>142,806</b>
<b>Current assets</b>			
Inventories	12.1	801	752
Trade and other receivables	13.1	10,605	12,345
Non-current assets for sale and assets in disposal groups	10	-	155
Cash and cash equivalents	18	<u>31,244</u>	<u>32,036</u>
<b>Total current assets</b>		<b>42,650</b>	<b>45,288</b>
<b>Current liabilities</b>			
Trade and other payables	14	(20,355)	(21,254)
Provisions	16	<u>(1,498)</u>	<u>(2,252)</u>
<b>Total current liabilities</b>		<b>(21,853)</b>	<b>(23,506)</b>
<b>Total assets less current liabilities</b>		<b>171,491</b>	<b>164,588</b>
<b>Non-current liabilities</b>			
Provisions	16	<u>(1,730)</u>	<u>(1,938)</u>
<b>Total non-current liabilities</b>		<b>(1,730)</b>	<b>(1,938)</b>
<b>Total assets employed</b>		<u><b>169,761</b></u>	<u><b>162,650</b></u>
<b>Financed by taxpayers' equity</b>			
Public Dividend Capital		31,566	31,106
Revaluation reserve	17	45,396	44,793
Income and expenditure reserve		92,799	86,751
<b>Total taxpayers' equity</b>		<u><b>169,761</b></u>	<u><b>162,650</b></u>

The accounts on pages A2 to A44 were approved by the Board on 23 May 2018 and signed on its behalf by Ron Shields (Chief Executive) :

Signed:  (Chief Executive)

Date: 23 May 2018

**STATEMENT OF CHANGES IN TAXPAYERS' EQUITY for the year ended:  
31 March 2018**

	Total Taxpayers' Equity £000	Public Dividend Capital £000	Revaluation Reserve £000	Income and Expenditure Reserve £000
Taxpayers' equity at 1 April 2017	162,650	31,106	44,793	86,751
Surplus for the year	6,048	-	-	6,048
Net Impairments	(2,012)	-	(2,012)	-
Revaluations - Property, plant & equipment	2,615	-	2,615	-
Public Dividend Capital (PDC) received	460	460	-	-
<b>Taxpayers' equity at 31 March 2018</b>	<b>169,761</b>	<b>31,566</b>	<b>45,396</b>	<b>92,799</b>

**31 March 2017**

	£000	£000	£000	£000
Taxpayers' equity at 1 April 2016	175,366	31,080	57,472	86,814
(Deficit) for the year	(1,272)	-	-	(1,272)
Transfers by NORMAL absorption: transfers between reserves	-	-	(8)	8
Impairments	(16,798)	-	(16,798)	-
Revaluations - Property, plant & equipment	5,328	-	5,328	-
Transfer to retained earnings on disposal of assets	-	-	(1,201)	1,201
Public Dividend Capital (PDC) received	26	26	-	-
<b>Taxpayers' equity at 31 March 2017</b>	<b>162,650</b>	<b>31,106</b>	<b>44,793</b>	<b>86,751</b>

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED

31 March 2018

	NOTE	2017/18 £000	2016/17 £000
<b>Cash flows from operating activities</b>			
Operating surplus from continuing operations		10,073	2,791
Operating (deficit) from discontinuing operations		-	(520)
<b>Operating surplus</b>		<u>10,073</u>	<u>2,271</u>
<b>Non-cash or non-operating income and expense</b>			
Depreciation and amortisation		5,879	7,749
Impairments		(455)	8,339
Income recognised in respect of capital donations (cash and non-cash)		(148)	(219)
Decrease/(increase) in trade and other receivables		1,906	(6,358)
(Increase) in inventories		(49)	(14)
(Decrease)/increase in trade and other payables		(3,137)	1,032
(Decrease)/increase in provisions		(965)	82
Operating cash flows movement of discontinued operations		-	210
<b>Net cash generated from operating activities</b>		<u>13,104</u>	<u>13,092</u>
<b>Cash flows from investing activities</b>			
Interest received		102	91
Purchase of intangible assets		(755)	(781)
Purchase of property, plant and equipment		(9,664)	(9,491)
Sales of property, plant and equipment		18	2,509
Receipt of cash donations to purchase capital assets		148	219
<b>Net cash used in investing activities</b>		<u>(10,151)</u>	<u>(7,453)</u>
<b>Cash flows from financing activities</b>			
Public dividend capital received		460	26
Capital element of finance lease rental payments		-	(1)
Interest paid		-	(2)
PDC Dividend paid		(4,205)	(4,359)
<b>Net cash used in financing activities</b>		<u>(3,745)</u>	<u>(4,336)</u>
<b>(Decrease)/Increase in cash and cash equivalents</b>		<u>(792)</u>	<u>1,303</u>
<b>Cash and cash equivalents at 1 April</b>		32,036	30,733
<b>Cash and cash equivalents at 31 March</b>	<b>18</b>	<u>31,244</u>	<u>32,036</u>



## NOTES TO THE ACCOUNTS

### 1. Accounting Policies and Other Information

NHS Improvement, in exercising the statutory functions conferred on Monitor, is responsible for issuing an accounts direction to NHS foundation trusts under the NHS Act 2006. NHS Improvement has directed that the accounts of NHS foundation trusts shall meet the accounting requirements of the Department of Health Group and Social Care Accounting Manual (DHSC GAM) which shall be agreed with HM Treasury. Consequently, the following accounts have been prepared in accordance with the DHSC GAM 2017/18 issued by the Department of Health. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) to the extent that they are meaningful and appropriate to the NHS. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the foundation trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

#### 1.1 Accounting Convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property and plant.

#### 1.2 Going Concern

These accounts have been prepared on a going concern basis.

The Directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future.

#### 1.3 Acquisitions and Discontinued Operations

Activities are considered to be 'discontinued' where they meet all of the following conditions:

- a. the sale or termination is completed either in the period or before the earlier of three months after the commencement of the subsequent period and the date on which the accounts are approved;
- b. if a termination, the former activities have ceased permanently;
- c. the sale or termination has a material effect on the nature and focus of the reporting NHS Trust's operations and represents a material reduction in its operating facilities resulting either from its withdrawal from a particular activity or from a material reduction in income in the Trust's continuing operations;
- d. the assets, liabilities, results of operations and activities are clearly distinguishable, physically, operationally and for financial reporting purposes; and
- e. the activity moves to an organisation outside of the "Whole of Government Accounts" boundary. The Whole of Government Accounts comprises organisations within the UK public sector.

Operations not satisfying all these conditions are classified as continuing.

Activities are considered to be 'acquired' whether or not they are acquired from outside the public sector.

#### 1.4 Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the trust is contracts with NHS commissioners in respect of healthcare services.

Where income is received for a specific activity, which is to be delivered in the following financial year, this income is deferred.

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

## 1.5 Expenditure on Employee Benefits

### Short-term employee benefits

Salaries, wages and employment related payments are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the accounts 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.

Further details are available in Note 4.6.

## 1.6 Expenditure on Goods and Services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

## 1.7 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 Trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
  - they individually have a cost of at least £5,000; or
  - collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

## 1.7 Property, Plant and Equipment (continued)

### Measurement

#### Valuation

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. All assets are measured subsequently at market value in existing use, except for an item of property, plant and equipment which is surplus with no plan to bring it back into use which is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5. For assets other than land and buildings, depreciated value is considered to be equivalent to market value in existing use.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

#### Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

#### Depreciation

Items of property, plant and equipment are depreciated evenly 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.

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.

Buildings, installations and fittings are depreciated on their market value in existing use evenly over the estimated remaining life of the asset as assessed by the Trust's professional valuers. Leaseholds are depreciated over the primary lease term.

Equipment is depreciated on cost evenly over the estimated life.

## 1.7 Property, Plant and Equipment (continued)

### Revaluation gains and losses and impairment

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse an impairment previously recognised in operating expenses, in which case they are recognised in operating expenses.

Revaluation losses are charged to the revaluation reserve, to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

In accordance with the DHSC GAM, impairments that arise from a clear consumption 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 operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss are reversed. Reversals are recognised in operating expenses to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

### De-recognition

Assets intended for disposal are reclassified as 'Held for Sale' once all of the following criteria are met:

- The asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- The sale must be highly probable i.e.:
  - management are committed to a plan to sell the asset;
  - an active programme has begun to find a buyer and complete the sale;
  - the asset is being actively marketed at a reasonable price;
  - the sale is expected to be completed within 12 months of the date of classification as 'Held for Sale'; and
  - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged 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.

The revaluation surplus included in equity in respect of an item of property, plant and equipment is transferred directly to the income and expenditure reserve when the asset is disposed of.

## 1.7 Property, Plant and Equipment (continued)

### Donated assets

Donated property, plant and equipment assets are capitalised at their fair value on receipt. The donation 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 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 assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

## 1.8 Intangible Assets

### Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably, and where cost is at least £5,000.

### Internally generated intangible assets

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
- the Trust intends to complete the asset and sell or use it;
- the Trust has the ability to sell or use the asset;
- how the intangible asset will generate probable future economic or service delivery benefits e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset; and
- the Trust can measure reliably the expenses attributable to the asset during the development.

### Software

Software which is integral to the operation of hardware e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware e.g. application software, is capitalised as an intangible asset.

### Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently, intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluation gains, losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS13, if it does not meet the requirements of IAS 40 or IRFS 5.

