NHS
Gateshead Health
NHS Foundation Trust

Annual Report and Accounts 2017/18

QE Gateshead
Quality and excellence in health

Gateshead Health 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

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Overview of Performance: Chairman and Chief Executive's Statement

Welcome to the Annual Report for Gateshead Health NHS Foundation Trust for the 2017/18 financial year.

The last twelve months have brought us much to celebrate locally, but also a great number of challenges. Last winter was one of the most difficult on record with severe, adverse weather conditions and a significant rise in the number of patients requiring emergency treatment, compounded by shrinking resources for our services.

Delivering great care in such changing and challenging times is tough, and it's to the credit of our staff that we continue to achieve so much and remain so focused on patient care. We'd like to take this opportunity to say thank you to all of our staff, and particularly those on the frontline, who have worked so hard during the year to deliver great care to patients and an outstanding level of organisational performance.

Looking back there have also been some amazing highlights of which everyone working in the organisation should be incredibly proud. This year the country celebrates 70 years of the NHS but in Gateshead we share that anniversary with our own Royal opening of the hospital in 1948.

To mark this special occasion we took the opportunity to welcome some special guests to the hospital and show them the new, state of the art, technology we now have here on site. Attendees included two of the first babies born here at the hospital as well as one of our longest serving volunteers, who has been here since the 1950s.

Much has changed since then of course, and while the buildings and medical technology may be unrecognisable the one thing that has remained is the core values we share at the Queen Elizabeth Hospital, because patient care has always been at the very heart of everything we do.

Our innovative Emergency Care Centre (ECC) continues to provide excellent services to the public, winning accolades and awards throughout the past year. Like every NHS hospital across the country our teams felt the strain, particularly during the very bad weather and in the face of increased numbers of very sick, and often very complex patients. Our services still performed well despite these significant challenges.

During 2017 we also had excellent recognition for our nursing teams, being rated as one of the best performing trusts in the country for cancer care, and scored above the national average in every category for non-clinical activities in the PLACE survey which is an independent survey carried out by patient assessors.

The ECC was also identified as performing better than expected by the Care Quality Commission (CQC) because more patients responded positively about the care they received in Gateshead.

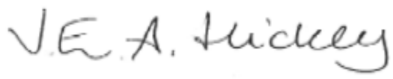
Although much attention is placed nationally on performance in Accident & Emergency, it is important to remember that performance in Gateshead is a reflection of how the entire system is working and this success is a product of the hard work of people right across the hospital and community health structure.

This is an area of real strength for Gateshead and we have been focusing on closer working and greater integration between all our health, care and social services in a much more coordinated way. One way we are specifically doing this is through the Gateshead Care Partnership which brings together hospital, community, GP and council services to review the way we deliver services to patients. As all health and care services are challenged to work in a more joined up and efficient way this work will stand us in good stead for the issues facing NHS providers in the future.

As a Foundation Trust we have always valued our close relationship with the people we serve and our first ever public open day was designed to strengthen that relationship even further. The day was a huge success and it was a real pleasure to welcome more than 150 people into the hospital to see how we work as a big part of the local community.

This is something we are keen and committed to do more of but we do talk to people all year round, whether that's as a member or in the thousands of conversations we have every day in person and on social media.

In the face of the challenges we faced, the commitment, passion and hard work of all our staff has once again shone through this year. It was incredibly humbling and uplifting to be able to celebrate some of the examples where staff have demonstrated their commitment to our core values through our Star Awards ceremony in September 2017. This can also give us optimism that we will respond successfully to the further challenges that lie ahead without ever losing sight of keeping the patient at the heart of everything we do.



Mrs J E A Hickey
Chairman

Mr I D Renwick
Chief Executive

Performance Report

The Trust and its services

Gateshead Health NHS Foundation Trust was authorised as a Foundation Trust in January 2005. Under its terms of authorisation and constitution, the Trust's principal purpose is the provision of goods and services for the purposes of the Health Service in England, which may include for the prevention, diagnosis or treatment of illness, and the promotion and protection of public health. The Trust may also carry out activities for the purpose of making additional income available in order better to carry on its principal purpose.

The Trust is a provider of secondary care, community and older persons' mental health services to a local population of approximately 200,000. Wider populations are served for specialist screening services, gynaecology-oncology services and some breast services, including South of Tyne, Northumberland, Humberside, Cumbria and Lancashire.

Building on the successful award in 2016 of the £18m Gateshead community services contract working with the Gateshead Care Partnership (GCP), the Trust has made significant progress during 2017/18 to deliver on the first year of a five year service transformation programme aimed at integrating our services with other professionals to ensure that people receive care delivered by the appropriate clinician at the right time and in the right place, increasing the proportion of care delivered in a community setting. A core step has been the launch of integrated locality teams incorporating nursing teams who link with professionals from a variety of other services including Podiatry, Macmillan, Occupational Therapy, Speech and Language Therapy, Physiotherapy and Social Care to provide holistic care to patients in their own home, nursing and residential homes. This is being underpinned by innovative approaches in technology to support mobile working and delivery of care closer to home.

The Trust was given an overall rating of 'good', with 'outstanding' for caring overall, and 'outstanding' for maternity and gynaecology services, by the Care Quality Commission (February 2016).

The Trust has undertaken a robust and coordinated approach towards development of an improvement plan in its older peoples' mental health services following a further Care Quality Commission inspection on its older peoples' mental health services that reported in June 2017 in which the Trust received ratings of 'inadequate' for inpatient services and 'requires improvement' for its community services. A Chief Executive-led Task & Finish group was established to oversee the development and successful implementation of a Mental Health Action and investment Plan, to achieve best practice. This has focused on plans to improve staffing, ensure an environment that is fit for purpose, improve information technology and improve governance. The Board has approved a business case to support this work.

In keeping with its 2021 Goals, the Trust remains committed towards achieving an overall CQC rating of 'outstanding' and at the very least maintain a 'good' rating.

The Trust's four overarching aims and its 2021 goals, underpin the Board of Directors' commitment to continued high performance and provision of high quality care. The overarching aims are:

1. To provide high quality, sustainable clinical services to our local population in new and innovative ways;
2. To develop new effective partnerships with organisations in health and social care to offer high quality, seamless care;
3. To optimise opportunities to extend our business reach in the delivery of high quality clinical care; and
4. To deliver the proposed portfolio of services and quality of care within the agreed financial envelope.

The Trust eight 2021 goals describe what organisational success looks like by March 2021. They are:

1. Working with partners, we will manage and improve the health of the population of Gateshead, promoting wellbeing and preventing the occurrence and progression of ill-health wherever possible;
2. All the services we deliver will be good or outstanding when assessed against being safe, effective, caring, responsive, and well-led;
3. In all locations and settings of delivery, our patients will experience excellent, timely and seamless care that meets their individual needs;
4. All our services will have a high safety culture in which openness, fairness, accountability and learning from high levels of incident reporting and mortality reviews is the norm;
5. All our services will be effective: we will reduce unwarranted variation, ensure our practice is consistent with recognised best practice 7 days a week, and improve outcomes for patients;
6. We will have an engaged and motivated workforce living the values and behaviours of the organisation, and who are responsive and adaptive to the changing needs of our environment;
7. We will deliver value for money and help ensure the local health and care system is sustainable and well led; and
8. We will use our expertise in Pathology and Women's Cancer Screening services for the benefit of the wider NHS, working with partners to provide excellent care for patients beyond Gateshead.

During 2017/18 the Trust made good progress in delivering its annual objectives that reflect the in–year critical steps that the senior management team believe are necessary to ensure the organisation is on course to meet its goals by March 2021.

Uncertainty, Challenges and Risk

The Board has identified a number of significant risks to the success of the Trust and these are monitored through the Board Assurance Framework.

In 2017/18, risks related to the extremely challenging financial constraints present across the health and care system were particularly of concern to the Board.

For the Trust and its services to be financially sustainable, the year on year delivery of extremely challenging internal efficiency targets, in the range of c.6%, will be required. The Board is concerned that beyond a certain point, the delivery of the year on year efficiencies, required to maintain financial

sustainability, will not be consistent with delivery of the Trust's other goals relating to the quality of its services.

Delivery of such a level of efficiency savings in a way that is consistent with achieving the Trust's quality objectives is only feasible as part of the achievement of system wide transformational changes including the delivery of schemes that stop the growth of, or reduce the demand for, specialist hospital services.

The Board has identified that if demand continues to grow for specialist hospital services there is a risk that the Trust will not be able to continue to increase its capacity to meet the demand, leading to a reduction in quality.

Ensuring a clinical workforce of sufficient capacity and skill to deliver on the Trust quality goals, within the context of rapidly increasing demand, is a recognised ongoing challenge and one which is facing health services across the country. Trust work to mitigate this includes specific approaches to recruitment and retention of the nursing, allied health professional and medical workforce. As part of this we are developing our approach towards supporting and retaining older members of the workforce, exploring flexible working packages. We are pursuing establishment of new roles and completed the first successful programme of the national nursing associate programme. We will also continue to build upon the development of apprenticeship routes into healthcare.

The Trust has actively contributed throughout 2017/18 as a partner in wider planning for clinical services across the local health economy and the region as a whole to work towards sustaining services of high quality for local populations over the longer term. This has included supporting the reconfiguration of clinical pathways and wider workforce planning, working as part of Cumbria and North East (CNE) STP work streams including Workforce, Optimising the Acute Workstream, Local Maternity Systems and clinically-led Regional Vulnerable Services work streams.

The Trust Board closely and proactively monitors and manages the risks facing the organisation and is working in partnership with others in the local health and care system to mitigate these as far as possible.

Despite the presence of these significant risks, and challenges facing front line services across the country, the Trust has continued to perform well overall during 2017/18.

QE Facilities Ltd

QE Facilities Ltd (QEF), established in 2014, is a wholly owned subsidiary company of the Trust. Through a managed healthcare contract model QEF provides estates, facilities, procurement, materials and supply chain management, equipment maintenance and transport services to the Trust.

Whilst QE Facilities' primary focus is the provision of efficient, effective and quality estates and facilities services to the Trust for the benefit of patient care, it operates as a separate legal entity, along commercial lines, with separate governance arrangements and the ability to employ its own staff and to deliver services to other organisations. The Company's operating model enables it to access the commercial benefits of a private company with the ethos and culture of a quality in-house service to

maximise efficiencies and income generation opportunities. The financial benefits of this are returned to the Trust to support front line patient services.

The Company currently employs 620 people, of which 370 were transferred from the Trust under TUPE rules. This ensures that QEF staff retain the core values of the Trust as a whole.

Service Development

Opportunities to expand QEF's customer base and services delivered will continue to be explored to expand the range of non-clinical services it provides. In the past year this has resulted in the provision of Patient Transport Services (Hospital to Home) and Endoscopy Decontamination, delivery of medicine directly to home for around 100 patients and Pathology Logistics services for the Trust plus the development and expansions of our consultancy business to other Trusts.

Internal service synergies will be explored, for example between domestic, catering and housekeeping services to ensure services are provided efficiently and effectively delivering best value to the Trust.

In addition potential future opportunities include:

- provision of estates services to other NHS organisations,
- security services,
- extension of pathology transport services to other UK locations
- patient transport services supporting hospital discharge processes (Hospital to Home scheme)

Industry awards to date

- Gold and Platinum Go sustainability awards
- Finalist for the GO procurement awards (Two categories)
- Winners for the HSJ awards (Two Categories)
- Finalist for both the Finance director of the year (hfma) and (HCSA) Procurement leader of the year
- Finalists for the Health and Business Awards

2017 also saw the commencement of the QEF employee recognition scheme.

Further Information on the Company and its services is available at www.qefacilities.co.uk

Performance Analysis

Operational

The Trust judges its performance across all key domains including quality, workforce, finance and operational performance and has begun to move towards integrated performance reporting at service line and Board level. For each domain of performance, the Board and its Committees receive regular reports on key indicators to provide assurance and to allow discussion of key issues and trends. These include, but are not limited to:

- **Quality:** Safety thermometer, incidents, Duty of Candour, Friend and Family Test, mortality, nurse staffing, complaints, healthcare associated infections.

- **Workforce:** Appraisal, Core Skills Training, staff in post, retention, absence, employee relations, recruitment.
- **Finance**: Income and Expenditure performance, liquidity, achievement of efficiency programme, contract performance, use of resources.
- **Operational performance**: A&E waiting times, Referral to Treatment waiting times, cancer treatment waiting times, diagnostic waiting times.

More detailed information is available elsewhere in this report on the key performance indicators in the quality section on pages 86-186, staffing section on pages 51-61 and finance section pages 15-20.

In the operational performance domain, the Trust has sustained performance against all the national access standards with the exception of A&E.

Indicator	Target	2015/16	2016/17	2017/18
Maximum waiting time 4 hours in A&E	95%	93.7%	96.1%	94.6%
2 week wait for 1st cancer outpatient appointment	93%	93.9%	96.8%	95.8%
2 week wait for breast symptomatic referrals	93%	94.9%	96.5%	96.7%
62 day wait for 1st definitive cancer treatment	85%	86.1%	86.8%	88.4%
RTT incomplete pathways – waiting > 18 weeks Aggregation of month end positions.	92%	93.1%	93.5%	97.1%
6 week wait for diagnostic procedure. Aggregation of month end positions	99%	95.8%	99.4%	99.1%

A&E and Non-Elective Performance

The Trust performance in 2017/18 cements our status as one of the best performers in the country against the headline A&E 4 hour access standard. As with all A&E departments nationally Gateshead has been challenged following sustained winter pressures and increases in attendances. Overall attendances are up 2.4% on 2016/17 and despite the pressures experienced over 111,000 patients were seen within the 4 hour standard.

Where there are breaches for non-clinical reasons in A&E, this is generally due to a lack of bed availability which is a particular challenge over the winter period: this is why we did not meet the 95% standard in December through to March.

In 2017/18 we have continued to support a full programme of work reviewing patient flow through the hospital. This has been managed through the Trust Project Management Office (PMO) to reduce length of stay and implement new pathways of care, for example expanding ambulatory care, and the introduction of a rehabilitation ward to prepare patients for discharge freeing up beds at peak times of admission.

In order to sustain our position as one of the top performing A&E departments and improve quality of care, we aspire to reduce length of stay and deliver pathways of care developed around the needs of our patients/population.

Cancer performance

Key to the delivery of improved cancer outcomes is speed of diagnosis and access to treatment. In 2017/18, the Trust sustained performance for patients referred and seen on a two week wait referral. Sustained performance has been achieved through effective capacity and demand planning across tumour sites and the implementation of straight to test pathways in lower and upper GI services.

In 2017/18 we treated almost 750 patients for cancer, a rise of 5% on the number treated in 2016/17. The increase in treatment numbers is driven by Breast and Gynaecological tumour pathways with a number of patients treated from neighbouring areas to Gateshead. Effective capacity and demand planning within the services and speed of access to diagnostics ensured the standard of treating patients within 62 days of referral was achieved in every quarter of 2017/18.

Our focus is to sustain our high performance, ensure it is consistent throughout the year and to work to bring forward the date of diagnosis within each cancer pathway, in line with the national aspiration that patients should be diagnosed or given the all-clear within 28 days of referral.

Elective care performance: referral to treatment (18 weeks)

During 2017/18, performance against the national 18 week incomplete waiters standard has improved on the level delivered in 2016/17. This has been delivered as a result of improved performance in the surgical specialties of Trauma and Orthopaedics and General Surgery and sustained performance across medical specialties.

Diagnostic performance

During 2017/18, the Trust continued significant investments in diagnostic capacity in order to respond to the ongoing growth of demand by its clinicians and local GPs for diagnostic investigations. Demand for key radiological diagnostics is increasing by around 10% a year. This investment and robust management of waiting times has sustained performance against the 6 week diagnostic standard. In-year pressures for echocardiography were visible June to September as a result of sustained demand and a reduction in staff capacity. The Trust has successfully implemented a one stop heart failure clinic pathway which is superb for patients, however this is resource intensive. The Trust is working with commissioners on demand management for diagnostic tests, and continuing to ensure there is robust business planning in place for 2018/19 to sustain the expected waiting time standard. In the face of continuing demand increases, ongoing investment is envisaged in diagnostic capacity.

Overall performance

In 2017/18, the demand for acute patient care from the Trust has increased compared to that in previous years.

The Trust's performance in 2017/18 has been strong across all domains given the impact of winter pressures seen locally and mirrored nationally. Despite these pressures the dedication to improve

patient flow throughout the hospital and the emergency care pathways/services in place has enabled the Trust to remain one of the strongest performing nationally against the A&E standard. The sustained operational performance has been supported by better matching of capacity and demand in elective care and investment in diagnostic services.

Performance Analysis

Financial

The Trust continues to operate in a challenging national and local financial environment and 2017/18 has been no exception to this. Prior to the start of 2016/17 £1.8bn of resources were deployed nationally and non-recurrently, designed to provide short term stability to enable the NHS to develop and implement transformational and structural changes required to address the projected gap in resources by 2020 resulting from the impact of the ongoing increases in an ageing population. The Sustainability and Transformation Fund for the Trust for 2017/18 was set at £5.8m with a requirement to deliver a deficit of £2.3m. Despite the financial challenges the Trust has been able to meet that target and go further and attract central funding to reach a surplus of £2.2m and a very positive outturn position.

The consolidated accounts for 2017/2018 incorporate the results for the Trust's subsidiary company, QEF, and charitable funds, with the Group posting a surplus for the year of £5.9m. The Trust and NHS Improvement focus on the non-GAAP measure of surplus/ (deficit) for the year, excluding impairments, revaluations and movements in charitable funds, as being the primary financial KPI, and against this measure the Group is reporting a surplus of £2.2m.

Table 1: Summary Financial Performance

	Group £000
Income	264,771
Expenditure	(254,891)
Operating Surplus	9,880
Finance Costs	(3,382)
Corporation tax	(522)
Surplus/(Deficit) for the Financial Year	**5,975**
Revaluation adjustments	(3,554)
Charitable fund adjustments	(18)
Adjustment relating to previous year STF	(150)
Surplus for the year before impairments, revaluations and charitable funds	**2,253**

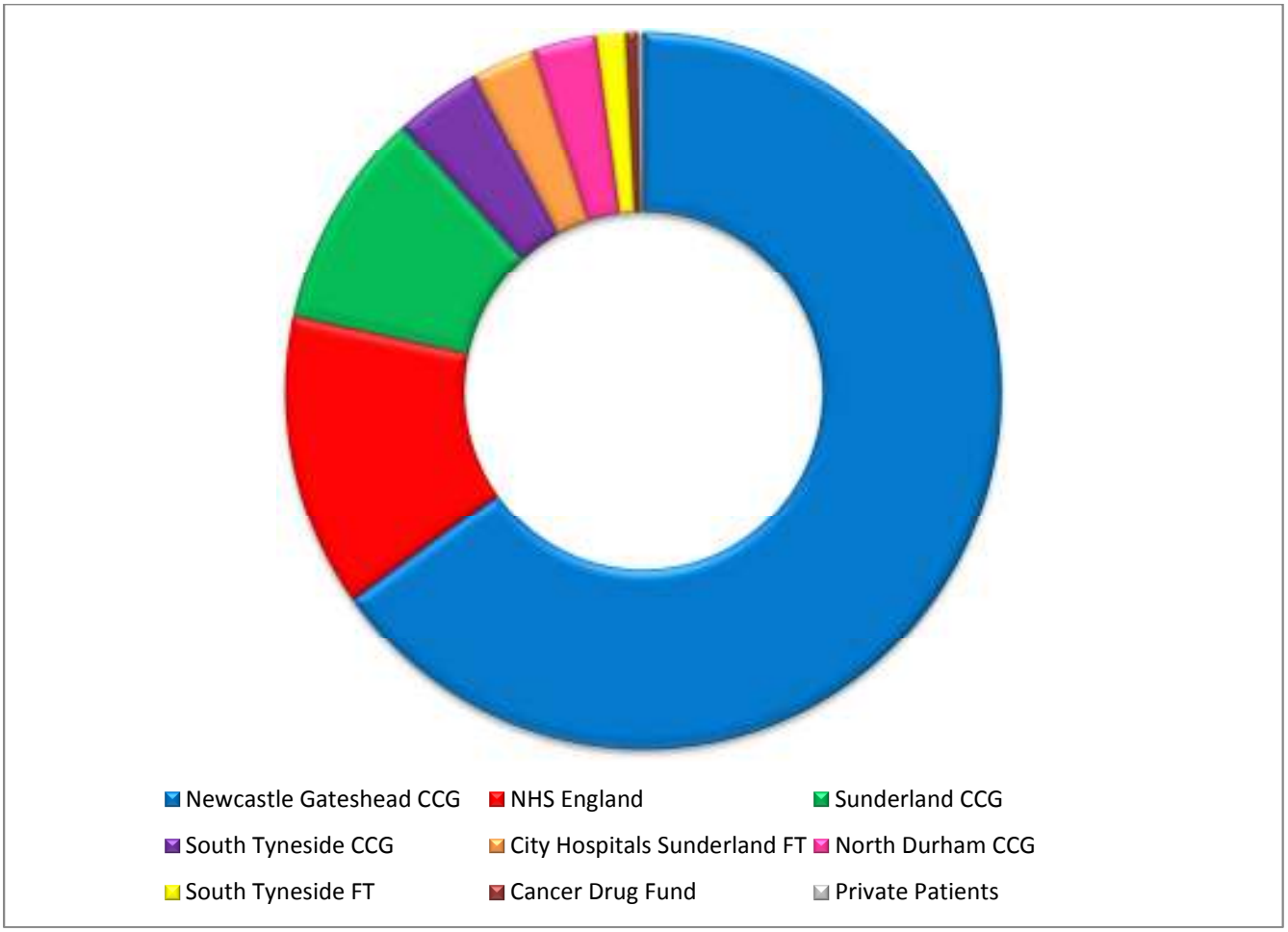
Basis of Accounts Preparation 2017/2018

The Trust prepares the accounts under International Financial Reporting Standards (IFRS) and in line with the HM Treasury Financial Reporting Manual, Department of Health Group Accounting Manual and the NHS Foundation Trust Annual Reporting Manual issued by NHS Improvement and approved accounting policies. The Group accounts include QE Facilities, a wholly owned subsidiary of the Trust, incorporated in 2014/15, as well as the Trust's Charitable Funds.

Income

The Trust received £264m of total income for 2017/2018, with NHS clinical revenue amounting to £235m, of which £224m came directly from CCGs for the commissioning of patient care and NHS England via the Area Teams, for specialised services. Together these account for 85% of the Trust's income base, with 56% directly from Newcastle Gateshead CCG for the treatment of our immediate local population. An analysis of the total income the Trust received in 2017/18 is shown in Chart 1.

Chart 1: Where we get our money from

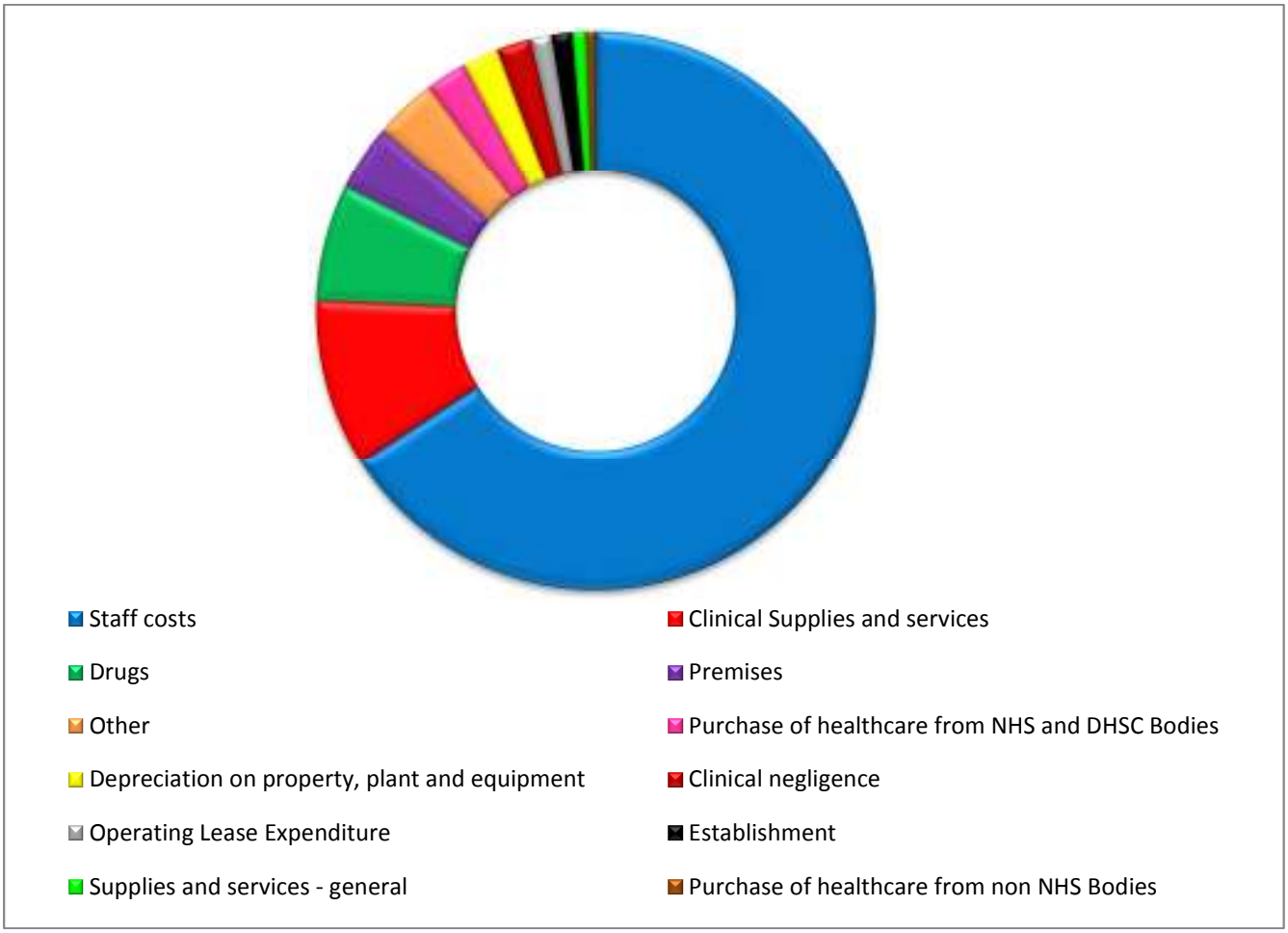


For 2017/2018 the Trust's income from private sources stood at 0.25% of total income, in line with previous years. Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services for any other purposes. The Trust has met this requirement.

Expenditure

Total expenditure for the year was £258m (£255m net of impairment). By far the largest proportion is spending on pay and related expenses for our staff, this amounts to £170m (67%) of the total. Other material items of expenditure include medical and surgical consumables and drugs, amounting to £42m and premises costs of £10m. Chart 2 shows the full range of expenditure.

Chart 2: How do we spend our money, revenue



The Trust has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance. This is relevant to areas such as Payment by Results, the mechanism by which the Trust receives the majority of its income from CCGs and the production of the annual Reference Cost Return.

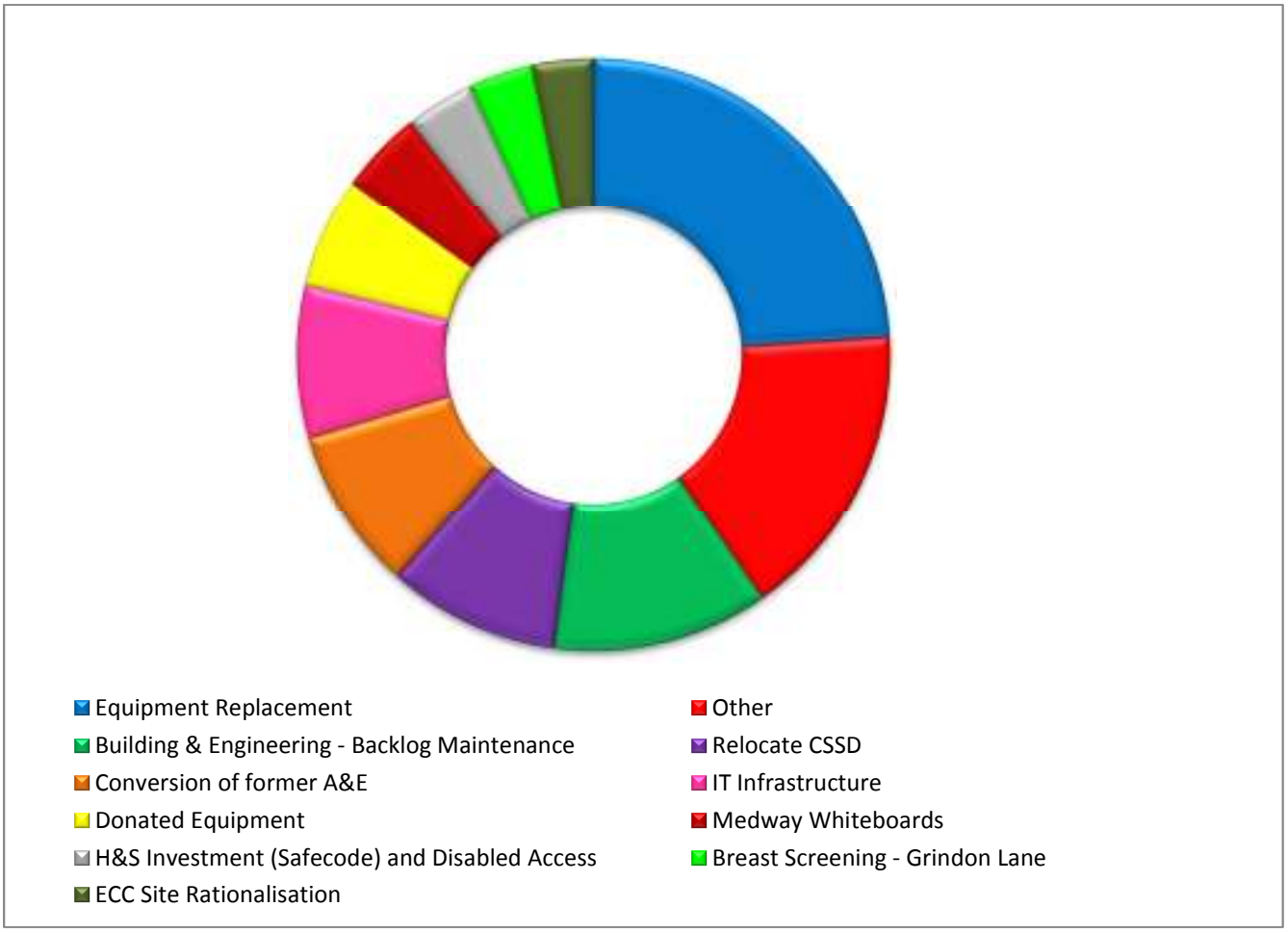
Better Payment Practice Code

We continue to work towards compliance with the Better Payment Practice Code which requires the Trust to aim to pay all valid invoices by the due date of within 30 days of receipt of goods or a valid invoice. We have had difficulty meeting this target in 2017/18, primarily due to difficulties encountered following the financial system upgrade, and have met this standard for 43.3% of invoices (64.2% of value); detailed performance against the code can be found in the full accounts. Following a recommendation from government and NHS Improvement, we also aim to pay small to medium sized businesses within 10 days of receipt of goods and services wherever possible.

Capital Expenditure

Capital expenditure for the year was £4.2m. Funding for the capital programme was made available from internal depreciation and external funding of £0.4m. In addition £0.4m of capital equipment was purchased by the QE Charity. In total, this was a significant reduction from the levels of spend in previous years, as a result of the tightening financial environment and liquidity position of the Trust. The breakdown of the capital programme is shown in Chart 3.

Chart 3: How do we spend our money, capital



Key Financial Risks

The 2018/19 financial projections build on the actual financial performance delivered in 2017/18 (the first year of the current 2 year plan) and take account of the activity, workforce and performance requirements, as well as the impact of the signed contracts agreed with Commissioners and the national changes to STF and control totals for 2018/19. The financial plan for 2018/19 aims to maintain financial performance and meet the required financial outturn set by NHSI, a surplus of £0.7m.

Delivering this financial position in the current financial environment whilst maintaining sustainable, high quality and safe services will be very challenging and is based upon achieving a recurrent efficiency programme of £15.1m, or 5.9% of turnover, and achieving all performance targets to facilitate access to the local share of the non-recurrent national Provider Sustainability Fund (PSF) of £7.3m.

There are a number of significant risks within this planned position and limited potential for upside opportunities.

- **Performance**

  Delivery of the key performance metrics required to receive the full PSF (previously STF) for 2018/19. The winter of 2017/18 was very challenging and had a knock on effect on the receipt of STF in the last quarter. Another difficult winter and the pressures associated with that has the potential to impact on the Trust's performance and subsequently the PSF.

- **Delivering the Efficiency Programme**

  As part of the 2018/19 financial plan, the Trust needs to deliver a significant efficiency programme of £15.1m as a minimum. This builds upon the delivery of £11.3m efficiency in 2017/18 and represents approximately 5.9% of the Trust's turnover and 20% of directly influenceable spend. It is anticipated that savings at this level will be required for the foreseeable future and are in line with national efficiency requirement assumptions. Delivering these levels of savings year on year is extremely challenging, with the Trust's Financial Sustainability Board leading this programme of work.

- **Financial Pressures and Inflation**

  Expenditure plans are based on detailed projections of the resources required to support and deliver planned levels of activity whilst maintaining quality and delivering sound performance. The Trust is therefore reliant on sound financial management, particularly around operational budgetary control and the delivery of the efficiency programme, to ensure that it can manage pressures that arise in year. However the unpredictable nature of winter pressures and required surge capacity lend a degree of uncertainty to the costs of resources required. The current economic climate also creates uncertainty around potential expenditure pressures alongside the need to continually improve patient care and deliver high quality services. The Trust has included realistic estimates based on robust assumptions when developing its plans for future years.

- **Liquidity**

  The delivery of the financial plan 2018/19 would result in retained cash of £3.8m at the end of the year. However this is dependent on the delivery of the efficiency programme and expenditure plans above and therefore represents a significant risk.

Going Concern

The Trust Board of Directors has a reasonable expectation that the Trust will have adequate financial resources to continue in operational existence for the foreseeable future. This is based on a strong financial performance in 2017/18 with the Group achieving a £2.2m surplus against a planned deficit of £2.3m. In achieving this performance the Group generated cash from operations of £10.5m in the year enabling capital investment of over £4m, a reduction in debt of £1.36m and holding cash balances of £8.1m at the year end. Looking forward to 2018/19 the Trust has developed a financial plan that meets the NHSI required outturn. Therefore the Trust continues to adopt the going concern basis in the preparation of these financial statements.

Audit of Accounts

The full accounts are included at the end of this report. They have been prepared under the Direction issued by Monitor under the National Health Service Act 2006.

The accounts have been fully audited, and the appropriate certificate is included within the body of the accounts.

The Board of Directors acknowledge their responsibilities for the financial statements included in this report. All of the accounting records have been made available to the auditors for the purpose of their audit and all transactions undertaken by the Trust have been properly reflected and recorded in the accounting records. All other relevant records and related information has been made available to the auditors.

The Board is also satisfied that there are no issues arising since the Balance Sheet date that would materially affect the 2017/18 accounts.

Social, Community and Human Rights

Sustainability

As an NHS organisation, 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 means spending public money well, the smart and efficient use of natural resources and building healthy, resilient communities. By making the most of social, environmental and economic assets we can improve health both in the immediate and long term even in the context of the rising cost of natural resources.

Our Commitment

The Sustainability Development Strategy for the NHS, Public Health and Social Care System 2014 – 2020 sets out a top-level commitment to be leaders in the field of healthcare sustainability. Our Sustainable Development Management Plan (SDMP) was originally approved in 2012, with updates provided on an annual basis, and is monitored and developed by the Trust Sustainability Group. Our SDMP's main aims this year are based upon the new Sustainable Development Assessment Tool, which was developed on from the previous Good Corporate Citizenship Model in line with the UN Sustainable Development Goals. It is designed to help organisations understand their sustainable development work, measure progress and help focus future actions. It consists of ten modules and all utilise four cross-cutting themes including governance and policy, core responsibilities, procurement and supply chain and working with staff. As a part of the NHS, public health and social care system, it is our duty to contribute towards reducing the carbon footprint of the NHS, public health and social care system by 35% by 2020, of which we are on track to do particularly at the Queen Elizabeth Hospital site.

Corporate Approach - To be a leading example organisation in sustainable development.

Asset Management and Utilities - To reduce our energy and water consumption across the Trust.

Travel and Logistics - To encourage staff to utilise sustainable forms of transport for both commuting and business travel, whilst working with suppliers to look at their travel emissions.

Adaptation - To ensure that climate change adaptation is effectively incorporated into the Trust's business continuity, emergency planning and risk assessment procedures. The design and operation of the Estate must adequately cater for the potential effects of climate change.

Capital Projects - To reduce CO2 emissions as part of all capital projects across our estate.

Green Space and Biodiversity – To improve and maximise the extent, use and accessibility of green spaces on site for staff, visitors, patients and the local community; whilst increasing biodiversity.

Sustainable Care Models - To ensure that sustainability forms part of the culture that transforms health care delivery.

Our People - To ensure that sustainable development objectives are reflected through the workforce, promoting social value across the organisation.

Sustainable Use of Resources – To continue the reduction of waste across the organisation and reduction of emissions through the food and procurement supply chain.

Carbon/Greenhouse Gases - To reduce the Trust's organisational carbon impact and become a low carbon organisation.

Our Recent Performance

Corporate Approach – The Trust's values and vision are an integral part of the organisation in regards to everything we do and who we are. Underpinning these values are a set of value based behaviours, both of which reflect the organisation's commitment to sustainability both socially and financially.