Intangible assets held for sale are measured at the lower of their carrying amount or 'fair value less costs to sell'.

### Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

## 1.9 Fixed Asset Investments

The Trust is the Corporate Trustee to Dorset HealthCare Charitable Fund. The Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the Trust is exposed to, or has right to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

Normally such a relationship would require the accounts of the subsidiary to be consolidated by the Trust where material. The Dorset HealthCare Charitable Fund is not sufficiently large to materially affect the results of the Trust and the Trust has therefore not consolidated the charity accounts.

## 1.10 Inventories

Inventories are valued at the lower of cost and net realisable value using the First In, First Out method.

## 1.11 Cash and Cash Equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

## 1.12 Financial Instruments and Financial Liabilities

### Recognition

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs i.e. when receipt or delivery of the goods or services is made.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described in the next section under 'Leases'.

All other financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

### De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expired.

## 1.12 Financial Instruments and Financial Liabilities (continued)

### Classification and measurement

Financial assets are classified as Loans and Receivables.

Financial liabilities are classified as Other Financial Liabilities.

### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets.

The Trust's loans and receivables comprise: current investments, cash and cash equivalents, NHS receivables, accrued income and other receivables.

Loans and receivables are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

### Other financial liabilities

All financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method except for loans from the Department of Health, which are carried at historic costs. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as non-current liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to Finance Costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

### Impairment of financial assets

At the Statement of Financial Position date, the Trust assesses whether any financial assets, other than those held at "fair value through income and expenditure" are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced through the use of an allowance account/bad debt provision.

## 1.13 Leases

### Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the Trust, the asset is recorded as Property, Plant and Equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.

The asset and liability are recognised at the inception of the lease, and are de-recognised when the liability is discharged, cancelled or expired. The annual rental is split between the repayment of the liability and a finance cost. The annual finance cost is calculated by applying the implicit interest rate to the outstanding liability and is charged to 'Finance expense - financial liabilities' in the Statement of Comprehensive Income.

### Operating leases

Other leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

### Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

## 1.14 Provisions

The Trust provides for legal or constructive obligations that are of uncertain timing or amount for which it is probable that there will be a future outflow of cash or other resources 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. Provisions for pensions payable are discounted at 0.1% (2016/17 0.24%).

### Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at Note 16, but is not recognised in the Trust's accounts.

NHS Resolution also operates a third party liability scheme that the Trust participates in. Liability is limited to £10k per employee claim and £3k for public liability claims under this scheme.

### Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses when the liability arises.



### 1.15 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed 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.

### 1.16 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 the establishment of the predecessor NHS Trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the forecast cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for (i) donated assets, (ii) average daily cash balances held with the Government Banking Service and National Loans Fund deposits, (iii) any PDC dividend balance receivable or payable, and (iv) any balance receivable from the Sustainability and Transformation fund. In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the 'pre-audit' version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result of the audit of the annual accounts.

### 1.17 Value Added tax

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

### 1.18 Corporation tax

The Trust has no Corporation Tax liability at present.

A consultation on revised legislation for Corporation Tax as applicable to Foundation Trust Status is awaited from HM Revenue and Customs.

### 1.19 Third Party Assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with the requirements of the HM Treasury's FReM. See Note 19.

## 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 individual cases are handled.

Losses and Special Payments are charged to the relevant functional headings in the Income and Expenditure Account on an accruals basis, including losses which would have been made good through insurance cover had the Trust not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). Note 25 is compiled directly from the losses and compensations register which is prepared on an accruals basis with the exception of provisions for future losses.

## 1.21 Accounting Standards that have been issued but have not yet been adopted

The DHSC GAM does not require the following Standards and Interpretations to be applied in 2017/18. These standards have not been adopted with the FReM, and therefore not applicable to DHSC group accounts.

### 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. The impact of this is not anticipated to be material.

### IFRS 14 Regulatory Deferral Accounts

Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable to DHSC group bodies.

### IFRS 15 Revenue from contracts with customers

IFRS 15 replaces IAS 18 'Revenue', to introduce new revenue recognition requirements. It establishes principles for reporting useful information to users of accounts, sufficient for them to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

IFRS 15 is effective for annual periods beginning on or after 1 January 2018. The Trust will apply the standard to the accounts beginning on 1 April 2018.

The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principal by applying the following steps:

- 1 Identify the contract(s) with a customer.
- 2 Identify the performance obligations in the contract.
- 3 Determine the transaction price.
- 4 Allocate the transaction price to the performance obligations in the contract.
- 5 Recognise revenue when (or as) the entity satisfies a performance obligation.

The majority of the Trust's revenue is obtained for the provision, in Dorset, of Community and Mental Health services under block contracts with local clinical commissioning groups (CCG). The Local Authority also commissions substantial Community services and NHS England funds specialised Mental Health services. Other Operating Income is material in total, but individual elements within it are not material and no material impact is expected from the application of this new accounting standard. The actual recipients of our performance obligations are the beneficiaries of our services and not those with whom the service contracts are agreed.

Services are typically contracted to be provided evenly over a financial year. A proportion (normally 2.5% of base income) of CCG and NHS England income for services to the general public is subject to Commissioning for Quality and Innovation (CQUIN) goals. Since the commissioners determine whether the CQUIN conditions are met after the Year End, judgement is used to determine whether any related revenue should be deferred. The amount subject to uncertainty is normally not material.

## 1.21 Accounting standards that have been issued but have not yet been adopted (continued)

### IFRS 15 Revenue from contracts with customers (continued)

#### Effect on the Trust

No impact upon actual revenue recognition is expected and therefore no transitional adjustments are anticipated. This is because revenue is invoiced either evenly over the period during which a service is provided, or variably based on activity.

To meet the objective of the standard to disclose sufficient information to enable users of accounts to understand revenue and cash flows arising from contracts with customers, the Trust will need to make additional disclosures, including:

#### Disaggregated revenue

It is anticipated that customer revenue will be analysed between:

- providers, in particular the CCG (block), CCG (other), the Local Authority, NHS England and any other material funders;
- base and performance-related elements of contracts, including any income subject to uncertainty and the nature of that uncertainty;
- key service lines, as a minimum Community and Mental Health services;

There are various analyses of income within the accounts that satisfies these requirements including within the segmental reporting which is disclosed within note 2.7 in the accounts, the related party transactions and analysis of income from patient care (by nature) (note 2.3).

#### Contract balances

Contract receivables will be disclosed in compliance with IFRS 7 and IFRS 9, where material. Contract liabilities are likely to arise comprising deferred income, pending confirmation after the year end that performance conditions have been met. Any difference between estimated income deferred in a prior year, and the amount settled in the current year, will constitute revenue relating to performance obligations satisfied in a previous period. It is unlikely that such differences will reach a magnitude requiring disclosure.

Given that income contracts normally span part or all of a single Financial Year, it is unlikely that any other contract assets related to performance obligations will be reportable.

#### Agency

Any performance obligations to arrange for another party, such as another NHS Trust, to transfer goods or services. The Trust has several such arrangements with other providers, but none are individually material.

#### Judgements

Significant judgements, and changes in the judgements, made in applying this Standard to those contracts. Judgement is based upon information available at the time indicating to what extent performance obligations have been met and the income at risk is the amount that is deferred. This disclosure will be added to the significant judgements section of accounting policies in future accounts.

#### Assets

Any assets recognised from the costs to obtain or fulfil a contract with a customer. This is unlikely to have any significant impact in the accounts as capital funding through income contracts is rare. Any start up costs that would provide future benefit would be recognised in current assets as appropriate.

The Trust's accounting policies will require amendment to make reference to the new Standard.

Depending on the type of arrangements entered into in the future, assets and/or impairment losses may be recognised and disclosed.

### 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.

The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. The information gives a basis for users of accounts to assess the effect that leases have on the financial position, financial performance and cashflows of an entity.

## 1.21 Accounting standards that have been issued but have not yet been adopted (continued)

### IFRS 16 Leases (continued)

DHSC have not yet indicated how this accounting standard will be applied to DHSC bodies. If the accounting standard is to be applied in full, then there will be a significant impact upon the accounts. Right of use assets will be created and depreciated. Liabilities will also be created which will be discounted and interest rates inherent to those contracts applied. There will therefore be fewer leasing expenses within the accounts and, instead, depreciation and interest charges. In addition, there could be impairment losses. The Statement of Financial Position will have the right of use assets recorded and corresponding liabilities. It is anticipated that these amounts will be material.

### IFRS 17 Insurance Contracts

Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM. Early adoption is not permitted.

### IFRIC 22 Foreign Currency Transaction and Advance Consideration

Application required for accounting periods beginning on or after 1 January 2018. Very few foreign currency transactions are undertaken so the impact will be immaterial.

### IFRIC 23 Uncertainty over Income Tax Treatments

Application required for accounting periods beginning on or after 1 January 2019.

## 1.22 Accounting Standards issued that have been adopted early

There are no accounting standards issued that have been adopted early.

## 1.23 Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates, and the estimates and underlying assumptions are continually reviewed.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### Key sources of estimation uncertainty

Only key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities with the next financial year are disclosed as follows:

#### Contingencies

Advice from the senior executive team is taken when reporting contingencies. In addition, advice from relevant professionals external to the Trust is taken e.g. when determining whether to make a provision for a liability or whether to disclose as a contingency. However, the nature of contingencies is such that uncertainty is inherent.

#### Valuation of land and buildings and useful economic lives thereon

Professional valuations are obtained from the District Valuer. This includes an assessment of useful economic lives for each building. We rely upon this professional advice. If there are errors included, this would affect the value of property, plant and equipment, revaluation reserve and possibly the deficit stated in the Statement of Comprehensive Income for the year as reported in the accounts.

For further detail see note 8.

## 1.24 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

## 2.1 Operating Income

<b>Income from patient care activities</b>	<b>2017/18</b>	2016/17
	<b>£000</b>	£000
Total income from continuing operations	<b>233,107</b>	228,484
Total income from discontinued operations	-	15,976
	<hr/>	<hr/>
<b>Total income from activities</b>	<b><u>233,107</u></b>	<b><u>244,460</u></b>
<b>Other operating income</b>		
Research and development	<b>245</b>	173
Education and training	<b>3,574</b>	3,681
Received from NHS charities: charitable and other contributions to expenditure	<b>26</b>	13
Received from other bodies: cash donations for purchase of capital assets	<b>148</b>	219
Non-patient care services to other bodies	<b>3,845</b>	3,664
Sustainability and transformation fund income	<b>4,749</b>	6,315
Other	<b>532</b>	1,867
Rental revenue from operating leases - minimum lease receipts	<b>396</b>	490
	<hr/>	<hr/>
<b>Total other operating income</b>	<b><u>13,515</u></b>	<b><u>16,422</u></b>
<b>Of which:</b>		
Related to continuing operations	<b>13,515</b>	15,614
Related to discontinued operations	-	808
	<hr/>	<hr/>
	<b><u>13,515</u></b>	<b><u>16,422</u></b>
	<hr/>	<hr/>
<b>Total operating income</b>	<b><u>246,622</u></b>	<b><u>260,882</u></b>
<b>Of which:</b>		
Related to continuing operations	<b>246,622</b>	244,098
Related to discontinued operations	-	16,784
	<hr/>	<hr/>
	<b><u>246,622</u></b>	<b><u>260,882</u></b>
	<hr/>	<hr/>
<b>2.2 Income from Activities arising from Commissioner Requested Services</b>		
	<b>2017/18</b>	2016/17
	<b>£000</b>	£000
Income from activities arising from Commissioner Requested Services	<b>233,104</b>	244,456
All other services	<b>13,518</b>	16,426
	<hr/>	<hr/>
	<b><u>246,622</u></b>	<b><u>260,882</u></b>
	<hr/>	<hr/>
<b>2.3 Income from Patient Care (by nature)</b>		
	<b>2017/18</b>	2016/17
	<b>£000</b>	£000
<b>Mental health services</b>		
Block contract income	<b>105,055</b>	102,997
<b>Community services</b>		
Income from CCGs and NHS England	<b>105,186</b>	122,046
Income from other sources (e.g. local authorities)	<b>18,494</b>	15,189
<b>All trusts</b>		
Private patient income	<b>3</b>	4
Other clinical income	<b>4,369</b>	4,224
	<hr/>	<hr/>
<b>Total income from patient care activities</b>	<b><u>233,107</u></b>	<b><u>244,460</u></b>
	<hr/>	<hr/>

**2.4 Overseas Visitors (relating to patients charged directly by the provider)**

	2017/18 £000	2016/17 £000
Income recognised this year	2	-
	<u>2</u>	<u>-</u>

**2.5 Operating Lease Income**

	2017/18 £000	2016/17 £000
Rental revenue from operating leases - minimum lease receipts	396	490
<b>Total</b>	<u>396</u>	<u>490</u>

**Future minimum lease payments due on leases of buildings**

- not later than one year;	140	140
- later than one year and not later than five years;	487	557
- later than five years.	115	185
<b>Total</b>	<u>742</u>	<u>882</u>

**2.6 Income from patient care (by source)**

	2017/18 £000	2016/17 £000
NHS Foundation Trusts	4,809	2,039
NHS Trusts	-	1
CCGs and NHS England	211,253	224,656
Local Authorities	15,822	16,751
NHS Other	303	17
Non NHS:		
- Private patients	3	4
- Overseas patients (non-reciprocal)	2	-
Injury costs recovery scheme	202	189
Non NHS: Other	713	803
<b>Total income from patient care activities</b>	<u>233,107</u>	<u>244,460</u>

**Of which:**

Related to continuing operations	233,107	228,484
Related to discontinued operations	-	15,976
	<u>233,107</u>	<u>244,460</u>

**2.6a Analysis of other operating income: Other**

	2017/18 £000	2016/17 £000
Car parking income	29	19
Pharmacy sales	11	32
Clinical excellence awards	56	106
Catering	194	178
Property rental	88	80
Other	154	1,452
<b>Total other operating income</b>	<u>532</u>	<u>1,867</u>

## 2.7 Segmental Analysis

In March 2017, the Trust's operational directorate was restructured to strengthen management arrangements without losing emphasis on locality working. This has resulted in a change to the Reporting Segments.

Previously, there were four geography-based segments: Bournemouth & Christchurch, Dorset, Poole & East Dorset and Other.

There are now three segments which fit the new operational portfolios. These include:

- o Community Services
- o Mental Healthcare Services
- o Children and Young Persons

This change aims to ensure the Trust has the right structures and roles in place to enable us to work effectively with local authorities, manage projects using existing skills, and strengthen our functional management arrangements.

**Community Services** include integrated services across all our locality areas, as well as specialist services and emergency planning.

**Mental Healthcare Services** include Mental Health, Learning Disabilities, CAMHS, Steps to Wellbeing, Eating Disorders, Forensic Services, Psychology and Psychological Services.

**Children and Young Persons** include Paediatric SALT, Sexual Health Services and Children's Services Public Health (urban and rural).

Year ended 31 March 2018	Community Services	Mental Healthcare Services	Children and Young Persons	Total
	£000	£000	£000	£000
Revenues from external customers	<u>108,481</u>	<u>117,498</u>	<u>20,643</u>	<u>246,622</u>
Reportable segment surplus/(deficit)	<u>1,451</u>	<u>4,626</u>	<u>(29)</u>	<u>6,048</u>
Reversal of impairments included above:	<u>223</u>	<u>15</u>	<u>878</u>	<u>1,116</u>
Impairments included above:	<u>18</u>	<u>14</u>	<u>629</u>	<u>661</u>

### Segmental Analysis - reconciliation of segments to statement of comprehensive income

	£000
<b>Revenues</b>	
Total revenues for reportable segments	246,622
Discontinued operations	-
Entity's revenues	<u>246,622</u>
<b>Deficit</b>	
Total surplus for reportable segments	6,048
Income before corporation tax expense	<u>6,048</u>
Of which:	
Continuing operations	6,048
Discontinued operations	-
	<u>6,048</u>

**2.7 Segmental Analysis (continued)**

In March 2017, the Trust's operational directorate was restructured to strengthen management arrangements without losing emphasis on locality working. This has resulted in a change to the Reporting Segments.

Previously, there were four geography-based segments: Bournemouth & Christchurch, Dorset, Poole & East Dorset and Other.

There are now three segments which fit the new operational portfolios. These include:

- o Community Services
- o Mental Healthcare Services
- o Children and Young Persons

This change aims to ensure the Trust has the right structures and roles in place to enable us to work effectively with local authorities, manage projects using existing skills, and strengthen our functional management arrangements.

**Community Services** include integrated services across all our locality areas, as well as specialist services and emergency planning.

**Mental Healthcare Services** include Mental Health, Learning Disabilities, CAMHS, Steps to Wellbeing, Eating Disorders, Forensic Services, Psychology and Psychological Services.

**Children and Young Persons** include Paediatric SALT, Sexual Health Services and Children's Services Public Health (urban and rural).

**Year ended 31 March 2017 Restated**

	<b>Community Services</b>	<b>Mental Healthcare Services</b>	<b>Children and Young Persons</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Revenues from external customers	106,703	113,311	40,868	260,882
Reportable segment (deficit)/surplus	(1,752)	1,281	(801)	(1,272)
Reversal of impairments included above:	-	-	-	-
Impairments included above:	(3,037)	(5,194)	(108)	(8,339)

**Segmental Analysis - reconciliation of segments to statement of comprehensive income**

	<b>£000</b>
<b>Revenues</b>	
Total revenues for reportable segments	260,882
Other revenues - IFRS adjustments	-
Discontinued operations	(16,784)
Entity's revenues	244,098
<b>Deficit</b>	
Total deficit for reportable segments	(1,272)
Other profit or loss	-
	(1,272)
<b>Of which:</b>	
Continuing operations	(752)
Discontinued operations	(520)
	(1,272)