Asset Management & Utilities - Over the last few years the Trust has been committed to reducing its carbon emissions and has invested in two bio diesel CHPs one of which was installed last year. Each of the CHPs has capacity to generate up to 280kw/hour of heat and around 280kw/hour of electricity. The units are "load tracking" which means they only generate enough electricity to supply the areas they feed. We project that with both systems running we will generate over 20% of our required electricity via the CHPs and over 10% of our overall heat demand saving around 1200 tonnes of carbon.

Travel & Logistics – The Trust's Green Travel Plan has been active since 2001 and over the years has implemented numerous measures which have resulted in a decreasing number of staff who drive to site, as we encourage staff to participate in active or sustainable travel. This culminated in the Trust achieving Bronze, Silver, Gold and Platinum Accreditation Awards with Go Smarter, a local initiative that recognises organisations for their achievements. The Trust was the first NHS organisation to achieve the platinum accreditation and third overall.
There have also been steps forward regarding electric charging points on site for staff and visitors along with the implementation of a new car parking strategy which charges staff based on the emissions of their vehicle; encouraging them to drive low emission vehicles.

Adaptation - The Trust recognises that there is a need to adapt and plan for potential staff or supply shortages along with an increase in patient activity due to the effects of climate change, and is committed to the development of a comprehensive adaptation plan. Previously there has been successful utilisation of the adverse weather plan which has been put into effect several times alongside regular training tests of the Major Incident Plan, utilising the major incident coordination centre.

Capital Projects – Despite the limited financial spend for capital projects over the last year, those jobs that have been undertaken have included sustainable examples including upgrading heating and lighting in the new PIU/ Ambulatory Care Department. There has also been smaller ongoing work to change the lights in all public areas on site to LED.

Green Space & Biodiversity - Green Space across the site is limited, however it continues to be well maintained and staff are continually looking for ways to improve patient access to these areas to improve patient health. In 2017 a group of local students got involved in helping improve and maintain the garden area for patients and their relatives at St Bede's along with fundraising for the department; a great example of community involvement.

Sustainable Care Models - This is a recent addition through the new Sustainable Development Assessment Tool and little work has currently been undertaken in this area; although there is a real understanding of the need to link in with sustainable development. The Emergency Care Centre (ECC) is a great example of how a new model of care has improved patient flow by bringing together numerous services including accident and emergency, GP services and walk in centre.

Our People - As one of the largest employers in the area the Trust takes great pride and care of its staff ensuring that their opinions are valued and acted upon through annual staff surveys whilst ensuring health and well-being is a priority. As a result of this work the Trust is an Investors in People Champion and was awarded an Investors in People Good Practice Health and Well Being Award.

The Trust is continually looking at improving the access staff has to healthy food choices, gym facilities, active travel choices and occupational health and counselling services. Alongside this there is also fantastic engagement with the community too, whether through work experience or apprenticeships, volunteers and community projects. There is also engagement on sustainability issues with both public and staff through training, communications and events; with staff encouraged to join the network of 'green champions' across the Trust.

Sustainable Use of Resources - The Trust is committed to reducing waste out puts and working towards a zero to landfill approach, working not only with our waste contractors but with procurement as well to reduce waste volumes from the initial outset. Reducing waste is becoming more challenging as patient activity increases, therefore there is a real emphasis on reuse and improving waste segregation. As well as waste there is also the issue of sustainable food sources, the catering department is focused on supplying healthier choices ensuring not only that patients receive the nutritional and hydration required for their needs and promoting healthy eating to both staff and patients, but also that they consider the sustainable procurement of these choices.

Carbon/ Greenhouse Gases - This section is an overarching area that reflects on many of the topics above in relation to reducing the Trust's carbon impact and emissions. The Trust has already met the first target set in the Climate Change Act 2008, but now its aim is not only to meet future targets, but also to look at the work it can do in the local area to encourage staff and the community to alter their behaviours and patterns to become low carbon. Overall this will be beneficial to the health of both the local and wider community due to the health impacts of climate change.

Signed: Date: 23 May 2018

Mr I D Renwick, Chief Executive

Accountability Report

Directors' Report

The Board of Directors is responsible for exercising the powers of the Trust. The Schedule of Reservation and Delegation of Authority sets out the types of decisions that must be taken by the Board of Directors and those which can be delegated to management. The Board sets the strategic direction within the context of NHS priorities, allocates resources, monitors performance against organisational objectives, ensures that clinical services are safe, of a high quality, and ensures high standards of clinical and corporate governance. The constitution defines which decisions must be taken by the Council of Governors and how disagreements between the Board and the Council of Governors should be resolved.

Composition of the Board

The Board comprises eight Non-Executive Directors (including the Chairman) and six Executive Directors (including the Chief Executive). The Board is also supported in its work by three additional Associate Directors. Although not voting members of the Board, these Directors are members of the Executive team and provide Director level leadership within their individual business units. The Chairman and Non-Executive Director appointments are approved for terms of office of up to three years and terminated by the Council of Governors via the Governors' Remuneration Committee and may seek reappointment in line with the provisions set out in the Code of Governance.

The Board considers that all of the Non-Executive Directors are independent and Mr Shaun Bowron is the named Senior Independent Director. The Executive Directors are appointed on permanent contracts and all Directors undertake an annual appraisal process. Additional assurance of independence and commitment for those Non-Executive Directors serving longer than six years is achieved through a rigorous annual appraisal and review process in line with the recommendations outlined in the Code of Governance.

Declaration of Interests

The Board declare any interests before each meeting which may conflict with the business of the Trust and excuse themselves from any discussion where such conflict may arise. Interests are declared annually at a public meeting and these are recorded in a Register of Interests, available on the Trust website.

Directors' Declaration

The Directors of the Board at the time the annual report is approved can confirm that:

So far as they are aware, there is no relevant audit information of which the auditor is not aware and that they have taken all 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.

All Directors understand that it is their responsibility to prepare the annual report and accounts, and that they consider the annual report and accounts, taken as a whole, to be fair, balanced and

understandable, and to provide the information necessary for patients, regulators and other stakeholders to assess the performance of Gateshead Health NHS Foundation Trust, including our business model and strategy.

Board meetings and committees

The Board supports the Nolan principles and makes the majority of its decisions in meetings open to the public. The Board met in public 8 times during the year. It also met in private 10 times and held 4 informal away days during the year.

The Board delegates some of its work to committees. There is a standing item at each Board meeting to receive the assurance reports from the Board committee meetings.

Executive Directors		Attendance at Board of Director meetings
Name & Position	Background	Total number attended
Ian Renwick Chief Executive	Ian was appointed as the Trust's Chief Executive in August 2006, having previously been the Director of Finance and Information at the Trust since 2001. He is a qualified CIPFA accountant and has worked in the NHS in the north east since 1996. Ian fulfils a number of roles in the local NHS and wider system, including as Chair of both the North East Local Workforce Action Board and Urgent and Emergency Care Network Strategic Board, and as a member of the North East Leadership Academy and local Health and Well-being Board, as well as being Vice Chair of Gateshead College. Ian was in the Health Service Journal's Top 50 Chief Executives list published in February 2017.	8/10
Andrew Beeby Medical Director	Andy was appointed as Medical Director in November 2016. He is a Consultant Obstetrician & Gynaecologist with a special interest in Urogynaecology and has worked in the Trust since 1995. He qualified from Newcastle upon Tyne in 1985 and trained across the North East prior to his appointment at Gateshead. He was Clinical Lead for Obstetrics & Gynaecology 2003-2016 and Associate Medical Director for Workforce and 7 day services 2015-16.	7/10
Claire Coyne Director of Diagnostic and Screening Services	Claire was appointed as Director of Diagnostic and Screening services in July 2016. She joined the NHS in 1986 as a student nurse and has worked for the Trust since 1990 holding a number of nursing and management positions.	10/10
Hilary Lloyd Director of Nursing, Midwifery and Quality	Hilary was appointed as the Director of Nursing, Midwifery and Quality in 2014 having previously been the Deputy Director of Nursing Midwifery and Quality since 2011. She qualified as a registered nurse in 1989 and has extensive clinical experience. She has held a number of senior nursing posts in acute health care, education and research. Hilary has a professional doctorate in improving quality in nursing practice	8/10

Executive Directors		Attendance at Board of Director meetings
Name & Position	Background	Total number attended
John Maddison Group Director of Finance and Informatics and Deputy Chief Executive	John Maddison joined the Trust as Interim Director of Finance in August 2014 until his substantive appointment in January 2015. John joined the NHS as a Graduate trainee in 1982 and has many years' experience as a Finance Director in the acute FT sector both locally and further afield. He was appointed as Deputy Chief Executive in August 2016.	8/10
Susan Watson Director of Strategy and Performance	Susan was previously Chief Operating Officer at South Tees Hospitals NHS Foundation Trust and has extensive experience working in the NHS dating back to 1985. She joined the Trust in December 2014 and since joining the Trust has developed and worked with partner organisations across the health and care community to develop the Trust's approach to integrated care.	10/10

Non-Executive Directors		Attendance at Board of Director meetings
Name & Position	Background	Total number attended
Julia Hickey Chairman	Julia has been Chairman since 1 July 2012, having previously served as a Non-Executive Director and Audit Committee Chair on the Board since 2004. She is the Non-Executive lead for Diversity and Inclusion. Julia's professional background is as a chartered accountant, with experience in a wide variety of predominantly private sector fields. She has over 20 years' Non-Executive experience across health, education, social housing and probation. She is also a Trustee and Chair of the Audit Committee on the Board of the NHS Confederation. Julia's term of office ends on 30th June 2019.	10/10
Shaun Bowron Vice-Chairman and Senior Independent Director	Shaun has a background in media spanning 35 years in both the regional press and commercial radio. Prior to joining the board in July 2013, he was Group Operations Director with GMG Radio, part of the Guardian Media Group. His previous roles include Managing Director and Brand Managing Director. He has commercial, marketing and general management skills having worked at board level for over 20 years. Shaun's term of office ends on 30 June 2019.	10/10
Ruth Bonnington Non-Executive Director	Ruth has been a GP in Gateshead for 22 years and works in a small practice in Bensham where she has been a partner since 1995. She is passionate about good quality, patient-centred care that can only be delivered if staff (both clinical and non-clinical) are committed to these values and robust systems are in place to support its delivery and the staff themselves. Ruth was appointed in July 2018 and her term of office ends on 30 June 2020.	7/7
Joan Bryson Non-Executive Director	Joan, who has been a GP in Low Fell since 1988 retired from her practice in September 2016. She was a GP member of the PCG for many years. Joan was appointed on 1st July 2011 and her term of office ended on 30 June 2017.	3/3

Non-Executive Directors		Attendance at Board of Director meetings
Name & Position	Background	Total number attended
Martin Gannon Non-Executive Director	Martin was elected as a member of Gateshead Council in 1984 and served in various roles including Deputy Leader for six years, before being elected as Leader of the Council in May 2016. Prior to this, Martin worked for the GMB Trade Union for 23 years undertaking a number of roles including Regional Officer, Head of Research, Health and Safety and Media and Communications. As Leader of the Council, Martin is involved in several national and regional bodies and is a board member of North East LEP, LGA City Regions Board and North Music Trust. Martin was appointed in July 2018 and his term of office ends on 30 June 2020.	6/7
Mick Henry CBE Non-Executive Director	Mick served as Leader of Gateshead Council from 2002 until 2016, having first been elected as a councillor in 1986. Mick was appointed on 1 July 2013 and his term of office ended on 30 June 2017.	2/3
Paul Hopkinson Non-Executive Director	Paul is a practising solicitor based in the North East but working for large scale public sector bodies in various parts of the country. He is also a trustee of a local cancer charity. His term of office ends on 30 June 2021.	9/10
Kathryn Larkin-Bramley Non-Executive Director and Audit Committee Chair	Kathryn is a fellow of the Institute of Chartered Accountants in England and Wales and has served as an NHS Non-Executive Director in the North of England for fourteen years. Kathryn's term of office ends on 30 June 2018.	9/10
John Robinson DL Non-Executive Director	John has a professional background in Environmental Health, with over 40 years' experience of Local Government. He has developed and managed a wide range of services provided by Gateshead Council and led various partnerships involving the Local Community. Before retirement he was Strategic Director, Local Environmental Services. John is also a Deputy Lieutenant of Tyne and Wear. He became a Non-Executive Director on 1 July 2014 and his term of office ends on 30 June 2020.	10/10
David Shilton Non-Executive Director	David qualified as a nurse in 1978 and after working in a range of clinical specialties moved into Nurse Management in 1984. He has worked at a senior management level in both the NHS and independent sector. His most recent role was as Executive Nurse Director with South Tyneside NHS Foundation Trust. He became a Non-Executive Director on 1 December 2015. His term of office ends on 30 June 2021.	10/10

Related Party Transactions

Gateshead Health NHS Foundation Trust is required under IAS 24 to disclose material transactions undertaken with a related party. See Notes 16.4 – 16.6 on page 238-239 of the accounts.

During the year none of the Board Members or members of the key management staff or parties related to them, has undertaken any material transactions with Gateshead Health NHS Foundation Trust. The Foundation Trust has received revenue and capital payments from the Gateshead Health NHS Foundation Trust Charitable Fund.

NHS Improvement's well-led framework

The Trust's Vision places the patient at the centre of everything that we do, supported by the Trust values which every member of staff has signed up to.

The Trust Quality Governance Committee (QGC), a Committee of the Board, ensures that the governance of quality is its' number one focus. This is evidenced by the presentations, papers and six monthly reports which are received for assurance from the councils who report into QGC, with a focus on quality improvement, patient experience, clinical effectiveness, patient safety, research and development, risk and claims.

To ensure that the Clinical Business Units are responsive and effective and also have quality foremost in their plans, they are required to present their Quality Improvement plans to our clinical governance meeting (SafeCare) twice a year which they update following their departmental and Business Unit SafeCare meetings. To bring all this together and support the Business Units and staff the Trust is currently preparing a Quality Improvement Strategy 2018/21. The Trust's achievements during 2017/18 are detailed within the Quality Accounts section of this report - please see pages 85.

In October 2017 the Board of Directors carried out a well-led self assessment in line with new guidance published by NHS Improvement. The findings from this assessment will be monitored through an action plan agreed by the Board. The Annual Governance Statement on pages 70-84 highlights in more detail the Trust's approach to ensure services are well-led.

Patient Care

Staff at the trust got on their bikes in a cycling endurance event in a bid to raise awareness of the deadly disease sepsis. The Cycle for Sepsis event supported World Sepsis Day, with staff taking turns to pedal as far, and as fast as they could in a 10-minute slot on exercise bikes. The high-profile, fun-filled event was designed to raise the profile of sepsis and make more people aware of its potentially fatal impact. Around 44,000 people in the UK die every year from sepsis - more than breast, bowel and prostate cancer combined. You are more likely to die of sepsis than a heart attack or stroke. In fact, incidence is on the rise by around 1.5% with some of this attributed to an aging population.

Therapy dogs Jess and Meg are regular visitors to Ward 23 at the Queen Elizabeth Hospital, where they bring comfort and companionship to patients. Their visits are organised by the ward's Activities Co-ordinator Aaron Walton who helps to organise activities and events for the patients on the ward to keep them engaged and active during their hospital stay. As well as visits from Jess and Meg, Aaron organises other daily activities such as chair football, musical bingo, coffee mornings and arts and crafts. He is one of a number of activity facilitators employed by the Trust as part of QE Gateshead's investment in creating a more dementia-friendly environment.

Former patients were invited back into hospital to take a look around the operating theatres and help the NHS understand how to offer an even better patient experience. A team at the hospital organised a special open evening where patients and their families could come back into the surgery centre and tell

staff a bit more about their experience and where things could be improved. The group of patients, who had all recently had an operation, were treated to a special tour of the operating theatres and got the chance to talk to some of the staff who work there. This offered patients a unique chance to see behind-the-scenes of a busy acute hospital and provide some feedback on how services worked for them as an individual. It also enabled theatre and nursing staff to showcase the state-of-the-art surgery centre at the hospital and explain some of the improvements that have recently been made.

Further information on patient care can be found in the quality account.

Innovations

The Trust unveiled a new, state-of-the-art operating theatre, making it one of the most advanced laparoscopic theatres in the North East. The theatre, which will carry out leading cancer treatment, boasts advanced imaging technologies and voice activated equipment which will help staff individualise treatments for patients and provide quicker, more efficient operating times. The theatre has introduced two cutting edge technologies as well as being the first hospital in the North East to provide Near Infra-Red imaging and Immunofluorescent Technology. This equipment produces high quality imaging while also using specialised dyes and instruments that enable surgeons to view areas that may not be visible to the naked eye. This means they can provide treatments tailored to each individual, reducing complications and recurring diseases.

Medics from Gateshead have created a new video to help patients and families spot a common, but often misunderstood medical condition. Although Delirium can be fairly common most people are totally unaware of the condition, so the adult mental health team have made a YouTube video to help raise awareness and support patients and families in Gateshead. Delirium can affect men or women of any age but is more common among older people or those with dementia. It can be very frightening for patients and families because it involves a decreased ability to concentrate, sleepiness, agitation, and sometimes hallucinations or altered beliefs. International figures show that 1 in 4 older hospital patients will get delirium and it is hoped the new video will offer some much needed advice and information for local people.

The Emergency Care Centre has expanded its facilities by having a Changing Places toilet installed to accommodate the needs of people with disabilities and those who require additional space and equipment. Over ¼ million people cannot use standard accessible toilets, this includes people with profound and multiple learning disabilities, motor neurone disease, multiple sclerosis and cerebral palsy. The Changing Places toilet can be located adjacent to the A&E Waiting Room and can be accessed 24/7. It has more space, privacy curtains and a height adjustable changing bench and hoist system to ensure that it is fully accessible for people and their carers.

Global Digital Exemplar Fast Follower (GDE FF)

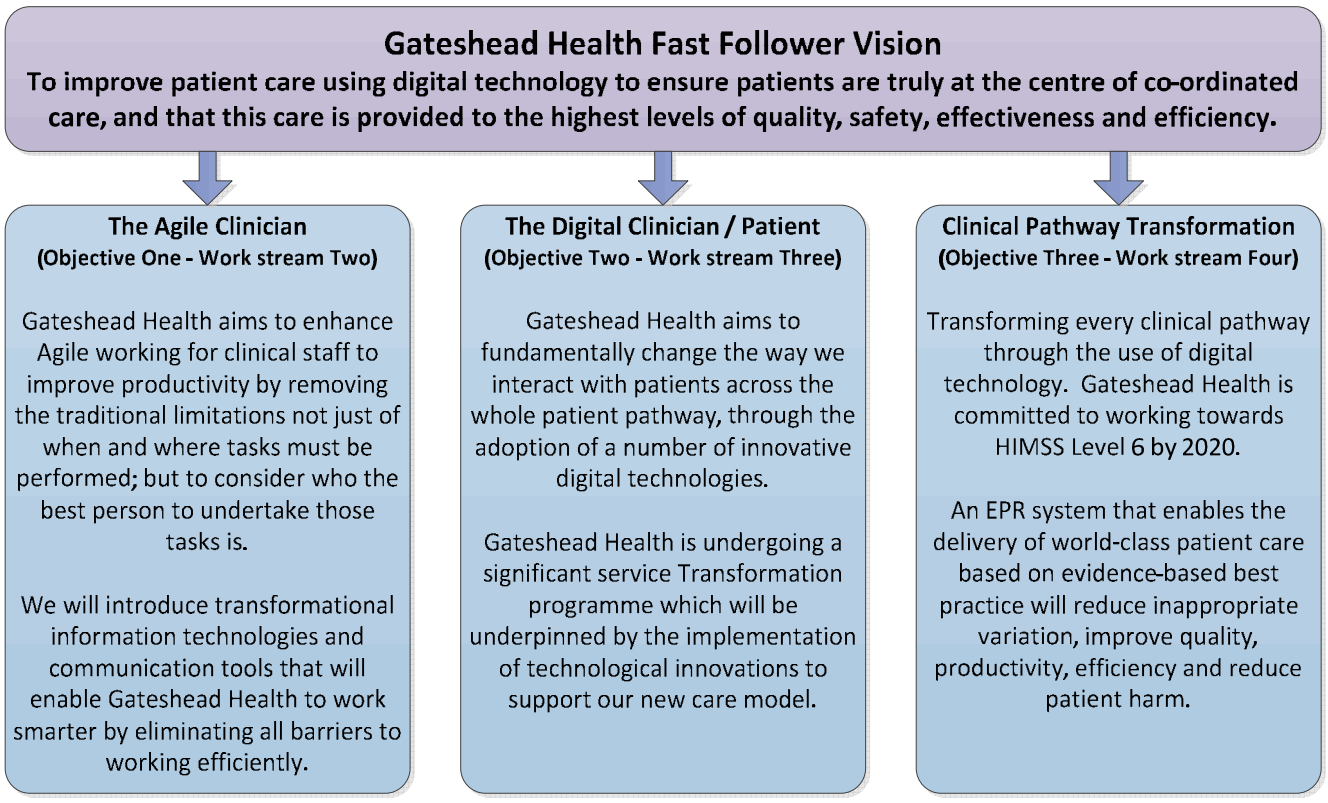
On 12 Sept 2017, Jeremy Hunt, Secretary of State for Health & Social Care announced that Gateshead Health would be a Global Digital Exemplar Fast Follower; this was formally approved by NHS Digital in January 2018.

The GDE Fast Follower programme directly aligns with our core Trust vision of ensuring truly patient-centred, co-ordinated care that is safe, effective, well-led, caring, responsive and sustainable in the long-term. The GDE FF programme at GHNT, in partnership with our GDE Partner NuTH, will enable paper-free care captured at the point of care system with real-time analytics, and interactive patient care, ensuring seamless, effective and efficient patient care pathways.

Further, through joint-working with NuTH, we will:

- enable Clinicians to make real-time, effective decisions based on system-wide intelligence
- empower patients to take responsibility for their own care, preventing avoidable burden on health services and improving clinical outcomes.
- lay the foundation for other Trusts to benefit from the shared knowledge and frameworks developed at Gateshead and NuTH through non-vendor specific blueprinting of key project streams, supporting healthcare innovation nationwide.

In order to achieve this, the Fast Follower status gives the Trust access to £5m capital to be match funded locally; to be spent on escalating the digitisation of the Trust and deliver the high level vision shown below:



Essentially it focuses on three areas, enabling clinicians to perform tasks whenever and wherever is most productive; capturing data electronically once at the point of care and sharing this information to deliver better, more efficient patient outcomes.

Accolades and Awards

A national survey of cancer patients has again shown QE Gateshead among the best performing hospitals in the country. The National Cancer Patient Experience Survey results show that patients give the trust an average rating of 9 out of 10 for the care they receive in Gateshead. The QE scored well above the national average on many of the questions with particularly positive responses for people being involved in decisions about their care and treatment; patients being given the name of a Clinical Nurse Specialist; and patients feeling they were treated with dignity and respect while in hospital.

QE Gateshead has once again been officially rated as a great PLACE in a new assessment by patients, public representatives, staff and professionals. The hospital maintained their fantastic rating after again scoring above the national average in every category in the annual Patient Led Assessment of the Care Environment (PLACE) report and has improved on scores from the previous year by almost 15%.

The Community Pulmonary Rehabilitation team which works to empower patients across Gateshead to manage and live with their lung conditions was recognised with a national award. The team oversees a pioneering NHS programme which supports patients in Gateshead with lung disease to manage their own condition and improve their quality of life. The programme, which is unique to Gateshead and is run at leisure centres across the borough, has helped more than 150 people with long term conditions.

Gateshead nurse Lynne Shaw has been awarded the Good Nurse Award in the prestigious North East Care Awards. Working within the Community Services Team, Lynne Shaw is a Nurse Consultant for Older People. She works across a range of care settings, including supporting patients receiving intermediate care at Eastwood Promoting Independence Centre, run by Gateshead Council in Felling.

The communications and marketing team were highly commended in the Team of the Year category at the Association for Healthcare Communications and Marketing Awards. In December they won a national public sector award for the Gateshead Angels campaign, which was named as the best internal communications project.

QE Charitable Funds

Last year, more than £400,000 was raised by patients and their families, staff fundraising, through donations from bereaved families and kind legacies left to the hospital. From participating in events such as the Great North Run to organising social evenings, the lengths our fundraisers will go to is truly amazing.

QE Charitable Funds aims to enhance patient experience here at the hospital and this has included the purchase of a new Endobronchial ultrasound (EBUS) machine, which has a vital role in the investigation of patients with lung cancer. The charity also funded an Echocardiography machine, which allows us to image the heart in detail.

Communications/stakeholder relations

During 2017 we have continued to build a strong pipeline of positive stories about the trust that help highlight some of the fantastic work going on across Gateshead and connect with people in the local community.

At a time of significant change and challenge right across the NHS good communications have never been more important. It's vital that as a Foundation Trust well known for high quality care we're able to communicate in a clear, timely, interesting and human way that meets the needs of everyone using our services.

This clear focus on has helped us establish distinct lines of communications that enable us to engage with our staff, patients, partners, commissioners and the wider public in a modern and dynamic way.

The overall landscape continues to be defined by rapid changes in the way people consume information, find news, share opinion in real time and connect with organisations online. More than 15,177 people now follow the trust's social media accounts to engage with the organisation online. QE Gateshead is active on seven of the main social networks with Facebook and Twitter being the most popular.

During 2017 there was a total of 81,915 engagements with the public on social media and a total of 5.8 million impressions on our pages. Engagement with our content grew by 44% on the previous year and a further 40,000 people clicked on the links we provided. Around 10,668 messages about the hospital were sent and received through social media.

As well as these social networks the trust continues to produce material for the traditional media, produces a paper magazine for members and utilises a wide range of communications channels to meet the needs of our many stakeholders.

We now have well established online and offline channels of communication with all our stakeholders and we will continue to strive for improvements in the coming financial year.

Audit Committee Report

During the year the Audit Committee considered the significant issues in relation to the Group's (both QEH and QEF) financial statements, operations and compliance.

In particular, in addition to regular reporting and discussion regarding internal audit work, counter fraud activity, risk management/board assurance framework, and losses and compensation payments, the Audit Committee had detailed discussions and monitored specific actions regarding:

- The implications of the Grenfell Tower fire;
- Effective IT systems including network infrastructure security, disaster recovery and the impact of the NHS cyber-attack)
- The effective submission and review of results from the Reference Cost and CTP (early implementer) process;
- Review of Corporate Governance, Standing Orders, Standing Financial Instructions and Scheme of Delegation
- Reviewed arrangements and risk based approach for counter fraud work
- The migration to Oracle Cloud
- The change in external audit arrangements
- The timeliness of management responses to Internal Audit reports and agreed actions.

The draft financial statements for 2017/18 were discussed and reviewed at a dedicated workshop in April 2018. The draft outturn position, risks and other significant issues were discussed at this meeting.

As in 2016/17 the valuation of land and buildings was highlighted as a significant audit risk in the external auditor's audit plan presented to the Audit Committee in December 2017. A full revaluation of the Trust's land and buildings was undertaken during the 2017/18 financial year by a professionally qualified valuer. This revaluation has been reflected in the draft financial statements. The Audit Committee considered and accepted the basis of this valuation and its disclosure in the financial statements.

The Audit Committee also reviewed the Annual Governance Statement taking assurance from Internal Audit Reports, the work of the Quality Governance Committee, the Finance and Performance Committee and the HR Committee and updates to the Board Assurance Framework. The Committee has not been made aware of any concerns around governance or breaches of internal controls during the year, which would need to be reflected in the Annual Governance Statement. All reports in which Internal Audit reported that they had gained 'limited assurance' from their review were considered specifically by the Audit Committee. As a result of these specific reviews, the Committee was satisfied that none of the concerns raised were significant in the context of the Annual Governance Statement and the Committee's other responsibilities.

External audit provided their External Audit Plan for the audit of the annual accounts to the Audit Committee in December 2017. As noted above, this outlined the key audit risk area as being the valuation of land and buildings. Other risks identified, and unchanged from previous years, requiring specific reporting, were;

- Fraud risk from revenue and expenditure recognition;
- Mis-statements due to fraud and error
- Arrangements for managing financial resources.

External Audit reported back on these risk areas in their ISA 260 as well as their view on Value for Money and the Trust's Quality Report. The Accounts have been given an unqualified audit opinion and the auditors assured the Audit Committee and Board that the Trust has proper arrangements to secure economy, efficiency and effectiveness in its use of resources. In terms of the Quality Report the auditors have provided a limited assurance opinion (which is the highest assurance they can give). There were no issues identified this year.

Members of the Committee take the opportunity to have a discussion with the auditors following the Committee meetings without any officer of the Trust being present. The purpose of these discussions is to ensure that there were no matters of concern arising from internal or external audit regarding the running of the organisation that should be raised with the Audit Committee. Any matters discussed at these meetings are reported to the Board of Directors. The Committee completed a further self-assessment in the last quarter of 2017/18 alongside the terms of reference to ensure they enable continued robust challenge and adherence to the Committee's purpose.

Non-Executive members have also attended events during the year in particular AuditOne Regional Fraud Events relating to the Cyber Attack and Risk Appetite and Governance in New Models of Care.

Following the audit of the 2016/17 Financial Statements and fifth year of KPMG providing external audit services to the Group, the service was tendered in the summer of 2017. Following this process, Ernest and Young were appointed as the Group's external auditors for a period of 3 years.

The fee for external audit work undertaken under the Code of Audit Practice issued by the National Audit Office included the opinion on the financial statements, the review of the Annual Governance Statement, the opinion on the economy, efficiency and effectiveness of the Trust, work to support the Whole of Government Accounts and the review of the Quality Report and Charity audit. EY were also the auditors for QEF. In total the value of this work was £58k.

Neither KPMG or EY have provided non-audit services during the year.

During the year there were no significant changes to the team provided by AuditOne.

There were five Audit Committee meetings in 2017/18

Member	Attendance at Meetings
Mrs K Larkin-Bramley – Chairman	5/5
Mr J Robinson	5/5
Mr P Hopkinson	3/5
Mr D Shilton	4/5

Council of Governors

The Council of Governors includes 16 public governors elected by members of the Foundation Trust. It also has six staff governors elected by hospital staff. They are joined by nine nominated representatives from our partner organisations.

Our Governors play an important role in helping us communicate with our members and partner organisations about our vision, performance and strategy. It is their responsibility to maintain and review the Membership strategy and increase our membership. They also have specific responsibilities in regards to the appointment and remuneration of our Chairman and Non-Executive Directors, the appointment of the external auditor and the holding to account of Non-Executive Directors individually and collectively for the performance of the Board of Directors.

The Board of Directors consults with them at a joint workshop when the operational plan is being prepared and at a mid-year review. Governors receive regular reports at meetings on financial/clinical performance and quality. Governors are also consulted on other issues such as revisions to our constitution.

The Board of Directors also attend the meetings of the Council of Governors and members of the Council of Governors attend as observers at the Board of Directors' meetings. Papers and agendas for both meetings are shared. The Trust Chairman chairs both the Board and the Council of Governors and acts as a link between the two.

A Non-Executive Director is a member of the Membership Strategy Group and, as members of the Trust, Non-Executive Directors receive all information sent to members. The relationship between the Council of Governors and the Board of Directors is key and the Trust continues to build upon opportunities for shared activities.

During 2017/18 the Council of Governors met in public three times. The meeting which was scheduled to take place in February 2018 was cancelled due to adverse weather conditions and rescheduled for April 2018. Agenda, papers and dates of meetings can be found on the website (details of which are on the back cover). In addition to attendance at formal Council of Governor meetings, Governors have also met as part of working groups and committees throughout the same period. Each Governor's attendance at the Council of Governors is shown in the constituency list on pages 36-37.

Attendance by the Board of Directors at Council of Governors' meeting was:

Name	Position	Meetings Attended
Andrew Beeby	Medical Director	1 out of 3
Ruth Bonnington	Non-Executive Director (from July 2017)	2 out of 2
Shaun Bowron	Non-Executive Director	3 out of 3
Joan Bryson	Non-Executive Director (to June 2017)	1 out of 1
Claire Coyne	Director of Diagnostic and Screening Services	3 out of 3
Martin Gannon	Non-Executive Director (from July 2017)	1 out of 2

Name	Position	Meetings Attended
Mick Henry	Non-Executive Director (to June 2017)	1 out of 1
Julia Hickey	Chairman	3 out of 3
Paul Hopkinson	Non-Executive Director	2 out of 3
Kathryn Larkin-Bramley	Non-Executive Director	2 out of 3
Hilary Lloyd	Director of Nursing, Midwifery and Quality	3 out of 3
John Maddison	Director of Finance and Information	3 out of 3
Ian Renwick	Chief Executive	3 out of 3
John Robinson	Non-Executive Director	3 out of 3
David Shilton	Non-Executive Director	2 out of 3
Susan Watson	Director of Strategy and Performance	3 out of 3

Council of Governors

Public Governors	Constituency	Appointment	Meetings Attended
Eileen Adams	Central	3 years from 2017	3 out of 3
Sue Begg*	Central	3 years from 2015	2 out of 3
Bob Brammer	Central	3 years from 2018	0 out of 0
Steve Connolly	Central	3 years from 2016	3 out of 3
Jim Holmes* (Lead Governor to November 2017)	Central	3 years from 2015	3 out of 3
Helen Jones	Central	3 years from 2017	2 out of 3
Michael Loome (Lead Governor from November 2017)	Central	3 years from 2016	3 out of 3
Abe Rabin	Central	3 years from 2017	3 out of 3
Karen Tanriverdi	Central	3 years from 2018	0 out of 0
Alan Dougall	Eastern	2 years from 2016	2 out of 3
Margaret Jobson	Eastern	2 years from 2017	1 out of 3
Madeleine Nettleship***	Eastern	3 years from 2017	1 out of 2
Cecilia Coulson	Western	3 years from 2017	3 out of 3
Jenny Gill	Western	3 years from 2017	3 out of 3
Grace Henderson	Western	3 years from 2017	2 out of 3
Mick Lamport	Western	3 years from 2018	0 out of 0
Jacqueline Lockwood	Western	3 years from 2016	1 out of 3
Mary Summers**	Western	3 years from 2015	3 out of 3
Janice Todd	Western	3 years from 2018	3 out of 3
VACANCY	Out Of Area		

Staff Governors	Constituency	Appointment	Meetings Attended
Fiaz Ahmad***	Staff	3 years from 2016	1 out of 2
Joanne Coleman	Staff	3 years from 2016	2 out of 3
Claire Ellison	Staff	3 years from 2017	3 out of 3

Andrea Hayward****	Staff	3 years from 2016	0 out of 3
Anna Richardson	Staff	3 years from 2018	0 out of 0
Rob Stead	Staff	3 years from 2017	2 out of 3
Aaron Walton	Staff	3 years from 2018	0 out of 0

Appointed Governors	Organisation	Appointed	Meetings Attended
Pam Dawson***	University of Northumbria	September 2015	2 out of 3
Judith Doyle	Gateshead College	January 2016	3 out of 3
Mary Foy	Gateshead Council	September 2016	0 out of 3
Sarah Gascoigne***	Gateshead Youth Council	November 2016	0 out of 3
Josh Smith	Gateshead Youth Council	January 2018	0 out of 0
Ashok Kumar	Gateshead Diversity Forum	February 2014	1 out of 3
Alison Machin	University of Northumbria	January 2018	0 out of 0
Aron Sandler	Gateshead Jewish Community	May 2009	2 out of 3
Laura Ternent****	University of Newcastle	September 2016	0 out of 3
VACANCY	Voluntary Organisation Council		
VACANCY	Gateshead CCG		

* Candidate did not stand for re-election or was not re-elected

** Governor was unable to stand for re-election due to serving a maximum of nine years

*** Governor resigned from post mid-term

**** Governor on maternity leave

Through its Governors and members, the Trust is making links with local communities to gain a greater understanding of people's needs in order to shape services. Our most successful recruitment method is through our Governors attending Out-Patient Clinics and through our website.

During 2017/18, Governors attended the following local community meetings & events:

- Greenside Women's Institute
- Blaydon Ryton and Whickham Rotary Club
- Trinity Square GP Practice
- Prudhoe Over 50's Forum
- Ladybirds Women's Group, Springwell Village
- Older People's Assembly AGM
- Live at Home Men's Group
- Rowlands Gill Flu Day
- Blaydon Primary Care Centre
- Blaydon Library
- Trust Open Day

Governor Training and Development

We believe our Governors require effective training and development to carry out their role, and we provide this in a number of ways. On appointment all Governors receive a comprehensive induction

which covers areas such as the NHS as a whole, the roles of our regulators, Non-Executives and the Senior Independent Director and NHS finance.

Governors are also provided with a handbook containing all relevant Monitor guidance and are also offered a 1-1 meeting with the Chairman to discuss any particular issues they may have. The Trust held a number of governor training workshops throughout the year which have included Finance, Quality Account and Priorities and the CQC Well Led Inspection Process. Two Development Days were also held with sessions such as Equality and Diversity training, briefings on the Quality Account, Trust Performance and Finance, and a session on Harnessing Your Potential.

External training is also available and during the year a small number of governors have attended local NHS Provider seminars.

Governors take part in three workshops with Non-Executive Directors during the year to discuss the operational plan and the Non-Executive Director's role in assuring the Council of Governors that actions are being delivered.

To help Governors fulfil their role they are invited as observers at the Trust Board and at their workshop with Non-Executive Directors they discuss the role of the Non-Executive Director, and are given detailed information on the roles held by Non-Executive Directors on Trust committees. In September 2017, an additional agenda item was added to the Trust Board agenda to allow Governors in attendance to ask questions.

Governors also receive copies of all Board agendas and receive regular information from the Trust, including a weekly briefing. They have been consulted on the Trust's Quality Account, and have received presentations on key initiatives such as Charitable Funds and the Role of External Audit.

Governors are also represented on a number of Trust committees including HR Committee, Quality Governance Committee, SafeCare Council, Patient, Public and Carer Involvement and Experience Group and the Safeguarding Committee.

Declarations of Interest

All Governors have a responsibility to declare relevant interests as defined in the Trust's constitution. These are reported to the Council of Governors and entered into a register which is available on request from the Trust Secretary.