### 3. Operating Expenses from Continuing and Discontinued Operations

#### 3.1 Operating Expenses

	2017/18	2016/17
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	3,682	3,744
Purchase of healthcare from non-NHS and non-DHSC bodies	3,973	8,741
Purchase of social care	194	298
Staff and executive directors costs	182,218	184,277
Non-executive directors	146	162
Supplies and services – clinical (excluding drugs costs)	9,801	9,423
Supplies and services - general	4,676	4,716
Drugs costs (drugs inventory consumed and purchase of non-inventory drugs)	2,748	3,880
Consultancy	252	140
Establishment	2,024	2,454
Premises - business rates collected to local authorities	1,210	1,149
Premises - other	6,559	7,659
Transport (business travel only)	2,884	2,741
Transport - other (including patient travel)	909	1,830
Depreciation	5,647	7,649
Amortisation	232	100
Impairments net of (reversals)	(455)	8,339
(Decrease)/increase in impairment of receivables	(368)	365
Provisions (released)/arising in year	(2)	8
Change in provisions discount rate	18	145
Audit fees payable to the external auditor:		
Audit services - statutory audit	76	82
Other auditor remuneration (payable to external auditor only)	21	12
Internal audit - staff costs	64	55
Internal audit - non-staff	106	120
Clinical negligence - amounts payable to NHS Resolution (premium)	398	357
Legal fees	203	383
Insurance	101	102
Research and development - staff costs	230	142
Education and training - staff costs	1,869	1,901
Education and training - non-staff	1,220	1,268
Operating lease expenditure (net)	4,606	4,094
Redundancy costs - staff costs	82	425
Car parking and security	138	133
Hospitality	53	34
Other losses and special payments - non-staff	(76)	76
Other services (e.g. external payroll)	388	352
Other	722	1,255
<b>Total operating expenditure</b>	<b>236,549</b>	<b>258,611</b>
<b>Of which</b>		
Related to continuing operations	236,549	241,307
Related to discontinued operations	-	17,304
	<b>236,549</b>	<b>258,611</b>

#### 3.2 Limitations of Auditors' Liability

The Trust's contract with its auditor has a specified limitation of the auditors' liability of £5m (2016/17 £5m).

### 3.3 Arrangements containing an Operating Lease - Expenditure

Leases entered into by the Trust are generally for rent of equipment or premises. There are no special conditions attached to the leases.

	2017/18 £000	2016/17 £000
Minimum lease payments	4,606	4,094
<b>Total</b>	<b><u>4,606</u></b>	<b><u>4,094</u></b>

### 3.4 Arrangements containing an Operating Lease - Future Commitments

	2017/18 £000	2017/18 £000	2017/18 £000	2017/18 £000
Future minimum lease payments due:	Buildings	Land	Other	Total
- not later than one year	695	99	718	1,512
- later than one year and not later than five years	2,101	395	710	3,206
- later than five years	815	3,534	1	4,350
	<b><u>3,611</u></b>	<b><u>4,028</u></b>	<b><u>1,429</u></b>	<b><u>9,068</u></b>
	2016/17 £000	2016/17 £000	2016/17 £000	2016/17 £000
	Buildings	Land Restated*	Other	Total
- not later than one year	784	107	866	1,757
- later than one year and not later than five years	919	395	707	2,021
- later than five years	1,116	3,658	-	4,774
	<b><u>2,819</u></b>	<b><u>4,160</u></b>	<b><u>1,573</u></b>	<b><u>8,552</u></b>

\* Disclosure omitted in 2016/17 accounts

	2017/18 £000	2016/17 £000
<b>Total of future minimum sublease lease payments to be received at the balance sheet date</b>	<b><u>-</u></b>	<b><u>-</u></b>

### 3.5 Other Audit Remuneration

	2017/18 £000	2016/17 £000
Other auditors remuneration paid to the external auditors is analysed as follows:		
1. The auditing of accounts of any associate of the Trust	-	-
2. Audit-related assurance services	21	12
3. Taxation compliance services	-	-
4. All taxation advisory services not falling within item 3 above	-	-
5. internal audit services (only those payable to the external auditors)	-	-
6. All assurance services not falling within items 1 to 5	-	-
7. Corporate finance transaction services not falling within items 1 to 6 above	-	-
8. All other non-audit services not falling within items 2 to 7 above	-	-
	<b><u>21</u></b>	<b><u>12</u></b>

#### 4. Employee Expenses and Numbers

4.1 Employee Expenses	2017/18	2016/17
	£000	Restated* £000
Salaries and wages	148,156	148,520
Social Security Costs	12,607	12,822
Apprenticeship Levy	729	-
Employer contributions to NHS Pensions	18,849	18,752
Temporary staff- agency/contract staff	4,183	6,455
<b>Total Staff Costs</b>	<b>184,524</b>	<b>186,549</b>
Included within		
<b>Costs capitalised as part of assets</b>	<b>143</b>	<b>174</b>
<b>Operating Expenditure analysed as:</b>		
Employee Expenses - Staff & executive directors	182,218	184,277
Research & Development	230	142
Education & Training	1,869	1,901
Redundancy	-	-
Internal audit costs	64	55
<b>Total Employee benefits excl. capitalised costs</b>	<b>184,381</b>	<b>186,375</b>

The employer pension contributions above are the Trust's total employer pension contributions.

See also Note 1.5 for more information on pension costs.

\* Increased analysis.

4.2 Average Monthly Number of Employees (whole time equivalent basis)	2017/18	2016/17
	Number	Number
	Total	Total Restated*
Medical and dental	111	117
Ambulance staff	2	2
Administration and estates	1,138	1,127
Healthcare assistants and other support staff	394	374
Nursing, midwifery and health visiting staff	2,534	2,647
Nursing, midwifery and health visiting learners	39	46
Scientific, therapeutic and technical staff	725	718
Healthcare science staff	17	22
Other	1	-
<b>Total average numbers</b>	<b>4,961</b>	<b>5,053</b>
<b>Of which:</b>		
Number of Employees (WTE) engaged on capital projects	3	2

\* Agency, contract and bank staff reallocated to specific headings.

#### 4.3 Employee Benefits

Other than the employee expenses shown in note 4.1 the Trust has no other employee benefits in 2017/18 or 2016/17.

#### 4.4 Early Retirements due to ill-health

During 2017/18, there were 6 (3 in 2016/17) early retirements from the Trust on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £256k (£184k in 2016/17) as notified by the NHS Business Services Authority - Pensions Division. The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

4.5 Exit packages

A charge of £82k (2016/17 £425k charge) has been recognised in the accounts in exit packages during 2017/18. The exit packages have most significantly been incurred in respect of the closure of a ward and due to various restructuring taking place in order to achieve ongoing cost savings. Details of the number of exit packages by cost band are provided in the table below.

Exit Package Cost Band	Number of Compulsory Redundancies		Number of Other Departures Agreed		Total Number of Exit Packages by Cost Band	
	2017/18	2016/17	2017/18	2016/17	2017/18	2016/17
<£10,000	4	6	-	-	4	6
£10,001 - £25,000	2	6	-	-	2	6
£25,001 - £50,000	1	2	-	-	1	2
£50,001 - £100,000	-	1	-	-	-	1
£100,001 - £150,000	-	1	-	-	-	1
£150,001 - £200,000	-	-	-	-	-	-
>£200,000	-	-	-	-	-	-
Total Number of Exit Packages by Type	7	16	-	-	7	16
Total Resource Cost £'000	82	425	-	-	82	425

Note 4.5 Exit packages: other (non-compulsory) departure payments - 2017/18	2017/18		2016/17	
	Payments Agreed Number	Total value of agreements £000	Payments Agreed Number	Total value of agreements £000
Voluntary redundancies including early retirement contractual costs	-	-	-	-
Mutually agreed resignations (MARS) contractual costs.	-	-	-	-
Early retirements in the efficiency of the service contractual costs.	-	-	-	-
Contractual payments in lieu of notice	-	-	-	-
Exit payments following Employment Tribunals or court orders.	-	-	-	-
Non-contractual payments requiring Her Majesty's Treasury approval	-	-	-	-
<b>Total</b>	-	-	-	-
Of which: non-contractual payments, requiring HMT approval, made to individuals where the payment value was more than 12 months of their annual salary	-	-	-	-

Maximum special severance payment: 0

Minimum special severance payment: 0

Median special severance payment: 0

## **4.6 Pension Costs**

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://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 accounts do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

### **a) Accounting valuation**

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2018, is based on valuation data as 31 March 2017, updated to 31 March 2018 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

### **b) Full actuarial (funding) valuation**

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and employee and employer representatives as deemed appropriate.

The next actuarial valuation is to be carried out as at 31 March 2016 and is currently being prepared. The direction assumptions are published by HM Treasury which are used to complete the valuation calculations, from which the final valuation report can be signed off by the scheme actuary. This will set the employer contribution rate payable from April 2019 and will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this ‘employer cost cap’ assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

The estimated employer contributions to the NHS Pension Scheme for 2018/19 are £19,205k.

<b>5.1 Finance Revenue</b>	<b>2017/18 £000</b>	<b>2016/17 £000</b>
Interest on bank accounts	102	91
<b>Total finance revenue</b>	<b>102</b>	<b>91</b>

<b>5.2 Finance Expense</b>	<b>2017/18 £000</b>	<b>2016/17 £000</b>
Interest on late payment of commercial debt	-	2
Unwinding of discounts on provisions	3	15
<b>Total finance expense</b>	<b>3</b>	<b>17</b>

<b>6.1 Impairment and Reversals of Impairment of Assets (PPE &amp; Intangibles)</b>	<b>2017/18 £000</b>	<b>2016/17 £000</b>
Changes in market price	(455)	8,339
<b>Total impairments</b>	<b>(455)</b>	<b>8,339</b>

**6.2 (Loss)/Gain on Disposal of Assets**

(Loss)/gain on the disposal of non-current assets is made up as follows:

	<b>2017/18 £000</b>	<b>2016/17 £000</b>
Gains on disposal of property, plant and equipment	18	976
Losses on disposal of property, plant and equipment	(103)	(33)
	<b>(85)</b>	<b>943</b>

All non-current assets disposed in 2017/18 and 2016/17 do not relate to Commissioner Requested Service assets.

7.1 Intangible Assets	31 March 2018 Software licences  £000	31 March 2017 Software licences Restated* £000
Gross cost at 1 April	1,075	294
Additions purchased	755	781
<b>Gross cost at 31 March</b>	<b>1,830</b>	<b>1,075</b>
Amortisation at 1 April	249	149
Provided during the year	232	100
<b>Amortisation at 31 March</b>	<b>481</b>	<b>249</b>
<b>Net book value</b>		
NBV - Purchased at 1 April	753	56
NBV - Donated at 1 April	73	89
<b>NBV - Total at 1 April</b>	<b>826</b>	<b>145</b>
NBV - Purchased at 31 March	1,291	753 *
NBV - Donated at 31 March	58	73
<b>NBV - Total at 31 March</b>	<b>1,349</b>	<b>826</b>

\*Split of purchased and donated assets restated.

## 7.2 Intangible Assets acquired by Government Grant

The Trust had no intangible assets acquired by government grant in either 2017/18 or 2016/17.

## 7.3 Economic Life of Intangible Assets

The economic life of purchased software is between 5 and 7 years.

8. Property, Plant and Equipment

8.1 Property, Plant and Equipment 2017/18

	Land	Buildings excluding Dwellings	Dwellings	Plant and Machinery	Transport Equipment	Information Technology	Furniture & Fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/Gross Cost at 1 April 2017	39,700	98,753	735	9,660	1,062	8,191	2,148	160,249
Additions - purchased	-	8,629	-	1,051	227	1,836	11	11,754
Additions - grants/donations of cash to purchase assets	-	148	-	-	-	-	-	148
Impairments charged to operating expenses	-	(691)	-	-	-	-	-	(691)
Impairments charged to the revaluation reserve	(20)	(2,565)	(100)	-	-	-	-	(2,685)
Reversal of impairments credited to operating expenses	-	1,113	3	-	-	-	-	1,116
Revaluations	-	904	18	-	-	-	-	922
Transfers to/from assets held for sale and assets in disposal groups	70	86	-	-	-	-	-	156
Disposals	-	(7)	-	(307)	(40)	(594)	(98)	(1,046)
<b>Valuation/Gross Cost at 31 March 2018</b>	<b>39,750</b>	<b>106,370</b>	<b>656</b>	<b>10,404</b>	<b>1,249</b>	<b>9,433</b>	<b>2,061</b>	<b>169,923</b>
Accumulated depreciation at 1 April 2017 as previously stated	-	5,257	9	6,350	585	4,405	1,663	18,269
Provided during the year	-	2,623	25	1,102	127	1,548	222	5,647
Impairments charged to operating expenses	-	(30)	-	-	-	-	-	(30)
Impairments charged to the revaluation reserve	-	(664)	(9)	-	-	-	-	(673)
Revaluations	-	(1,677)	(16)	-	-	-	-	(1,693)
Transfers to/from assets held for sale and assets in disposal groups	-	1	-	-	-	-	-	1
Disposals	-	(6)	-	(272)	(40)	(528)	(97)	(943)
<b>Accumulated depreciation at 31 March 2018</b>	<b>-</b>	<b>5,504</b>	<b>9</b>	<b>7,180</b>	<b>672</b>	<b>5,425</b>	<b>1,788</b>	<b>20,578</b>
<b>Net book value</b>								
NBV - Owned at 1 April 2017	39,700	85,510	726	3,039	456	3,777	478	133,686
NBV - Finance Lease at 1 April 2017	-	2,673	-	-	-	-	-	2,673
NBV - Donated at 1 April 2017	-	5,313	-	271	21	9	7	5,621
<b>NBV Total at 1 April 2017</b>	<b>39,700</b>	<b>93,496</b>	<b>726</b>	<b>3,310</b>	<b>477</b>	<b>3,786</b>	<b>485</b>	<b>141,980</b>
NBV - Owned at 31 March 2018	39,750	92,450	647	3,049	564	4,000	268	140,728
NBV - Finance Lease at 31 March 2018	-	2,931	-	-	-	-	-	2,931
NBV - Donated at 31 March 2018	-	5,485	-	175	13	8	5	5,686
<b>31 March 2018</b>	<b>39,750</b>	<b>100,866</b>	<b>647</b>	<b>3,224</b>	<b>577</b>	<b>4,008</b>	<b>273</b>	<b>149,345</b>



**8. Property, Plant and Equipment (continued)**

**8.2 Property, Plant and Equipment 2017/18**

Land, buildings excluding dwellings, and dwellings have been revalued as at 31 March 2018 using the valuation as at 28 February 2018 as an approximation for the year end value. This valuation was carried out by the District Valuers (independent, professionally qualified valuers) from the Valuation Office Agency, which is an executive agency of HM Revenue and Customs. The valuations were carried out in accordance with the Royal Institute of Chartered Surveyors' Appraisal and Valuation Standards, in so far as these terms are consistent with the currently applicable and agreed requirements of HM Treasury and the Trust Regulator, NHS Improvement. In carrying out these valuations, Modern Equivalent Asset basis was used. In arriving at the valuation, the District Valuer considered alternative sites, and values for alternative sites were used where appropriate. The valuation resulted in a £1m increase in the land and buildings values in year.

The additions to donated assets in the year are disclosed at market value in existing use and there are no restrictions on use.

Details of useful economic lives are as follows:

Buildings and dwellings have useful economic lives of between 10 and 85 years;

Plant and machinery have useful economic lives of between 2 and 10 years;

Furniture and fittings have useful economic lives of between 2 and 15 years;

IT equipment items have useful economic lives of between 5 years and 10 years, except in the case of servers, which have useful economic lives of 8 years; and

Transport equipment items have useful economic lives of between 5 and 7 years.

8. Property, Plant and Equipment (continued)

8.3 Property, Plant and Equipment 2016/17

	Land	Buildings excluding Dwellings	Dwellings	Plant and Machinery	Transport Equipment	Information Technology	Furniture & Fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/Gross Cost at 1 April 2016	43,258	111,771	661	8,740	898	7,872	2,167	175,367
Transfers by absorption - NORMAL	(100)	(250)	-	-	-	-	-	(350)
Additions - purchased	-	7,646	-	1,177	185	771	50	9,829
Additions - grants/donations of cash to purchase assets	-	200	-	19	-	-	-	219
Impairments charged to operating expenses	-	(8,339)	-	-	-	-	-	(8,339)
Impairments charged to the revaluation reserve	(4,282)	(12,480)	(36)	-	-	-	-	(16,798)
Reclassifications	(1)	1	1	(8)	(1)	8	-	-
Revaluations	770	150	109	-	-	-	-	1,029
Transfers to/from assets held for sale and assets in disposal groups	55	77	-	-	-	-	-	132
Disposals	-	(23)	-	(268)	(20)	(460)	(69)	(840)
<b>Valuation/Gross Cost at 31 March 2017</b>	<b>39,700</b>	<b>98,753</b>	<b>735</b>	<b>9,660</b>	<b>1,062</b>	<b>8,191</b>	<b>2,148</b>	<b>160,249</b>
Accumulated depreciation at 1 April 2016	-	4,727	9	5,595	488	3,389	1,510	15,718
Transfers by absorption - NORMAL	-	(4)	-	-	-	-	-	(4)
Provided during the year	-	4,797	36	1,021	117	1,461	217	7,649
Revaluations	-	(4,263)	(36)	-	-	-	-	(4,299)
Disposals	-	-	-	(266)	(20)	(445)	(64)	(795)
<b>Accumulated depreciation at 31 March 2017</b>	<b>-</b>	<b>5,257</b>	<b>9</b>	<b>6,350</b>	<b>585</b>	<b>4,405</b>	<b>1,663</b>	<b>18,269</b>
<b>Net book value</b>								
NBV - Owned at 1 April 2016	43,258	97,400	652	2,765	379	4,470	648	149,572
NBV - Finance Lease at 1 April 2016	-	2,758	-	1	-	-	-	2,759
NBV - Donated at 1 April 2016	-	6,886	-	379	31	13	9	7,318
<b>NBV Total at 1 April 2016</b>	<b>43,258</b>	<b>107,044</b>	<b>652</b>	<b>3,145</b>	<b>410</b>	<b>4,483</b>	<b>657</b>	<b>159,649</b>
NBV - Owned at 31 March 2017	39,700	85,510	726	3,039	456	3,777	478	133,686
NBV - Finance Lease at 31 March 2017	-	2,673	-	-	-	-	-	2,673
NBV - Donated at 31 March 2017	-	5,313	-	271	21	9	7	5,621
<b>NBV Total at 31 March 2017</b>	<b>39,700</b>	<b>93,496</b>	<b>726</b>	<b>3,310</b>	<b>477</b>	<b>3,786</b>	<b>485</b>	<b>141,980</b>

**8. Property, Plant and Equipment (continued)**

**8.4 Property, Plant and Equipment 2016/17**

Land, buildings excluding dwellings, and dwellings have been revalued as at 31 March 2017 using the valuation as at 28 February 2017 as an approximation to the year end value. This valuation was carried out by the District Valuers (independent, professionally qualified valuers) from the Valuation Office Agency, which is an executive agency of HM Revenue and Customs. The valuations were carried out in accordance with the Royal Institute of Chartered Surveyors' Appraisal and Valuation Standards, in so far as these terms are consistent with the currently applicable and agreed requirements of HM Treasury and the Trust Regulator, NHS Improvement. In carrying out these valuations, Modern Equivalent Asset basis was used. In arriving at the valuation, the District Valuer considered alternative sites, and values for alternative sites were used where appropriate. This resulted in a £12m decrease in the land and buildings values in year.