Expenses claimed by Governors

Whilst Governors do not receive payment for their work they are reimbursed for any necessary expenditure and may claim expenses at public transport rate or travel at 40p per mile. During 2017/18, the following expenses were claimed by our Governors:

	2017/18	2016/17	2015/16
Total number of governors in office	37	33	35
Total number claiming expenses	5	1	2
Aggregate Sum of Expenses	£806.23	£24.23	£127.36

Elections Held During 2017/18

Elections in both public and staff constituencies are undertaken on behalf of the Trust by the Electoral Reform Ballot Services Limited which is engaged to act as the Returning Officer and Independent Scrutineer for the election process of Gateshead Health NHS Foundation Trust.

Elections for three staff and nine public governors, whose tenure of office ended on 4 January 2018, were held during 2017/18. The results were announced on 13th December 2017 as follows:

Staff Governors

Anna Richardson was elected unopposed for a three-year tenure
Aaron Walton was elected unopposed for a three-year tenure

Public Governors - Western Constituency

Mick Lamport was elected for a three-year tenure
Janice Todd was re-elected for a three-year tenure

Public Governors - Central Constituency

Bob Brammer was elected for a three-year tenure
Karen Tanriverdi was elected for a three-year tenure

Public Governors - Out of Area Constituency

One vacancy remains

Related Party Transactions

The members of the Council of Governors have completed the required declaration forms and none of the governors or parties related to them has undertaken any material transactions with Gateshead Health NHS Foundation Trust.

Register of Interests

The register of Governors' interests is available for inspection by members of the public. Details on how to view the register are shown on the back page.

Membership

Membership is free and aims to give local people and staff a greater influence on how our services are provided and developed.

Membership of Gateshead Health NHS Foundation Trust is made up of three constituencies: Public; Patient; and Staff.

Public Members

Those eligible to become public members are people over the age of 16 who live in Gateshead and the immediate surrounding area which is divided into three constituencies: Western; Central; and Eastern Gateshead, and the Out of Area constituency which includes County Durham, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland (other than areas within the Gateshead constituency).

The map above shows the boundaries for the public membership.

People over 16 years of age, living in these areas who wish to become a public member of Gateshead Health NHS Foundation Trust, must complete and have accepted a membership application form. Members can vote to elect governors for their constituency and can choose to be nominated to stand for election as a governor.

Population/Public Membership Ratio at 31st March 2018				
	Western	Central	Eastern	Out of Area
Population	77,471	92,828	41,615	Unknown
Membership	3,726	7,125	2,397	
%	**4.81**	**7.68**	**5.76**	Unknown

Staff Members

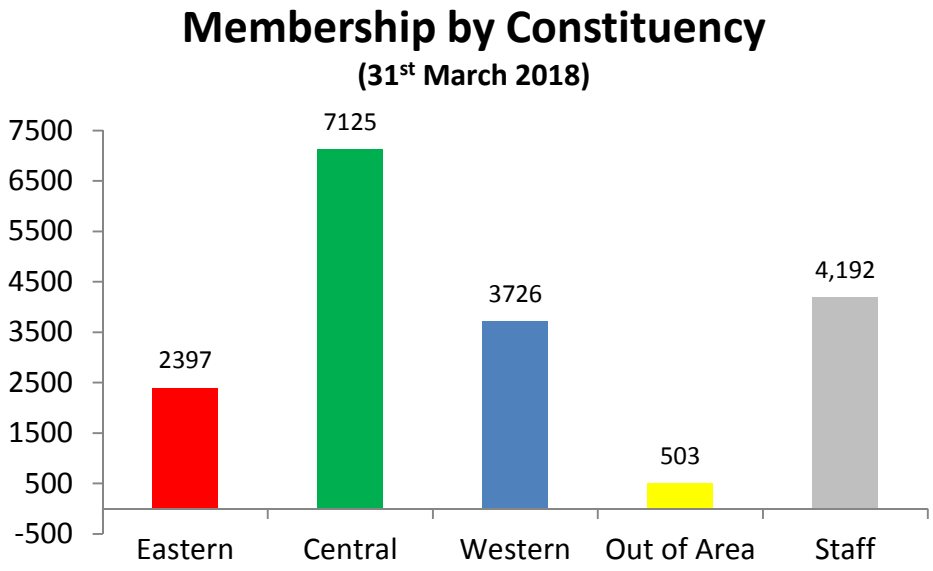
Staff directly employed by the Trust or its subsidiary, QE Facilities, are automatically members for the duration of their employment, unless they choose to 'opt out'.

Staff whose services are contracted for by the Trust, staff not employed by the Trust but who in effect work in and with the Trust for most of their time and volunteers are given the same status as staff, if they wish, provided they have worked with the Trust for a minimum of one year.

Employees of the Trust cannot be public members.

Membership Numbers

As at 31st March 2018, the total number of public members was 13,751, an increase of 304 members since April 2017. The number of staff members was 4,192. The chart below shows the number of members per constituency:



Membership Strategy

Our Membership Strategy describes how we will maintain and develop an active and engaged membership.

Over the last twelve months we have continued to increase our engagement with members through regular events with already existing community meetings such as WI meetings and local church groups. Attendance at the events allows governors to gain opinions and comments from their constituents on the Trust's services, any experiences and future plans. These comments are then fed back and shared at the Council of Governors meetings. Any queries raised at the events are investigated and a response is provided from the Membership Office.

In 2018/19 we will:

- continue to attend local community meetings to engage with members and the public
- continue to communicate with members and provide information on services and developments within the Trust

- invite members to our Medicine for Members events
- hold regular recruitment and engagement information stalls within the Queen Elizabeth Hospital
- carry out targeted recruitment to ensure our membership remains representative of the community we serve
- continue engagement work with local schools and colleges to increase the number of younger members

As at 31st March 2018, our public membership was as follows:

	Population Demographics	Membership Demographics
Gender		
Male	48.4%	36.2%
Female	51.6%	63.6%
Unknown		0.2%
Age		
Under 16*	19.3%	
16 – 19	4.9%	1.2%
20 – 29	11.4%	8.6%
30 – 59	41.6%	35.9%
60 – 74	15.2%	29.8%
75 and over	7.6%	23.0%
Age unknown		1.5%
Ethnic Breakdown		
White	98.4%	90.3%
Other	1.6%	2.3%
Unspecified		7.4%

*not able to become members

We are committed to ensuring that NHS Foundation Trust membership is representative of the whole community. We welcome membership applications from persons of any age (over 16), whatever their race, colour, religious beliefs, ethnic or national origin, gender, disability or marital status.

Analysis of membership in the tables above shows that ethnic makeup is higher than that of the Gateshead demographics. The membership is over represented by people aged over 60 and is under represented in all other age groups.

Communication and Involvement of Members

A joint members and staff newsletter, QE News, is published three times a year and sent to members either via email or post. The newsletter contains up to date information on service developments, features on departments and information on the Trust's Charitable Funds. It also includes membership information, governor activities, a calendar of events and contact details.

The members' area of the Trust's website continues to be a primary source of information and communication for members. We ensure that this section contains the most up to date information on governors, elections, events, how to apply for membership and useful links.

Three Medicine for Members seminars were held during 2017/18. Topics were: What is Sepsis, Liver Disease, and AAA Screening. Over 150 members attended the events and feedback was, once again, extremely positive. At these events, members are encouraged to ask questions and responses are provided by clinicians or medical staff present.

Comments included:

- "Excellent throughout, very informative – thank you!"
- "A very passionate presentation. It was thoroughly informative and very enjoyable. Best presentation I've seen at the QE."
- "Excellent presentation, well delivered and easy to understand. The presenter covered the subject well and answered all questions to satisfaction. Another success for QE."
- "Never heard of the screening programme before but I will make an appointment."
- "One of the best so far that I have attended – especially the 'live' scan."

Membership Week

In October/November 2017, the Membership Office and the Membership Strategy Sub Group organised the Trust's second Membership Week.

A full week of information stands was planned around the hospital, with governors on hand to recruit and engage with members, giving information on membership and the role of the Council of Governors. Over 100 people signed up to be members over the course of our membership week.

Open Day

In November an Open Day was planned by the Governors and Membership Team for Trust Members which included staff involvement from across the Trust. Members of staff presented their services to over 150 members of the public and staff. The HR Team were also available to help students from local schools who attended to find out more about careers in the NHS and the apprenticeship scheme.

During 2017/18, the Trust's staff governors have been attending the Trust's Corporate Induction on a monthly basis to introduce the staff governors and their role. They have also met with the Chief Executive and fed back any issues to him and the Corporate Management Team.

Finally, we supported our members to stand for election to the Council of Governors through delivery of a pre-election workshop on the role of the governor and information on the election process. We used social media to highlight the opportunities and to publicise the results.

Governors are in attendance for all Medicine for Members events and the Annual General Meeting. If you wish to contact a governor outside of these events, please email ghnt.governors@nhs.net or alternatively contact the Membership Office. Contact details are provided on the back page and on the Trust's website www.qegateshead.nhs.uk.

Remuneration Report

This report provides information on the remuneration and terms of service of both Executive and Non-Executive Directors of the Trust.

The Trust has two Remuneration Committees, one for Executive Directors' remuneration and one for Non-Executive Directors' remuneration. The Nomination and Remuneration Committee comprises the Non-Executive Directors and is chaired by the Chairman of the Trust Board, Julia Hickey. The purpose of the Committee is to determine and keep under review the pay and terms of service of Executive and Associate Directors. The Governors' Remuneration Committee comprises six Trust Governors and is chaired by a Governor. Its purpose is to review and make recommendations to the Council of Governors on levels of remuneration for the Chairman and Non-Executive Directors.

The Chief Executive and Deputy Director of HR provide advice and support to the Committees but the Chief Executive is excluded from any discussions and decisions which affect his own pay. The Chairman attends the Governors' Remuneration Committee but is excluded from any decisions which affect her own pay.

The Trust's wholly owned subsidiary, QE Facilities Ltd (QEF) has a remuneration committee to consider the remuneration of QEF Directors. The membership of the QEF Remuneration Committee comprises the Chair of QEF Board, the QEF Managing Director and the Chief Executive of the Trust. The QEF Chair and Managing Director are excluded from any decisions which affect their own pay.

The Chief Executive and the majority of other Executive Directors were all appointed through an external recruitment interview process. In 2013 the Council of Governors agreed to appoint a Non-Executive Director from one of three senior Gateshead Council cabinet posts, to further the strategic links between the two organisations. In July 2017, Councillor Martin Gannon, Leader of Gateshead Council, joined the Board as a Non Executive Director under this arrangement. All other NEDs have been appointed by an external recruitment interview process.

Annual Statement - Executive Remuneration

During 2017/18 the Nominations and Remuneration Committee met twice and considered the following:

- Interim arrangements to cover for the vacant Executive Director post and subsequent process to appoint on a substantive basis
- Proposal of a 1% inflationary uplift for Executive and Associate Director payscales to replicate the national pay award
- Specific changes to Associate Director remuneration to reflect individual roles and responsibilities
- Proposal not to increase the value of lease car allowances for existing post holders.

Annual Statement - Non Executive Remuneration

During 2017/18 the Governors' Remuneration Committee met once to consider the following business:

- Succession planning for Non-Executive Directors as terms of office come to an end.
- Membership of the Committee as Governors' terms of office have ended
- Agreement of the reappointment of the Chairman until July 2018 to allow for succession planning.
- Proposal of a 1% inflationary uplift for Non-Executive Director payscales to replicate the national pay award

The Governors' Remuneration Committee made recommendations on the above matters to the Council of Governors' meetings in May and November and the recommendations were accepted.

Annual Statement - QEF Director Remuneration

The QEF Remuneration Committee met twice during 2017/18. The Committee agreed to award Directors a 1% inflationary uplift for the year 2017/18, following the principles of the Group's agreement for its executives and employees. The roles and responsibilities of a director and two senior managers were reviewed, with changes reflected in their remuneration packages.

Senior Managers' Remuneration Policy

The following table sets out the senior managers' remuneration policy of the Group.

Component	Specific to:	Strategic link	Maximum possible	Description
Salary	All staff	To attract and retain suitably qualified individuals to lead and direct the Trust's activities.	Dependent on salary scale, mindful of the need to attract and retain suitable individuals, subject to periodic benchmarking.	Senior managers, clinical and non-clinical will attract an A4C/M&D nationally agreed salary. Executive Directors are subject to a locally determined 3 point scale.
Performance bonus	QEF Directors	To attract and retain suitably qualified individuals to lead and direct the Trust's activities.	Between 5 and 20% of annual salary.	Potential to attract a performance bonus subject to the achievement of key outcomes and the approval of the QEF Rem Com.
Lease car scheme	Current Directors and some senior managers	To attract and retain suitably qualified individuals to lead and direct the Trust's activities.	£9.2k	Non-contributory lease car or cash equivalent, up to the maximum amount.
Pension	All staff	To attract and retain suitably qualified individuals to lead and direct the Trust's activities.	In line with NHS pensions	NHS pension scheme and set contribution rates
QEF salary	QEF Directors	To attract a suitable individual to lead and direct the specific activities of QEF	No limit applied	Additional payment for Company Directorship

Component	Specific to:	Strategic link	Maximum possible	Description
Payment in lieu of employer pension contributions	All staff	To attract and retain suitably qualified individuals to lead and direct the Trust's activities.	National employers pension rates of salary	Payment made in lieu of employers contribution to NHS Pensions Scheme
Expenses	All staff	Reimbursement of necessary business expenses	No limit	Reimbursed in line with the Trust's travel and subsistence policy and national T&Cs.

Notes:

- *There are no specific provisions for the recovery of sums paid to directors or for withholding payments.*
- *Executive Directors are appointed to a locally determined 3 point scale. This differs from the nationally agreed Agenda for Change and Medical and Dental payscales applicable to all other employees. The Executive Director payscales are periodically benchmarked against publicly available information.*
- *There have been no changes to the remuneration package in 2017/18.*

The following table sets out the Non-Executive Directors' remuneration policy of the Group.

Component	Specific To:	Strategic Link	Maximum possible	Description
Salary	All staff	To attract and retain suitably qualified individuals to provide the NED role on the Trust Board.	Dependent on salary scale, mindful of the need to attract and retain suitable individuals, subject to periodic benchmarking.	Locally determined scale
QEF Salary	QEF NED	To attract and retain suitably qualified individuals to provide the NED role on the QEF Board.	No limit applied. Initial Salary levels determined by independent benchmarking.	Additional payment for Company Non-Executive Director role
Expenses	All staff	Reimbursement of necessary business expenses	No limit	Reimbursed in line with the Trust's travel and subsistence policy.

Notes:

- *No element of remuneration is subject to performance conditions.*
- *There are no specific provisions for the recovery of sums paid to directors or for withholding payments.*
- *There have been no changes to the remuneration package in 2017/18.*

Three senior managers of the Trust and its subsidiary are paid more than the threshold set by the Civil Service (the Prime Minister's ministerial and parliamentary salary). The policy on very senior manager pay is reviewed and benchmarked regularly. Payscales are set with reference to publicly available, independently produced, FT sector specific benchmarking information. This ensures that the Trust is

able to offer salaries to recruit and retain the best candidates for these important roles which are proportionate to the market place.

All posts are permanent and may be terminated by mutual agreement, resignation or dismissal. The notice period for Executive Directors is six months. There has been no provision for compensation for early termination or significant awards made to past executive senior managers in the last 12 months. The Trust currently has no provision for compensation for early retirement or payments for loss of office.

An annual salary review is undertaken to determine whether an annual uplift should be awarded and if so the level of the uplift. In making this decision the Committee takes into consideration a number of factors including the level of pay awards made nationally to other staff groups within the NHS as well as Department of Health guidance and the affordability to the organisation. The Committee is authorised to appoint external consultants and advisers to assist in benchmarking exercises. No such consultants or advisers were employed during 2017/18.

Annual Report on Remuneration

The Nominations and Remuneration Committee membership and attendance was as follows:

	Meetings During the Year	Attended
Mrs Julia Hickey (Chairman)	2	2
Mr Shaun Bowron (Vice Chairman)	2	2
Dr Ruth Bonnington - Non Executive Director	2	1
Cllr Martin Gannon – Non Executive Director	2	1
Mr Paul Hopkinson - Non Executive Director	2	1
Mrs Kathryn Larkin Bramley - Non Executive Director	2	1
Mr John Robinson -Non Executive Director	2	2
Mr David Shilton - Non Executive Director	2	2

The Governors' Remuneration Committee membership and attendance was as follows:

	Meetings During the Year	Attended
Mrs J Coleman – Staff Governor	1	1
Professor P Dawson – Appointed Governor (to November 2018)	1	0
Mr Michael Loome - Public Governor (from February 2017)	1	1
Mr J Holmes – Elected Governor (to January 2018)	1	1
Mr I Stafford – Staff Governor (to May 2018)	1	0
Mrs J Todd – Elected Governor (from February 2016)	1	1

The QEF Remuneration Committee membership and attendance was as follows:

	Meetings During the Year	Attended
Mr Shaun Bowron (Chairman)	2	2
Mr Peter Harding – Managing Director QEF	2	2
Mr Ian Renwick – Trust Chief Executive	2	2

Director/Governor Expenses

During 2017/18 the Trust had 37 governors, 5 of whom claimed expenses totalling £806.23 The Trust and its subsidiary had 18 Directors (Executive and Non-Executive), 8 of whom claimed expenses totalling £17,824.25.

In comparison during 2016/17 the Trust had 33 governors, 1 of whom claimed expenses totalling £24.23 and 18 Directors (Executive and Non-Executive), 12 of whom claimed expenses totalling £12,432.

These claims were in accordance with the Trust's Travel and Subsistence Policy.

Full details of Directors' and other senior employees' remuneration are summarised in the table below.

Fair Pay Multiple

The following table shows the comparison between the median employee's pay and that of the highest paid Directorin 2017/18. The banded remuneration of the highest paid director was £240k-£245k. This was 8.7 times the median remuneration of the workforce which was £27.6k. In 2017/18 no employees received remuneration in excess of the highest paid director.

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce.

This is consistent with previous years.

2017/18		2017/18
235 – 240*	Band of Highest Paid Director's Total Remuneration - £000	240 – 245*
27,361	Median Total Remuneration - £	27,635
8.7	Ratio	8.7

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

Signed:
Mr I D Renwick, Chief Executive

Date: 23 May 2018

Salary and Pension Entitlements of Senior Managers (subject to audit)

a) remuneration

2016/17					Name and Title	2017/18					
Salary and fees	Other Remuneration	All Taxable Benefits	Pension-related Benefits	Total		Salary and fees	Other Remuneration	All Taxable Benefits	Annual Performance Bonus	Pension-related Benefits	Total
(bands of £5000) £000	(bands of £5000) £000	Rounded to the nearest £100	(bands of £2500) £000	(bands of £5000) £000		(bands of £5000) £000	(bands of £5000) £000	Rounded to the nearest £100	(bands of £5000) £000	(bands of £2500) £000	(bands of £5000) £000
45 - 50	0	0	0	45 - 50	Mrs JEA Hickey Chairman	45 - 50	0	0	0	0	45 - 50
260 - 265	0	6,900	0	265 - 270	Mr ID Renwick Chief Executive	265 - 270	0	7,500	0	0	270 - 275
160 - 165	0	12,200	0	170 - 175	Mr JG Maddison Director of Finance & Information	160 -165	0	16,700	0	0	180 - 185
135 - 140	0	0	27.5 - 30.0	160 - 165	Mrs SE Watson Director of Strategy & Transformation	135 - 140	0	0	0	17.5 - 20.0	150 - 155
125 - 130	0	0	102.5 - 105.0	230 - 235	Mrs H Lloyd Director of Nursing, Midwifery & Quality	125 - 130	0	7,400	0	0	135 - 140
35 - 40	45 - 50 ***	2,500	130.0 - 132.5	215 - 220	Mrs A Lowery Acting Director of Nursing, Midwifery & Quality (from 1 Mar 16 to 31 Jul 16)	N/A	N/A	N/A	N/A	N/A	N/A
80 - 85	25 - 30 **	10,800	167.5 - 170.0	285 - 290	Mrs C Coyne Executive Director Clinical Support & Screening Services (from 12 Jul 16)	115 - 120	0	12,200	0	105.0 - 107.5	235 - 240
160 - 165	0	0	162.5 - 165.0	325 - 330	Mr P Harding Managing Director QE Facilities Ltd	155 - 160	0	0	10-15	0	170-175
105 - 110	0	10,000	270.0 - 272.5	390 - 395	Mr AJ Robson Finance Director QE Facilities Ltd	100 - 105	0	14,700	10-15	52.5 - 55.0	175-180
25 - 30	0	0	0	25 - 30	Mr S Bowron Non Executive Director	25 - 30	0	0	0	0	25 - 30
10 - 15	0	0	0	10 - 15	Dr JM Bryson Non Executive Director (to 30 Jun 17)	0 - 5	0	0	0	0	0 - 5
10 - 15	0	0	0	10 - 15	Mr MF Henry Non Executive Director (to 30 Jun 17)	0 - 5	0	0	0	0	0 - 5
15 - 20	0	0	0	15 - 20	Ms KA Larkin-Bramley Non Executive Director	15 - 20	0	0	0	0	15 - 20
10 - 15	0	0	0	10 - 15	Mr HJE Robinson Non Executive Director	10 - 15	0	0	0	0	10 - 15
10 - 15	0	0	0	10 - 15	Mr JP Hopkinson Non Executive Director	10 - 15	0	0	0	0	10 - 15
10 - 15	0	0	0	10 - 15	Mr DH Shilton Non Executive Director	10 - 15	0	0	0	0	10 - 15
N/A	N/A	N/A	N/A	N/A	Dr R Bonnington Non Executive Director (from 1 Jul 17)	10 - 15	0	0	0	0	10 - 15
N/A	N/A	N/A	N/A	N/A	Mr M Gannon Non Executive Director (from 17 Jul 17)	5 - 10	0	0	0	0	5 - 10
30 - 35	100 - 105 *	0	42.5 - 45.0	180 - 185	Mr AR Beeby Medical Director (from 1 Nov 16)	80 - 85	65 - 70 *	0	0	80.0 - 82.5	225 - 230
90 - 95	30 - 35 *	0	0	125 - 130	Mr KA Godfrey Medical Director (to 31 Oct 16)	N/A	N/A	N/A	N/A	N/A	N/A

NB all senior managers are continuing except where stated.

* Other remuneration refers to that as a consultant.

** Other remuneration refers to that as Associate Director Clinical Support & Screening Services

*** Other remuneration refers to that as Deputy Director of Nursing, Midwifery & Quality

Benefits in Kind relate to lease car payments made by the Trust.

No other remuneration or pensions contributions are paid to/for these senior managers.

There were no golden hellos or compensation for loss of office.

b) Pension

Name and title	Real increase in pension at age 60	Total accrued pension at age 60 at 31 March 2018	Real increase in lump sum at age 60	Total accrued lump sum at age 60 at 31 March 2018	Cash Equivalent Transfer Value at 31 March 2018	Cash Equivalent Transfer Value at 31 March 2017	Real Increase in Cash Equivalent Transfer Value	Employers Contribution to Stakeholder Pension
	(bands of £2500) £000	(bands of £5000) £000	(bands of £2500) £000	(bands of £5000) £000	£000	£000	£000	£000
Mr ID Renwick Chief Executive	0	70.0 - 75.0	0	210.0 - 215.0	1,255	1,242	0	0
Mr JG Maddison Director of Finance & Information	0	0	0	0	0	0	0	0
Mrs SE Watson Director of Strategy & Transformation	0.0 - 2.5	50.0 - 55.0	2.5 - 5.0	150.0 - 155.0	1,046	951	85	0
Mrs H Lloyd Director of Nursing, Midwifery & Quality	(0.0 - 2.5)	35.0 - 40.0	(0.0 - 2.5)	115.0 - 120.0	744	697	40	0
Mrs C Coyne Executive Director Clinical Support & Screening Services	5.0 - 7.5	45.0 - 50.0	15.0 - 17.5	140.0 - 145.0	856	706	144	0
Mr P Harding Managing Director QE Facilities Ltd	0	65 - 70	0	195 - 200	1,375	1,361	14	0
Mr AJ Robson Finance Director QE Facilities Ltd	2.5 - 5.0	40 - 45	7.5 - 10.0	125 - 130	847	738	101	0
Mr AR Beeby Medical Director	2.5 - 5.0	55.0 - 60.0	12.5 - 15.0	170.0 - 175.0	1,270	1,098	162	0

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, and the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV - This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Focus on Staff - Valuing Our People

The Trust's goal is to have an engaged and motivated workforce living the values and behaviours of the organisation, and who are responsive and adaptive to the changing needs of our environment. Throughout the year we have worked towards this through recognising, involving and developing our staff, in order to ensure we are a high quality, patient-focused organisation. Despite the financial pressures facing all NHS organisations, we are still committed to training and supporting staff to reach their full potential, and to attracting and retaining the best calibre of people to provide our services.

Listening to our Staff through the NHS Staff Survey (* does not cover QE Facilities Limited)

The annual NHS Staff Survey is a critical tool in enabling the Trust to benchmark itself against similar NHS organisations and the NHS as a whole, on a range of measures of staff engagement and satisfaction and we've seen an improvement this year in terms of response rate.

Highlighted by the Trust's values of openness and honesty, we have a multi-faceted approach to Staff Engagement which includes partnership working with staff representatives, involving staff in service transformation work, regular communications via QE Weekly, staff briefings from the Chief Executive, using the Friends and Family Test, as well as professional forums, away days and annual conferences.

Formally, the Trust has two key mechanisms for consulting with our employees across the organisation: Joint Consultative Committee for non-medical staff and Local Negotiating Committee for Medical Staff. Meetings are held regularly with representatives from trade union organisations and employee representatives to seek their views before decisions are made. This has been on matters ranging from policies and procedures to new systems or initiatives, and future plans of the Trust. These forums, supplemented by professional groups, business unit events, service line meetings and any organisational change processes include staff in matters relating to the financial, operational and quality performance of the Trust.

This year the Trust chose to include all staff in the Staff Survey for the third consecutive year (not using a sample) to give everyone the opportunity to provide feedback. Our response rate is illustrated in the table below.

	2016/17		2017/18		Trust improvement/ deterioration on previous year
Response rate	Trust	National average	Trust	National average	
	39%	43%	44%	43%	5% increase

Measured against 32 CQC key indicators, the Trust performed favourably compared to other Acute and Community Trusts in the UK in the following areas:

	2016/17		2017/18		Trust improvement/ deterioration on previous year
Top 5 ranking scores	**Trust**	**National average**	**Trust**	**National average**	
Percentage of staff experiencing physical violence from staff in last 12 months	1%	2%	1%	2%	No Change
Staff confidence and security in reporting unsafe clinical practice	3.79	3.65	3.84	3.67	0.05 improvement
Organisation and management interest in action on health and wellbeing	3.69	3.61	3.82	3.63	0.13 improvement
Staff satisfaction in resourcing and support	3.43	3.33	3.46	3.27	0.03 improvement
Percentage of staff felling unwell due to work related stress in the last 12 months	33%	35%	31%	38%	2% improvement

The Trust's lowest ranked scores in comparison to other Acute and Community Trusts were:

	2016/17		2017/18		Trust improvement/ deterioration on previous year
Bottom 4 ranking scores	**Trust**	**National average**	**Trust**	**National average**	
Percentage of staff/colleagues reporting most recent experience of harassment, bullying or abuse	40%	45%	42%	47%	2% improvement
Percentage of staff/colleagues reporting most recent experience of violence	63%	67%	59%	67%	4% deterioration
Percentage of staff agreeing their role makes a difference to patients/service users	92%	90%	91%	90%	1% deterioration
Staff motivation at work	3.93	3.94	3.92	3.91	0.01 deterioration

Our ratings show that we are:

- Better than average in twenty eight key scores (24 in 2016/17)
- Average in two key scores (4 in 2016/17)
- Below average in two key scores (4 in 2016/17)

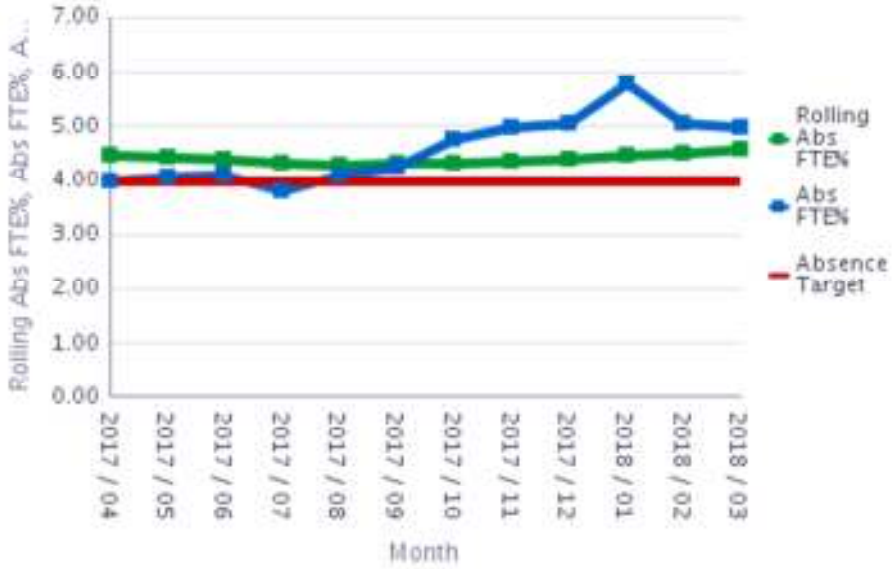
The arrival of over 600 community staff into the Trust since the last staff survey has resulted in a shift in the profile of the Trust in line with the national survey co-ordination centre. The Trust has now been classified as a 'Combined Acute and Community Trust', rather than an 'Acute Trust'.

Following the publication of the 2015 survey results, the Trust set two-year objectives to give us sufficient time to make changes and demonstrate progress. As a result of listening to staff feedback, the 2017 results show progress in all three areas, including Health and Well-being of staff and reduction of stress, the eradication of violence between colleagues taking a zero tolerance approach, and to redesign our appraisal framework based on our values and behaviours. However, there has been a deterioration in the percentage of staff/colleagues reporting the most recent experience of violence therefore we will continue to work to improve this in pursuit of a culture of openness.

Health and Well-being

There is a wealth of research to say that having healthy staff, both in mind and body, has a positive impact on the quality of patient experience and clinical outcomes. For this reason, the Trust invests in making sure that the right conditions and support are in place to create a healthy workforce with activities and events to increase healthier lives throughout the year.

The Trust continues to support staff to be able to attend and sustain attendance at work. Robust monitoring of sickness absence enables early intervention and support. In 2017/18 we have seen more staff with long-term absences compared to short-term absences, potentially reflective of our population's increasing complex health needs.



We have an in-house Occupational Health Department consisting of an Occupational Health Physician, a nursing team, a multi-disciplinary ergonomics team, a physiotherapist, a counselling service; all supported by an administration team. The service holds national accreditation as a Safe Effective Quality Occupational Health Service (SEQOHS) following rigorous independent assessment against recognised industry standards across the UK.

Throughout 1st April 2017 – 31st March 2018 we have provided 4806 appointments for staff which covered the following:

- ✓ 513 counselling appointments
- ✓ 1196 pre-employment screening appointments
- ✓ 1525 vaccination/immunisation screenings
- ✓ 330 ergonomic and workplace assessments
- ✓ 982 sickness absence management appointments
- ✓ 106 other consultations
- ✓ 111 appointments associated with sharps injuries
- ✓ 350 physiotherapy referrals
- ✓ 35 health Surveillance appointments

In 2017/18 we were also delighted to see that 76% of our staff chose to have their flu vaccination, to protect themselves, their family and our patients and visitors. This allowed us to achieve the national Commissioning for Quality and Innovation (CQUIN) goal and is testament to the continued commitment of our staff in this area.

Organisational Development (OD)

Ensuring that each and every patient has a great experience does not only depend on **what** we do, but also **how** we do it. At the centre of this are our Trust values and in the last year our staff have spent time refreshing those values and developing a behaviours framework around them. This is designed to run alongside our new appraisal process and future values-based recruitment plans.
(* does not cover QE Facilities Limited)

The Trust has focused this year on supporting our staff to be ready for, and respond to, the challenges the Trust it faces. This has included:

- ➢ Continuing support of the Community Service Teams/Gateshead Care Partnership transformation plans
- ➢ Engaging staff within Mental Health Services to improve the delivery of quality services
- ➢ Encouraging and embedding the use of Insights Discovery Model and the Healthcare Leadership models as ways to improve individual behaviours and team working
- ➢ Work has begun to be able to identify the talent in the Trust, and how this will help us have succession pathways to support our future workforce needs
- ➢ Refreshing of the Trust's Values and creation of a behaviours framework
- ➢ Redesigning the Appraisal process and roll out of new training for staff and managers

Recruitment and Retention

At the end of 2017/18 we employed 4386 people. The number is broken down as follows:

PROFESSION	
Additional Professional, Scientific and Technical	167
Additional Clinical Services	806
Administrative and Clerical	890
Allied Health Professionals	296
Estates and Ancillary	504

Healthcare Scientists	162
Medical and Dental	297
Nursing and Midwifery Registered	1261
Students	3
Total	**4386**

A comparison of our workforce is provided below:

	2016/17	%	2017/18	%
AGE				
17-21	106	2.53	107	2.44
22+	4086	97.47	4279	97.56
ETHNICITY				
White	3987	95.11	4126	94.07
Mixed	19	0.45	19	0.43
Asian or Asian British	107	2.55	120	2.74
Black or Black British	32	0.76	40	0.91
Other	21	0.50	24	0.55
Not Stated	26	0.62	57	1.30
GENDER				
Male	841	20.06	931	21.23
Female	3351	79.94	3455	78.77
RECORDED DISABILITY				
	91	2.17	167	3.81

As at 31st of March 2018 our Board of Directors was 57.2% male and 42.8% female.

There are two senior managers within the Group who are not included in the above Board statistics who are both male.

Work Experience

The Trust offers an extensive work experience programme enabling us to build invaluable links with the surrounding community through working with local schools and colleges. By providing work experience for 14 -19 year old students we are aiming to build and grow our workforce for the future. Work placements are offered in a number of different areas across the Trust including medicine, midwifery, nursing and physiotherapy to help local young people to gain a broader understanding in these areas. In 2017/18 the Trust hosted 125 placements, 63% for the medical shadowing programme. We also hosted a Careers Event for local schools in 2017 inviting over 60 students from neighbouring schools into the Trust to showcase a range of careers within the NHS.

Policies and Practices to support Disabled Staff

The Trust supports Project Choice, which provides young people who have learning difficulties/disabilities with support and access to work experience placements and employment opportunities. We have also offered internships in areas of the Trust such as reception, HR and

Health Records. We continue to work with a number of Charitable organisations working on pre employment programmes including Shawe Trust, Azure and the Wise Group.

The Trust is committed to ensuring that, as far as is reasonably practicable, the way we treat staff reflects their individual needs and does not unlawfully discriminate against individuals or groups on the grounds of any protected characteristic (Equality Act 2010). Our key employment policies promote the right of all staff to be treated fairly and consistently in accordance with equality and human rights requirements. We reviewed our Recruitment Policy in 2017 and this policy encourages the use of reasonable adjustments as a means of removing any disadvantage for disabled persons. The Supporting and Managing Sickness Absence Policy provides a supportive framework to help employees return to work where possible. We work with Access to Work, part of Jobcentre Plus, to ensure we consider the most appropriate reasonable adjustments to support our employees.

We are confirmed as a Disability Confident Employer. This scheme replaced the "Disability Two Ticks Employer" status, which was awarded by Jobcentre Plus to employers who have agreed to make certain positive commitments regarding the employment, retention, training and career development of disabled people.

We are a Mindful Employer, which demonstrates our commitment to supporting staff who experience stress, anxiety, depression or other mental health conditions. As part of this charter, we raise awareness and share information to support both existing and prospective employees.

During 2017/18 we have developed new guidance which provides line managers with a toolkit to support staff who may be experiencing poor mental well-being. This "Well-being at Work" guidance has been launched in conjunction with a bitesize session for line managers (Mental Well-being in the Workplace) which aims to enable managers to feel confident in supporting the mental well-being of the people in their teams.

A Learning Culture

One of the initiatives we are proud of again this year is continued improvement and scores in the Library Quality Assurance Framework (LQAF) awarding the library service a score of 97% compliance. This is an increase of 1% from 2016. This gives a green quality assurance status (ranking the Trust 3rd in the North East Region with 99% being the highest scored).

We have also had positive feedback from a General Medical Council (GMC) Survey in relation to our Doctors in Training and an Annual Dean's Quality Meeting from Health Education England (HEE) commending our commitment to providing a positive learning environment for all. In a recent visit the Dean commented that we could well be "the jewel in the crown of the Foundation Programme".

We believe that effective leadership means not only having the right knowledge and skills, but demonstrating the right behaviours and values to ensure patient safety and quality. Our strategy has embraced the Healthcare Leadership Model as a

means of ensuring that consistent messages are given around appropriate leadership behaviours and as such we've been developing our behaviour statements in line with the Trust's values.

This is why this year we've worked with our partners in Gateshead College to design two new Leadership Programmes aligned to the apprentice standards and aimed a first time managers and developing leaders.

Our employees also have access to the many opportunities available to them via eLearning, development sessions, postgraduate support for specialist development, and Continuing Workforce Development (CWD) sessions as commissioned by HEE North East.

The Trust continues to provide apprenticeship opportunities to support people at all levels to gain valuable experience and a vocational qualification with the ultimate aim of securing employment within the NHS. In September 2017 the Trust recruited 14 Business & Administration apprentices and 12 Healthcare apprentices. We have also also been part of the new pilot of Nursing Associates, appointment ten individuals. This programme has been extended and amended to be an apprentice programme from next year.

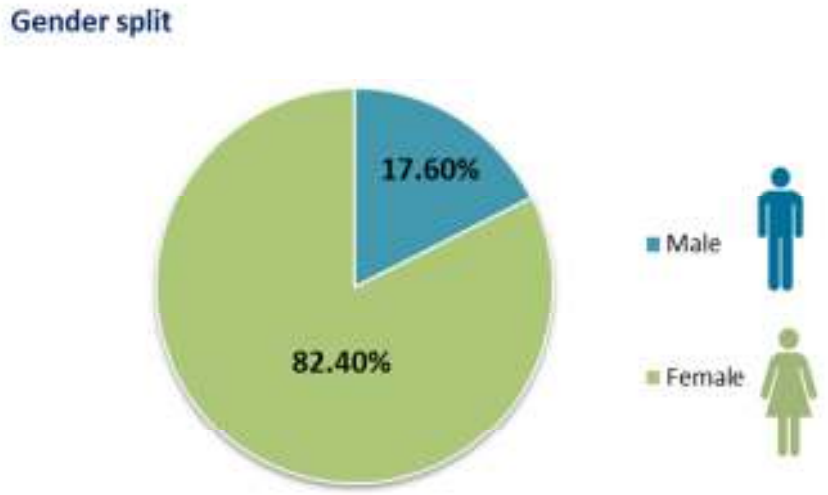
Reward and Recognition

We continue to look for innovative ways to recognise our staff. We continue to run a media campaign to get our public and patients to nominate their "QE Angel" recognising the importance of our patients' voices.

We also held our annual Star Awards event; a humbling and proud evening where around 200 guests (staff, patients and partners from the local community) came together to celebrate the amazing work that members of our workforce do each and every day. Those who were nominated as a 'Star' of the organisation received a personal note from the Chief Executive letting them know that their contribution counts, as well as a QE Gateshead Star pin badge to wear. The winners in each category were presented with a coveted QE Gateshead 2017 Trophy.

Gender pay gap reporting

New legislation means that all large employers across the UK with more than 250 employees are required to show the difference between the average earnings of all men and women as a percentage and publish their results. This helps us understand the gender pay gap which we must analyse and take appropriate action to address any imbalance or inequality.



Pay and Bonus pay gap	Mean	Median
Ordinary Pay	30.80%	17.46%
Bonus	50.48%	50.94%

(* does not cover QE Facilities Limited)

82.4% of our workforce is female and there are more male employees in certain occupations that fall into the higher paid quartile, for example consultants. The gender split across the national landscape of the NHS is 77% female and 23% males and amongst medical staff the ratio is 2:1 with a male dominated workforce. Gateshead is not dissimilar to the national picture.

Further information on our findings is published here - https://www.qegateshead.nhs.uk/edhrreports

Diversity and Inclusion

The Trust has operated a human rights based approach to promoting equality, diversity and human rights for many years. This is reflected in the 'Vision for Gateshead', which promotes the core values of openness, respect and engagement. The aim is to ensure services are accessible, culturally appropriate and equitably delivered to all parts of the community, by a workforce which is valued and respected, and whose diversity reflects the community it serves. To support accountability, there is a well-established infrastructure in place which has provided leadership, governance and continuity, for example:

- The Trust Board has appointed Governors from diverse backgrounds, including Gateshead Youth Council, the Jewish Council and the Diversity Forum for Gateshead. Many Governors are active members of groups and committees.
- We publish a separate annual report relating to diversity and inclusion, on a dedicated part of the QE Gateshead website. Information about diversity and inclusion can be accessed using the following link: http://www.qegateshead.nhs.uk/edhr

- During 2017/18, the Trust's Executive Sponsors of our Equality Objectives have met a number of times to drive activity from a Trust Board level. This has included Gender Pay Gap Reporting, Accessible Information Standard and Sexual Orientation Monitoring Standard.
- The Trust has invested in corporate membership of the Employers Network for Equality & Inclusion, which is a leading employer network covering all aspects of equality and inclusion issues in the workplace. We aim to develop a programme of work in partnership with other NHS organisations in the North East region to support an inclusive and diverse workplace. We will use this work to help build staff networks, to offer support and the opportunity for feedback in the future.

In addition, the following important areas of work were undertaken in 2017/18:

The Workforce Race Equality Standard (WRES) aims to ensure all NHS organisations demonstrate annual progress using nine different indicators (metrics) of workforce race equality. Four of the metrics are from workforce data and four of the metrics are based on data derived from the national NHS Staff Survey. The Trust published our third WRES information in 2017 (* does not cover QE Facilities Limited) and moving forward the Operational Workforce Forum and Your Voice Staff Forum (see below) will consider this information and use it to inform appropriate actions to ensure the treatment of our staff is not unfairly affected by their ethnicity.

The new "Your Voice Staff Forum" was established in 2017. This forum draws its membership from a wide range of staff from across the organisation, and aims to support the Trust by driving change and challenging future priorities, ensuring the different values and needs of our workforce, patients and local communities are represented. The forum has elected its own chair, and works in partnership with members of the Workforce Team.

The Trust continues continues to progress work in relation to our three Equality Objectives which underpin our Public Sector Equality Duty .

Equality Objectives

1. All patients receive high quality care through streamlined accessible services with a focus on improving knowledge and capacity to support communication barriers.
2. The Trust promotes a culture of inclusion where employees have the opportunity to work in a supportive and positive environment and find a healthy balance between working life and personal commitments.
3. Leaders within the Trust are informed and knowledgeable about the impact of business decisions on a diverse workforce and the differing needs of the communities we serve.

Progress continues to be monitored through bi-monthly meetings with our three Executive Leads.

During 2017/18 the Trust became an "NHS Employers Diversity and Inclusion Partner". This programme supports organisations to develop their equality performance over a period of 12 months, and is closely aligned to EDS2.

As part of the NHS Employers' Equality Diversity and Human Rights week in May 2017 the Trust launched a 'STOP Bullying and Harassment' campaign. We also participated in a national 'Call to Action' from the Social Partnership Forum to raise awareness of how to stop bullying in the workplace. As part of this campaign we also launched a a workplace Mediation Service with 12 accredited mediators to support positive informal resolution to workplace issues.

NHS Staff Survey results – indicators KF21 and KF26 (* does not cover QE Facilities Limited)

In relation to key finding 26 'percentage of staff experiencing harassment, bullying or abuse from staff in the last 12 months', this has improved in 2017 for white staff (down to 19% from 21% in 2016) and has deteriorated slightly for staff from a BME background (up to 28% from 27% in 2016).

Percentage of staff experiencing harassment, bullying or abuse from staff in the last 12 months	2015	2016	2017
Gateshead Health NHS Foundation Trust	22.4%	21.4%	19.5%
England highest - Acute Trusts	42.0%	35.9%	32.5%
England Lowest - Acute Trusts	16.5%	16.5%	19.5%
Acute Trusts	25.8%	25.2%	23.6%

Source:www.nhsstaffsurveys.com

Similarly in relation to key finding 21 'percentage believing that the Trust provides equal opportunities for career progression or promotion' we remain above average. This has improved for both white staff (93% compared to 91% in 2016) and significantly for BME staff (82% compared to 74% in 2016).

Percentage believing that the Trust provides equal opportunities for career progression or promotion	2015	2016	2017
Gateshead Health NHS Foundation Trust	90.4%	90.6%	92.2%
England highest - Acute Trusts	95.6%	94.8%	93.2%
England Lowest - Acute Trusts	75.8%	69.1%	71.3%
Acute Trusts	86.8%	86.0%	85.3%

Source:www.nhsstaffsurveys.com

Percentage of staff employed by the Trust who would recommend the Trust as a provider of care to their family or friends

Staff who would recommend the Trust to their family or friends	2015	2016	2017
Gateshead Health NHS Foundation Trust	76.2%	81.1%	80.9%
England highest - Acute Trusts	85.4%	84.8%	89.3%
England Lowest - Acute Trusts	46.0%	48.9%	48.1%
Acute Trusts	69.2%	69.8%	69.5%

Source:www.nhsstaffsurveys.com

Gateshead Health NHS Foundation Trust continues to perform positively as being a place our staff would recommend as a provider of care. This is underpinned by the Trust's Vision and Values which puts the patient and staff at the heart of everything we do. Our strong CQC ratings triangulate this.

The Trust has taken the following actions to improve these percentages, and so the quality of its services, by:

- Continuing to promote the Trust's vision and values, which place the patient at the centre of everything we do.
- Embedding the vision and values into training and appraisal documentation to link activities back to patient centred care.
- Promoting external feedback from patients and service users about the quality of care they have received at the Trust.
- Recognising the high standards of care delivered by staff through events such as the Star Awards Ceremony.
- Raising staff awareness during induction, core training and ongoing staff development that the Trust is proud of its achievements and is constantly looking at new and better ways of working to improve the level of care we are able to offer our patients/service users.
- Increasing use of social media such as Facebook and Twitter by the Trust to get good news messages across.

Quality overview - performance of Trust against selected indicators

Team Effectiveness / Efficient / Innovative

Team Effectiveness	2015-16	2016-17	2017-18	Target
Core Skills Training Compliance	74.56%	73.37%	79.75%	90%
Appraisal Compliance (Staff with a current appraisal)	71.93%	81.82%	67.81%	90%
Staff Sickness Absence (12 month rolling percentage)	4.82%	4.49%	4.62%	4.00%
Staff Turnover (Labour turnover based on Full Time Equivalent)	24.63%**	12.92%*	11.48%	N/A

**the significant shift in turnover is in relation to staff transferring to QE Facilities.

*the turnover figures is affected significantly by the transfer in of Community Services.

From September 2017 the Trust has been part of a Regional Streamlining Programme which is aimed at reducing the variation in Core Skills Training between NHS organisations (aligning to the National NHS Core Skills Framework) and thus enabling portability.

Consultancy

The Trust spent £0.59m on consultancy during 2017/18.

Exit Packages (subject to audit)

Exit packages were provided during 2017/18 as follows:

Cost Band	Number of Compulsory redundancies	Number of Other Departures	Total Exit Packages by cost band
£10,001-£25,000	1		1
£25,001-£50,000			
£50,001-£100,000			
£100,000-£150,000			
Total Number	1		1
Total Cost	£22.3k		£22.3k

NHS Foundation Trust Code of Governance

Gateshead Health NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance, most recently reviewed in 2014, on a comply or explain basis. The NHS Foundation Trust Code of Governance is based on the principles of the UK Corporate Governance Code issued in 2012.

Provision	Requirement	Location / Section of Report
A.1.1	This statement should also describe how any disagreements between the Council of Governors and the Board of Directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the Board of Directors and the Council of Governors operate, including a summary of the types of decisions to be taken by each of the Boards and which are delegated to the executive management of the Board of Directors	Accountability Report "Directors Report"
A.1.2	The annual report should identify the Chairperson, the Deputy Chairperson (where there is one), the Chief Executive, the Senior Independent Director (see A.4.1) and the Chairperson and members of the nominations, audit and remuneration committees. It should also set out the number of meetings of the Board and those committees and individual attendance by Directors.	Accountability Report "Directors Report"
A.5.3	The annual report should identify the members of the Council of Governors including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated Lead Governor.	Accountability Report "Council of Governors"
Additional Requirement of FT ARM	The annual report should include a statement about the number of meetings of the council of governors and individual attendance by governors and directors.	Accountability Report "Council of Governors"
B.1.1	The Board of Directors should identify in the annual report each Non-Executive Director it considers to be independent, with reasons where necessary.	Accountability Report "Directors Report"
B.1.4	The Board of Directors should include in its annual report a description of each Director's skills, expertise and experience. Alongside this, in the annual report, the Board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the NHS Foundation Trust.	Accountability Report "Directors Report"
Additional Requirement of FT ARM	The annual report should include a brief description of the length of appointments of the non-executive directors, and how they may be terminated.	Accountability Report "Directors Report"
B.2.10	A separate section of the annual report should describe the work of the nominations committee(s), including the process it has used in relation to Board appointments.	Accountability Report "Remuneration Report"

Provision	Requirement	Location / Section of Report
Additional Requirement of FT ARM	The disclosure in the annual report on the work of the nominations committee should include an explanation if neither an external search consultancy nor open advertising has been used in the appointment of a chair or non-executive director.	Accountability Report "Remuneration Report"
B.3.1	A Chairperson's other significant commitments should be disclosed to the Council of Governors before appointment and included in the annual report. Changes to such commitments should be reported to the Council of Governors as they arise, and included in the next annual report.	Accountability Report "Directors Report"
B.5.6	Governors should canvass the opinion of the Trust's members and the public and for appointed Governors the body they represent, on the NHS Foundation Trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the Board of Directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.	Accountability Report "Council of Governors"
Additional Requirement of FT ARM	If, during the financial year, the Governors have exercised their power* under paragraph 10C** of schedule 7 of the NHS Act 2006, then information on this must be included in the annual report. This is required by paragraph 26(2)(aa) of schedule 7 to the NHS Act 2006, as amended by section 151 (8) of the Health and Social Care Act 2012. *Power to require one or more of the directors to attend a governors' meeting for the purpose of obtaining information about the foundation trust's performance of its functions or the directors' performance of their duties (and deciding whether to propose a vote on the foundation trust's or directors' performance). **As inserted by section 151(6) of the Health and Social Care Act 2012)	Governors have not exercised this power
B.6.1	The Board of Directors should state in the annual report how performance evaluation of the Board, its committees, and its Directors, including the Chairperson, has been conducted.	Accountability Report "Directors Report"
B.6.2	Where an external facilitator is used for reviews of governance, they should be identified and a statement made as to whether they have any other connection with the Trust.	Not Applicable for 2017/18
C.1.1	The Directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they 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. There should be a statement by the external auditor about their reporting responsibilities. Directors should also explain their approach to quality governance in the Annual Governance Statement (within the annual report).	Accountability Report "Directors Report & Annual Governance Statement"

Provision	Requirement	Location / Section of Report
C.2.1	The annual report should contain a statement that the Board has conducted a review of the effectiveness of its system of internal controls.	Annual Gerovnance Statement
C.2.2	A Trust should disclose in the annual report: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) If it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	Annual Governance Statement
C.3.5	If the Council of Governors does not accept the audit committee's recommendation on the appointment, reappointment or removal of an external auditor, the Board of Directors should include in the annual report a statement from the audit committee explaining the recommendation and should set out reasons why the Council of Governors has taken a different position.	N/A for 2017/18
C.3.9	A separate section of the annual report should describe the work of the committee in discharging its responsibilities. The report should include: • The significant issues that the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed; • An explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or re-appointment of the external auditor, the value of external audit services and information on the length of tenure of the current audit firm and when a tender was last conducted; and • If the external auditor provides non-audit services, the value of the non-audit services provided and an explanation of how auditor objectivity and independence are safeguarded.	Accountability Report "Audit Committee Report"
D.1.3	Where an NHS Foundation Trust releases an Executive Director, for example to serve as a Non-Executive Director elsewhere, the remuneration disclosures of the annual report should include a statement of whether or not the Director will retain such earnings.	Not Applicable
E.1.5	The Board of Directors should state in the annual report the steps they have taken to ensure that the members of the Board, and in particular the Non-Executive Directors, develop an understanding of the views of Governors and members about the NHS Foundation Trust, for example through attendance at meetings of the Council of Governors, direct face-to-face contact, surveys of members' opinions and consultations	Accountability Report "Council of Governors"
E.1.6	The Board of Directors should monitor how representative the NHS Foundation Trust's membership is and the level and effectiveness of member engagement and report on this in the annual report.	Accountability Report "Membership"

Provision	Requirement	Location / Section of Report
E.1.4	Contact procedures for members who wish to communicate with governors and/or directors should be made clearly available to members on the NHS foundation trust's website and in the annual report.	Contact Details Back Page
Additional requirement of FT ARM	The annual report should include: • A brief description of the eligibility requirements for joining different membership constituencies, including the boundaries for public membership; • Information on the number of members and the number of members in each constituency; and • A summary of the membership strategy, an assessment of the membership and a description of any steps taken during the year to ensure a representative membership, including progress towards any recruitment targets for members	Accountability Report "Membership"
Additional requirement of FT ARM	The annual report should disclose details of company directorships or other material interests in companies held by governors and/or directors where those companies or related parties are likely to do business, or are possibly seeking to do business, with the NHS foundation trust. As each NHS foundation trust must have registers of governors' and directors' interests which are available to the public, an alternative disclosure is for the annual report to simply state how members of the public can gain access to the registers instead of listing all the interests in the annual report.	Accountability Report "Directors Report"

Comply or Explain **The trust is satisfied that it complies with the provisions of the code with the exception of point B.2.4 below**		
B.2.4	The Chairperson or an independent Non-Executive Director should Chair the nominations committee	The Trust's Governors' Remuneration Committee which advises the Council of Governors on appointment and remuneration of Non-Executive Directors is chaired by a nominated governor. The Council of Governors, with the support of the Chairman of the Trust, has confirmed that this is the appropriate governance model, due to the potential conflict of interest of the Trust Chairman or any Non-Executive Director, in the decisions taken by the Committee.

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.

Segmentation

During 2017/18, the Trust was moved from segment 2 ('targeted support') to segment 1 ('maximum autonomy') by NHS Improvement in recognition of the Trust's strong overall performance. This remains the position at 30 April 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 Q4 Score
Financial Sustainability	Capital Service Capacity	2
	Liquidity	2
Financial Efficiency	I&E Margin	2
Financial Controls	Distance From Financial Plan	1
	Agency Spend	1
Overall Scoring		**2**

Modern Slavery and Human Trafficking Act 2015 Annual Statement

Gateshead Health NHS Foundation Trust offers the following statement regarding its efforts to prevent slavery and human trafficking in its supply chain.

Section 54 of the Modern Slavery Act 2015 requires all organisations to set out the steps the organisation has taken during the financial year to ensure that slavery and human trafficking is not taking place in any of its supply chains and in any part of its own business.

Gateshead Health NHS Foundation Trust provides secondary care, community and older persons' mental health services to a local population of approximately 200,000. Wider populations are served for specialist screening services and gynaecology-oncology services, including South of Tyne, Northumberland, Humberside, Cumbria and Lancashire. Our annual turnover is around £264m and we have a workforce of around 4,300 people.

The Trust is aware of its responsibilities towards patients, service users, employees and the local community and expects all suppliers to the Trust to adhere to the same ethical principles. We also operate a number of internal policies to ensure that we are conducting business in an ethical and transparent manner.

Signed Date: 23 May 2018

Mr I D Renwick, Chief Executive

Statement of the Chief Executive's responsibilities as the accounting officer of Gateshead Health 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 their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the *NHS Foundation Trust Accounting Officer Memorandum* issued by NHS Improvement.

NHS Improvement in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Gateshead Health NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Gateshead Health NHS foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

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

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

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

Signed Date: 23 May 2018

Mr I D Renwick, Chief Executive

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 Gateshead Health 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 Gateshead Health 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

As Accounting Officer and Chief Executive, I have overall responsibility for ensuring that there are effective risk management and integrated governance systems in place in the Trust and for meeting all statutory requirements and to adhering to guidance issued by NHS Improvement (in exercise of powers conferred from Monitor) in respect of governance and risk management.

The leadership and accountability arrangements for the Chief Executive Officer, Board of Directors, Business Unit Associate Directors, Heads of Service, Business Unit Service Line Managers, Clinical Leads, and staff are set out in the Trust's Risk Management Policy. In addition, there are clear terms of reference for Board committees, including the Quality Governance Committee (QGC), which is the co-ordinating committee for risk. Strategic objectives have been set out in the 'Corporate and Operational Risk Management Strategy 2016-2019'.

Risk management training is provided for all staff annually via the Trust's organisation wide induction programme and mandatory training programme, this includes the Trust Board. Relevant further training is provided to staff and the Trust Board as required, based on issues that are current. Additional training to relevant staff has been provided on the use and management of risk registers, root cause analysis investigation, the Board Assurance Framework and the Duty of Candour. The Corporate Risk Management and Business Unit Risk Managers provide additional advice and guidance on risk management to staff as required.

The risk and control framework

The Trust's Risk Management Policy sets out how risk is identified, evaluated and controlled. Risks are proactively identified through the systematic process of risk identification and risk assessment, which includes both internal and external sources of information.

All risks are evaluated using a risk assessment matrix. Risk registers are used throughout the Trust to record all relevant information, including the description of the risk, initial, current and residual risk scores, and actions to formulate a summary risk treatment plan and review date. High scoring risks that potentially threaten achievement of strategic priorities and corporate objectives are proactively identified and included within the Board Assurance Framework (BAF).

A new template to improve the scope of information recorded in the BAF was introduced for 2017/18. The Board Assurance Framework and the Corporate Risk Register comprising risks with a score of 15 or more are regularly reviewed by the Trust Board. Internal Audit review and report on control, governance and risk management processes to provide robust assurance. A comprehensive audit programme is in place and renewed each year to maintain the ongoing programme of audit by Internal Audit. Any reports which provide assurance with issues of note or limited assurance have an action plan put in place with a target date set until all actions are completed. This is monitored by the Audit Committee.

The Trust's risk framework has been further strengthened in 2017/18 through the introduction of the Risk and Safety Council that meets on a bi-monthly basis and reports to QGC. Chaired by the Director of Nursing, Midwifery and Quality, the Council acts as the operational forum for risk management, providing improved scrutiny, challenge and support for risk throughout the Trust, with a focus on managing risk effectively through the risk register process. In addition, risks relating to data security are monitored by the Health Informatics Assurance Group chaired by the Group Director of Finance and Informatics. Whilst QGC is the overarching committee responsible for risk, the Human Resources Committee reviews workforce risks, and the Finance and Performance Committee review financial and performance related risks.

The Trust incident reporting system is used as a key way of managing risks which have not been identified proactively and could or have resulted in harm. An open reporting culture is promoted and supported throughout the organisation. A fortnightly Serious Incident Review Panel, chaired by the Medical Director, reviews all incidents that may potentially or actually have led to serious harm occurring. Action plans, created to ensure measures are taken to avoid harm or mitigate risks, are monitored by this panel. These processes are managed through the Trust incident reporting policy.

By minimising and managing risks, through the risk assessment process, the Trust seeks to protect the quality of services provided, reduce harm, maximise the resources available for patient services and care and protect the Trust's reputation.

The Trust aims to be proactive in its approach to the management of risk and will endeavour to identify, control, and where possible eliminate the risk before incidents of actual loss or harm have

occurred. For this approach to be effective, and for risk management to be embedded into the organisation, it is recognised that there must also be the following key elements:

- Corporate Board Assurance Framework;
- A well-founded risk register;
- Involvement/participation of all staff;
- Integration of risk management into operational management;
- Active local risk management processes;
- Clearly communicated arrangements/designated responsibilities for risk management;
- Training in risk assessment and risk management;
- Training and compliance with 'Being Open' and Duty of Candour;
- A robust integrated incident reporting system;
- Development of risk management within a fair and just culture. The Trust's approach following adverse incidents focuses on 'what went wrong' not 'who went wrong';
- Sound clinical practice which is evidence based and undertaken by appropriately skilled and equipped staff in accordance with policies, procedures and guidelines;
- Effective communication within and between business units, wards, and departments and with patients, the public, and stakeholders;
- Proactive management of incidents, complaints and claims (including serious incidents and Never Events);
- Ongoing monitoring of actions/controls put in place to minimise the organisation's risk exposure for all risks identified from the risk register, incidents, complaints and claims;
- Systems in place to ensure lessons learned from incidents and near misses; and
- Robust monitoring, audit and reporting arrangements for ward to board.

The Audit Committee performs a key role in reviewing and monitoring the systems of internal control. The Committee receives regular reports on the findings of the internal and external auditors and provides an assurance report to the Board following each meeting.

Gateshead Health NHS Foundation Trust is required to register with the Care Quality Commission (CQC) and its current registration status is: registered without conditions. The CQC has not taken enforcement action against Gateshead Health NHS Foundation Trust during 2017/18. The Trust's last CQC review of compliance inspection visit was in September 2015. The Trust received an overall rating of good with outstanding for caring. Maternity Services were also rated as Outstanding. The Trust is in the process of developing new processes and systems for ongoing monitoring in line with the CQC inspection methodology and the five key lines of inquiry: safe, effective, caring, responsive and well led.

An unannounced focused CQC inspection of Older Person's Mental Health services, which included Cragside Court, Sunniside Unit, and Community-based Mental Health service, took place in December 2016. The report was published in June 2017 and rated the Community-based mental health services for older people as requires improvement and Wards for Older People with Mental Health problems as inadequate. Actions were identified prior to and following the publication of

the report, in which 22 breaches, encapsulated within 8 requirement notices, were identified, and a copy of the action plan was sent to the CQC. A Mental Health Improvement Steering Group and Task and Finish group were set up to support the Business Unit with the actions and improvements required to improvement the services. The overall improvement plan included improvements in patient safety and the quality of care through the provision of staff training, introduction of improved care planning and structured documentation, more robust risk assessment processes and increased therapeutic activity. There are 3 outstanding breaches (of the 22) which relate to:

- Limited access to psychological therapies – there is active recruitment to these posts.
- Management of restraint – Immediate Life Support training currently being rolled out.
- Implementation of Electronic Patient Record across Mental Health Services – this work will be completed in June 1018.

The CQC carried out two Mental Health Act 1983 Monitoring visits in July and November 2017, once to Sunniside Unit and once to Cragside Court. Actions were identified from both and these were incorporated into the overall action plan.

The Trust has a robust governance structure in place to oversee the management of data security and information risks. For the last 7 years the Trust has undergone an independent audit from AuditOne, the regional Internal Audit and Fraud Service, specifically around Information Security and the Information Governance (IG) Toolkit to gain assurance that appropriate processes are in place. The audit for 2017/18 provided significant assurance that there is a generally sound system of control designed to meet the organisation's objectives.

For 2017/18 the Trust met all of its compliance standards for the IG toolkit submission achieving a Level 2 'satisfactory' compliance rating and a score of 85%. This is comparable to 2016/17's performance which achieved a score of 84%.

The Trust's Risk Register accounts for all of the information risks associated with the management and control of information. The Trust also signs up to the Annual Information Governance Statement of Compliance (IGSoC) that demonstrates the Trust's commitment to the integrity, security and confidentiality of personal data.

IG training remains a top priority for the Trust. The Trust's IG Programme was recently updated to reflect recent legislation changes and current day to day issues around data security. An e-learning package has been developed and updated to support the increasing number of face to face training sessions delivered by the IG Team as part of the Trust's Annual Core Training Programme which is actively used to create awareness across the organisation about data security activities. As at 31st March 2018, 83.32% of staff had completed their mandatory training for 2017/18. This level of training is lower than the desired, planned for, level, primarily as a result of the extreme level of winter pressures experienced during the final quarter of 2017/18 and as a result the trust plans to deliver the required level of IG training compliance during the first 6 months of 2018/19.

The data quality strategy group provides assurance on data quality and accuracy, and highlights risks to the Health Informatics Steering group. There is a continual improvement programme which includes data quality metrics, spot check audits and a clinical coding quality assurance programme

Update on the 2017/18 Major Clinical Risks

- Clostridium difficile infection (CDI). The Trust reported 31 post 72hr Clostridium difficile infection (CDI) cases to end of Q4 exceeding its annual objective by 12 cases . The Trust reported 25 cases against the quality premium as 6 cases were successfully upheld at appeal. The Trust also reports 41 cases to date against its annual pre 72hr community benchmark demonstrating a 32% improvement against a benchmark of 61 cases.

  NHS Improvement (NHSI) contacted the Trust in November as an informal response to the Trust being outside of its monthly objective to review possible causes, the Trust approach to CDI, the reaction to increasing cases and to ascertain if there was any support NHSI could offer. NHSI recognised that the IPC Team had implemented a comprehensive process review and identification of key themes based on sampling delays, prescribing, documentation, patient management and review, human factors, feedback and education. NHSI agreed there were no clear reasons for the recent gradual increase in cases however offered a level of external support to the Trust as required.

- Impact of efficiency programme on service quality. This risk has been managed through the PMO function and monthly Financial Control meetings (which reported into the Trust Financial Sustainability Board and Finance and Performance Committee) and included a robust Quality Impact Assessment process that assessed the impact of each scheme and was reviewed and signed off by the Director of Nursing, Midwifery & Quality and the Medical Director. There have been regular assurance meetings with commissioners as part of the CCG Quality Review Group.

- Potential negative impact on capacity and capability to deliver high quality services arising from in year activity surges and winter pressures (operational resilience). This year has been challenging due to winter weather and a significant increase in patients with influenza. To mitigate this, the Trust implemented a comprehensive and rigorous winter plan. This included an improvement programme to improve patient flow and bed availability. Occupancy levels were high and additional escalation areas were opened and safe staffing plans were reviewed on a daily basis enabling us to flex capacity during times of surge. The Trust updated all escalation actions aligned to the new national escalation framework OPEL and implemented the full capacity protocol. There was no noticeable impact on quality, safety or patient experience.

- There were a number of risks relating to demand; key amongst these was the potential impact of the reduction in local authority budgets and subsequent reduction and redesign of services which are already being progressed. The Trust expected this to impact primarily in terms of higher elderly care admissions and increased difficulty in discharging patients. The

Trust has engaged in discussions through the Health and Wellbeing Board and in dialogue with senior officers of affected organisations to better understand this risk and the joint actions required by system leadership. The CCG is leading discussions with the council to identify potential solutions.

- Potential difficulty in recruiting and retaining a competent and skilled clinical workforce due to national shortages and competition. Detailed workforce plans were developed at service line level and incorporated into business plans and internal business cases. The Trust Corporate People Strategy was launched in June 2017.

- The 7 day national survey showed compliance with the priority standards for 7 day diagnostics and 7 day access to consultant led interventions. The Trust is compliant for ongoing consultant review where this is required twice a day. In 2017/18 the Trust implemented weekend consultant cover (6 hours each day) for the Care of the Elderly wards which improved our compliance with ongoing consultant review where once daily review is required. The Trust is consistent across the week for initial consultant review within 14 hours, although performance could be improved, and there is further work around identifying patients who can be managed along a non-consultant pathway, changes to patient flow and improving the recording of the initial consultant review. The Trust continues to participate in the 7 day national surveys every 6 months. Mortality statistics do not show any significant difference between mortality for patients admitted at a weekend compared with patients admitted during the week.

Update on the 2017/18 Major Non Clinical Risks:

- Contracts with Commissioners were again based on PBR and the planned levels of activity based on detailed demand plans agreed internally with the clinical business units and with commissioners, subject to the potential impact of CCG planned reductions to these activity levels due to pathway transformation / QIPP schemes designed to reduce demand. The actual impact of these changes were monitored via the Joint Transformation Board with the CCG throughout the year.

- A&E performance and the financial risk linked to additional payments did not materialise due to the improved performance throughout the year. Quarter 4 A&E performance is marginally below the 95% target required to trigger the STF payment and therefore was not received

- Delivery of CRP/ efficiency savings – The trust delivered 95% of the required £12.5m savings in year, without compromising quality, performance or patient experience.

Future Clinical Risks identified for 2018/19

- The trust is required to deliver an internal CRP/ efficiency savings programme of circa £15m (5.64% of turnover) without compromising quality, performance or patient experience.

There is a potential negative impact on quality if a robust Quality Impact Assessment process is not in place or utilised.

- Potential inability to meet increased demand for services and maintain operational resilience due to increased pressure through increased activity, inability to manage surge, increased acuity and dependency of patients and/or adverse weather conditions.

- Ongoing challenges to continue to recruit a competent and skilled workforce to meet patient care requirements due to reduced numbers of clinical staff available to recruit to vacant posts

- Potential inability to reduce incidence of CDI and meet the challenging CDI objective for the Trust of 18 post 72 hour cases for 2018/19, with a revised annual rate of 10.1% or to deliver new national targets for the reduction of Gram Negative organisms effective from 1st April 2018.

- Potential inability to fully deliver the mental health improvement plan resulting in inability to improve on the current CQC rating for mental health services and move them to be rated as good.

Future Non Clinical Risks identified for 2018/19

- The trust is required to deliver an internal CRP/ efficiency savings programme of £15m (5.64% of turnover) without compromising quality, performance or patient experience. The ability to deliver these levels of savings year on year within what is a relatively high fixed cost base is increasingly challenging. Effective management of this risk is essential to accessing the 18/19 Provider Sustainability Fund and delivering the financial Control Total.

- Contracts with Commissioners have been agreed on the basis of block contracts with arrangements to cover major pathway changes etc. Although this provides certainty of income, it presents a risk in terms of the ability to manage demand within the capacity available.

- The financial challenges facing the local CCGs, local Authority and the local health economy and the need to reduce demand, potentially adds significantly to the internal savings/efficiency target highlighted above and the trust is working closely with its partners to manage ramifications of this.

- Management of the Trust's cash and cash flow in year is a particular risk for 2018/19 that may be adversely impacted upon by the above risks.

The trust has been awarded Global Digital Exemplar Fast Follower status that provides a major opportunity to deliver a step change in the digital delivery of services. This project is not simply an

ICT project but a major organisation programme that needs to be delivered over the next two financial years and that if not successfully implemented presents significant risk to the trust.

The effectiveness of governance structures

The Board of Directors and Board committees all play a role in ensuring the Trust has a robust governance structure in place.

The constitution and terms of reference of all Board committees are reviewed periodically and any proposed amendments are subject to Board approval. The assurance reports of Board committees are presented to the Board by the Chair of the committees as standing agenda items.

Internal Audit has provided a good level of assurance on the BAF; that the risks identified are managed effectively. A high level of compliance with the control framework was found to be taking place. Minor remedial action is required.

There are robust arrangements in place to provide assurance on the quality of performance information. The Trust reviews data, information flows and has updated its processes to ensure that they are consistent with and fit for purpose against NHSI's single oversight framework that was introduced during 2016/17. Any area where there is less than significant assurance is reviewed automatically in the following audit round. For 2017/18 all indicators audited have demonstrated significant assurance.

The responsibilities of Directors and Committees

All Executive and Associate Directors have clear portfolios of responsibilities and areas for which they are accountable. Areas of risk are delegated to the Trust's Executive Directors:

- The Medical Director is the strategic lead for clinical audit;
- The Medical Director and Director of Nursing, Midwifery and Quality are the strategic leads for clinical governance, infection prevention and control, patient safety, clinical risks and quality and safety risks, and patient experience;
- The Director of Nursing, Midwifery and Quality is the Strategic Lead for safeguarding;
- A nominated Non-Executive Director is the Chair of the Quality Governance Committee;
- The Group Director of Finance and Informatics is the Strategic Lead for financial risk and the effective co-ordination of financial controls throughout the Trust. He is also responsible for Information Technology, Health Records and Information Governance risks;
- The Director of Diagnostic and Screening Services is responsible for emergency preparedness and non- clinical (health and safety risk);
- The Director of Strategy and Transformation is the lead for strategy, performance, HR committee, workforce risks, commercial activity; and
- The Associate Directors are responsible for managing risks within the business units.

The Trust has a strong, effective Board comprising eight non-executive directors (including the Trust Chairman and six executive directors (including the Chief Executive). An annual appraisal process is

in place to ensure knowledge and skills of Board members continue to reflect the strategic needs of the organisation and roles and responsibilities of Board members. The Trust recognises the need for its Board to respond to changing external circumstances and the composition contains an appropriate balance of clinical and management leadership skills and experience, key requirements for the successful delivery of the forward plan.

Non-executive Directors are appointed for an initial tenure of up to three years following which re-appointment processes apply.

Induction training is provided for new Board members and separate Board time out events are held to provide a forum for strategic debate and to broaden understanding of key issues impacting upon the Trust's delivery of objectives.

The Trust has appointed the Vice Chairman of the Trust as the Senior Independent Director to be available to Governors and Members if they have concerns, which contact through the normal channels of Chairman, Chief Executive or Trust Secretary has failed to resolve, or for which such contact is inappropriate.

Reporting lines and accountabilities between the Board, its committees and the executive team

There is a comprehensive Board committee structure which provides for assurance on:

- Quality Governance;
- Finance and Performance;
- Human Resources;
- Audit;
- Remuneration; and
- Charitable Funds.

There are agreed terms of reference for the Trust Board and its committees and the role of Directors within committees are clarified. Clear reporting lines are in place for all of the Board committees and each committee has both executive and non-executive members (except the Audit and Remuneration Committees). Relevant issues are discussed in detail at the relevant Board committee and significant issues raised to Board level. There are regular Trust Board reports on: quality, risk, finance and performance. All committees have procedures in place to escalate risk to the Board through assurance reports from the Chair of each committee. All committees are focused on seeking assurance that action is being taken and achieving desired outcomes where risks and issues are identified. Each committee reviews the Board Assurance Framework for the principal objectives within their remit.

Levels of delegation are in place and are reported in the Corporate Governance Manual, Reservation and Delegation of Powers (both of which were updated and revamped during 2017/18 and approved by the Audit Committee), Trust Constitution and the Risk Management Policy.

The submission of timely and accurate information to assess risks to compliance with the Trust's licence and the degree and rigour of oversight the Board has over the Trust's performance.

The Board of Directors meets regularly. Board agendas and papers are made available to all Governors and Governors receive regular information on Clinical and Corporate Governance, Performance, Finance, Quality and Patient Safety.

The Board agenda is balanced and focuses on:

- Strategy;
- Finance and performance;
- Quality, safety and risk;
- Making decisions and receiving information;
- Matters for assurance; and
- Matters internal to the organisation and external stakeholders.

On an annual basis, as part of the annual planning process, the Trust Board is required to identify the key strategic priorities and a number of corporate objectives for the Trust incorporating national and local priorities. The risks and potential risks to the non-delivery of the corporate objectives are set out in a Board Assurance Framework. The Board Assurance Framework and the Corporate Risk Register are presented for consideration by the Board every quarter to provide assurance that the risks are relevant, up to date and controls and assurances are in place. Where gaps in controls and assurance exist actions have been identified. The document is developed through input from the executive directors and senior managers and is informed by the Risk Register.

With regard to the Annual Corporate Governance Statement to NHS Improvement, the Board satisfies itself of compliance through ongoing measurement and returns against The Single Oversight Framework.

The Trust has a framework in place to systematically analyse a new or revised policy, function, service or business activity to identify what impact or likely impact it will have on different groups of people. The primary concern is to identify any discriminatory or negative consequences for a particular group and the action necessary to overcome any disadvantage. It is also important to understand any positive impact which can help in the Trust's decision making. We publish the resulting 'equality analysis' on a dedicated equality section of the internet, so this is accessible to the public.