The additions to donated assets in the year are disclosed at market value in existing use and there are no restrictions on use.

Details of useful economic lives are as follows:

Buildings and dwellings have useful economic lives of between 8 and 85 years;  
 Plant and machinery have useful economic lives of between 5 and 8 years;  
 Furniture and fittings have useful economic lives of between 5 and 18 years;  
 IT equipment items have useful economic lives of between 5 years and 15 years, except in the case of servers, which have useful economic lives of 8 years; and  
 Transport equipment items have useful economic lives of between 5 and 7 years.

**9. Assets held under finance leases**

**9.1 Net book value of assets held under finance leases at the balance sheet date**

	<b>Total £000</b>	<b>Land £000</b>	<b>Buildings excluding dwellings £000</b>	<b>Plant &amp; Machinery £000</b>
Net Book Value at 31 March 2018	2,931	-	2,931	-
Net Book Value at 31 March 2017	2,673	-	2,673	-

**9.2 The total amount of depreciation charged to the income and expenditure account in respect of assets held under finance leases and hire purchase contracts**

	<b>Total £000</b>	<b>Land £000</b>	<b>Buildings excluding dwellings £000</b>	<b>Plant &amp; Machinery £000</b>
Depreciation 2017/18	317	-	317	-
Depreciation 2016/17	126	-	125	1

<b>10. Non-Current Assets Held for Sale and Assets in Disposal Groups 2017/18</b>	<b>Total</b>	<b>Property, Plant and Equipment</b>
	<b>£000</b>	<b>£000</b>
NBV of non-current assets for sale and assets in disposal groups at 1 April 2017	155	155
Less assets no longer classified as held for sale, for reasons other than disposal by sale	<u>(155)</u>	<u>(155)</u>
<b>NBV of non-current assets for sale and assets in disposal groups at 31 March 2018</b>	<u><u>-</u></u>	<u><u>-</u></u>

<b>10.1 Non-Current Assets Held for Sale and Assets in Disposal Groups 2016/17</b>	<b>Total</b>	<b>Property, Plant and Equipment</b>
	<b>£000</b>	<b>£000</b>
NBV of non-current assets for sale and assets in disposal groups at 1 April 2016	1,808	1,808
Plus assets classified as available for sale in the year	155	155
Less assets sold in the year	(1,521)	(1,521)
Less assets no longer classified as held for sale, for reasons other than disposal by sale	<u>(287)</u>	<u>(287)</u>
<b>NBV of non-current assets for sale and assets in disposal groups at 31 March 2017</b>	<u><u>155</u></u>	<u><u>155</u></u>

The non-current assets held for sale are properties, encompassing land and buildings excluding dwellings. Following a review of the Trust's properties, the properties included in assets held for sale were considered to be surplus to requirements. These properties are not commissioner requested services properties and their disposal does not impact upon the Trust's Commissioner Requested Services.

## 11. Investments

The Trust has a fixed asset investment of £1 in Ansbury Limited, a company limited by guarantee and registered in England. The Trust is one of 15 members, as at 31 March 2018. There is no requirement to consolidate the financial results of this company in the Trust's accounts.

Dorset HealthCare Charitable Fund is considered to be a subsidiary of the Trust. Whilst the Trust does not have any investment in the Charitable Fund, the Trustees of the Charitable Fund are all members of the Trust's board and so is deemed to have control over the Charitable Fund. It is normally a requirement to consolidate subsidiaries where significant and the Trust has taken the decision not to consolidate on the basis that the Charitable Fund is not material to the Trust's accounts.

The principal place of business of the Charitable Fund and the Trust is Sentinel House, 4-6 Nuffield Road, Poole, Dorset, BH17 0RB.

Funds within the Charitable Fund are to be used for the objects of the Charitable Fund. These are to benefit the staff and patients of the Trust. These funds cannot be used to settle NHS (the Trust) expenditure.

## 12. Inventories

<b>12.1 Inventories</b>	<b>31 March 2018</b>	31 March 2017
	<b>£000</b>	£000
Drugs	<b>138</b>	142
Consumables	<b>63</b>	65
Other	<b>600</b>	545
	<u><b>801</b></u>	<u>752</u>
	<u><b>801</b></u>	<u>752</u>
<b>12.2 Inventories Recognised in Expenses</b>	<b>2017/18</b>	2016/17
	<b>£000</b>	£000
Inventories recognised as an expense in the year	<b>3,003</b>	3,653
	<u><b>3,003</b></u>	<u>3,653</u>
	<u><b>3,003</b></u>	<u>3,653</u>

### 13. Receivables

#### 13.1 Trade and Other Receivables

	<b>31 March 2018</b>	31 March 2017
	<b>£000</b>	Restated £000
<b>Current</b>		
Trade receivables	3,542	3,722 *
Provision for impaired receivables	(229)	(599)
Prepayments (Non-PFI)	1,727	1,903
Accrued income	3,322	5,035 *
PDC dividend receivable	276	110
VAT receivable	498	742
Other receivables	1,469	1,432
<b>Total current trade and other receivables</b>	<b>10,605</b>	12,345
<b>Total trade and other receivables</b>	<b>10,605</b>	12,345

\* £480k reclassified from Trade receivables to Accrued income

#### 13.2 Provision for Impairment of Receivables

	<b>31 March 2018</b>	31 March 2017
	<b>£000</b>	£000
At 1 April	599	237
Increase in provision	25	570
Amounts utilised	(2)	(3)
Unused amounts reversed	(393)	(205)
<b>At 31 March</b>	<b>229</b>	599

#### 13.3 Analysis of financial assets past due or impaired

	<b>31 March 2018</b>	31 March 2017
	<b>£000</b>	£000
<b>Ageing of impaired financial assets:</b>		
In 0 to 30 days	-	162
In 30 to 60 days	1	-
In 60 to 90 days	-	20
In 90 to 180 days	5	70
In over 180 days	223	347
<b>TOTAL</b>	<b>229</b>	599

The factors considered when receivables are impaired include whether there is an ongoing relationship with the debtor, the evidence to support a claim and whether the debtor is disputing a debt.

	<b>31 March 2018</b>	31 March 2017
	<b>£000</b>	£000
<b>Ageing of non-impaired receivables past their due date:</b>		
In 0 to 30 days	847	850
In 30 to 60 days	594	215
In 60 to 90 days	169	106
In 90 to 180 days	390	77
In over 180 days	181	54
<b>TOTAL</b>	<b>2,181</b>	1,302

14. Trade and Other Payables

Current	31 March 2018 £000	31 March 2017 £000
Trade payables	3,852	6,267
Capital payables (including capital accruals)	3,137	899
Social security costs	3,484	3,314
Other payables	3,865	3,301
Accruals (revenue costs only)	6,017	7,473
<b>Total trade and other payables</b>	<b>20,355</b>	<b>21,254</b>

15. Finance Lease Obligations

Amounts payable under finance leases:

	Minimum lease payments	
	31 March 2018 £000	31 March 2017 £000
<b>Gross lease liabilities</b>		
- not later than one year;	-	-
- later than one year and not later than five years;	-	-
- later than five years.	-	-
Less future finance charges	-	-
<b>Net lease liabilities</b>	<b>-</b>	<b>-</b>
<b>Net lease liabilities</b>		
- not later than one year;	-	-
- later than one year and not later than five years;	-	-
- later than five years.	-	-
	<b>-</b>	<b>-</b>

Due to the relatively short term nature of the finance leases, the minimum lease payments is the same as the present value of the minimum lease payments.

There are two buildings which are treated as owned where the sites are subject to long leases. The amounts payable are peppercorn amounts so do not result in a finance lease liability. (See note 9).

## 16. Provisions

	Pensions - other staff £000	Other legal claims £000	Redundancy £000	Other £000	Total £000
<b>At 1 April 2017</b>	254	71	338	3,527	<b>4,190</b>
Change in the discount rate	2	-	-	16	<b>18</b>
Arising during the year	7	108	44	346	<b>505</b>
Utilised during the year - accruals	(5)	-	-	(8)	<b>(13)</b>
Utilised during the year - cash	(17)	(20)	(170)	(377)	<b>(584)</b>
Reversed unused	(9)	(62)	(170)	(650)	<b>(891)</b>
Unwinding of discount rate	1	-	-	2	<b>3</b>
<b>At 31 March 2018</b>	<b><u>233</u></b>	<b><u>97</u></b>	<b><u>42</u></b>	<b><u>2,856</u></b>	<b><u>3,228</u></b>
<b>Expected timing of cashflows:</b>					
- not later than one year;	21	97	42	1,338	<b>1,498</b>
- later than one year and not later than five years;	84	-	-	249	<b>333</b>
- later than five years	128	-	-	1,269	<b>1,397</b>
<b>TOTAL</b>	<b><u>233</u></b>	<b><u>97</u></b>	<b><u>42</u></b>	<b><u>2,856</u></b>	<b><u>3,228</u></b>

The provision under "Other Legal claims" is in respect of the Trust's net liability for claims made against the Trust under the Liability to Third Parties Scheme as administered on the Trust's behalf by NHS Resolution, and relates to 14 outstanding cases (2016/17 10 cases). The Trust's liability is capped at £10k per employee case and £3k for public liability cases.