The Trust Board report cover sheet also includes a specific section titled 'Diversity and Inclusion Implications' to highlight any actions identified through the equality analysis process. The Trust has adopted the national NHS Equality Delivery System 2 to rate our equality performance, and identify our equality objectives. We publish an annual equality report to help to comply with the specific duties of the Equality Act. Full details can be accessed at: http://www.qegateshead.nhs.uk/edhr

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

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

The foundation trust has undertaken risk assessments and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather 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 of the use of resources

During 2017/18 the Trust's overall financial performance was monitored and managed on a regular basis by the Trust's Senior Management Team, the Financial Sustainability board, the Finance and Performance Committee and the Board of Directors. The Board, supported by its Finance and Performance Committee, reviews key aspects of financial and operational performance of the Trust in detail on a monthly basis.

The Trust set an efficiency/income generation target of £12.5m (circa 5.4% of turnover) in 2017/18 as an enabler to delivering its financial control target of a £2.3m deficit. The majority of this target was delivered and enabled the trust to exceed its financial control total as set by NHSI.

The Trust continues to review all areas of its cost base to identify further opportunities for savings and improve efficiency. The 2017/18 Reference Cost Index was 100 demonstrating a good level of internal efficiency. The trust progressed with the implementation of the new NHSI costing guidance (receiving good assurance from NHSI) to underpin the production of detailed Patient Level Costing and Information Service and Service Line Reporting (SLR) information, which along with the Lord Carter of Coles Model Hospital and Benchmarking data are used to support the drive for further efficiency and cost reduction

Information governance

All Information Governance incidents are reported through the Trust's incident reporting system, DATIX. There have been two serious Level 2 incidents in 2017/18 reported to NHS Digital which are detailed in the table below. In each case a full investigation was completed and actions were taken to mitigate the risk of reoccurrence.

Summary of Level 2 Incidents

SUMMARY OF SERIOUS INCIDENT REQUIRING INVESTIGATIONS INVOLVING PERSONAL DATA AS REPORTED TO THE INFORMATION COMMISSIONER'S OFFICE IN 2017-18				
Date of Incident (month)	**Nature of Incident**	**Nature of Data Involved**	**Number of Data Subjects Potentially Affected**	**Notification Steps**
23rd June 2017	Records relating to five patients were accessed when not involved in the direct care of the patients concerned	Patients' medical data, clinical care case notes	5	Notified the ICO.
2nd October 2017	Maternity notes relating to one lady were sent to another lady in error	Patients' medical data, clinical care case notes	1	Notified the ICO.
Further Action on Information Risk	Gateshead Health NHS Foundation Trust will continue to monitor and assess its information risks, in light of the events noted above, in order to identify and address any weaknesses and ensure continuous improvement of its systems.			

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 exercise of the powers conferred on Monitor) has issued guidance to NHS foundation trust boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the *NHS Foundation Trust Annual Reporting Manual*.

The Quality Report represents a balanced view and there are appropriate controls in place to ensure the accuracy of the data.

There has been extensive engagement with staff and service users, governors and external stakeholders to gain their views and identify priorities for the 2018/19 quality report. The quality priorities were presented to the Board of Directors and the recommendations were agreed.

There are robust clinical governance processes in place that ensure continuous quality improvement and safeguard high standards of care, which is important for patient care at all levels. The trust is committed to this through compliance with:

- Clinical Audit
- Clinical Effectiveness
- Risk Management
- Patient Experience

- Research and Development
- Patient safety
- Being open
- Education and Training
- Claims Management
- Information management

This information is available for the Business Units to provide information, compliance and assurance. To triangulate this information the Trust also produces a monthly Quality and Safety Dashboard which provides ward level measures of quality and safety to the board and therefore provides a robust assurance process.

Clinical audit work is valued as a method of providing assurance and is set into an annual plan to reflect priorities identified by local and national agendas. The Clinical Audit Strategy and Policy give a clear framework for the delivery of clinical audit and is now managed through the Safecare Council and reported to the Board on an annual basis. The purpose of the SafeCare Council is to act as the pivotal point within the Trust for all Safecare activities across the Trust, including clinical effectiveness. This will enable Clinical Audit activity to be monitored more effectively and to engage a wider cohort of staff across the Trust. The Trust has participated in 100% of eligible national audits and clinical audit is carried out to enable measurable benefits for patients.

The Trust is developing a Quality Improvement Strategy 2018/21, which will set the quality improvement programme for the organisation. The SafeCare Council manages the operational clinical governance with oversight of Quality Improvement Plans for all Business Units. SafeCare Council continues to report to the Trust's Quality Governance Committee, which is a committee of the Board.

During the course of this year the Trust has had regular meetings with commissioners to monitor progress against the Commissioning for Quality and Innovation (CQUIN) indicators. The Trust has put controls in place to ensure the accuracy of data for the Quality Account. This includes working with internal audit to provide assurance and also compliance with key policies. The list below is not exhaustive but includes:

- MM01 - Medicines Management Policy;
- RM04 - Incident Reporting and Investigation Policy;
- OP67 - Clinical Audit Policy and
- OP75 - Safeguarding Adults and Children Policy.

The Trust recognises that the delivery of high quality and respectful care is dependent upon a skilled and effective workforce. The Quality Account contains a distinct section, 'Focus on Staff' that illustrates the Trust's commitment to and investment in staff development, their health and wellbeing and the importance of listening and responding to staff views. The Trust has robust policies for the recruitment and development of staff. Core training and appraisal is a key performance indicator and are reported via the Performance Report on a monthly basis. The Trust continues to perform well in the national staff survey.

The Trust's new Patient, Public and Carer Involvement and Experience Strategy – 'Your Care, Your Voice' 2018-21 was approved by the Trust Board and launched in January 2018. It sets out the Trust's vision for ensuring our patients remain at the heart of everything we do, and for our patients to be empowered to influence the care we deliver. The strategy was developed in

collaboration with internal and external stakeholders and continues to be framed on the concept of Five Steps to Excellent Care:

- Planning for your visit;
- While you are in our care;
- Moving on from our care,
- Shaping our services for the future; and
- Overall patient care & experience- excellence in care.

Key priorities have been identified, along with work programmes, for implementation in 2018/19. Implementation of the strategy is overseen by the Patient, Public and Carer Involvement and Experience Group. The group forms a focal point for engagement with partners and stakeholders and supports others in the organisation with engagement and patient experience activities. It encourages, motivates and energises the organisation for engagement and improvement activities as well as identifying good practice within the Trust and ensuring this is shared.

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 that have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the quality report attached to this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their 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, Quality Governance Committee and a plan to address weaknesses and ensure continuous improvements of the systems is in place.

The Board receives regular comprehensive information to provide assurance on all aspects of quality, safety and risk issues including infection prevention and control. The Audit Committee continues to oversee the maintenance of an effective system of internal control.

The trust ensures that the Quality Governance, Human Resources and Finance and Performance Committees, which are all committees of the board, receive regular reports and are therefore able to provide an assurance process to the Board that the governance processes are robust and provide high quality care.

The Trust remains committed to continuous improvement of its risk management and assurance systems and to ensuring improved effectiveness and efficiency. To assist with this, Internal Audit reviewed and reported upon control, governance and risk management processes. This review has been based on an audit plan approved by the Audit Committee. The plan included identifying and evaluating controls and testing their effectiveness in accordance with Public Internal Audit Standards. Where improvement, limited assurance or points of note have been found, Internal Audit has made recommendations and the Trust has put action plans in place. These internal audit reports, if relevant, are used to inform the Board Assurance Framework.

The Internal Auditor's Head of Audit Opinion for 2017/18 to the Chief Executive and the Board on the adequacy and effectiveness of the risk management, control and governance processes to

support the Annual Governance Statement (AGS) identified that good assurance can be given that there is a sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. The basis of this opinion included an assessment of the design and operation of the underpinning Assurance Framework and supporting processes.

Conclusion

The overall opinion is that no significant internal control issues have been identified therefore significant 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.

Signed  Date: 23 May 2018

Mr I D Renwick, Chief Executive

NHS
Gateshead Health
NHS Foundation Trust

Quality Account
2017/18

Contents

1. Statement on Quality from the Chief Executive

I am delighted to introduce the Quality Account for Gateshead Health NHS Foundation Trust for 2017/18. This provides details of some of our work over the past 12 months on improving the care we deliver in line with our strategic aims to:

- provide high quality, sustainable clinical services to our local population in new and innovative ways.
- develop new effective partnerships with organisations in health and social care to offer high quality, seamless care.
- optimise opportunities to extend our business reach in the delivery of high quality clinical care.
- deliver the proposed portfolio of services and quality of care within the resources available.

The Trust monitors all of its improvement plans from ward to Board through its Quality Governance structure. In terms of our Quality Account priorities for 2017/18, some of the key highlights are as follows:

Clinical Effectiveness

- Developed an improvement plan in relation to our Patient Reported Outcome Measures (PROMS) score for Hip and Knee replacements, which included working with North East Quality Observatory Service (NEQOS) which supported the Trust with its Musculoskeletal Services (MSK) bid.
- Increased the level of mortality reviews and the production of a policy in relation to reviewing and learning from deaths. These reviews are now supported by a database which has been developed in-house.

Patient Safety

- Commissioned external expertise for the development of in-house Root Cause Analysis (RCA) training.
- Promoted the Datix incident reporting throughout the Trust.
- Worked with the clinical teams to produce 32 Local Safety Standards for Invasive Procedures (LocSSIPs).

Patient Experience

- Patient Experience is now a standing agenda item of the ward manager's meeting to feedback any issues, concerns and compliments to staff.
- The complaints manager is working with her regional colleagues to share good practice and learn from each other.

Further detail is provided within the body of the Quality Account itself.

In addition to these priorities, our work to promote quality and safety in the care we provide has been further supported and reflected through a variety of routes and sources:

- In March 2018 the Trust hosted its first Quality Summit, with 110 delegates in attendance. The theme was Patient Safety with inspirational and motivational presentations from external and internal speakers. Both Sir Robert Francis QC, chair of the two Mid-Staffordshire NHS enquiries and the NHS Freedom to Speak up review and Dr Umesh Prabhu, retired Medical

Director from Wigan and Leigh NHS Trust, provided keynote speeches with further topics covered including Sepsis, Medicines Management and Duty of Candour.

- 2017/18 has seen the further integration of Community Services to ensure that the care we provide is of high quality across the patient pathway, whether hospital or community based.
- Our Friends and Family Test feedback identifies that the Trust provides a positive patient experience, with 97% of patients indicating that they would definitely recommend our services to friends and family.
- 90% of patients who completed the 2017 NHS Inpatient Survey rated the care we provided at 7/10 or above (Picker Institute, 2017).
- Patients who have used our cancer services rated the care received as an average of 9/10 (an increase on last year's figures), with 98% of patients also saying that they received all of the information they required before an investigation or operation.
- Our incident reporting rate has shown an increase from 32.12 in April to June 2017 to 37.46 in October to December 2017 per 1,000 bed days.

Whilst we have made significant progress in these key areas over the past year, we know that we can always do better. Our focus will not waver from providing high quality improvements and innovation for all our patients, carers and staff, which will be planned and implemented as part of our Quality Improvement Strategy 2018/21. To this end, our Quality Account Priorities for 2018/19 are set out below:

Clinical Effectiveness

- Implementation of the findings from the National Confidential Enquiry into Patient Outcome and Death "Treat as One – Bridging the gap between mental and physical healthcare in general hospitals".
- Reducing variation in clinical practice by implementing the findings from Getting it Right First Time (GIRFT).

Patient Safety

- Continue the work to improve patient safety culture with focus on: Manchester Patient Safety Framework (MaPSaF), Maternal and Neonatal safety and Trust investigation training.
- Ensure that all patients are kept safe by embedding the new national guidance for Serious Incidents and Never Events.

Patient Experience

- As part of the Patient Public & Carer Involvement & Experience Strategy develop work around patient involvement activities.
- Develop a range of approaches to understand the experiences of patients and carers who use our mental health services.

I hope you enjoy reading this report which identifies the excellent progress made in providing high quality clinical care in 2017/18 and also identifies the continuous quality improvement we strive to make for the coming year. Our aim is that the Trust will provide high quality, sustainable clinical services to our local population in new and innovative ways and provide an organisation that the local population and our staff will have pride in being a part of.

Finally, none of this is possible without the commitment, passion and dedication of our staff to improve the care and experience we deliver to our patients and their families and carers, and I would like to take this opportunity to thank them for their continued efforts to improve the care

we provide. I can confirm on behalf of the Board of Gateshead Health NHS Foundation Trust that to the best of my knowledge the information presented in the Quality Account is accurate.

Signed

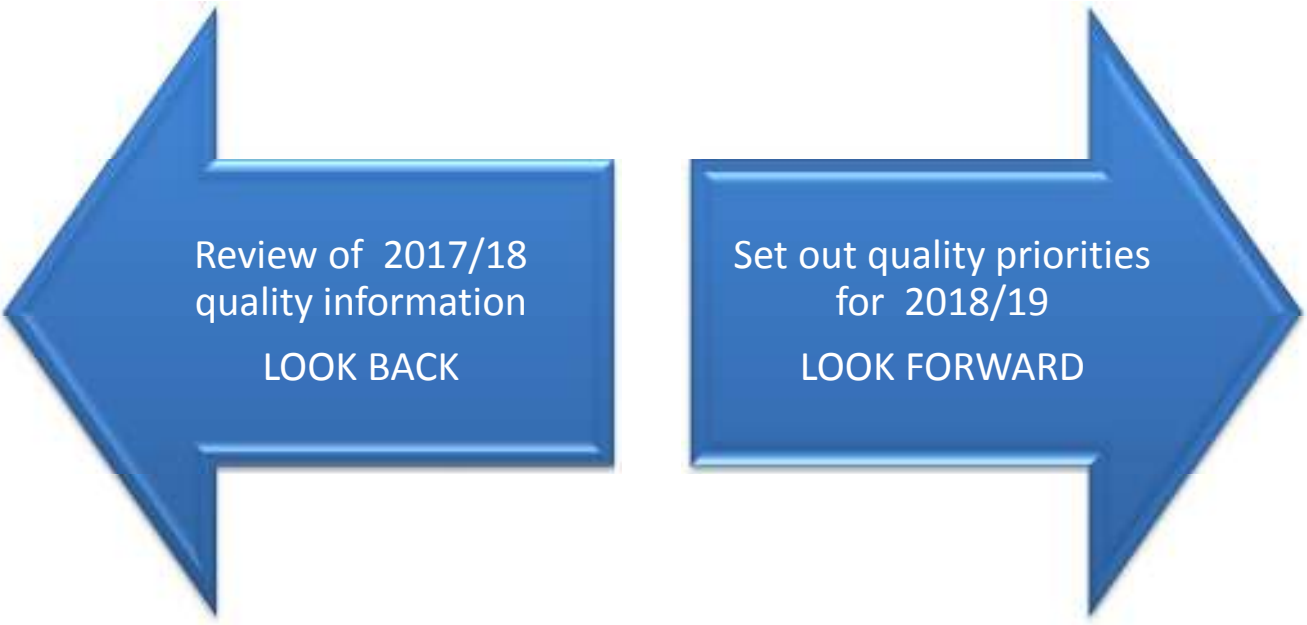
Mr I D Renwick, Chief Executive **Date: 23rd May 2018**

What is a Quality Account?

Since 2009 the NHS has been required to be open and transparent about the quality of services provided to the public. As part of this process all NHS hospitals are required to publish a Quality Account (The Health Act 2009). Staff at the Trust can use the Quality Account to assess the quality of the care we provide. The public and patients can also view quality across NHS organisations by viewing the Quality Accounts on the NHS Choices website: www.nhs.uk.

The dual functions of a Quality Account are to:

- Summarise our performance and improvements against the quality priorities and objectives we set ourselves for 2017/18.
- Outline the quality priorities and objectives we set ourselves going forward for 2018/19.



2. Priorities for Improvement

2.1 Reporting back on our progress in 2017/18

In our 2016/17 Quality Account we identified five quality improvement priorities that we would focus on in 2017/18. This section presents the progress we have made against these.

Clinical Effectiveness:

Priority 1:
Continue to implement the improvement plan in relation to Patient Reported Outcome Measures (PROMS) scores for hip and knee replacements

What did we say we would do?

- Improve post-operative health gain in patients undergoing elective hip and knee replacements
- Cease to be an outlier with the PROMs national reporting
- Promote health and wellbeing in all patients

Did we achieve this?

Unknown. We are pleased with the progress we have made in relation to our improvement plan. However due to the time delay in the publication of the PROMS data we are unable to determine at this time whether our improvement work has had an impact on our PROMS performance. The table below identifies that the Trust were still an outlier in the most up to date information received which covers 2015/16 and 2016/17.

How we planned to achieve it:

- A task and finish group was set up to map and redesign the patient pathway and to undertake a gap analysis to compare our pathway against high performing trusts.
- NEQOS was asked to provide bespoke work looking at individual consultant measurements which was presented to the Trauma and Orthopaedic team.
- A Surgical Business Unit proposal was produced, working with the Trauma and Orthopaedic team and NEQOS to provide standardised ways of working amongst the surgical team.
- The Trust successfully bid for a new contract to deliver MSK services. Developments associated with new clinical pathways are an integral part of the new MSK Service. The procurement was stalled and the process restarted in January 2018. This delay has clearly impacted on the implementation of the new clinical pathways across Gateshead and Newcastle. The contract is awarded from 1st October 2018.

Latest PROMS data:

Key question	KLOE	Indicator	National average	Performance			National comparison
				Previous	Latest	Change	
	E2	PROMs: Groin Hernia Surgery EQ-5D score (16-17) - Provisional (finalised Aug 2018) Information Centre for Health & Social Care (IC) - Patient reported outcome measures (PROMS) (01 Mar 2018)		NA	Lower 95% Apr 16 - Mar 17	NA	
	E2	PROMs: Primary Hip Replacement EQ-5D score (15-16) - Final Information Centre for Health & Social Care (IC) - Patient reported outcome measures (PROMS) (17 Aug 2017)		NA	Lower 95% Apr 15 - Mar 16	NA	
	E2	PROMs: Primary Hip Replacement EQ-5D score (16-17) - Provisional (finalised Aug 2018) Information Centre for Health & Social Care (IC) - Patient reported outcome measures (PROMS) (01 Mar 2018)		NA	Lower 95% Apr 16 - Mar 17	NA	
	E2	PROMs: Primary Hip Replacement Oxford score (15-16) - Final Information Centre for Health & Social Care (IC) - Patient reported outcome measures (PROMS) (17 Aug 2017)		NA	Lower 99.8% Apr 15 - Mar 16	NA	
	E2	PROMs: Primary Hip Replacement Oxford score (16-17) - Provisional (finalised Aug 2018) Information Centre for Health & Social Care (IC) - Patient reported outcome measures (PROMS) (01 Mar 2018)		NA	Lower 95% Apr 16 - Mar 17	NA	
	E2	PROMs: Primary Knee Replacement EQ-5D score (15-16) - Final Information Centre for Health & Social Care (IC) - Patient reported outcome measures (PROMS) (17 Aug 2017)		NA	Lower 95% Apr 15 - Mar 16	NA	
	E2	PROMs: Primary Knee Replacement EQ-5D score (16-17) - Provisional (finalised Aug 2018) Information Centre for Health & Social Care (IC) - Patient reported outcome measures (PROMS) (01 Mar 2018)		NA	Lower 95% Apr 16 - Mar 17	NA	
	E2	PROMs: Primary Knee Replacement Oxford score (15-16) - Final Information Centre for Health & Social Care (IC) - Patient reported outcome measures (PROMS) (17 Aug 2017)		NA	Lower 99.8% Apr 15 - Mar 16	NA	
	E2	PROMs: Primary Knee Replacement Oxford score (16-17) - Provisional (finalised Aug 2018) Information Centre for Health & Social Care (IC) - Patient reported outcome measures (PROMS) (01 Mar 2018)		NA	Lower 99.8% Apr 16 - Mar 17	NA	

Next steps:

- The new clinical pathways identified in the MSK bid incorporate a 'pre-habilitation' phase for patients who progress to surgery in addition to a post-surgical rehabilitation programme. These changes to the pathway will improve patient selection and preparation for surgery as well as providing a comprehensive programme to increase independence post-surgery.
- Recruitment is underway for a Physiotherapy Consultant - Lower Limb, with an agreed one day per week dedicated to PROMS and improving patient outcomes.

Priority 2:
Standardise and increase the number of mortality reviews undertaken in line with national guidance

What did we say we would do?

- We will roll out our agreed standard approach for undertaking mortality reviews across the organisation.
- The scope for mortality reviews will be widened to include all inpatient deaths and all deaths that occur within the Accident and Emergency (A & E) Department.
- The learning from the reviews will be shared across the Trust via the Mortality and Morbidity steering group, Business Unit SafeCare meetings and Service Line SafeCare meetings.
- In line with National Quality Board (NQB) requirements, we will publish data on a quarterly basis through a Trust Board paper; the data will include the total number of inpatient deaths

(including A & E Department deaths) and those deaths that we have subjected to a case record review.

- Of the deaths reviewed, we will provide estimates of how many deaths were judged more likely than not to have been due to problems in care and therefore preventable.

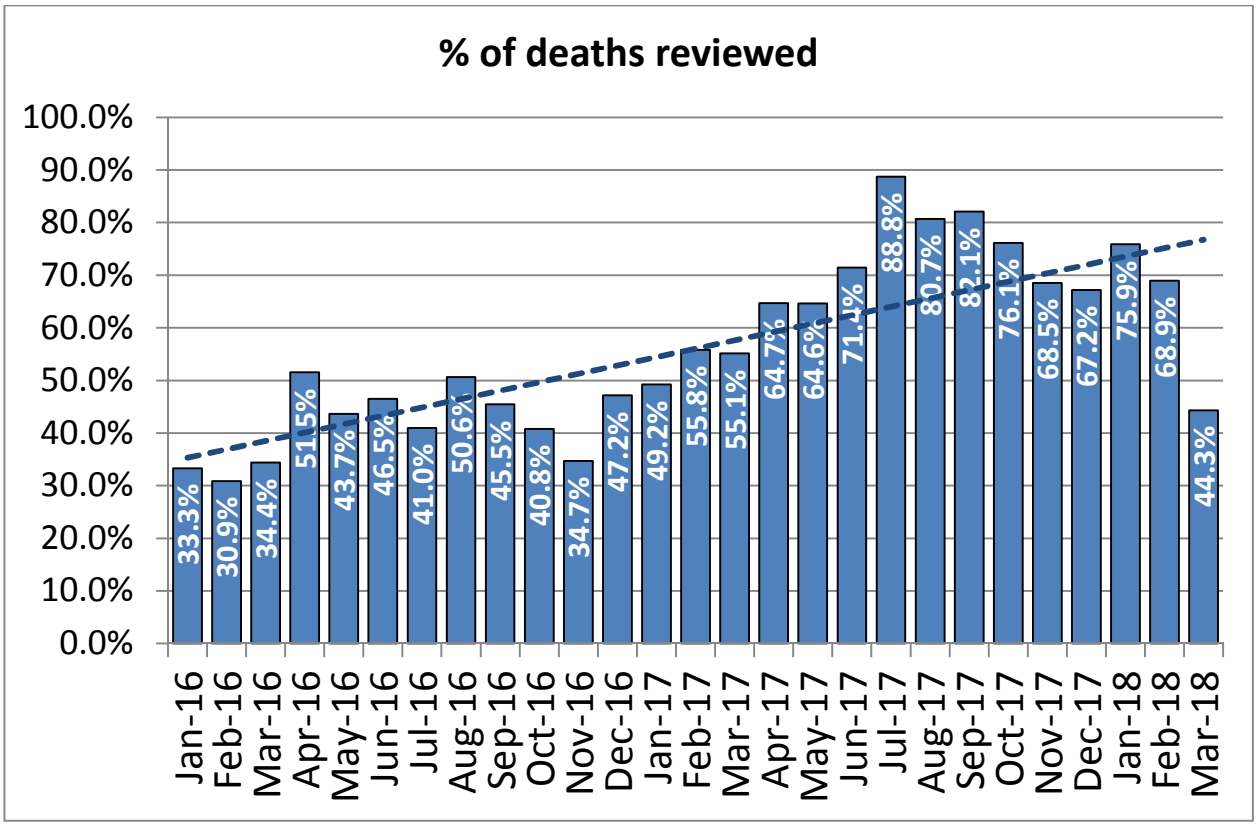
Did we achieve this?

Yes

How we achieved it:

- A Rapid Process Improvement Workshop (RPIW) was held in March 2017 with the objective of improving and standardising our processes for mortality reviews for all inpatient deaths and those that occur within the A & E Department. During the RPIW we:
  - Agreed the use of a standardised tool for undertaking 'level 1' mortality reviews - standard review by the multidisciplinary team who cared for the patient to identify good practice and any areas for improvement.
  - Agreed the use of a single database for data from mortality reviews to be captured.
- Following the RPIW, the new process was launched on 1st April 2017, this involved:-
  - Promoting the use of the standardised tool and database to all clinicians, wards and specialities via a programme of training. This included attending ward sisters' meetings, departmental SafeCare meetings and one to one sessions. This is ongoing.
  - Developing and implementing a new Trust policy 'Reviewing and Learning from Deaths' to formalise and outline the agreed processes for mortality review. The policy was implemented with the support of a communications strategy and included articles in the QE Weekly staff newsletter, a screensaver and a promotional stand within Quenellies, the Trust restaurant. A standard operating procedure is included within the policy to ensure that all staff are undertaking mortality reviews in the same way.
  - Developing a dashboard from the mortality review database in order to monitor the number of mortality reviews undertaken each month, which is reviewed via the Mortality and Morbidity Steering Group.
  - Implementing all actions identified within the RPIW which were captured on the RPIW Newsletter, which is a form of action plan.
  - Introducing colour coded visible containers to all wards to hold notes awaiting review, which is identifiable across the Trust.
- Setup of a Mortality Council to undertake a 'level 2' review of deaths that meet specific criteria including – bereaved families, carers or staff, who have raised a significant concern, all patients who died in our care who have a diagnosed learning disability or severe mental illness, all deaths in a service or department where an alert has been raised via the CQC or any other regulator, all deaths in areas where patients are not expected to die i.e. elective cases, Hogan score 2 or above, all deaths linked to an inquest and which have been issued a Regulation 28 report on Action to Prevent Future Deaths, all patients who died in our care who were detained under the Mental Health Act, and also a random sample of up to 5% of deaths reviewed at level 1.
- Enabling reporting and learning themes to be available from the Trust Intranet home screen within the mortality database.
- Changed the Trust's mortality database to allow for the entry of the findings from coroner's cases and inquests. This information also links to the bereavement office section of the database so that information can be shared.

Evidence of achievement:



The graph above identifies the increase in reviews undertake since January 2016. The Trust policy recommends that review meetings should be carried out at intervals appropriate to the number of deaths. Review of care leading up to a death should normally be performed within six weeks of death, in order that memory of events is fresh. Performance of the percentage of deaths reviewed will therefore lag; the low review rate shown above for March 2018 will increase as deaths are reviewed in line with the policy.

Next steps:

- Develop a timetable for specialties to attend the Mortality and Morbidity steering group to share learning and action from mortality reviews.
- Develop a process of capturing the responses/feedback from the bereavement questionnaire – 'Evaluation of Care in the Last Few Days of Life' in order for this to be stored electronically and reports produced easily.
- Review whether deaths within 30 days of surgery should be included and how this can be introduced along with deaths where we are notified that a patient has died who had recently attended as an inpatient, outpatient or via A & E Department.
- Review how to include deaths which occur within 30 days of discharge and how this can be incorporated into the mortality review process.

Patient Safety:

Priority 3:
Improve Patient Safety Culture

What did we say we would do?

- Promote teamwork between the patient safety team and Business Units to facilitate joined up working across the Trust to enhance learning from incidents.
- Improve the incident reporting culture throughout the Trust, improving staff confidence and competence to report incidents.
- Implement investigator training to further improve the quality and consistency of Root Cause Analysis (RCAs) investigations.

Did we achieve this?

Yes.

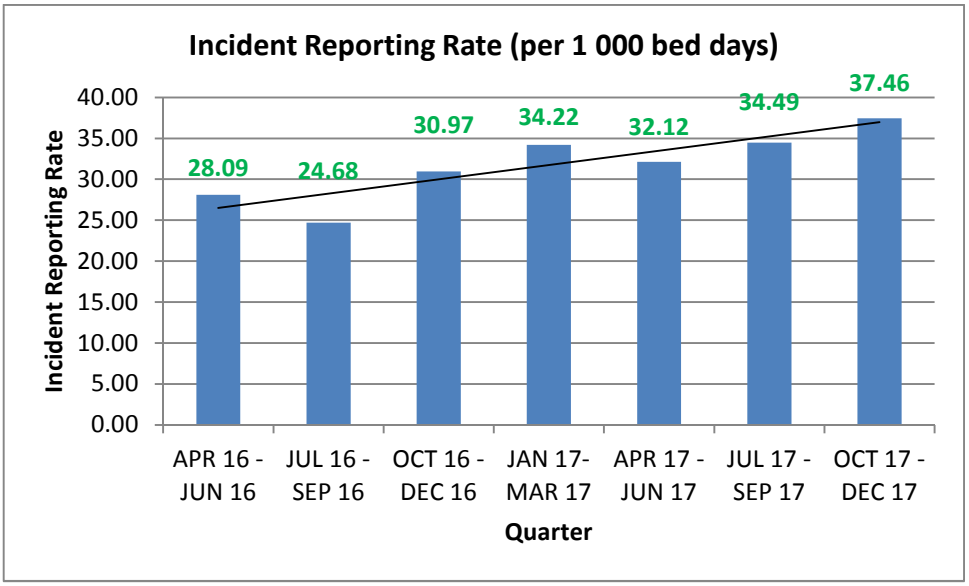
How we achieved it:

The Trust patient safety facilitators have worked collaboratively across the Business Units attending SafeCare sessions and have supported the RCA process. This has helped to ensure all incidents are investigated within the timescales identified within the Trust's Incident/near-miss reporting and investigation policy (RM04). This process has been advantageous in identifying areas of learning and where actions can be taken to improve processes of care.

The Trust commissioned a company to provide expertise in training on RCA theory to 75 members of staff. Following this, in January 2018, the first of our new internal root cause analysis training was carried out covering incident reporting, investigations, and RCA methodology.

Evidence of achievement:

There has been a continuous rise in our incident reported rate which is monitored by the National Reporting and Learning Service (NRLS). Whilst we expected the incident rate to rise following the transfer of Community Services, this has continued to rise throughout the last two financial years, see the chart below.



Next steps:

- Continue supporting the Business Units with reporting and investigating.

Priority 4:
Implement National Safety Standards for Invasive Procedures (NatSSIPs) and Local Safety Standards for Invasive Procedures (LocSSIPs)

What did we say we would do?

- Produce LocSSIPs for all invasive procedures carried out in the Trust, in line with guidelines used for NatSSIPs. NatSSIPs support the NHS to provide safer care and reduce the number of patient safety incidents related to invasive procedures in which Never Events can occur. They bring together national and local learning from the analysis of Never Events, Serious Incidents and near misses in a set of recommendations that will help provide safer care for patients undergoing invasive procedures. The NatSSIPs enable trusts to review their current local processes for invasive procedures (LocSSIPs) and ensure that they comply with the new national standards.

Did we achieve this?

- Partially, a great deal of progress has made, however work is ongoing to ensure all LocSSIPs are finalised.

How we partially achieved it:

- A LocSSIPs Implementation Group was set up to oversee the production of LocSSIPs across the Trust.
- A Trust wide standard LocSSIPs template was produced.
- Where a procedure is undertaken in more than one department we have a standardised LocSSIP so the process is consistent wherever the procedure is undertaken.
- As the LocSSIPs are ratified they are added to the Trust Ulysses system and review dates added to ensure these LocSSIPs are reviewed on a yearly basis.
- All LocSSIPs have been incorporated into the annual Business Unit Clinical Audit Programme for 2018/19.

Evidence of achievement:

We currently have 32 LocSSIPs ratified and in use, and audit plans are in place for them.

Next steps:

To continue to work with all departments to identify invasive procedures which require the production of LocSSIPs.

Patient Experience:

Priority 5: Review of complaints investigations and actions

What did we say we would do?

Following a North East Quality Observatory Service (NEQOS) report in July 2016, we will reflect on its findings and implement the recommendations to enhance our complaints process. The recommendations were based around the following themes:

- Communication
- Sharing learning
- Complaints Investigation
- Complaints Process
- Independent assessments of the Trust's complaint responses

Did we achieve this?

Yes.

How we achieved it:

- The Complaints Manager completed a RCA training course.
- The Trust made a decision to manage all complaints via the electronic Datix system which has a specific module that allows us to manage complaints more robustly. This enables staff within the Trust to have access to complaints information including the production of reports.
- Following the change to the Datix system, issues were identified with the flow of information. In response to this, a complaints working group consisting of matrons, service line managers and members of the complaints team was set up. The remit of this group was to look at the complaints process with a view to simplifying and coming to a consensus around a standard process that works for everyone.
- The Patient Experience team have a standing agenda item on the ward sister's monthly meetings – there is a rolling timetable in place for members of the Patient Advice and Liaison Service (PALS), Complaints and Patient Experience Team to attend this to engage with staff.
- A flow chart to detail the expectations of a complaints investigating officer was developed in consultation with the complaints working group and shared with all Investigating Officers.
- Learning from complaints was included in all Complaints, Litigation, Incidents, Patient Advice and Liaison Service (CLIP) Reports.
- The complaints service questionnaire is sent to all complainants following investigation and once the response to their complaint has been sent out. The first of these complaints service questionnaires was sent out to complainants in July 2017.
- Monthly training sessions have continued to be provided to staff around the use of the Datix system in relation to complaints management.
- The Complaints Manager met with counterparts from Newcastle upon Tyne Hospitals NHS Foundation Trust and Northumbria Healthcare NHS Foundation Trust and there are plans to hold regional meetings to share good practice.

Evidence of achievement:

- 100% of complaints received in 2017/18 have been managed through the Datix system.
- 92% of complainants found it easy to find out how to complain.
- 69% of complainants found the information on how to make a complaint easy to understand.

Next steps:

- To continue to work with services across the Trust to ensure that the process for managing complaints is as efficient and effective as possible. Ensure that responses to complaints are in a standard format by developing a template for all staff to use.
- Present results from complaints service questionnaire to SafeCare Council in June 2018 and following this every six months.

2.2 Our Quality Priorities for Improvement in 2018/19

We have set six key priorities for quality improvement for 2018/19 and these are linked to patient safety, clinical effectiveness and patient experience.

We have established our priorities for improvement in 2018/19 through the following:

- ✓ Consultation with our staff through a variety of established forums and meetings
- ✓ Governor engagement
- ✓ Discussions with our Carers Group and Patient, Public & Carer Involvement & Experience Group
- ✓ Discussions with commissioners
- ✓ Clinical service Quality Improvement Plans
- ✓ Internal and external data sources and reports including: Care Quality Commission standards, recommendations from national reviews into the quality and safety of patient care within the NHS, local and external clinical audits and analysis of complaints and incident reports
- ✓ Progress against existing quality improvement priorities

Following Trust Board consideration of our analysis, our six corporate priority areas for quality improvement are:

Priority 1: **Implementation of the National Confidential Enquiry into Patient Outcome and Death "Treat as One – Bridging the gap between mental and physical healthcare in general hospitals"**

Priority 2: **Reducing variation in Clinical Practice – Getting it Right First Time**

Priority 3: **Continue work on improving patient safety culture with focus on: measuring the patient safety culture (MaPSaF), Maternal and Neonatal safety and Trust investigation training**

Priority 4: **Ensure that all patients are kept safe by using the new national guidance for Serious Incidents and Never Events**

Priority 5: **Develop our patient and public involvement activities**

Priority 6: **Develop a range of approaches to understand the experiences of patients and carers who use our mental health services**

Clinical Effectiveness:

Priority 1:
Implementation of the National Confidential Enquiry into Patient Outcome and Death "Treat as One – Bridging the gap between mental and physical healthcare in general hospitals"

The 'Treat as One – Bridging the gap between mental and physical healthcare in general hospitals' study was undertaken by the National Confidential Enquiry into Patient Outcome and Death throughout 2015-16 with the final report published in January 2017. The aim of the study was to identify and explore factors in the overall quality of mental health and physical healthcare provided to patients with significant mental health conditions who were admitted to a general hospital. The report included 21 recommendations including patient care, legislation, training and organisational level.

What will we do?

- We will ensure that the recommendations within 'Treat as One – Bridging the gap between mental and physical healthcare in general hospitals' are implemented within the Trust.

How will we do it?

- Set up a "Treat as One" Task and Finish Group to lead on this piece of work.
- We will undertake a gap analysis of our current processes against the recommendations.
- Following the gap analysis we will identify actions to address the areas that we are not fully compliant with.
- From an initial review of the recommendations, the focus of our work in the next 12 months will be to:-
    - Develop and introduce a screening tool for all admissions to hospital to ascertain if there is any history of mental illness and ensure that this is assessed along with their physical illness.
    - Develop a pathway for those patients with a confirmed mental health condition following screening.
    - Develop a local guideline to support the staff in the management of mental health conditions.
    - Undertake an audit to measure whether mental health liaison assessments are made in an appropriate timeframe and by a mental health professional of appropriate seniority to meet the needs of the patient.
    - Develop and launch a training programme in order to raise staff awareness.
    - Review the process for wards referring to alcohol and substance abuse services.
    - Review clinical coding in Health Records Department in relation to mental health conditions.

How will it be measured?

- A screening tool will be developed and introduced. An audit will be undertaken to measure the use of the screening tool.
- A pathway and local guidelines will be developed, published and communicated to staff.
- A training programme will be developed and launched.
- An audit will be undertaken, results presented and any actions developed in relation to the appropriateness of mental health liaison assessments.

- The process for wards referring to alcohol and substance abuse services will be reviewed and improved if necessary.
- Clinical Coding will be reviewed.

How will we monitor and report it?

- Monthly at the 'Treat as One' Task & Finish Group.
- Quarterly at the Mortality & Morbidity Steering Group.
- Quarterly paper to the Quality Governance Committee.
- Quarterly paper to the Trust Board.
- Annual report to the Commissioners via the Quality Review Group.
- Six monthly to Council of Governors.

Priority 2:
Reducing variation in Clinical Practice – Getting it Right First Time (GIRFT)

Getting it Right First Time is a national programme to improve care within the NHS by ensuring there is no difference in the standard of care and treatment provided irrespective of which hospital you receive the treatment in. This programme is led by frontline doctors who are experts in the areas they are reviewing. The national programme is made up of 30 projects with a lead doctor who heads up a national project to compile a report, which looks at a wide range of factors, from length of stay to patient mortality, and individual service costs through to overall budgets.

What will we do?

- We will ensure that the Trust fully engages with the national GIRFT programme by ensuring that any data requests are acted upon in a timely way and that the Trust acts on any feedback we receive as a consequence.
- The learning from these reports will be shared with the Departments and Business Units and we will develop a plan for how to address any areas for improvement.

How will we do it?

As the reports are produced we will:

- Supply any data required for the development of speciality data packs.
- Engage with GIRFT deep-dive speciality visits and identify improvement work.
- Receive the National GIRFT speciality reports and act on the recommendations relevant to us and the areas of best practice identified in the reports.

How will it be measured?

- Each national report will be presented to the SafeCare Council along with any outstanding actions to ensure a high standard of care is provided. Over 2018/19 at least four reports will go to the SafeCare Council with any actions identified and reported on a six monthly basis.

How will we monitor and report it?

- Co-ordination of GIRFT work via Quality Department.
- Six monthly assurance that action plans are being developed and progressed. Report via SafeCare Council.
- Quarterly paper to the Quality Governance Committee.
- Quarterly paper to the Trust Board.
- Annual report to the Commissioners via the Quality Review Group.

- Six monthly to Council of Governors.

Patient Safety:

Priority 3:
Continue work on improving patient safety culture with focus on: Manchester Patient Safety Framework (MaPSaF), Maternal and Neonatal safety and Trust investigation training

Owing to the importance that the Trust places on patient safety, the Trust will undertake three separate initiatives within this priority. Please see below:

3a. MaPSaF

What will we do?
- Initiate the MaPSaF process throughout the Trust which is a tool to help the Trust to reflect and improve patient safety.

How will we do it?
- The Quality Team will work with departments across the Trust to review and measure patient safety.

How will it be measured?
- Once the review has been undertaken we will analyse the findings, present to the Risk and Safety Council and work with departments to produce an action plan identifying any areas for improvement.

How will we monitor and report it?
- Bi-monthly at Risk & Safety Council
- Quarterly paper to the Quality Governance Committee
- Quarterly paper to the Trust Board
- Annual report to the Commissioners via the Quality Review Group
- Six monthly to Council of Governors.

3b. Maternal and Neonatal Safety

What will we do?
As part of the National Safer Maternity Care Strategy we will focus on improving the continuity of carer of pregnant women (known team of midwives). Initially we will focus on women with diabetes, improving continuity of care across the maternity care pathway. We will initially aim for 20% of these mothers to be on a continuity of carer pathway with a personalised care plan by the end of March 2019.

How will we do it?
- We will participate in Wave 2 of the National Maternal and Neonatal Safety Collaborative which utilises service improvement methodology to assist us in meeting our aim.

- We will identify a core group of staff from a range of disciplines to take part in this initiative. They will be supported by designated improvement managers from NHS Improvement who will provide improvement coaching and help build local capability in quality improvement.
- We will participate in regular coaching telephone calls, undertake national learning sets and peer support meetings.
- We will design and implement a new care pathway that will ensure continuity of carer for pregnant women who have diabetes.
- We will work with maternity units across the country to develop this initiative, share best practice, guidelines and learning.
- We will add an extra midwife to support the current multidisciplinary Diabetes Team.

How will it be measured?

- We will undertake a baseline audit to understand our current provision of continuity of carer for diabetic mothers. This will be benchmarked regionally with other units.
- We will re-audit in six months.
- We will undertake a patient satisfaction survey at a key point in the project.
- We will identify and utilise key quality outcome and patient satisfaction measures.

How will we monitor and report it?

- Monthly to Obstetrics and Gynaecology SafeCare meetings
- Quarterly to Business Unit SafeCare meetings
- Quarterly to SafeCare Council
- Quarterly paper to the Quality Governance Committee
- Quarterly paper to the Trust Board
- Bi monthly to Neonatal and Maternity Regional Networks / Local Maternity System
- Monthly to National Safety Collaborative team
- Six monthly to Council of Governors.

3c. Trust patient safety and complaints/PALS investigation training

What will we do?

- The Trust is committed to using one method for investigation across patient safety and patient experience. We will work together to facilitate RCA as being the method that we use. This quality improvement process will increase the number of trained investigators and ensure all investigators use a standardised process.

How will we do it?

- The Trust will provide bi-monthly full day training sessions for staff from all disciplines within the Trust.
- Review documentation with a view to developing a standardised format.

How will it be measured?

- The Trust will work with NEQOS to review and analyse the quality and standard of our incident RCAs reports.
- Standard documentation will have been produced.

How will we monitor and report it?

- Bi-monthly at Risk & Safety Council

- Quarterly paper to the Quality Governance Committee
- Quarterly paper to the Trust Board
- Annual report to the Commissioners via the Quality Review Group
- Six monthly to Council of Governors.

Priority 4:
Ensure that all patients are kept safe by using the new national guidance for Serious Incidents and Never Events

What will we do?
- We will ensure that the new guidance for Serious Incidents and Never Events is fully implemented within the Trust, and that the governance process for the monitoring of Serious Incidents is robust and all opportunities for effective learning are fully realised.

How will we do it?
- When the new guidance is released, we will undertake a gap analysis against our current processes.
- We will publish a Never Event SafeCare Bulletin to highlight key changes for staff.
- We will undertake a full review of the effectiveness of our current Serious Incident Panel.
- We will develop and publish a separate Never Event Trust policy, so that our staff are fully supported to recognise and effectively manage such incidents.
- We will develop and implement the role of Family Liaison Officer (FLO) across the Trust to support patients and their families following a serious incident within the Trust, to ensure their voices and opinions are heard throughout the investigation process.
- We will develop and publish a Trust Supporting Staff Policy to ensure that the Trust has in place adequate provision for any staff involved in a serious incident.

How will it be measured?
- Presentation of gap analysis to Risk & Safety Council, and associated action plan to address any gaps identified.
- A SafeCare Bulletin will be circulated across the Trust.
- Any revised Terms of Reference for the Serious Incident Panel will reflect the review undertaken and revisions to the Serious Incident Panel process.
- The Never Event policy will be published and available to staff via the intranet.
- Relevant staff within the Trust will receive externally provided FLO training and will be deployed by the end of 2018.
- The Supporting Staff policy will be published and available to staff via the intranet.

How will we monitor and report it?
- Quarterly learning reports from the Serious Incident Panel will be presented at Risk & Safety Council, in addition to providing assurance that all identified actions from serious incidents have been completed.
- Quarterly paper to the Quality Governance Committee.
- Quarterly paper to the Trust Board.
- Annual report to the Commissioners via the Quality Review Group.
- Six monthly to Council of Governors.

Patient Experience:

Priority 5: Develop our patient and public involvement activities

Patient and public involvement is the active participation of patients, users, carers, community representatives and the public in the development of health services and as partners in their own healthcare. It is broader and deeper than traditional consultation. It is giving local people a say in how services are planned, delivered and evaluated, by developing good communication with them, providing the information to make informed choices about their care and working in partnership to make decisions about quality improvement.

What will we do?

- The Trust is truly committed to patient and public involvement by ensuring that all decisions around service design and delivery will explicitly take into account the views of patients and the general public in Gateshead. We recognise that this will improve the quality of our decision making and lead to services based around the needs of patients. Throughout 2018/19 we will develop our activity of involving patients and the public to ensure we are doing this to the best of our ability.

How will we do it?

- Develop and publish a Patient and Public Involvement Toolkit for staff to provide guidance on how to effectively involve patients and the public in healthcare planning and delivery.
- Launch the Patient and Public Involvement Toolkit via a robust communication strategy including articles in staff newsletters, screensavers and presentations at meetings.
- Establish a baseline of current Patient and Public Involvement activity within the Trust and ensure all activity is reported through the Patient, Public & Carer Involvement & Experience Group.
- Identify key priority areas for involvement activity for 2018/19. We will:-
    - Work with our patients, carers and clinicians in Elderly Mental Health Services to identify an 'Always Experience' (Always Event). 'Always Events' are aspects of the patient experience that are so important to patients and family members that health care providers must aim to perform them consistently for every individual, every time. These can only be developed with the patient firmly being a partner in the development of the event, and the co-production is key to ensuring organisations meet patients' needs and what matters to them. We will co-design and implement reliable processes of care that will achieve this.
    - Involve an appropriate group of patients in the procurement of a new Interpreting Service.
    - Determine a programme of involvement work for our Governors and Members to include a focus on hard to reach groups to understand their experiences.
    - Develop robust monitoring to understand the patient experience and the impact of service delivery on different communities. The focus of this will be to design an Equality Monitoring tool and agree how to implement this within the Trust.

How will it be measured?

- Patient and Public Involvement Toolkit developed and published.
- Database of current Patient and Public Involvement activity developed.
- Successful identification of 'Always Experience'.

- Successful procurement of new Interpreting Service.
- Governors and Members work programme produced.

How will we monitor and report it?

- Bi-monthly at the Patient, Public & Carer Involvement & Engagement Group.
- Quarterly paper to the Quality Governance Committee.
- Quarterly paper to the Trust Board.
- Annual report to the Commissioners via the Quality Review Group.
- Six monthly to Council of Governors.

Priority 6:

Develop a range of approaches to understand the experiences of patients and carers who use our mental health services

Patients and carers lie at the heart of everything we do. Their experience and perceptions of the Trust are our measures of success. Accessing and understanding the care experiences of those living with a mental health condition can be a challenging process, which often means such experiences go unheard and under-represented.

What will we do?

- Develop a range of approaches to seek patient, family and carer feedback to help better understand the unique experiences of people who use our elderly mental health services.

How will we do it?

- We will ask patients, families and carers how they would like to give feedback on their experiences.
- Based on feedback from patients, families and carers, we will develop and test a number of methods of obtaining feedback from them.
- We will evaluate these methods and implement a new programme based on the feedback.

How will it be measured?

- The volume of feedback from people who use our elderly mental health services will increase.
- Actions taken and improvements made directly as a result of feedback will be demonstrated.

How will we monitor and report it?

- Bi-monthly at the Patient, Public & Carer Involvement & Engagement Group.
- Quarterly paper to the Quality Governance Committee.
- Quarterly paper to the Trust Board.
- Annual report to the Commissioners via the Quality Review Group.
- Six monthly to Council of Governors.

2.3 Statements of Assurance from the Board

During 2017/18 the Gateshead Health NHS Foundation Trust provided and/or sub-contracted 31 relevant health services. The Gateshead Health NHS Foundation Trust has reviewed all the data available to them on the quality of care in 100% of these relevant health services. The income generated by the relevant health services reviewed in 2017/18 represents 100% of the total

income generated from the provision of relevant health services by Gateshead Health NHS Foundation Trust for 2017/18.

Participation in clinical audit

During 2017/18, 37 national clinical audits and nine national confidential enquiries covered relevant health services that Gateshead Health NHS Foundation Trust provides.

During that period Gateshead Health NHS Foundation Trust participated in 97% of national clinical audits and 100% of national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that Gateshead Health NHS Foundation Trust was eligible to participate in during 2017/18 are listed below.

The national clinical audits and national confidential enquiries that Gateshead Health NHS Foundation Trust participated in during 2017/18 are listed below.

The national clinical audits and national confidential enquiries that Gateshead Health 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.

Participation in national clinical audits 2017/18

Audit title	Participation	% of cases submitted/number of cases submitted
Acute Coronary Syndrome or Acute Myocardial Infarction (MINAP)	Yes	328 – 95% requirement
Bowel Cancer (NBOCAP)	Yes	179 – no minimum requirement
Cardiac Rhythm Management (CRM)	Yes	146 – no minimum requirement
Case Mix Programme (CMP)	Yes	818 submitted as of December 2017. Data for January to March 2018 is not yet available
Diabetes (Paediatric) (NPDA)	Yes	124 – no minimum requirement
Elective Surgery (National PROMs Programme)	Yes	Hips – 192 no minimum requirement Knees – 288 no minimum requirement
Falls and Fragility Fractures Audit programme (FFFAP) Inpatient Falls	Yes	21 – no minimum requirement
National Hip Fracture Database	Yes	303 – no minimum requirement
Fractured Neck of Femur (CEM)	Yes	100%
Inflammatory Bowel Disease (IBD) programme	Yes	6 cases submitted – no minimum requirement
Major Trauma Audit	Yes	43%
National Audit of Anxiety and Depression	-	This audit was not conducted by the national team during 2017/18, therefore data submission was not required
National Audit of Breast Cancer in Older Patients (NABCOP)	Yes	595 cases submitted
National Audit of Dementia	Yes	49 cases submitted

National Audit of Intermediate Care (NAIC)	Yes	Only organisational data required
National Audit of Rheumatoid and Early Inflammatory Arthritis	-	This audit was not conducted by the national team during 2017/18, therefore data submission was not required
National Audit of Seizures and Epilepsies in Children and Young People	-	This audit was not conducted by the national team during 2017/18, therefore data submission was not required
National Cardiac Arrest Audit (NCAA)	Yes	67 – no minimum requirement
National Chronic Obstructive Pulmonary Disease Audit programme (COPD)	Yes	Registered and participated in the organisational side – The Trust plans to start submitting data in April 2018.
National Comparative Audit of Blood Transfusion programme	Yes	34%
National Diabetes Audit - Adults	No	The Trust does not have the appropriate IT system to support participation in this audit. Progress is being made to address this and it is hoped we will participate in 2018/19.
National Diabetes Foot Care Audit	Yes	67 submitted - no minimum requirement
National Emergency Laparotomy Audit (NELA)	Yes	60%
National End of Life Care audit	-	This audit was not conducted by the national team during 2017/18, therefore data submission was not required
National Heart Failure Audit	Yes	292 – no minimum requirement
National Joint Registry (NJR)	Yes	1377 – no minimum requirement
National Lung Cancer Audit (NLCA)	Yes	246 – no minimum requirement
National Maternity and Perinatal Audit	Yes	1874 – required for all admissions
National Neonatal Audit Programme (NNAP) (Neonatal Intensive and Special Care)	Yes	100%
National Vascular Registry	Yes	167 – no minimum requirement
Oesophago-gastric Cancer (NAOGC)	Yes	49 – no minimum requirement
Pain in Children (CEM)	Yes	100%
Procedural Sedation in Adults (CEM)	Yes	100%
Prostate Cancer	Yes	135 – no minimum requirement
Sentinel Stroke National Audit programme (SSNAP)	Yes	470%
Serious Hazards of Transfusion (SHOT): UK National haemovigilance scheme	Yes	7 – no minimum requirement
UK Parkinson's Audit	Yes	100%

Participation in National Confidential Enquiries 2017/18

Enquiry	Participation	% of cases submitted
Child Health Clinical Outcome Review Programme	Yes	No eligible cases during 2017/18
Mental Health Clinical Outcome Review Programme (NCISH)	Yes	100%
Maternal, Newborn and Infant Clinical Outcome Review Programme • Confidential Enquiry into stillbirths, neonatal deaths and serious neonatal morbidity • Perinatal Mortality Surveillance • Perinatal mortality and morbidity confidential enquiries (term intrapartum related neonatal deaths) • Confidential enquiry into serious maternal morbidity • Maternal mortality surveillance • Maternal morbidity and mortality confidential enquiries (cardiac (plus cardiac morbidity) early pregnancy deaths and pre-eclampsia)	Yes	100%
Cancer in Children, Teens and Young Adults	Yes	100%
Acute Heart Failure	Yes	50%
Perioperative Diabetes	Yes	Study remains open, figures have not been finalised
Chronic Neurodisability	Yes	No eligible cases during 2017/18
Young Peoples Mental Health	Yes	100%
Learning Disability Mortality Review Programme (LeDeR)	Yes	100%

The Trust utilises clinical audit as a process to embed clinical quality at all levels in the organisation and create a culture that is committed to learning and continuous organisational development. Learning from clinical audit activity is shared throughout the organisation.

The reports of 20 national clinical audits were reviewed by Gateshead Health NHS Foundation Trust in 2017/18 and Gateshead Health NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

Case Mix Programme (CMP)
The Case Mix Programme (CMP) is an audit of patient outcomes from adult and general critical care units (intensive care and combined intensive care/high dependency units) covering England, Wales and Northern Ireland. Data is collected on all patients admitted to the Critical Care Unit using the WardWatcher system and is submitted to the CMP who process the data. Data on various outcomes and process measures are then compared with the outcomes from other Critical Care Units in the UK.

The most recent Quality Report from CMP (Apr-Sep 2017) has shown a reduction in delayed discharges from Critical Care and ongoing low rates of non-clinical transfers and readmissions to

Critical Care. The most recent report does show an increase in hospital mortality rates. Investigation into this has highlighted an issue with data entry into WardWatcher resulting in inaccurate predicted mortality rates (lower rates of mortality were predicted than should have been had data entry been correct).

Action plan:

- Continue to collect and submit data to Intensive Care National Audit and Research Centre (ICNARC)/CMP.
- Continue work on delayed discharges from Critical Care. There has been work to increase awareness of delayed discharges within the Trust and to highlight the issue at site meetings. Going forward, rates of delayed discharge are to be added to the Business Unit performance dashboard.
- Improve accuracy of data entry on WardWatcher to ensure correct predicted mortality rates. We are exploring the possibility of introducing a "Data Entry Clerk" role on the unit to help with management of WardWatcher.
- Review quarterly reports regularly to identify new areas where action is required.

Falls and Fragility Fractures Audit Programme (FFFAP)

This clinical audit, run by the Royal College of Physicians (RCP) is designed to audit the care that patients with fragility fractures and inpatient falls receive in hospital and to help with quality improvement initiatives. It has four overarching aims:

- To improve outcomes and efficiency of care after hip fracture.
- To improve services in acute and primary care to respond to first fracture and prevent second fracture.
- To improve early intervention to restore independence.
- To work in partnership to prevent frailty, preserve bone health and prevent accidents in older people.

The Trust performed better in all of the key clinical indicators (with the exception of continence assessment) compared to its 2015 results. Call bell in reach, mobility aid in reach and bedside visual assessment were all above 90% compliance. Good improvement was also made in falls risk medication review, 59% of cases had a review compared to 20% of cases in the 2015 audit. Although improvement was made in measuring lying and standing blood pressure and delirium assessment compared to 2015, the numbers still fell below the national average. Continence assessed had dipped from 88% in 2015 to 52% in 2017; the cause for this is unclear.

Action Plan:

- A walking aid policy is to be developed to ensure seven day access to walking aids for all newly admitted inpatients who require them.
- Further embed the Royal College of Physicians clinical practice tool to improve rates of lying and standing blood pressure monitoring. Consider the role of electronic observation recording systems to record postural blood pressure.
- To work with pharmacy colleagues to improve review of falls risk medications in those over 65 years old on admission to hospital.
- A delirium strategy to be developed and the identification of a recognised delirium screening tool for use throughout the Trust. Delirium care standards and policy need to be cross referenced with falls policies.
- Repeat a spot continence assessment audit to see if results are replicated.
- Recommendations will form part of the Trust's Falls Prevention Strategy for 2018/19.

Inflammatory Bowel Disease (IBD) programme

The inflammatory Bowel Disease (IBD) programme was established over 10 years ago with the aim of improving the quality and safety of care for people with IBD throughout the UK. The initial emphasis was to audit quality and care to show variation, but through four rounds of audit the programme has steadily evolved to encompass a wider range of quality improvement measures, and has supported the development of national standards for IBD care and helped establish quality IBD care as a key component of local healthcare delivery.

Action Plan:

- UK IBD Registry.
  - This is a portal of IBD patient registry which is nationwide, we have registered for it and we are using it to enter our patient details.
- Acute care pathways are being developed for patients who have IBD.
- Streamlining the IBD multidisciplinary team.
- Incorporating new drugs in treating patients who have IBD.
- Taking part in research for IBD.

National Cardiac Arrest Audit (NCAA)

We have been members of the national cardiac arrest audit since 2010. The dataset includes all patients over the age of 28 days who have received Cardiopulmonary Resuscitation (CPR) and/or defibrillation. Information following all inpatient emergency calls is collected on a local data collection form, the fields of which provide the information required for the national audit. We are provided with quarterly and annual reports from the NCAA which allows us to benchmark our organisation against other Trusts and identify cardiac arrest trends within our trust.

Survival to discharge rates are consistently below the national average. This is due to the profile of the patients who have cardiac arrests in our Trust. The audit recognises that we have more elderly patients and fewer younger patients who have a cardiac arrest. In addition, the types of cardiac arrest rhythms that patients have are consistent with less favourable outcomes. However, our cardiac arrest numbers per 1,000 admissions are more positive. We are unable to change the profile of the patients admitted to our hospital and recognise that cardiac arrest prevention is preferable to managing a patient in arrest.

Action Plan:

- We will continue to deliver courses focusing on cardiac arrest prevention.
- Our Basic Life Support (BLS) sessions have been extended to include recognition of the deteriorating patient, anaphylaxis and management of the choking adult/ child.
- Quarterly and annual reports are summarised and reported to the resuscitation and deteriorating patient committee meetings. The information from the report is provided in addition to the separate data we collect which identifies areas of good practice and areas for improvement in our Trust. Going forward we will share this information with ward teams, in particular cardiology and the Acute Response Team (ART) who work hard to complete local audit forms at the time of the event.

National Comparative Audit of Blood Transfusion programme

The National Comparative Audit of Blood Transfusion (NCABT) is a programme of clinical audits which looks at the use and administration of blood and blood components in NHS and independent hospitals in England and North Wales.

The objective of the audit programme is to provide evidence that blood is being prescribed and

used appropriately and administered safely, and to highlight where practice is not the same as the guidelines to the possible detriment of patient care.
We now have a single point of submitting data for the Medicines and Healthcare Products Regulatory Agency (MHRA) and Serious Hazards of Transfusion (SHOT) via Serious Adverse Blood Reactions and Events (SABRE). We have submitted seven incidents.
No incidents were classed as Serious Adverse Reaction (SAR)/Serious Adverse Event (SAE).
The SHOT reports have all been completed for the seven incidents.

Action Plan:

- All transfusion incidents to be reported within two days, previously we had seven days to report.

National Diabetes Audit – Foot Care Adults (NDFA)

This National audit collects information about the care that people with diabetes receive for their foot ulcers. This audit looks at consent, data collection and reporting. Data will be used to generate reports on how we are doing locally and compare data with other areas.

Action Plan:

- Ensure whole podiatry department involvement in audit to increase numbers of patients recruited.
- Re-iterate the importance of prompt referral to diabetic foot clinic via training. Patients presenting early leads to ulcers healing quickly.
- Discuss whether we can arrange for Newcastle/Gateshead Clinical Commissioning Group (CCG) amputation rates to be reported separately (Public health amputation rates 7.0% per 10,000 for Newcastle Gateshead CCG – in line with national average of 8.0% per 10,000). The NDFA reported the Trust's amputation rate at 3.9% per 10,000 bed days.
- Meet with senior managers /hospital managers to develop inpatient pathways / Multidisciplinary Team foot clinic in line with National Institute for Health and Clinical Excellence (NICE) guidance where we can look at other factors that would prevent wound healing.

National Hip Fracture Database

We continue to contribute to this national audit which has just celebrated its 10 year anniversary. All hip fracture patients are included. Data is collected on a wide range of parameters regarding demographics and clinical care. We have continued to record 'above average' performance in virtually every area, when compared both regionally and nationally, e.g. time to theatre, length of stay and mortality.

We have continued to be an outlier in terms of recorded hospital acquired pressure damage. A great deal of work has been done in this area in terms of recording pressure damage correctly and our figures for 2017 now suggest an improvement to around 4%, compared to a national average of around 3%. This represents a considerable improvement and we intend to continue our performance in this area. It appears that the discrepancy has come from the way the figures are recorded rather than the actual clinical care given, which is reassuring.

Action Plan:

- We remain a marginal outlier in terms of hip fractures sustained as an inpatient. This has been raised in SafeCare and the falls team and a programme of work is underway to improve this. We will continue to monitor this.

National Joint Registry (NJR)

The Trust continues to contribute to the National Joint Registry. Data is entered regarding all hip, knee, ankle, elbow and shoulder replacement operations, enabling the monitoring of the performance of joint replacement implants and the effectiveness of different types of surgery.
In 2014 the NJR introduced annual data completeness and quality audits for hip and knee cases, with the aim of improving data quality. The Trust continues to contribute to these audits.

Action Plan:

- Continue to ensure that robust systems are in place to guarantee that a Minimum Dataset form is generated for all eligible NJR procedures.
- Consider displaying NJR data collection posters in Theatres.
- Further investigate the small number of records with incorrect clinical coding.

National Maternity and Perinatal Audit

Using timely, high quality data, the National Maternity and Perinatal Audit (NMPA) aims to improve the treatment of mothers and babies during their stay in a maternity unit by evaluating a range of care processes and outcomes in order to identify good practice and areas for improvement in the care of women and babies looked after by NHS maternity services. The audit also includes information about all mothers as well as the child.

Action Plan:

- Review 16/17 data relating to the same indicator. Identify key themes.
- The audit has been registered and all eligible mothers' data is provided via the Information Department.
- Collect real time data in relation to the above indicator. Cases will be reviewed three monthly to assess if we are in line with best practice.
- Apgar score training has been incorporated into clinical skills training alongside Neonatal Life Support (NLS) update for this year. Share with paediatric doctors to ensure learning across teams.
- Review all unexpected term admissions to the Special Care Baby Unit (SCBU). Monitor via the Perinatal Multidisciplinary Team (MDT).

Sentinel Stroke National Audit Programme (SSNAP)

The Sentinel Stroke National Audit Programme (SSNAP) considers nine domains for stroke care, from hyper acute assessment and treatment, through to rehabilitation and discharge planning. Services are given an overall rating on a scale from A to E. Historically the Trust has scored a category D. Results are published three times a year, each covering a four month period. The most recent results are available for the period to August 2017.

In November 2016 we made significant changes to the stroke pathway. A new partnership with Newcastle upon Tyne Hospitals NHS Foundation Trust sees stroke patients receive their hyper acute care (the first 72 hours) at the Royal Victoria Infirmary Hospital. Patients from Gateshead are then discharged directly home or repatriated to our Trust for their ongoing acute care and rehabilitation. Patients are already benefiting from more timely access to CT scanning, thrombolysis, direct access to a stroke unit and more timely assessment by the MDT, especially out of hours. These are four of the nine SSNAP domains. The Trust has historically performed better in the other five domains and so the expectation was that the average score would improve. Overall the SSNAP score for April to July 2017 has now improved to a category B. Further work is required with Speech and Language Therapy resources and Standards by

Discharge. The report for August to November is currently embargoed. We are expecting to demonstrate a slight improvement. The hyper-acute service provided by Newcastle upon Tyne Hospitals NHS Foundation Trust now within the top 10% in the country.
Action Plan:

- We are exploring a joint management structure to oversee developments and share risks with Newcastle upon Tyne Hospitals NHS Foundation Trust.

UK Parkinson's Audit

The UK-wide clinical audit was developed to address the concerns of professionals, patients and their representatives about the quality of care provided to people with Parkinson's. The audit uses evidence-based clinical guidelines as the basis for measuring the quality of care.
The design of the audit has changed from year to year, reflecting a shift in focus from early diagnosis and intervention for people newly diagnosed with Parkinson's to the effective continuous management of patients within a multidisciplinary team. This report therefore draws on separate service audits and care available to people with Parkinson's from doctors, Parkinson's nurses, occupational therapists, physiotherapists, and speech and language therapists. Where relevant, the results are compared with those from previous audits.
This year the Parkinson's disease team contributed to the 2017 audit. 20 anonymised returns were made representing approximately 4.4% of the patient caseload.

Action Plan:

- Side effects of medications. Although side effects of medications are discussed in consultations, patients would value additional written information, consistent with that available on the Parkinson's UK website. We plan to develop patient information leaflets to address this need.
- End of Life preferences should be considered for all patients, throughout all phases of the disease.
- A discussion regarding Lasting Power of Attorney during assessments would be helpful.
- Assessing fracture risk as a consequence of associated osteoporosis. A nominated consultant will be taking a lead on developing this aspect.

National Vascular Registry

The National Vascular Registry is a national clinical audit commissioned by the Health Quality Improvement Partnership (HQIP) to measure the quality of care for patients who undergo vascular procedures in NHS hospitals. We continue to enter all our data for major vascular procedures in the national vascular data base.
The results for our unit in the previous year 2016-2017 showed very good results regarding mortality and morbidity in all vascular procedures. The only one that the unit didn't fulfil was performing carotid endarterectomy within two weeks of the start of symptoms.

Action Plan:

- We have audited the carotid endarterectomies at the Trust and identified the cause of delay in performing surgery and we now admit patients directly to the surgical ward instead of the stroke ward to expedite investigations and surgery. The early results are encouraging and the figures for the timing of carotid endarterectomy for the year 2017-2018 are likely to show marked improvement and will be in line with the national figures.
- We will continue to admit patients to expedite their carotid endarterectomy and to audit the timing of carotid endarterectomies.

National Paediatric Diabetes Audit (NPDA)

The 2016-17 NPDA report highlights the demographic challenges in the Gateshead population with higher deprivation scores than the rest of the region, and nationally, and a higher proportion of young people in the transition age group (15-19 years) which impacts on our data.

Despite this there has been a continued improvement in our HbA1C (a blood test used to diagnose diabetes) over the last five years which now is comparable to the rest of the region and England and Wales.

Action plan:

- Continue to deliver a best practice service to children and young people (CYP) 0-19yrs.
- Continue to support CYP and their families/carers to self-manage their diabetes.
- Ensure all CYP have an individualised education plan.
- Provide education to CYP and their families/carers to ensure technology (pumps and flash/continuous glucose monitoring) are being used safely and optimally to improve quality of life, reduce acute admissions and improve long term health outcomes.
- Improve long term health outcomes for CYP by continuing to use the high HbA1C pathway and involvement of our psychologist, social services and safeguarding teams when necessary.
- Continue to improve and optimise data collection via the clinical database (there is a new national data set for 2017-18 NPDA).
- Continue to actively support the local patient support group.
- Continue to develop the transition service to improve quality of life and health outcomes for these young people.
- Continue to monitor blood pressures in an ambulatory setting to ensure accuracy of readings and ensure appropriate management for CYP with persistently elevated blood pressures.
- Raise awareness and facilitate/optimise uptake of the annual appointments offered to CYP over 12 years by the National Retinal Screening Programme.

National Audit of Dementia

The National Audit of Dementia measures the performance of general hospitals against criteria relating to care delivery which are known to impact upon people with dementia while in hospital. The National Audit of Dementia (NAD) takes place every two years. The last audit took place in 2016 with the results being published in 2017. The audit was in three parts; a case note audit, a staff questionnaire and a carer questionnaire. Areas of good practice and carer/staff experience showed that staff and carers felt that there was support regarding personal care and aids to communication. Carers overall rated us as good about care received. Staff felt supported most of the time with specialist services.

Action Plan:

- Delirium screening has been added into the Emergency Admissions Unit (EAU) admission document.
- An improvement workshop is being considered to look at adding delirium to add information onto discharge summary.
- Out of hours dementia support - when two dementia nurses are in post they will be covering six days a week.
- Dementia advocates now on most wards and departments who are the first point of contact. All advocates have undertaken appropriate dementia training.
- Carers needing support to discuss their concerns – dementia advocates are the first point of contact, or alternatively specialist dementia nurses are available to support ward teams.

Cardiac Rhythm Management

The National Audit of Cardiac Rhythm Management (CRM) collects information about all implanted cardiac devices and all patients receiving interventional procedures for management of cardiac rhythm disorders in the UK.

The audit aims to improve the care of patients who undergo pacemaker, Implantable Cardioverter Defibrillators (ICD), Cardiac Resynchronization Therapy (CRT) and cardiac ablation procedures in the UK, through the collection, analysis and dissemination of data relating to centres across the UK.

The total number of implants inserted in the Trust was 122 new devices, and 24 generator changes (146 device procedures in total). The minimum number of new device implants according to the British Heart Rhythm Society (BHRS) consensus statement is 80, placing the Trust above that target. Although implant rate per head of population regionally is not presented, the national pacemaker implantation rate is reported to be 621 per million. Assuming a local population of 200,000 people our implant rate in 2016-2017 was 415 per million i.e. around two thirds the national rate. In the year 2017-2018 this has increased to 610 per million. The reasons for this improvement may include appointment of another pacing operator, measures to improve the cardiac catheter lab department efficiency, increasing awareness of pacing indications following education sessions, or a combination of these factors.

Action Plan:

- The Cardiology team will maintain these improvements over the following year, and ongoing efforts to increase awareness and encourage appropriate referrals will be made.
- The next financial year will require full reporting of complication rates to the National Institute for Cardiovascular Outcomes Research (NICOR); strategies are already in place within the department to ensure this is delivered.

National Bowel Cancer Audit (NBOCAP)

The aim of NBOCAP is to measure the quality of care and outcomes of patients with bowel cancer in England and Wales. The Trust's colorectal unit continues to perform well compared to national figures. We are not an outlier for any categories other than recording of performance status. 99% of cases are seen by the colorectal nurse specialists compared to a national average of 91%.

Action Plan:

- As a result of the published outcomes we will endeavour to improve our recording performance status at the MDT and investigate our re-admissions.

Trauma Audit & Research Network (TARN)

The Trauma Audit & Research Network (TARN) is a collaboration of hospitals from all over England, Wales, Ireland and other parts of Europe based at the University of Manchester, Hope Hospital, Salford. The Trauma Network has been operating since 1989 and in 1997 became self-funding. The TARN database is the largest trauma database in Europe with more than 200,000 cases including over 22,000 paediatric patients.

Action Plan:

- Liaise with nurse managers to allow protected time for the allocated staff member to input data to the TARN database.
- Improve data completeness/accreditation over next three months.

- Arrange local audit of times to CT/fast-track requesting if end of year TARN figures suggest large increase in times.

National Emergency Laparotomy Audit (NELA)

The National Emergency Laparotomy Audit is an ongoing national clinical audit of patients having emergency bowel surgery, which is associated with high mortality. The quality of care and outcomes for patients can be improved through planning and delivering care based upon a comprehensive assessment of each patient's risk of death. At QEH we reported 156 cases, with case ascertainment of 93%. The audit reports on nine key standards that are subject to RAG rating (vs standard of 80% or more). QEH are rated green (G) for 5 of these, amber (A) for 3 and red (R) for one.

The reported 30-day postoperative mortality rate at QEH for these cases is 11.6% comparing favourably to the national average of 10.6%. QEH are an outlier for only one category, assessment by a care of the elderly (CoE) specialist for patients aged 70 years and over, this is a category that the majority of trusts in the UK fail with a national average of only 19% of patients being seen by CoE.

Action Plan:

- Within the last 6 months or so we have been liaising with our CoE team at QEH to explore the provision of this service and would hope that this will be achieved in the future.
- Need to explore measures to address the amber rated categories regarding pre-op assessment by both consultant surgeon and anaesthetist and mortality documentation though these could both be a result of poor documentation.
- Pre-op CT reporting only narrowly misses out on reaching the 80% standard.

National Neonatal Audit Programme (NNAP)

NNAP is a national project that assesses whether babies receive consistent, high quality care in these units in England, Wales and Scotland. The audit aims to improve care of these infants. This year's data shows how we are doing compared to other neonatal units within the Northern Neonatal Network. Each page is looking at the performance of the units against each of the specific criteria.

2 years' worth of data is compared in each report to see if there is movement in the direction of improvement. This data was presented and shared with the paediatrics and obstetric department as some of the questions are directed to paediatrics or obstetrics and some require a combined response.

Actions Plan:

- We have used this information to drive improvement in temperature control of preterm infants.
- We have used the results to improve the use of antenatal steroids and magnesium sulphate where appropriate.

Myocardial Ischaemia National Audit Programme (MINAP):

The audit reviews the quality of care and management of patients who present with chest pain that is deemed to be cardiac (Acute Coronary Syndromes). We continue to contribute to this audit on a monthly basis ensuring that the targets within the audit are achieved thus ensuring that patients receive the care that is appropriate for them and that is evidenced based. The Trust

continues to maintain a high level of performance in patient management across key standards. This is then measured against other trusts within England and Wales and the results published on an annual basis for everyone to review in the summer months. Our aim is to continue to provide a high standard of care and more importantly, personalised care.

Action Plan:

- Continue to ensure accurate consistency of input to the MINAP proforma by weekly review of data via the Medway system in collaboration with the IT department. The Chest pain nurses to ensure data completeness and to highlight the value of this information the other members of the Cardiology team.
- To also continue with high standard reviews of patients seen in A&E and to ensure smooth patient flow with appropriate evidenced based care.
- These expert practitioners to be utilised as a Cardiology resource and to remain visible and a support to members of the other teams.