An amount of £898k (2016/17 £944k) is included under "Other" for the provision of injury benefit as advised by NHS Business Services Authority - Pensions Division and has been discounted at 0.1% (2016/17 0.24%). This will be utilised over the lifetime of the claimants.

Redundancy provisions have arisen from restructuring.

Other provisions arise from employment issues, dilapidation to property and other contractual obligations.

A provision of £4,062k is included in the provisions of NHS Resolution at 31 March 2018 (£2,642k at 31 March 2017) in respect of clinical negligence liabilities of the Trust.



17. Revaluation Reserve

	Total Revaluation Reserve  £000	Revaluation Reserve - property, plant and equipment  £000	Revaluation Reserve - assets held for sale  £000
<b>Revaluation reserve at 1 April 2017</b>	<b>44,793</b>	44,632	161
Net Impairments	(2,012)	(2,012)	-
Revaluations	2,615	2,615	-
Other reserve movements	-	161	(161)
<b>Revaluation reserve at 31 March 2018</b>	<b>45,396</b>	<b>45,396</b>	<b>-</b>
<b>Revaluation reserve at 1 April 2016</b>	<b>57,472</b>	56,110	1,362
Transfers by absorption - NORMAL	(8)	(8)	-
Net Impairments	(16,798)	(16,798)	-
Revaluations	5,328	5,328	-
Asset disposals	(1,201)	-	(1,201)
<b>Revaluation reserve at 31 March 2017</b>	<b>44,793</b>	<b>44,632</b>	<b>161</b>

18. Cash and Cash Equivalents

	31 March 2018 £000	31 March 2017 £000
<b>At 1 April</b>	<b>32,036</b>	30,733
Net change in year	(792)	1,303
<b>At 31 March</b>	<b>31,244</b>	<b>32,036</b>
	<b>31 March 2018</b> £000	31 March 2017 £000
Broken down into:		
Cash at commercial banks and in hand	746	1,228
Cash with the Government Banking Service	30,498	30,808
<b>Cash and cash equivalents as in SoFP</b>	<b>31,244</b>	<b>32,036</b>
Bank overdraft	-	-
<b>Cash and cash equivalents as in SoCF</b>	<b>31,244</b>	<b>32,036</b>

#### 19. Third Party Assets held by the Trust

The Trust held £130k (2016/17 £35k) in bank accounts on behalf of third parties. These amounts are not included within the Trust's accounts.

#### 20. Contractual Capital Commitments

Commitments under capital expenditure contracts at 31 March 2018 were £1,469k (£1,504k at 31 March 2017) in respect of property, plant and equipment and £9k (£nil at 31 March 2017) in respect of intangible assets.

#### 21. Other Financial Commitments

The Trust's commitment to making payments under non-cancellable contracts (which are not leases, PFI contracts or other service concession arrangements) as at 31st March 2018 are as follows, analysed by the period during which the payment is made:

	<b>31 March 2018</b>
	<b>£000</b>
Not later than 1 year	1,229
After 1 year and not later than 5 years	743
Paid thereafter	-
<b>Total</b>	<b><u>1,972</u></b>

#### 22. Events after the Reporting Period

There are no events after the reporting period to disclose.

### 23. Related Party Transactions

The Trust is a body corporate established by order of the Secretary of State for Health.

Nick Yeo's (Non-Executive Director) son-in-law is a Management Trainee at Dorset CCG, previously a Management Trainee at Poole Hospital NHS Foundation Trust. Arms length transactions and balances with these entities are set out below.

John Carvel (Non-Executive Director) is a panel member for National Data Guardian for Health and Care. Arms length transactions and balances are set out below.

John McBride (Non-Executive Director) is an elected council member of the RNLI in an advisory and voluntary role, an Audit Committee member and member of the property committee at the RNLI. Arms length transactions and balances are set out below.

Andy Willis (Trust Chair and Non-Executive Director) is a trustee of EDP Drug and Alcohol Services and a leadership associate of the Kings Fund. Arms length transactions and balances are set out below.

Belinda Phipps (Non-Executive Director) holds shares in GlaxoSmithKline plc. Arms length transactions and balances are set out below.

Peter Rawlinson (Non-Executive Director until September 2017) is the Chairman and Trustee of the Stroke Association. Arms length transactions and balances are set out below.

Linda Boland's (Locality Director for Poole and East Dorset until March 2017) husband has a contract to provide psychological support to Dorset County Council. Arms length transactions and balances are set out below.

During the year none of the other Board Members or members of the key management staff or parties related to them has undertaken any material transactions with Dorset HealthCare University NHS Foundation Trust, with the exception of the contractual pay which has been disclosed in the Remuneration Report within the Directors' Report.

The Department of Health is regarded as a related party. HMRC is regarded as a related party of the Department of Health. During the year the Trust has had a significant number of material transactions with the Department of Health, and with other entities (and or/their predecessor bodies) for which the Department is regarded as the parent organisation. These entities are listed below.

Related parties of minister and senior managers at the Department of Health include NHS Retirement Fellowship. Transactions between the Trust and these bodies are set out below:

Transaction values with related trading organisations:	2017/18	2017/18	31 March 2018	31 March 2018
	Income £000	Expenditure £000	Receivables £000	Payables £000
NHS Dorset Clinical Commissioning Group	200,822	3,200	718	800
NHS England	12,326	(47)	3,199	117
NHS Pension Scheme	-	18,838	-	2,548
Poole Hospital NHS Foundation Trust	1,382	1,938	601	542
Dorset County Council	15,181	533	328	319
NHS Retirement Fellowship	147	-	-	-
Department of Health	261	4	5	-
Other DHSC Bodies	9,598	3,722	2,104	918
HMRC	-	13,333	-	3,484
Other Local Authority bodies	1,091	477	283	465
Other WGA bodies	3	0	499	-
NHS Property Services	-	305	-	78
NHS Resolution	-	398	-	-
NHS Digital	-	-	-	-
NHS Business Services Authority	-	611	-	-
Health Education England	3,663	11	34	17
Care Quality Commission	-	246	-	-
National Data Guardian for Health and Care	-	1	-	-
RNLI	-	-	-	-
GlaxoSmithKline	-	6	-	-
EDP Drug and Alcohol Services	-	50	-	-
The Kings Fund	-	6	-	-
Stroke Association	-	35	-	-

NHS Dorset Clinical Commissioning Group made a contribution towards capital of £22k (2016/17 £nil)

23. Related Party Transactions continued

Transaction values with related trading organisations:	2016/17	2016/17	31 March 2017	31 March 2017
	Income £000	Expenditure £000	Receivables £000	Payables £000
NHS Dorset Clinical Commissioning Group	197,183	1,702	-	2,283
NHS England	30,912	20	6,233	18
NHS Pension scheme	-	18,738	-	2,514
Poole Hospital NHS Foundation Trust	1,163	2,306	249	590
Dorset County Council	16,327	496	284	523
NHS Retirement Fellowship	140	-	-	-
Department of Health	-	8	110	-
Other NHS Bodies	11,749	5,444	1,769	819
HMRC	-	12,818	742	3,314
Other Local Authority bodies	914	211	124	241
Other WGA bodies	-	736	(1)	259

In addition, the Trust has had a number of material transactions with other Government Departments and other central and local Government bodies.

The Trust has also received revenue of non material amounts from Dorset HealthCare Charitable Fund where the Trustees are also the members of the Trust Board.

The independently reviewed accounts for Dorset HealthCare Charitable Fund are available from the Trust.

The Trust also has an investment relationship with Ansbury Limited from 2009/10. There were no material transactions with this entity in 2017/18 or 2016/17.

There are no material transactions that have been concluded under non market conditions.

24. Financial Instruments

24.1 Financial Assets by Category

	Total £000	Loans and receivables £000	Assets at fair value £000	Available- for-sale £000
Trade and other receivables (excluding non financial assets) - with NHS and DHSC bodies (at 31 March 2018)	6,649	6,649	-	-
Trade and other receivables (excluding non financial assets) - with other bodies (at 31 March 2018)	1,455	1,455	-	-
Cash and cash equivalents at bank and in hand (at 31 March 2018)	31,244	31,244	-	-
<b>Total at 31 March 2018</b>	<b>39,348</b>	<b>39,348</b>	<b>-</b>	<b>-</b>

The difference between trade receivables and other receivables shown in note 13.1 and note 24.1 relates to non-financial assets which are prepayments, VAT receivable and PDC Dividend receivable.