The reports of 12 local clinical audits were reviewed by Gateshead Health NHS Foundation Trust in 2017/18 and Gateshead Health NHS Foundation Trust intends to take actions to improve the quality of healthcare provided. Below are examples from across the Trust that demonstrate some of the actions taken to improve the quality of our services:

Business Unit	Speciality	Actions identified
Medicine	Old Age Psychiatry	**Annual Suicide Prevention** Improvements since previous audit has been in the revision of the Ligature Audit Tool and its processes. There has been a standardisation of placing patients on the Care Programme Approach (CPA), the change in practice being that all patients admitted to the Sunniside Ward are placed on CPA at point of admission. Changes in documentation evidence this practice improvement. The care plans held for patients receiving care in the Sunniside Unit have been revised, and information is easy to audit, evidencing positive practice. The follow up for patients on discharge matches the identified standard, recognising the high risk period for these patients being within the first three days of discharge. Critical incidents have been investigated, and lessons shared. An alternate electronic system is being identified. A Nurse Consultant has been appointed to support Mental Health training for all staff. CPA training is to be provided in-house. Ligature Audit Tool and processes have been revised. Additional pharmacy cover for wards is being reviewed by senior management.
	Accident & Emergency	**Pathway audit for ambulance admissions to the A & E Department** Comparison audit on patients who are successfully referred to alternative providers by ambulance clinicians. Explore further the reasons why referrals are rejected by providers. Explore further why ambulance clinicians are not referring appropriate patients. Re-circulate Patient Care Updates (PCU's) to all ambulance

		clinicians. Development of a system to allow ambulance clinicians to access PCU's during actual incidents. Further encouragement for the use of alternative pathways during staff appraisals/review. Distribution of patient care updates to ambulance staff is required.
	Emergency Admissions Unit (EAU)	**Audit of Management of Acute Kidney Injury (AKI)** The audit has identified that we need to increase our adherence to local and national guidelines when requesting an ultrasound scan for patients with AKI. We learned from this audit that it is vital to adhere to NICE guidelines in each and every step during the management of patients with AKI. There are several essential areas which need to be improved in order to reach the best possible management of patients with AKI. Staff should be kept well-informed by all the essential guidelines and updates. This can be achieved by frequent education approaches, including regular scientific meetings, reviews, journal clubs and regular discussions during grand rounds.
	Stroke	**Prevention and treatment of aspiration pneumonia in stroke patients** Ensure that all stroke staff are trained in performing a swallow screen. Ensure appropriate documentation of all assessments. Multidisciplinary team goal sheet to include postural changes required to aid swallowing. Potential need for greater use of instrumental assessments of swallowing. Inclusion of mouth care needs on MDT goal sheet. The audit identified that no physiotherapy assessments of new stroke patients were done within 24 hours, no documentation of initial swallow screening seen in notes. We need to improve on using compensatory strategies used in patients with an unsafe swallow.
Clinical Support & Screening	Endoscopy	**Decontamination process audit: Scope Journey** 59% compliance of manual leak test prior to manual clean in decontamination. Increased compliance needed. 71% compliance in Personal Protective Equipment (PPE) being changed after manual clean prior to connection to endoscope washer- disinfector (EWD). Reminded staff at endoscopy SafeCare meeting to place scopes in trays carefully without twists to help prevent damage.
	Endoscopy	**Audit of Endoscopy Global Rating Scale Standards for oesophageal stent insertion** The cancer Multidisciplinary Team uses a system (Dendrite) that does not link to the Patient Administration System, it remains difficult to record dysphagia (difficulty in swallowing) scores and note symptomatic improvement (or otherwise) in a consistent way. This has been exacerbated in the most recent cycle as we did not have an upper Gastro-Intestinal cancer nurse in post for part of the time. Mortality, morbidity and process standards for

		upper gastro-intestinal stent insertion need to be regularly audited. To present audit findings at the next upper gastro-intestinal Annual General Meeting and discuss future assessment of symptomatic response to stenting - including how and where to record this (currently dysphagia score is on the MDT input on Dendrite, but the patient does not come back through the MDT to discuss symptomatic response unless further treatment is proposed).
	Diagnostic Imaging	**Re-audit - Musculoskeletal (MSK) Ultrasound Audit** Deletion of incorrectly labelled images at the time of scan is suggested. However these changes would have no impact on the accuracy of the diagnostic report, only on the quality of the saved images (electronic record). The partial-thickness tendon tear discrepancy identified through Magnetic Resonance Imaging (MRI) will be discussed at the next departmental discrepancy meeting as a means to inform practice. We need to save images where compression is applied to soft tissue lumps to provide further evidence to its nature.
	Diagnostic Imaging	**An audit of compliance with the Ionising Radiation (Medical Exposure) Regulations with relation to Optimisation of exposure - Regulation 7(8) in respect to mini c arm (a small mobile scanner) procedures** All clinicians / staff would benefit from being reminded of the Ionising Radiation (Medical Exposure) Regulations (IRMER) and their responsibility to record the radiation dose in a permanent format. It may also be helpful if the manufacturer of the mini c arm could be contacted to see if anything could be done with regards to the radiation dose being automatically stored on the machine and therefore transferred onto picture archiving and communication system (PACS) alongside relevant imaging. This was completed and there is no modification that can be made to the mini c arm so that radiation doses are automatically sent to PACS.
	Paediatrics	**Audit of Child Protection Referral forms** The audit identified that 23.05% of referral forms were incomplete. The audit identified that 19.6% of referrals had been sent without parental consent. The audit identified that 17.6% of referrals did not evidence the voice of the child. Safeguarding Children Team to design a pro-forma to guide and assist staff in completion of Child Protection Referral Form. Child Protection Referral Feedback form to be initiated and completed on receipt of referral form and returned to staff member. Safeguarding Children Team to review training to include documenting the 'voice of the child' when completing a referral form. Safeguarding Children Team to explore possibility of a letter template for circumstances whereby parents have left the department prior to being told of form completion. Template has now been made available on the intranet and the referral guidance has been added to the referral form.

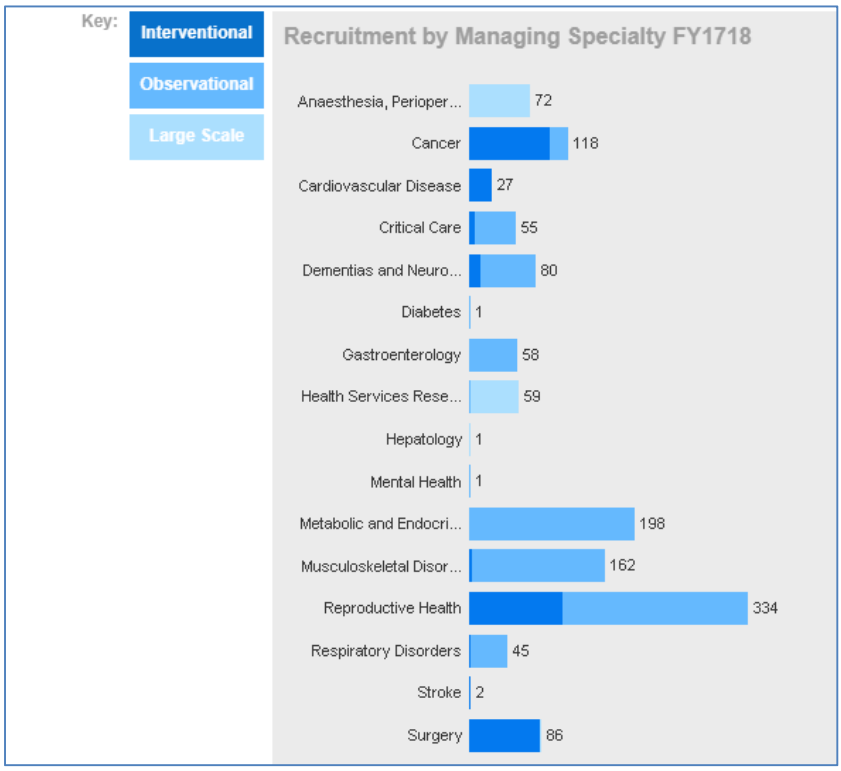
	Fertility Unit	**The identification and prevention of women at risk of moderate and severe ovarian hyper stimulation syndrome** During this audit we ascertained that the department comply with National Institute for Clinical Excellence (NICE) guidelines. For the future we will re-audit and will include day 10 monitoring USS result for number of follicles greater than 12-14mm.
Nursing & Midwifery	Clinical Effectiveness	**Trust Record Keeping Audit** The results are shared monthly within all the Business Units. A good practice bulletin was created and circulated to all staff regarding the correct way in which to amend any errors made within the patient record. Weekly reminders are circulated to encourage staff to participate in this audit. The figures for participation have significantly increased during 2017/18. Medical Staff have increased by 176%, Nursing Staff have increased by 725% and Allied Health Professionals have increased by 383%, giving a more accurate picture of the status of our record keeping standards overall.
	Clinical Effectiveness	**World Health Organisation (WHO) checklist audit** The results of this monthly audit are shared and displayed within the main theatre area on a monthly basis and discussed at the Business Unit's SafeCare Meeting. All staff are reminded to fully participate in the WHO checklist. The number of participants has increased in 2017/18. Medical Director to speak to senior medical staff regarding the importance of attending briefing sessions both before and after surgery.

Participation in clinical research

The number of patients receiving relevant health services provided or sub-contracted by Gateshead Health NHS Foundation Trust in 2017/18 that were recruited during that period to participate in research approved by a research ethics committee (the Health Research Authority (HRA)) was 1,312. This was an increase of 266 additional patients recruited into research within the Trust for 2017/2018.

The Trust continues to demonstrate its commitment to improving the quality of care it offers and making its contribution to wider health improvement. In line with North East and North Cumbria: Clinical Research Network (NE & NC CRN), the Trust has focused on building the recruitment for both Portfolio and Industry studies.

Gateshead Health NHS Foundation Trust is currently involved in 191 clinical research studies with 14 in setup. This research is in a variety of areas including – cancer, dementia and neurodegenerative disease, diabetes, critical care, cardiology, endocrinology, medicines for children, mental health, stroke, rheumatology, gynecological oncology, obstetrics and various specialty groups. The top five recruiting studies for 2017 - 2018 were The GCA Study (Rheumatology - 155 participants), The Spire Study (Obstetrics - 149 participants), The PETS Study (Endocrinology -124 participants), The KREBS Study (Surgery - 85 participants) and The PQUIP Study (Critical Care - 72 participants). The Recruitment by Managing Specialty can be seen below -



Over the last year, researchers from the Trust have published over 77 publications, and delivered four presentations to a variety of audiences, the majority of which are as a result of our involvement in National Institute for Health Research, which shows our commitment to transparency and desire to improve patient outcomes and experience across the NHS.

There were 112 members of staff participating in research at Gateshead Health NHS Foundation Trust during 2017/18. These staff participated in research covering 16 clinical specialties.

Our engagement with clinical research also demonstrates Gateshead Health NHS Foundation Trust's commitment to testing and offering the latest medical treatments and techniques.

<u>Good News</u>!

- The Trust was successful in meeting the Quality Improvement Incentive Criteria for 2017/18. The scheme focused on completion of data fields within the Local Portfolio Management System (LPMS) related to the NE & NC CRN High Level Objectives with a 90% target for fields completed for Study Set-Up and Recruitment to Time and Target. The Trust achieved a 100% completion on the target and was awarded £15,000. The initiative took place over quarters one and two of 2017/2018. The NE & NC CRN extended the initiative into quarter three and the Trust achieved a continued 100% completion on all data fields. A further £5,000 was awarded to the Trust. Totalling £20,000 for 2017/18.

- The Research and Development Director stood down from his role at the end of December 2017. Throughout the last 10 years he worked tirelessly within Research & Development and the NE & NC CRN. He will now take up a National Post within dementia and continue to be an active researcher within the Trust and continue to bring his knowledge and experience to the R&D Council Meetings.

- A new Assistant Medical Director for Research & Development has been appointed. They commenced in post at the beginning of January 2018.

- The Variations in the organisation of Early Pregnancy Assessment Units (EPAUs) in the UK and their effects on clinical, service and patient-centred outcomes (VESPA) Study – is an excellent example of collaborative working and best practice between the Research Nurses, Research Midwives, Clinical Trials Officers and Data Managers. The Research Midwives have submitted an entry into The Nursing Times Awards for 2018. The VESPA Study was also presented at the Trust's Nursing & Midwifery Conference in May 2017 by the Research Midwives.

- The R&D Team was invited to attend an event organised by the Academic Health Science Network (AHSN) at the Great North Museum, Newcastle, to develop a Regional Research Strategy for the North East and North Cumbria. Those invited were asked to give a small presentation on setting the scene regarding their own organisation and how they could contribute to the overall regional development of research.

- The Giant Cell Arteritis (GCA) Study (Ear Involvement in Giant Cell Arteritis) – this study is the biggest recruiter for Gateshead Health NHS Foundation Trust for 2017/18.

Use of the Commissioning for Quality and Innovation Framework (CQUIN)

A proportion of Gateshead Health NHS Foundation Trust income in 2017/18 was conditional on achieving quality improvement and innovation goals agreed between Gateshead Health 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 http://www.qegateshead.nhs.uk/cquin

A monetary total of £4,981,173 of the Trust's income in 2017/18 was conditional upon achieving quality improvement and innovation goals. The Trust were paid a total of £4,552,491 for achieving the quality improvement and innovation goals for 2016/17.

Registration with the Care Quality Commission (CQC)

Gateshead Health NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is registered without conditions.

The Care Quality Commission has not taken enforcement action against Gateshead Health NHS Foundation Trust during 2017/18.

Gateshead Health NHS Foundation Trust has not participated in any special reviews or investigations by the Care Quality Commission during the reporting period.

An unannounced focused CQC inspection of Older Person's Inpatient Mental Health Services took place in December 2016. The report was published in June 2017 and rated the Community-based mental health services for older people as 'Requires Improvement' and Wards for Older People with Mental Health problems as 'Inadequate'.

Actions were identified prior to and following the publication of the report, in which 22 breaches, encapsulated within eight requirement notices, were identified, and a copy of the action plan was sent to the CQC. A Mental Health Improvement Steering Group and Task and Finish group was set up to support the Business Unit with the actions required to improve the services. The overall plan contributes to improving patient safety and the quality of care through the provision of staff training, introduction of improved care planning and structured documentation, more robust risk assessment processes and increased therapeutic activity. There are three outstanding breaches (of the 22) which relate to:

- Limited access to psychological therapies – there is ongoing recruitment into these posts.
- Rapid restraint – there is Immediate Life Support training currently being rolled out.
- Implementation of Electronic Patient Record across Mental Health Services.

The CQC carried out two Mental Health Act 1983 Monitoring visits in July and November 2017. Actions were identified from both and these were incorporated into the overall action plan.

Data Quality

Gateshead Health NHS Foundation Trust recognises that it is essential for an organisation to have good quality information to facilitate effective delivery of patient care and this is essential if improvements in the quality of care are to be made. Gateshead Health NHS Foundation Trust submitted records during 2017/18 to the Secondary Uses Service (SUS) for inclusion in the Hospital Episode Statistics which are included in the latest published data. The percentage of records in the published data is shown in the table below:

Which included the patient's valid NHS Number was:	Trust %*	National %*
Percentage for admitted patient care	99.8%	99.4%
Percentage for outpatient care	99.7%	99.6%
Percentage for accident and emergency care	98.9%	97.4%

Which included the patient's valid General Medical Practice Code was:	Trust %*	National %*
Percentage for admitted patient care	99.9%	99.9%
Percentage for outpatient care	99.9%	99.8%
Percentage for accident and emergency care	99.9%	99.3%

* SUS Data Quality Dashboard - Based on provisional April 17 to February 18 - SUS data at the Month 11 inclusion Date

Information Governance Toolkit

Gateshead Health NHS Foundation Trust's Information Governance Assessment Report overall score for 2017/18 was 85% and graded satisfactory (green).

Standards of Clinical Coding

Gateshead Health NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during 2017/18 by the Audit Commission.

Gateshead Health NHS Foundation Trust will be taking the following actions to improve data quality:

- Data Quality Strategy Group, which includes key staff from all specialities, to highlight and drive continual improvement.
- Continual development of our Data Quality Metrics to ensure all appropriate indicators are covered and aligned to national and local quality indicators.
- Continue with daily batch tracing to ensure the patient demographic data held on our Patient Administration System (PAS) matches the data held nationally.
- Circulate weekly patient level reports to allow the clinical services to fully validate 18 week and cancer pathways.
- Spot check audits to randomly select patients and correlate their health record information with that held on electronic systems.
- Continue to work with the data quality leads throughout the Trust to promote and implement data quality policies and procedures to ensure that data quality becomes an integral part of the Trust's operational processes.
- Clinical Coding Quality Assurance Programme to provide assurance on the quality of coding within the Trust.
- Continue to work with Commissioners to ensure commissioning datasets are accurate, completing data challenges within five days.
- Monthly Data Quality Information Governance (DQIG) meetings are held with the CCG to discuss any data concerns and data challenges.
- Review Internal Audit Department plans to include data quality processes.

2.4 Learning from Deaths

During 2017/18 1,192 of Gateshead Health NHS Foundation Trust patients died. This comprised the following number of deaths which occurred in each quarter of that reporting period:

- 251 in the first quarter;
- 258 in the second quarter;
- 329* in the third quarter;
- 354* in the fourth quarter.

* Seasonal increases in mortality are seen each winter in England and Wales.

By 18th April 2018, 829 case record reviews and 76 investigations have been carried out in relation to 1,192 of the deaths included above.

In 75 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:

- 168 in the first quarter;
- 215 in the second quarter;
- 230 in the third quarter;
- 216 in the fourth quarter.

One death representing 0.08% of the patient deaths during the reporting period is 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:

- 0 representing 0% for the first quarter;
- 1 representing 0.08% for the second quarter;
- 0 representing 0% for the third quarter;

- 0 representing 0% for the fourth quarter;

These numbers have been estimated using the Trust's 'Reviewing and Learning from Deaths' policy. Reviewed cases are graded using the Hogan preventability score and National Confidential Enquiry into Patient Outcome and Death (NCEPOD) overall care score following case note review by the consultant led team that was responsible for the patient at the time of death.

The Trust has learnt the following from case record reviews and investigations conducted in relation to the deaths judged to be more likely than not to have been due to problems in the care provided to the patient.

The Root Cause Analysis (RCA) for this case identified the following learning:

- Inadequate senior review by specialty team.
- Delay in patient receiving antibiotics.
- Initial glucose test not carried out.
- Regular monitoring of urea and electrolytes not done.
- Sharp rise in sodium levels not monitored.

The Trust has taken the following actions in consequence of what has been learnt during the reporting period.

Following the RCA the following actions were identified as part of the action plan:

- Surgical team to review practice around initial assessment and to ensure that all emergency admissions are reviewed by a senior team member in a timely fashion.
- Set up Emergency Care Centre (ECC) admission profile to ensure standardised blood sampling for all patients which will include glucose levels. Additional tests will still be requested which are patient specific. All patients having IVT will have daily U&E / glucose blood test.
- Educate nursing and junior medical team about fluid and electrolyte balance and implementation of the AKI bundle.
- Dissemination of NICE guidelines update on intravenous fluid and electrolyte treatment published in January 2018 via the Deteriorating Patients Committee.

The Trust will assess the impact of these actions during 2018-19.

135 case record reviews and 23 investigations completed after 1st April 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 Trusts 'Reviewing and Learning from Deaths' policy. Reviewed cases are graded using the Hogan preventability score and NCEPOD overall care score following case note review by the consultant led team that was responsible for the patient at the time of death.

0 representing the 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.

2.5 Seven Day Hospital Services

The Trust has fully implemented priority standard five (access to diagnostics) and standard eight (ongoing review) from the 10 clinical standards as identified via the seven day hospital services NHS England recommendations.

For clinical standard eight (ongoing review) we have 100% compliance for those requiring twice daily review. We have increased our consultant cover on Care of the Elderly wards at the weekends and were at 98% compliance for once daily review for patients in the March 2017 Seven Day Self-Assessment Tool.

We have introduced a seven day frailty front of house assessment to reduce admission and plan discharge.

For clinical standard two (speciality consultant review within 14 hours) we are 74% compliant (Sept 2017) across all seven days. We have identified arrival of patients between 4-8pm as a problem area and are considering options around transfer to the main wards earlier or staggering consultant shifts (without compromising care elsewhere). Some improvements in documentation (e.g. noting the time seen/identity of doctor) may also help to make survey results more accurate.

2.6 Mandated Core Quality Indicators

Since 2012/13 NHS Foundation Trusts have been required to report performance against a core set of indicators using data made available to the Trust by NHS Digital.

(a) SHMI (Summary Hospital-level Mortality Indicator)

SHMI	Oct 15 – Sept 16	Jan-16 – Dec 16	Apr 16 – Mar 17	Jul-16 – Jun 17	Oct-16 – Sep-17
SHMI	0.99	1.00	1.00	1.01	1.00
England Highest	1.16	1.19	1.21	1.23	1.25
England Lowest	0.69	0.69	0.71	0.73	0.73
Banding	2	2	2	2	2

Source: www.digital.nhs.uk/SHMI
SHMI Banding 2 indicates that the Trusts mortality rate is 'As Expected'

(b) The percentage of patient deaths with Palliative Care coded at either diagnosis or specialty level

% Deaths with palliative coding	Oct 15 – Sept 16	Jan-16 – Dec 16	Apr-16 – Mar-17	Jul-16 – Jun 17	Oct-16 - Sep-17
% Deaths with palliative coding	15.0%	15.2%	15.4%	16.7%	18.9%
England Highest	56.3%	55.9%	56.9%	58.6%	59.8%
England Lowest	0.4%	7.3%	11.1%	11.2%	11.5%
England Average	29.7%	30.1%	30.7%	31.1%	31.5%

Source: www.digital.nhs.uk/SHMI

Gateshead Health NHS Foundation Trust considers that this data is as described for the following reasons:

- The Summary Hospital-level Mortality Indicator (SHMI) reports death rates (mortality) at a Trust level across the NHS in England and is regarded as the national standard for monitoring of mortality. For all of the SHMI calculations since October 2011, mortality for the Trust are described as being 'as expected'.
- The Clinical Coding Department receive information on a monthly basis from the palliative care team that identifies those patients under their care. The Clinical Coding Team verify this information against the coded admissions to ensure that Palliative Care coding is captured accurately.

Gateshead Health NHS Foundation Trust has taken the following actions to improve the indicator and percentage in (a) and (b), and so the quality of its services, by:

- Reviewing the Trust's mortality review process and standardising it across the Trust.
- Production and implementation of a new Learning from Deaths policy.
- Increasing the proportion of cases receiving a mortality review following the release of the CQC 'Learning Candour and Accountability' (December 2016) publication and subsequent guidance on learning from deaths.
- Introducing a Mortality Council to review cases outlined in the learning from deaths requirements, or cases where carers, relatives, or staff have expressed concerns.
- Regularly reviewing a variety of mortality indicators at the Trust's Mortality and Morbidity Steering Group. Conducting further review where appropriate.
- Regular review of learning themes, identifying actions, and sharing of learning across the Trust.
- Developing a bereavement letter and reviewing the existing questionnaire to capture valuable feedback from relatives and carers.

Patients on Care Programme Approach (CPA) who were followed up within seven days after discharge from psychiatric inpatient care

Patients on Care Programme Approach (CPA) Followed up within 7 days	2015-16				2016-17				2017-18			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Gateshead Health Foundation Trust	89.0 %	100.0 %	50%*	80%**	100.0 %	90.0%	80.0%	84.6%***	71.4% †	87.5% ††	90.9%† ††	100.0 %
England Average	97.0 %	97.0%	97.0%	97.2%	96.2%	96.8%	96.7%	96.8%	96.7%	96.7%	95.4%	
England Highest	100 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	99.4%	100.0 %	100.0 %	100.0%	
England Lowest	89.0 %	83.0%	50.0%	80.0%	28.6%	76.9%	73.3%	84.6%	71.4%	87.5%	69.2%	

Source:https://www.england.nhs.uk/statistics/statistical-work-areas/

* 3 of 6 patients followed up within 7 days after discharge from psychiatric inpatient care

** 4 of 5 patients followed up within 7 days after discharge from psychiatric inpatient care

*** 13 of 11 patients followed up within 7 days after discharge from psychiatric inpatient care

† 5 of 7 patients followed up within 7 days after discharge from psychiatric inpatient care

†† 7 of 8 patients followed up within 7 days after discharge from psychiatric inpatient care

††† 10 of 11patients followed up within 7 days after discharge from psychiatric inpatient care

Gateshead Health NHS Foundation Trust considers that this percentage is as described in for the following reasons:

- One patient (Q3) had a follow up arranged but moved out of the area.
- Two patients (Q1 and Q2) received a follow up on day eight. For one patient (Q2) this was the first available appointment due to staff capacity.

Gateshead Health NHS Foundation Trust has taken the following actions to improve these outcome scores, and so the quality of its services, by:

- As part of the discharge planning process for all patients:
  - A named Care Co-ordinator will be allocated to the patient where ever possible.
  - An appointment will be made with the patient within seven days after they have been discharged from hospital.

PROMs (Patient Reported Outcome Measures) for:

- Groin hernia surgery
- Varicose vein surgery
- Hip replacement surgery
- Knee replacement surgery

Groin Hernia Adjusted average health gain	2013-14 Final	2014-15 Final	2015-16 Final	2016-17 Final	Apr-17 to Sep-17 Final
Gateshead Health Foundation Trust	0.064	0.084	0.045	0.05	*
England Average	0.085	0.084	0.088	0.086	0.089
England Highest	0.139	0.154	0.157	0.135	0.140
England Lowest	0.008	0.000	0.021	0.006	0.000

Varicose Vein Adjusted average health gain	2013-14 Final	2014-15 Final	2015-16 Final	2016-17 Final	Apr-17 to Sep-17 Final
Gateshead Health Foundation Trust	0.125	0.067	0.107	0.054	*
England Average	0.093	0.094	0.096	0.092	0.096
England Highest	0.150	0.154	0.150	0.155	0.134
England Lowest	0.022	-0.009	0.018	0.010	0.000

Hip Replacement Adjusted average health gain	2013-14 Final	2014-15 Final	2015-16 Final	2016-17 Provisional	Apr-17 to Sep-17 Provisional
Gateshead Health Foundation Trust	0.391	0.420	0.403	0.401	**
England Average	0.436	0.436	0.438	0.445	**
England Highest	0.544	0.524	0.512	0.537	**
England Lowest	0.311	0.331	0.320	0.310	**
Knee Replacement Adjusted average health gain	**2013-14 Final**	**2014-15 Final**	**2015-16 Final**	**2016-17 Provisional**	**Apr-17 to Sep-17 Provisional**
Gateshead Health Foundation Trust	0.291	0.310	0.284	0.282	**
England Average	0.323	0.315	0.320	0.324	**
England Highest	0.425	0.418	0.398	0.404	**
England Lowest	0.215	0.204	0.198	0.242	**

Source: http://content.digital.nhs.uk/proms
* Figure not calculated. Average case mix adjusted scores have been calculated where there are at least 30 modelled records, as the statistical models break down with fewer records and aggregate calculations on small numbers may return unrepresentative results.
** Insufficient data to allow calculation.

Gateshead Health NHS Foundation Trust considers that the outcome scores are as described for the following reasons:

Groin

- The Trust recognises that our provisional reported outcomes are below the national normal distribution using this measure.
- We will remain committed to providing patients with high quality care, and as such we will continue to work towards improving our scores to a level equal to or greater than the national normal distribution.
- We will continue to share data with clinical teams and commissioners to ensure that health gains can be maximised from future procedures. We will also discuss with patients considering surgery the range of outcomes that can be expected to ensure they have an informed choice of treatment, including alternatives to surgery where appropriate.

Veins

- The provisional data would suggest that our reported outcomes are below the national average for 2016-2017. Reasons for this change in reported outcome are being assessed by the team.
- A review of the previous action plan to address lower than average performance is being undertaken, not least ensuring that patient education remains a focus for the service, despite demand pressures.
- We will continue to this data with the relevant clinical teams to strive for further improvements

Hip

- The Trust recognises its outcomes are below recommended parameters based on health gain scores and are below the average scores in England. We continue to work toward improving our score in line with national average.

Knee

- The Trust recognises its outcomes are below recommended parameters based on health gain scores and are below the average scores in England. We continue to work toward improving our score in line with national average.

Gateshead Health NHS Foundation Trust has taken the following actions to improve these outcome scores, and so the quality of its services, by:

Groin

- To strive towards improved reported outcomes, we will ensure this data is shared with the clinical teams and used to support discussion as to how to improve our service and deliver quality improvements.
- This will include a range of initiatives including exploring the potential role of a "PROMs champion" (from within the existing nursing teams); internal case study/audit reviews to identify any potential trends in this performance data; review of existing patient education in order to ensure appropriate patient expectations of this procedure including education regarding alternative management options to surgery.
- The potential impact that introduction of alternative follow-up pathways will have on data capture and thus our future compliance, also requires consideration.

Veins

- Despite decreasing numbers of these procedures, we remain committed to improving our service to patients. The PROMS data along with other performance data, will continue to be reviewed to ensure continued focus on delivering quality patient care.
- It should be noted that with the introduction of Value Based Commissioning (VBC), GP referrals dipped whilst practitioners adjusted to the new system and there was some uncertainty regarding the referral process. This was addressed through further education to GPs, following which referrals increased back to a level higher than that prior to VBC introduction.
- We will remain committed to our work to ensure we share with patients sufficient information and support to ensure they have an informed choice of treatment, including alternatives to surgery where appropriate.
- This commitment to improved service delivery also includes consideration of alternative follow-up pathways for patients, for example by telephone, but still ensuring adequate support and clinical safety.

As from mid-2017, the PROMS data for Varicose Veins and Groin has not been collected, due to the termination of the national programme.

Hip

- We will continue to share data with clinical teams and commissioners to ensure that health gains can be maximised from future procedures.
- We are continuing to work in conjunction with NEQOS to further analyse the information recorded and identify trends. We have recently signed a new agreement with NEQOS to break this down to consultant level data.
- We established a dedicated PROMS Group to review and implement improvements to the current pathway and outcomes for patients. The group have identified specific action points that we are progressing.

Knee

- We will continue to share data with clinical teams and commissioners to ensure that health gains can be maximised from future procedures.
- We are continuing to work in conjunction with NEQOS to further analyse the information recorded and identify trends. We have recently signed a new agreement with NEQOS to break this down to consultant level data.
- We established a dedicated PROMS Group to review and implement improvements to the current pathway and outcomes for patients. The group have identified specific action points that we are progressing.

Emergency Readmissions within 28 Days

- Aged 0 – 14yrs

Child 0-14 Years	2013-14	2014-15	2015-16	2016-17	2017-18 to Dec 17
Emergency Readmission Rate	8.91%	11.51%	8.94%	8.54%	6.66%
Number of Spells	4,970	5,154	3,936	4,849	3,301
Number of Readmissions	443	593	352	414	220

- Aged 15 years or over

Adult 15+ Years	2013-14	2014-15	2015-16	2016-17	2017-18 to Dec 17
Emergency Readmission Rate	8.69%	9.48%	9.50%	8.72%	8.00%
Number of Spells	54,234	58,712	51,871	59,000	43,964
Number of Readmissions	4,714	5,565	4,929	5,143	3,515

Source: Dr Foster Quality Investigator 2013-14 to 2014-15
Source: Healthcare Evaluation Data (HED) 2015-16 to 2017-18

Gateshead Health NHS Foundation Trust considers that the outcome scores are as described for the following reasons:

- Outcomes are sustained through safe discharge practice, coordinated discharges and transfers of care which are achieved through working in a multi-disciplinary way.

Gateshead Health NHS Foundation Trust has taken the following actions to improve these outcome scores, and the quality of its services, by:

- Holding multi-agency partnership meetings and timely surge meetings to address any concerns or delays associated with discharge.
- Encouraging early discharge planning.
- Completion of a Comprehensive Geriatric Assessment on or pre admission by the Frailty Team who are now working across seven days and are based in the A&E Department.
- Introduction of the Transfer Bag (black bag) scheme (from January onwards) to help co-ordinate safe transfers back to care homes.
- Enhancement of the Urgent Care Team over winter pressure to help manage any deterioration of patients and enable them to safely remain at home.

Trust's responsiveness to the personal needs of its patients

Inpatients - Overall Patient Experience Score	2013/14	2014/15	2015/16	2016/17
Gateshead Health NHS Foundation Trust	81.5	81.8	79.2	79.1
England Average	76.9	76.6	77.3	76.7
England Highest	87.0	87.4	88.0	88.0
England Lowest	67.1	67.4	70.6	70.7

A&E - Overall Patient Experience Score	2012/13	2014/15	2015/16	2016/17
Gateshead Health NHS Foundation Trust	79.5	79.8	*	83.6
England Average	75.4	77.1	*	78.2
England Highest	82.2	83.5	*	83.6
England Lowest	67.1	67.2	*	71.1

* National survey not undertaken in 2015-16

Outpatients - Overall Patient Experience Score	2009/10	2011/12
Gateshead Health NHS Foundation Trust	83.4	83.5
England Average	78.6	79.2
England Highest	85.1	85.8
England Lowest	72.5	73.7

Source: www.england.nhs.uk/statistics/statistical-work-areas/pat-exp

The Gateshead Health NHS Foundation Trust considers that these percentages are as described for the following reasons:

- Our inpatient score remains stable for 2016/17 and we remain above the national average for our overall patient experience score. We continually listen to what are patients tell us and recognise the importance of their feedback. We act upon this to improve the care we deliver to patients.
- We have seen an increase in our score for A&E in 2016/17.

The Gateshead Health NHS Foundation Trust has taken the following actions to improve these percentages, and so the quality of its services, by:

- Continually monitoring and acting upon feedback from patients, carers, the public and our staff.
- Launching the new Patient Public & Carer Involvement & Experience Strategy – Your Care, Your Voice in 2018, which sets out the Trust's vision for ensuring that patients remain at the heart of everything we do, and for our patients to be empowered and influence the care we deliver.

Percentage of staff employed by, or under contract to the Trust who would recommend the Trust as a provider of care to their family or friends

Staff who would recommend the Trust to their family or friends	2014	2015	2016	2017
Gateshead Health NHS Foundation Trust	74.7%	76.2%	81.1%	80.9%
England highest - Acute Trusts	89.3%	85.4%	84.8%	89.3%*
England Lowest - Acute Trusts	38.2%	46.0%	48.9%	48.1%*
Acute Trusts	64.7%	69.2%	69.8%	68.4%*

Source:www.nhsstaffsurveys.com

*Combined Acute and Community Trusts

The Gateshead Health NHS Foundation Trust considers that these percentages are as described for the following reasons:

- The Trust continues to perform positively as being a place our staff would recommend as a provider of care. This is underpinned by the Trust's Vision and Values which puts the patient and staff, at the heart of everything we do. Our strong CQC ratings triangulate this.

The Gateshead Health NHS Foundation Trust has taken the following actions to improve these percentages, and so the quality of its services, by:

- Continuing to promote the Trust's Vision and Values, which place the patient at the centre of everything we do.
- Embedding the Vision and Values into training and appraisal documentation to link activities back to patient centred care.
- Promoting external feedback from patients and service users about the quality of care they have received at the Trust.
- Recognising the high standards of care delivered by staff through events such as the Star Awards ceremony.
- Raising staff awareness during induction, core training and ongoing staff development of its achievements and constantly look at new and better ways of working to improve the level of care we are able to offer our patients/service users.
- Increasing use of social media such as Facebook and Twitter by the Trust to share good news messages.

Percentage of patients who were admitted to hospital and who were risk assessed for venous thromboembolism

Year	Quarter	Gateshead Health NHS Foundation Trust	England Highest Acute Trust	England Lowest Acute Trust	Acute Trusts
2015-16	Q1	95.6%	100.0%	86.1%	96.0%
	Q2	95.1%	100.0%	75.0%	95.8%
	Q3	95.0%	100.0%	78.5%	95.5%
	Q4	95.3%	100.0%	78.1%	95.5%
2016-17	Q1	97.8%	100.0%	80.6%	95.6%
	Q2	97.9%	100.0%	72.1%	95.5%
	Q3	98.5%	100.0%	76.5%	95.6%
	Q4	98.8%	100.0%	63.0%	95.5%
2017-18	Q1	98.3%	100.0%	51.4%	95.1%
	Q2	99.2%	100.0%	71.9%	95.2%
	Q3	99.3%	100.0%	76.1%	95.3%
	Q4	99.1%	Not yet available	Not yet available	Not yet available

Source https://www.england.nhs.uk/statistics/statistical-work-areas/vte/
Source: https://improvement.nhs.uk/resources/venous-thromboembolism-vte-risk-assessment-201718/

The Gateshead Health NHS Foundation Trust considers that these percentages are as described for the following reasons:

- The Trust continues to have a high compliance with the NICE guidance regarding patient risk assessment for VTE on admission to hospital, and this is documented as being more than 98% over the last year. The audit process has been facilitated and risk assessment continues to be recorded on the electronic prescribing management system. We regularly review our compliance through the VTE committee, and aim for equity across all patient groups.

The Gateshead Health NHS Foundation Trust intends to take the following actions to improve these percentages, and so the quality of its services, by:

- Ensuring we identify all patients with hospital acquired VTE through ongoing audit and data collection by the coding team. Continuing to perform RCA on all patients diagnosed with a hospital associated thrombosis.
- Identifying learning as a result of these RCAs and ensure it is shared with our clinical teams, in addition to this data is being reviewed by the VTE committee to identify any learning outcomes or identify where system improvements are required.
- Continuing to promote education and training to all relevant clinical and support staff.

The rate per 100,000 bed days of cases of *Clostridium difficile* infection (CDI) reported within the Trust amongst patients aged 2 or over

Rate of C.*difficile* per 100,000 bed-days for specimens taken from patients aged 2 years and over (Trust apportioned cases)	2013/14	2014/15	2015/16	2016/17	2017/18
Gateshead Health NHS Foundation Trust	12.3	15.1	26.7	11.1	17.9
England highest	37.1	62.2	66	82.7	-
England lowest*	1.2	2.8	1.1	1.2	-
England	14.7	15	14.9	13.2	-

Source: www.gov.uk/government/statistics/clostridium-difficile-infection-annual-data
*Where cases reported

During 2017/18 the Trust reported thirty one (31) post 72hr CDI cases against its annual objective of 19 cases and an annual rate of 17.9 against its annual objective rate 11.6 per 100,000 bed days as reported by Public Health England data capture site.