	Total £000	Loans and receivables £000	Assets at fair value £000	Available- for-sale £000
Trade and other receivables (excluding non financial assets) - with NHS and DHSC bodies (at 31 March 2017)	8,246	8,246	-	-
Trade and other receivables (excluding non financial assets) - with other bodies (at 31 March 2017)	1,344	1,344	-	-
Cash and cash equivalents at bank and in hand (at 31 March 2017)	32,036	32,036	-	-
<b>Total at 31 March 2017</b>	<b>41,626</b>	<b>41,626</b>	<b>-</b>	<b>-</b>

The difference between trade receivables and other receivables shown in note 13.1 and note 24.1 relates to non-financial assets which are prepayments and VAT receivable.

The above assets at fair values are through the Statement of Comprehensive Income.

24. Financial Instruments (continued)

24.2 Financial Liabilities by Category

	Total £000	Other financial liabilities £000	Liabilities at fair value £000
Trade and other payables (excluding non financial liabilities) - with NHS and DHSC bodies	2,463	2,463	-
Trade and other payables (excluding non financial liabilities) - with other bodies	11,838	11,838	-
Provisions under contract	2,097	2,097	-
<b>Total at 31 March 2018</b>	<b>16,398</b>	<b>16,398</b>	<b>-</b>

The difference between trade and other payables shown in note 14 and note 24.2 relate to non-financial liabilities of £2,570k shown in Other Payables and £3,484k shown in Taxes payable. Provisions are shown in note 16. The difference between note 16 and note 24.2 relate to non-financial liabilities of Pensions - other staff, and £898k shown in Other.

	Total £000	Other financial liabilities £000	Liabilities at fair value £000
Trade and other payables (excluding non financial liabilities) - with NHS and DHSC bodies	3,677	3,677	-
Trade and other payables (excluding non financial liabilities) - with other bodies	11,990	11,990	-
Provisions under contract	2,991	2,991	-
<b>Total at 31 March 2017</b>	<b>18,658</b>	<b>18,658</b>	<b>-</b>

The difference between trade and other payables shown in note 14 and note 24.2 relate to non-financial liabilities of £2,273k shown in Other Payables and £3,314k shown in Taxes payable. Provisions are shown in note 16. The difference between note 16 and note 24.2 relate to non-financial liabilities of Pensions - other staff, and £944k shown in Other.

24.3 Maturity of Financial Liabilities

	31 March 2018 £000	31 March 2017 £000
In one year or less	15,749	17,862
In more than one year but not more than two years	42	98
In more than two years but not more than five years	87	188
In more than five years	520	510
<b>Total financial liabilities</b>	<b>16,398</b>	<b>18,658</b>

24. Financial Instruments (continued)

24.4 Financial Instruments - Risks

Market risk

(a) **Interest rate risk** - The Trust's financial assets and liabilities carry nil, variable and fixed rates of interest. Variable rates are applicable to the Trust's deposit accounts, the most significant of which is with the Government Banking Service (GBS). GBS interest rate varies in line with the Bank of England base rates. Other deposits are placed with other organisations for a maximum of 3 months. The rate is agreed in advance which reduces the interest rate risk. The Trust is therefore not exposed to significant interest rate risk.

(b) **Currency risk** - The Trust has no significant foreign currency transactions and is therefore not exposed to significant currency risk.

(c) **Credit and liquidity risk** - The Trust's significant operating income is incurred under contracts with local NHS Clinical Commissioning Groups, NHS England and Local Authorities, which are financed from resources voted annually by Parliament. The Trust finances its capital expenditure from internally generated funds. The Trust is therefore not exposed to significant credit or liquidity risks.

24.5a Fair Values of non-current Financial Liabilities at 31 March 2018

	Book Value	Fair Value	Basis of fair valuation
	£000	£000	
Provisions under contracts	649	649	Note a
<b>Total</b>	<b>649</b>	<b>649</b>	

24.5b Fair Values of non-current Financial Liabilities at 31 March 2017

	Book Value	Fair Value	Basis of fair valuation
	£000	£000	
Provisions under contracts	796	796	Note a
<b>Total</b>	<b>796</b>	<b>796</b>	

Notes

a Fair value is not different from book value.

25. Losses and Special Payments

	31 March 2018		31 March 2017	
	£000	Number	£000	Number
Cash losses	3	41	0	19
Fruitless payments and constructive losses	1	5	1	10
Bad debts and claims abandoned (excluding NHS Bodies)	1	24	3	154
Damage to buildings and property etc.	0	1	1	2
Compensation under legal obligation	-	-	1	5
Special payments - ex-gratia payments	34	19	36	16
Extra statutory and regulatory	-	-	9	1
	<b>39</b>	<b>90</b>	<b>51</b>	<b>207</b>

The ex-gratia payments made were in respect of loss of personal effects/ compensation.

There were no cases exceeding £300,000 for the current year (2016/17 no cases).

These amounts are reported on an accruals basis but exclude provisions for future losses.

26. Discontinued Operations

	2017/18	2016/17
	£000	£000
Operating income of discontinued operations	-	16,784
Operating expenses of discontinued operations	-	(17,304)
<b>Total</b>	<b>-</b>	<b>(520)</b>

Discontinued operations consist of the cessation of two services that have moved to providers outside the boundary of Government accounting. The provision of services to the Devon and Dorset prisons ceased as at 31 March 2017. In addition, the Diabetic Eye Screening service ceased as at 31 March 2017.

## 27. Pooled Budget Arrangements

From 1 April 2015 community equipment has been part of the Better Care Fund. Dorset CCG is the only health partner signatory on the Section 75 Agreement for the Better Care Fund, as such Dorset CCG will be the only health partner to appear on this year's Partnership Account issued by Bournemouth Council, and so it will show only the total health partner funding amount of £5,058k. This is the total of the 5 Health bodies listed below.

The risk share liability for the health partners is shown below under partner allocation: CCG £66,359. Of this Dorset HealthCare's share is nil.

The Trust was part of the Integrated Community Equipment Store Section 75 Agreement for 2014/15 which has since been transferred to a Better Care Fund in 2015/16. The relevant information for the 2017/18 pooled budget is as follows:

### Gross Partner Funding :

#### Investment and Risk as per Section 75 Agreement

	Cash £	Staff £	Other £	Total £	
Bournemouth Borough Council	636,562	-	-	636,562	8.38%
Borough of Poole	592,464	-	-	592,464	7.80%
Dorset County Council	1,313,120	-	-	1,313,120	17.27%
Dorset CCG	1,143,845	-	-	1,143,845	15.05%
Dorset HealthCare University NHS FT	3,200,000	-	-	3,200,000	42.10%
The Royal Bournemouth & Christchurch Hospitals NHS FT	350,103	-	-	350,103	4.61%
Dorset County Hospital NHS FT	186,662	-	-	186,662	2.46%
Poole Hospital NHS FT	176,951	-	-	176,951	2.33%
	<b>7,599,707</b>	-	-	<b>7,599,707</b>	<b>100.00%</b>
<b>Partner allocation: Local Authority</b>	32,685	-	-	32,685	
<b>Partner allocation: CCG</b>	66,359	-	-	66,359	
<b>Total Funding</b>	<b>7,698,751</b>	-	-	<b>7,698,751</b>	
<b>Expenditure</b>					
Integrated Equipment Service	7,698,751	-	-	7,698,751	
<b>Total Expenditure</b>	<b>7,698,751</b>	-	-	<b>7,698,751</b>	
<b>Net underspend/overspend</b>	-	-	-	-	

The Trust was part of Section 75 Agreement for 2016/17. Pooled budget is as follows:

### Gross Partner Funding :

#### Investment and Risk as per Section 75 Agreement

	Cash £	Staff £	Other £	Total £	
Bournemouth Borough Council	636,562	-	-	636,562	8.40%
Borough of Poole	592,464	-	-	592,464	7.81%
Dorset County Council	1,296,453	-	-	1,296,453	17.10%
Dorset CCG	2,751,482	-	-	2,751,482	36.28%
Dorset HealthCare University NHS FT	1,600,128	-	-	1,600,128	21.10%
The Royal Bournemouth & Christchurch Hospitals NHS FT	346,294	-	-	346,294	4.57%
Dorset County Hospital NHS FT	184,631	-	-	184,631	2.43%
Poole Hospital NHS FT	175,026	-	-	175,026	2.31%
	<b>7,583,040</b>	-	-	<b>7,583,040</b>	<b>100.00%</b>
<b>Partner allocation: Local Authority</b>	121,685	-	-	121,685	
<b>Partner allocation: CCG</b>	247,057	-	-	247,057	
<b>Total Funding</b>	<b>7,951,782</b>	-	-	<b>7,951,782</b>	
<b>Expenditure</b>					
Integrated Equipment Service	7,951,782	-	-	7,951,782	
<b>Total Expenditure</b>	<b>7,951,782</b>	-	-	<b>7,951,782</b>	
<b>Net underspend/overspend</b>	-	-	-	-	

## 28. The Late Payment of Commercial Debts (Interest) Act 1998

The Trust had £0k (£2k 2016/17) interest paid arising from claims made or compensation paid in 2017/18 in relation to debt recovery costs under this legislation.

## 29. Transfer by Absorption

During the prior year ownership of Whitfield Rural Centre was transferred to NHS Property Services for nil consideration. This resulted in a £346k decrease in Non-Current Assets (note 8.3) and recognition of this loss on the Statement of Comprehensive Income. In addition the remaining Revaluation Reserve attached to this property was transferred from the Revaluation Reserve to the Income and Expenditure Reserve totalling £8k which can be seen on the Statement of Changes in Taxpayer's equity.