The Gateshead Health NHS Foundation Trust considers that these percentages are as described for the following reasons:

- *Clostridium difficile* infection (CDI) is an unpleasant, and potentially severe or fatal infection that occurs mainly in elderly and other vulnerable patient groups, especially those who have been exposed to antibiotic treatment. Reduction of CDI continues to present a key challenge to patient safety across the Trust, therefore ensuring preventative measures and reducing infection is very important to the quality of patient care we deliver. Comparatively six of the eight regional Foundation Trusts, including Gateshead, have demonstrated an increase in post 72hr CDI cases compared to 2016/17 and also exceeded their annual objective. NHS Improvement (NHSI) contacted the Trust during November as an informal response to the Trust being outside of its monthly objective to review possible causes, the Trust approach to CDI, the reaction to increasing cases and to ascertain if there was any support NHSI could offer.
- NHSI recognised that the IPC team had implemented a comprehensive process review and identification of key themes based on sampling delays, prescribing, documentation, patient management and review, human factors, feedback and education. NHSI agreed there were no clear reasons for the recent gradual increase in cases, however they offered a level of external support if the Trust recognised the need. A focused and zero tolerance approach continues to support a reduction in CDI for patient safety in line with national guidance.

The Gateshead Health NHS Foundation Trust has taken the following actions to improve these percentages, and so the quality of its services by using the following approaches:

- Local multidisciplinary CDI Root Cause Analysis meetings are arranged and reviewed to ensure lessons learned are shared within the Trust.
- The Trust works closely in partnership with the Newcastle Gateshead Clinical Commissioning Group and other regional Foundation Trusts to review lessons learned and share good practice in reviewing CDI cases.
- Lessons learned are shared with clinical staff and Business Units including key themes based on sampling delays, prescribing, documentation, patient management and review, human factors, feedback and education.
- Enhanced education support has been provided to both secondary and primary care sectors across Gateshead.

- The Diarrhoea Assessment Management Pathway (DAMP) tool provides guidance for clinical staff managing those patients experiencing loose stools.
- Enhanced personal protective equipment is worn following isolation of the patient with suspected infective diarrhoea.
- Patients are risk assessed and prioritised, ensuring those patients requiring a level of isolation are identified.
- To enhance antimicrobial stewardship, the Trust antimicrobial guidelines have been redeveloped with inclusion of an electronic smartphone/device application.
- Polymerase chain reaction (PCR) testing continues to be used to enhance the testing regimen of samples.
- A weekly CDI MDT meeting takes place and antimicrobial prescribing is reviewed along with all aspects of CDI care.
- Ribotyping of all post 72hr positive CDI cases is arranged with the *Clostridium difficile* Ribotyping Network (CDRN) to determine if cross infection has taken place within clinical areas and to identify the specific organism type. This confirmed there was no cross infection with any of the 31 cases reported.

The number and rate of patient safety incidents reported within the Trust and the number and percentage of such patient safety incidents that resulted in severe harm or death

Patient Safety Incidents per 1,000 bed days	Oct 15 – Mar 16		Apr 16 – Sep 16		Oct 16 – Mar 17	
Organisation	Gateshead Health NHS Foundation Trust	Acute (non specialist) Organisations	Gateshead Health NHS Foundation Trust	Acute (non specialist) Organisations	Gateshead Health NHS Foundation Trust	Acute (non specialist) Organisations
Total number of incidents occurring	2785	655,193	2399	673,865	3036	696,643
Rate of all incidents per 1,000 bed days	30.93	N/A	27.48	N/A	33.25	N/A
Number of incidents resulting in Severe harm or Death	17	2642	13	2516	15	2,623
Percentage of total incidents that resulted in Severe harm or Death	0.60%	0.40%	0.54%	0.37%	0.49	0.38%

The Gateshead Health NHS Foundation Trust considers that these percentages are as described for the following reasons:

- The Trust has seen an overall 26.6% increase from 2399 to 3036 in the amount of incidents reported from April-September 2016 to October 2016-March 2017. This evidences the work that the Trust has undertaken to improve the culture of reporting incidents. The Trust has recorded a rise in the reporting rate ratio per 1000 bed days. This has been influenced by the Community Services moving across to the Trust in October 2016, however this does not equate to all of the increase. Work will continue to improve the Trust patient safety culture and raise awareness on sharing learning from incidents.
- Whilst the Trust has seen a rise in the amount of incidents reported, and the reporting rate per 1000 bed days rise, there has also been a slight increase from 13 to 15 incidents of severe harm or death that were reported October 2016 to March 2017. This increase is still lower than the reported figures from October 2015-March 2016 where 17 were reported.

The Gateshead Health NHS Foundation Trust has taken the following actions to improve these percentages, and so the quality of its services, by the following:

- In 2017 the Trust invited an external trainer to carry out Root Cause Analysis (RCA) training. Following this the Trust has commenced in house training which began in January 2018 and is now carried out on a bi-monthly basis. There has been an improved compliance with the policy to investigate incidents in a timely manner to ensure that learning can be shared to help us mitigate the risk of reoccurrence.
- Plans are in place to share more widely and effectively lessons learned and information on measures to improve patient safety through a number of initiatives including introducing an Integrated Quality Report.
- A Patient Safety Culture Review will be initiated throughout 2018. The Trust will continue to improve the efficiency of the serious incident review process to ensure that lessons are learned in a more timely way.
- The Trust will continue to deliver the Trust strategy to reduce patient harmful falls and pressure damage incidents and proactively respond to ongoing information analysis to identify measures that will positively impact on reducing harm.

3. Review of quality performance

2017/18 has been a successful year in relation to the three domains of quality:

- Patient Safety
- Clinical Effectiveness
- Patient Experience

‡ denotes indicators governed by standard national definitions

Quality Summit

The first Gateshead Health NHS Foundation Trust Quality Summit on patient safety took place on Friday 23rd March 2018 with inspirational and motivational talks from leading healthcare figures. Sir Robert Francis QC gave the keynote speech and shared lessons learned from the Mid Staffordshire Report, the inquiry he chaired. The other key speaker was Dr Umesh Prabhu, a paediatric consultant and former Medical Director at Wigan and Leigh NHS Trust. There were further sessions throughout the day on topics such as Sepsis, Medicines Management, Duty of Candour, supporting staff through an investigation and reviewing and learning from deaths.

L to R: Dr R Garkhoti, Sir R Francis, Dr C Kalluri
Ms A Forrester, Mrs J Flinn

L to R: Mrs J Hickey, Sir R Francis, Mr V Bhattacharya

Palliative Care event inspires healthcare staff

Delegates at the palliative care symposium

The Trust's held its first palliative care symposium on the 26th October 2017, which was attended by healthcare professionals from across the region. It provided staff with the opportunity to hear about the latest techniques in end of life care and the opportunity to hear from some inspirational external speakers. One of these speakers was Chris Pointon, a healthcare campaigner and husband of Kate Granger, the geriatrician author and NHS patient who sadly passed away in July 2016 after founding the #hellomynameis campaign. Other speakers included Claire Henry, Director of improvement and transformation at Hospice UK, and Dr Pip Hardy, co-founder of the Patient Voices programme and honorary lecturer at University of Manchester Medical School.

Dr Hilary Lloyd, Director of Nursing, Midwifery and Quality, said "This was such an insightful and inspirational event and it was so useful to get perspective on palliative care from our high-profile, expert speakers."

L to R: Mrs D Orr and Mr C Pointon

3.1 Patient Safety

As identified in priority three in 2017/18, the Trust has seen an increase in the incident reporting rate from all staff which improves the patient safety culture and ensures that we learn from all incidents to assist with prevention of reoccurrence.

To further improve the quality and the patient journey, we have introduced two audits to review how well we perform following an incident, firstly in being 'open and honest', informing the patient (via the Duty of Candour process) as soon as possible as to what has gone wrong, and secondly ensuring a thorough investigation is undertaken to identify what happened, in order to identify where we can make changes to prevent similar incidents occurring in the future.

The audits will look at;

- Duty of Candour - Where the duty of candour has been initiated with the patient or family as a result of the incident, we will ensure that written notification to the patient and any correspondence advising the patient of our investigations findings, and all actions and evidence of completion are uploaded to our incident management system (Datix).
- Investigation – We will also check that a full investigation (Root Cause Analysis) has been carried out, documentation completed, and all actions and evidence of completion are uploaded to our incident management system (Datix).

Once the first audits are carried out, we will look at the results to see how well we do, and identify areas for action. For example, where documentation or evidence is missing the patient safety team will work with the Business Units to ensure these are identified and all the relevant assurance is received. Once all the actions have been completed a re-audit will be carried out to give assurance we have 100% compliance.

Initial audits have been very positive and the team have been able to gather the relevant documentation/evidence to confirm 100% compliance. A quarterly report will be presented to Risk and Safety Council for Trust assurance.

Safeguarding Adults and Children

The Trust continues to maintain effective partnership working with key organisations. Systems, processes and policies are constantly reviewed to ensure compliance with local and national guidance. Safeguarding as core business is foremost in new ways of working and this is reflected in the training and support programmes developed and rolled out. One focused area of support is around Mental Capacity Act (MCA) (2005) assessments to improve the confidence of staff to support patients with reduced capacity who may be at risk.

A safeguarding training plan is in place and is monitored by the Trust's Safeguarding Committee and formal training sessions were delivered to staff throughout 2017. Safeguarding training is now aligned with the core skills framework and training has been updated to reflect the recommended changes to the core competences (to include issues such as modern slavery, sexual exploitation, female genital mutilation (FGM) and radicalisation).

The Training Needs Analysis was revised to include the new staff groups requiring safeguarding adults training in addition to providing the in-house MCA training for all clinical staff groups and as part of the induction training for new members of the Trust. Additional Workshop to Raise the

Awareness of the Prevent (WRAP) training has been given to meet targets set by the Home Office to deliver training to 85% of the frontline staff by March 31st 2018.

Following the introduction of the Homelessness Reduction Act (April 2018) NHS Trusts will be among the organisations that have a duty to help those at risk of becoming homeless and refer them to a housing authority, therefore additional policies and procedures will be implemented to ensure compliance with the legislation.

Key achievements for 2017

- Policies and procedures for safeguarding adults have been revised to highlight the need for the Trust to ensure all actions have been carried out to safeguard a vulnerable adult before a concern is shared with the local authority.
- Continued close partnership working between the Trust and Gateshead Local Authority has proven to be a good model of successful health/social care interagency working in a challenging environment.
- The addition of community services has enabled parity of processes across hospital acute settings and community to ensure continuity.
- The MCA/Deprivation of Liberty (DOLS) lead is continuing to forge close links with MCA leads from other trusts and local authorities to share good practice.
- Close links are established with the Trust security manager to promote awareness of protection of vulnerable adults and the protection of staff members.
- The Trust has continued to fulfil its obligation of highlighting the Government's PREVENT agenda, via mandatory WRAP sessions. These sessions are to be transferred to online mandatory training.
- Audits were carried out to ensure the Trust adheres to the responsibilities under the Mental Capacity Act. This includes sharing concerns with the Local Authority where this is deemed necessary, and Trust staff and teams fulfilling their duties to safeguard vulnerable patients.
- A full time Emergency Care Domestic Violence and Safeguarding Advisor has been appointed.
- The Trust implemented a robust process for reviewing deaths and the safeguarding team play an important role in ensuring patients who require a second level review as part of The Learning Disability Mortality Review (LeDeR) process are highlighted and that relatives are given the opportunity to engage and feedback. This has been recognised nationally by NHS Improvement and case studies have been presented to the Secretary of State for Health.
- The Safeguarding Children Team have been instrumental in facilitating the implementation of the Child Protection Information Sharing System (CP-IS) throughout the urgent care settings within the Trust. CP-IS went live throughout the Trust in June 2017, followed by Gateshead Local Authority in September 2017. CP-IS roll out was completed with the Trust's maternity department going live in March 2018.
- The Safeguarding Children Team have facilitated the move from paper based children's cause for concern forms to the electronic Datix system. This will allow timely sharing of information and more accurate data collection and recording of information.
- The Safeguarding Children Team now includes the Looked After Children's Team.

Sepsis Awareness

Sepsis is the body's overwhelming and life-threatening response to infection that can lead to tissue damage, organ failure, and death. A number of initiatives to raise awareness of sepsis with the Trust have been undertaken throughout 2017/18. A programme of work is in place for sepsis management. The key achievements this year include:

Training and Education

- Development and introduction of a competency based assessment for qualified nurses.
- Sessions for junior doctors at induction and at various levels within their teaching programme.
- Ward based training.
- An intranet page has been created dedicated to Sepsis.
- Each ward and department has identified Sepsis Champions to provide support and promote best practice within their areas.

Sepsis Awareness Day

- This was held in June 2017 with the aim to :
  - Develop a resource that can be used for all wards/units.
  - Assess the need for Sepsis boxes.
  - Deliver the message of early recognition and prompt treatment.

Cycle for Sepsis

- This was held on World Sepsis Day on 13th September 2017.

We worked in collaboration with Gateshead Leisure Services and hospital staff to raise awareness around early recognition and prompt treatment of sepsis and encourage staff to commit a pledge.

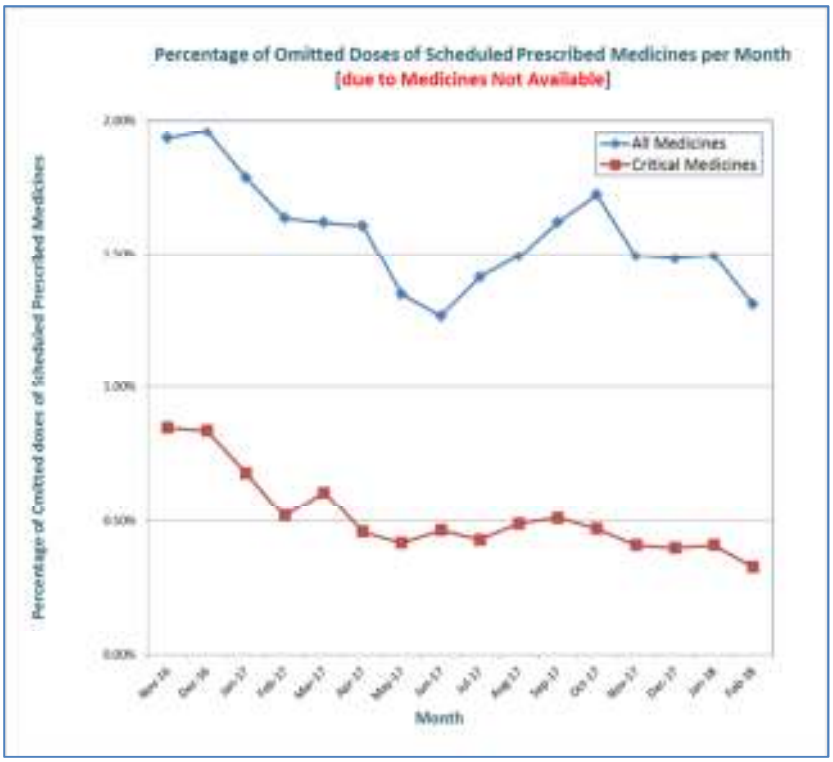
Medicines Management
Omitted and delayed medicines

A National Patient Safety Alert (NPSA) Rapid Response Report (RRR009): **Reducing harm from omitted and delayed medicines in hospital**, published in 2010, highlighted the importance of medicines to a patient's care, the potential serious outcomes if these were omitted or delayed, and the actions to be taken to start to address the problem.

Medicine doses are often omitted or delayed in hospital for a variety of reasons. Whilst these events may not seem serious, for some critical medicines or conditions, such as patients with sepsis or those with pulmonary embolisms, delays or omissions can cause serious harm or death. Patients going into hospital with chronic conditions are particularly at risk. For example, patients with Parkinson's disease who do not receive their medicines on time may recover slowly or lose function, such as the ability to walk.

The percentage of omitted doses of scheduled prescribed critical and non-critical medicines (due to medicines not being available) are monitored closely on a monthly basis as key Medicines Management Key Performance Indicators (KPIs) for the organisation. Both KPIs have reduced significantly since November 2016:

Omitted doses of ALL medicines; ↓32%, Omitted doses of CRITICAL medicines; ↓1%



There have been three key enablers of this quality improvement work:

- Timely accurate data on omitted doses via the Electronic Prescribing and Medicines Administration JAC® EPMA.
- Partnership working between Pharmacy and frontline Nursing staff.

- Robust medicines management by the Pharmacy Medicines System Team utilising Omnicell® Automated Drug Cabinets.

We are also confident that we will see further improvements in these indicators in the forthcoming months.

Omnicell® Automated Drug Cabinets

During the latter half of 2016, the organisation replaced virtually all traditional medicines cupboards with **Omnicell® Automated Drug Cabinets.**

These electronic cabinets have distinct advantages for the organisation:

- No keys - accessed via fingerprint.
- Directional lighting to aid locating medicines.
- Automatic ordering of medicines with low stock.
- Analysis of usage to support stock management.

We are using the information gathered from these cabinets to adjust medicines stock lists (and levels) to most closely match the usage in each individual clinical area in the hospital.

For example, data from these cabinets has enabled us to identify critical medicines that require more widespread stockholding. In addition, careful management of non-moving medicines lines has significantly reduced potential medicines waste. This continuous dynamic stock adjustment means that clinical areas are far more likely to have **the right drug, in the right place, at the right time** reducing the potential of patients missing doses of medicines due to a medicine not being available.

Pressure Damage

Preventing pressure ulcers remains one of the greatest healthcare challenges today in terms of reducing patient harm. Despite progress being made in the management of pressure ulcers since 2012, they remain a significant healthcare problem affecting 700,000 people per year. Estimates on pressure ulcer incidence and prevalence from hospital-based studies vary widely according to the definition and category of ulcer, the patient population and care setting. Reported prevalence rates range from 4.7% to 32.1% in hospital populations in comparison to 22% in nursing home populations (Academic Health Science Network (AHSN) 2015).

The Trust's key successes in 2017/18 are:

- National Finalist in the 'Nursing Times Awards 2017' in the Category of Patient Safety - Project title: 'React to Red: How Vigilance At The Bedside Can Drive Excellence In Reducing Harm from Pressure Damage'
- Trust Finalist in the 'Star Awards' in the Category of 'Innovation and Improvement' for reducing the incidence of pressure damage across the organisation.
- Building upon the tremendous success of participating in the 'Regional Pressure Ulcer Collaborative', which was funded by the Academic Health Science Network, ward teams continue to be supported to actively take ownership for improving their care processes. The

programme continues to be rolled out to those wards still experiencing incidents of pressure damage by using a variety of improvement methodologies including Plan Do Study Act cycles.

- The SSKIN Bundle which is a five steps reliable care process to prevent pressure damage from occurring has been incorporated into our Intentional Rounding Chart and embedded in to clinical practice (**S** = Support surface **S** = Skin inspection **K** = Keep moving **I**= Incontinence **N** = Nutrition).
- The Safety Cross is displayed at ward level which graphically shows how many days since the last incident of pressure damage which helps to generate a sense of pride and achievement whilst also proving a constant reminder of our 'Pressure Ulcer Prevention and Management Strategy'.
- The Prevention and Management of Pressure Ulcer Policy has been rewritten to incorporate Community using a variety of pictorial tools and guides to aid the appropriate classification of damage and selection of preventative equipment.
- An extensive training package has been devised for the prevention and management of pressure ulcers which can be accessed by all Trust staff and also those staff from Residential and Nursing Homes.
- The team developed a Joint Wound Formulary and Wound Management Booklet following successful participation in NHS England's Improving Wound Care Project for Community Services to increase the number of wounds that have failed to heal after four weeks to receive a full wound assessment.

Harm Free Care - measured by the NHS Safety Thermometer

The NHS safety thermometer is an audit undertaken on all patients on one day every month, to measure, monitor and analyse patient harm and "harm free" care. The four areas of harm which are measured are:

- Pressure damage.
- Falls.
- Catheter associated urinary tract infections (CAUTIs).
- Venous Thromboembolism (VTE).

The results from the audit are shared with clinical staff and key information is displayed on the wards. This data enables wards to address areas for improvement. The table below demonstrates: a) percentage of harm free care we have delivered each month; and, b) the prevalence of harm for the four key areas measured within the audit.

‡Safety Thermometer	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
Sample	801	733	800	727	796	793	749	761	771	802	825	781
Surveys	30	29	29	29	29	29	29	29	29	30	30	30
Harm free	95.5%	95.8%	97.3%	97.1%	97.0%	97.5%	96.7%	96.1%	96.1%	96.8%	97.3%	96.5%
Pressure Ulcers - All	3.0%	3.0%	2.4%	2.1%	2.1%	1.9%	2.5%	3.0%	3.5%	2.9%	1.7%	2.4%
Pressure Ulcers - New	0.4%	0.7%	0.5%	0.3%	0.8%	0.4%	0.3%	0.8%	0.4%	0.4%	0.2%	0.6%
Falls with Harm	0.4%	0.4%	0.1%	0.7%	0.5%	0.5%	0.3%	0.5%	0.3%	0.3%	0.5%	0.1%
Catheters and UTIs	1.1%	0.8%	0.1%	0.1%	0.3%	0.3%	0.4%	0.4%	0.3%	0.3%	0.6%	0.6%
Catheters and New UTIs	0.3%	0.4%	0.1%	0.1%	0.1%	0.3%	0.4%	0.4%	0.1%	0.3%	0.4%	0.6%
New VTEs	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.4%	0.1%	0.0%	0.0%	0.0%	0.3%
All Harms	4.5%	4.2%	2.8%	2.9%	3.0%	2.5%	3.3%	3.9%	3.9%	3.2%	2.7%	3.5%
New Harms	1.1%	1.6%	0.9%	1.2%	1.5%	1.1%	1.3%	1.7%	0.8%	0.9%	1.1%	1.7%

- **Pressure Damage**

  We have a dedicated workforce who are committed to continue to reduce the number of pressure damage incidents on a year on year basis. Over the last 12 months we have consistently achieved a prevalence rate of 0.5% or less on 8 separate occasions for new pressure ulcers that have developed whilst the patient has been under our care. This has been achieved due to the tremendous work across the Trust, building upon the success of participating in the Northern Regional Pressure Ulcer Collaborative. Teams have been supported to actively take ownership for improving their care process using a variety of improvement methodologies by testing small changes in practice and monitoring closely their effectiveness. The Safety Cross is displayed at ward level which graphically shows how many days it has been since the last incident of pressure damage which helps to generate a sense of pride and achievement whilst also providing a constant reminder of our 'Pressure Ulcer Prevention Strategy'.

  As part of our Strategy, the 'Pressure Ulcer Prevention Policy' has been amended to reflect changes in clinical practice and our provision of services in the Community. A number of pictorial guides and aids have been incorporated to aid staff to appropriately classify pressure damage and select products to aid the redistribution of pressure. An extensive training package has also been formulated which can be accessed by all Trust staff and also staff from the local community who work in Residential and Nursing Homes.

- **Falls**

  Over the past 12 months we have achieved a prevalence rate of 0.7% or less for those patients who have suffered harm as a result of a fall. The teams on the wards and departments are committed to reducing inpatient falls. The Practice Development and Falls Team support the staff to actively take ownership of improving patient falls risk assessments and monitoring processes. Improvement methodologies are used to monitor and evaluate any changes in practice.

  Falls Prevention week is held annually. The event this year was well supported and included a public engagement event in which visitors, patients and staff were asked for their opinions on how the organisation could reduce the incidence of inpatient falls.

  The Falls Strategic Team meet every two months to oversee the implementation of guidelines for the prevention and reduction of inpatient falls, in line with National Institute for Health and Care Excellence (NICE) and the Royal College of Physicians guidelines

- **Catheter Associated Urinary Tract Infections (CAUTI)**

  Over the last 12 months we have achieved a prevalence rate of 0.6% or less for those patients who have developed a CAUTI whilst in our care.

  The Infection Control Team continues to undertake targeted work on a daily basis utilising the 'High Impact Interventions' from the Infection Prevention Society to prevent catheter associated urinary tract infections from occurring.

  Two main areas of practice are being targeted: the insertion of catheter phase and also routine maintenance and assessment. Risks can be greatly reduced by complying with all parts of the process for safe catheterisation which incorporates the removal of the catheter as soon as it is no longer required.

- **Venous Thromboembolism (VTE)**
  In four of the Safety Thermometer audits over the last 12 months no VTEs were identified and had a 0.1% prevalence rate on six of the audits.

  This fantastic achievement has been achieved as a direct result of introducing an Electronic Prescribing and Medicines Administration system into the organisation known collectively as JAC. This has provided reassurance that all patients are assessed by a Doctor according to their individual risk of developing a VTE whilst they are in hospital and if they require treatment as a preventative measure this is prescribed and the necessary medication given. If any missed doses occur this can be quickly highlighted to the nursing staff during their drug round and investigated immediately.

3.2 Clinical Effectiveness

Record Keeping Audit

The Record Keeping Audit is the vehicle used to measure compliance with the Trust's documentation standards. However, participation in this audit was limited to specific members of staff, which did not give all staff the opportunity to reflect on their own record keeping standards. The audit tool had been systematically added to over the course of its existence to provide evidence and assurance for multiple initiatives. The focus was taken away from measuring compliance with basic record keeping standards. This process did not give the Trust adequate assurance and participation in the audit has continued to decrease year on year.

In December 2016, following consultation with various staff groups, a new Record Keeping Audit was launched. The new process requires every professional member of staff to audit one set of case notes each month (real time), using an electronic audit tool. The audit tool was scaled back to only the core standards for good record keeping (mapped against each professional body e.g. Royal College of Physicians, Nursing & Midwifery Council and Health & Care Professions Council), with the option to add service specific requirements if required. This gives all professional staff the opportunity to reflect on their own record keeping and drive improvements.

Results are shared via a monthly dashboard. The dashboard includes performance against each of the core standards and participation from each staff group. This enables direct comparisons between each staff discipline.

The success of the project this year can be seen by the outstanding improvement in the numbers of staff participation since the relaunch.

Medical Staff	Nursing Staff	Allied Health Professional Staff
176% increase	725% increase	383% increase

Areas of Good practice:

- "Is all the documentation filed within the record, in the correct locations" achieved between 67% and 100%.
- "Can you read all the written entries (is it legible)" achieved the highest compliance across the board between 86% and 100%.
- "Do the notes that are written assist with patient care" ranged between 96% and 100%.
- "Black ink used throughout" ranged between 88% and 100%.

Areas for improvement
The area for improvement across all disciplines relates to errors, all aspects of this element were poor across the year, the numbers of errors made is very small but the results show that when an error is made it is not correctly amended.

Action taken
- The production of a screensaver for all Trust computers to raise awareness of the new process.
- Publication of a Good Practice Bulletin to remind all clinical staff of what to do when an error has been made.
- Circulate monthly results to all areas, email all staff weekly as a prompt to participate in the audit.

Clinical Audit Training Programme
Specialised external clinical audit training has enabled us to develop our own accredited in-house two tier training programme.

The beginners and advanced sessions cater for healthcare professionals of differing backgrounds, abilities and experience. The beginners training session covers the basic things you need to know about clinical audit in order to be fully capable of completing a project on your own.

The advanced training session covers everything you need to know about clinical audit. The session explains the clinical audit process in detail and attendees leave with a full appreciation of clinical audit and will be able to deliver their own clinical audit projects. It also covers challenging issues that professionals face, e.g. overcoming typical barriers to successful audit and the process for formatting your information and results into a successful report. The programme was launched in April 2017 with sessions available monthly.

Local Clinical Guidelines
Over the past 15 months the Trust Clinical Guidelines have been migrated over to Pandora, the Trust's electronic document management system. This process took four weeks and involved building the pages to replicate how they were organised on the Intranet. The Clinical Effectiveness team have taken control over the Pandora page to allow efficient update of guidelines.

There are currently 441 active Trust Clinical Guidelines, 173 of which have been added in the past 15 months. 159 of the guidelines have been updated in the past 15 months. 53 guidelines have been closed either due to being obsolete or being incorporated into other guidelines or Trust policies. At present there are 123 guidelines which require an update. The Clinical Effectiveness Team has also taken control of the A & E Department Guideline page on Pandora. This has ensured we have access to all guidelines which weren't previously available to the rest of the Trust and reduces the administration burden on the ED consultants.

3.3 Patient Experience

Patient Public & Carer Involvement & Experience Strategy 2018-21 – 'Your Care, Your Voice'
This new strategy was developed and launched in January 2018; it sets out the Trust's vision for ensuring our patients remain at the heart of everything we do, and for our patients to be

empowered to influence the care we deliver. The strategy was developed through consultation with patients, carers and the public and continues to utilise the 5 steps to Excellent Care Framework which is described below:

1. Planning for a visit either to our hospital facilities or services in your own home.
2. While you are in our care, whether this is in our hospital facilities or in your own home.
3. Moving on from our care.
4. Shaping our services for the future.
5. Overall patient care/experience excellence in care.

The strategy is at the heart of what we do as a Trust, and we intend to implement it with energy and commitment. To ensure delivery of the strategy, progress against our identified priorities will be monitored through the Patient, Public & Carer Involvement & Experience Group.

‡Friends and Family Test

We continue to apply the Friends and Family Test (F&FT) within the inpatient and outpatients areas and Community Services. This patient experience survey is based on asking all patients a standard question, in line with the national guidance:

"How likely are you to recommend our service to friends and family if they needed similar care or treatment?"

The F&FT provides patients with an easy way of providing us with direct feedback through asking a very simple question. All responses are reviewed monthly and feedback is provided directly to the relevant departments, this ensures we are providing the best possible service to our patients.

Friends and Family Test Recommend Rate	2015-16	2016-17	2017-18	National 2017-18*
A&E	91.0%	95.1%	95.1%	86.6%
Inpatients & Day cases	97.7%	97.2%	97.8%	95.9%
Maternity - Antenatal	98.5%	98.8%	98.1%	96.3%
Maternity - Delivery	97.4%	98.6%	98.5%	96.5%
Maternity - Postnatal Ward	97.9%	97.8%	98.0%	94.6%
Maternity - Postnatal Community	100.0%	100.0%	100.0%	97.9%
Outpatients	94.9%	96.2%	97.4%	93.8%
Mental Health	100.0%	99.7%	99.1%	88.2%
Community	-	-	98.3%	95.4%

Friends and Family Test Response Rate	2015-16	2016-17	2017-18	National 2017-18*
A&E	32.9%	35.4%	24.0%	12.7%
Inpatients & Day cases	19.8%	28.5%	27.1%	25.2%
Maternity - Antenatal	9.9%	3.8%	6.0%	N/A
Maternity - Delivery	43.7%	44.0%	32.8%	22.9%
Maternity - Postnatal Ward	43.2%	45.3%	30.0%	N/A
Maternity - Postnatal Community	10.5%	7.8%	5.4%	N/A

* published data Apr-17 to Feb-18

source: https://www.england.nhs.uk/fft/friends-and-family-test-data/

The National Patient Survey Programme

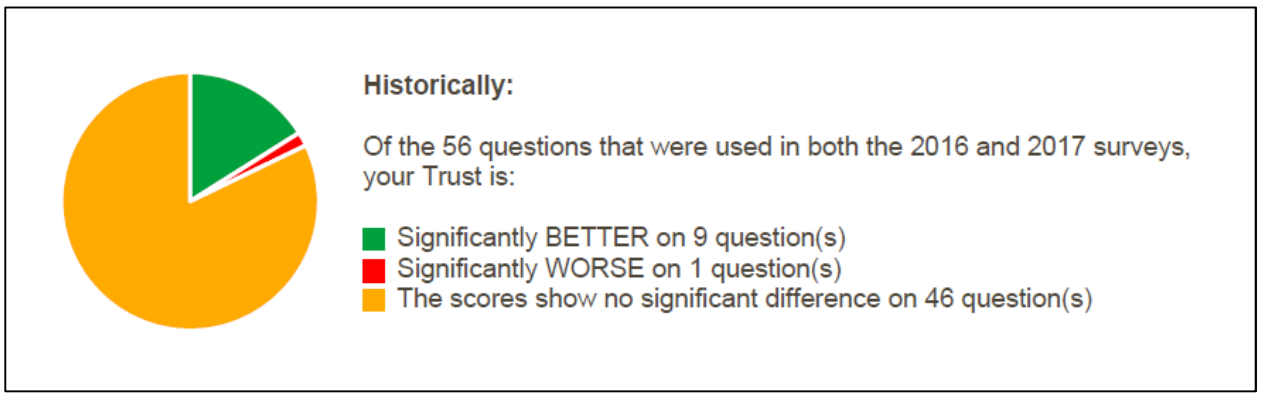
The National Patient Survey Programme comprises the annual adult inpatient survey and maternity survey and in rotation the community mental health survey, A&E survey, children & young people survey and the outpatient survey. These national surveys are valuable sources of information on various aspects of our service and are used to measure and monitor our performance against Trusts locally and nationally.

Adult Inpatient Survey 2017

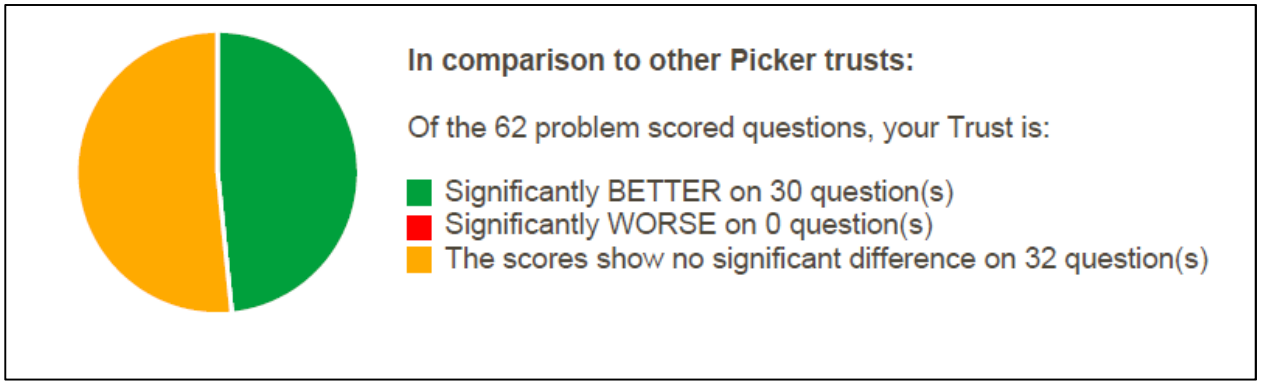
There were 81 Trusts commissioned to undertake the 'Picker' inpatient survey in 2017. 1,222 patients from our Trust were sent a questionnaire of which 534 were returned. This gave us a response rate of 43.7%; this is above the average response rate of 38.3% of the other 80 Trusts taking part in the Picker survey.

A total of 56 questions were used in both 2016 and 2017 surveys.

Historic comparisons



Compared to other Trusts



We are ranked no. 10 out of 81 trusts and number 14 most improved trust with 3.1% fewer patients on average reporting a problem.

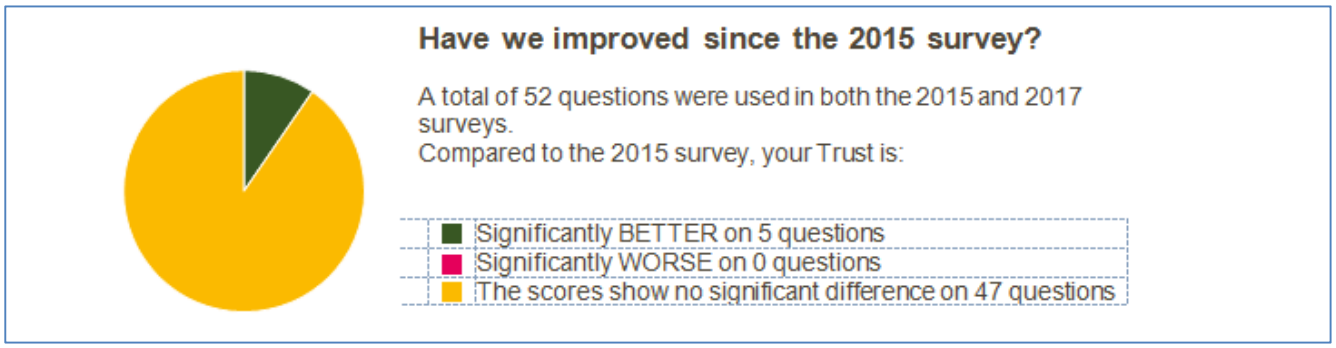
An improvement map has been developed to look at the importance of each question in relation to the overall patient experience as an inpatient. This allows us to channel our resources into what matters to patients and how we can improve our service to meet patient needs.

Maternity Survey 2017

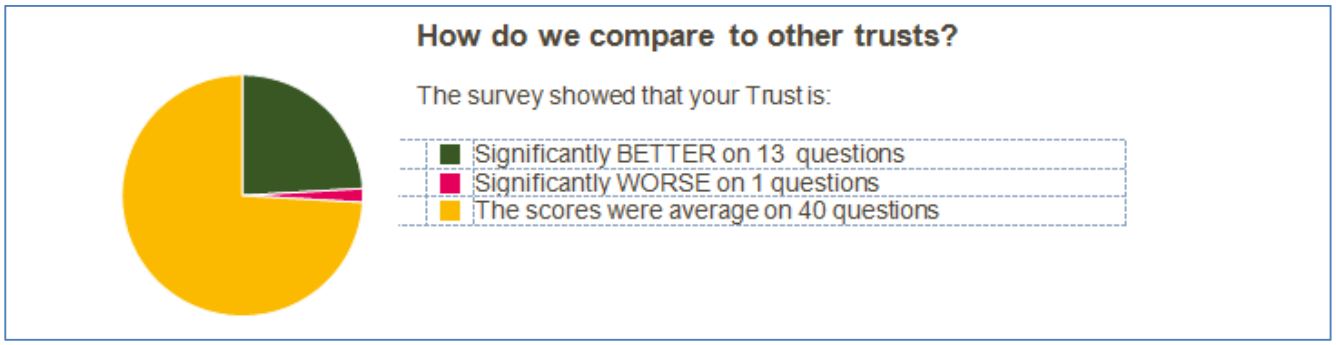
There were 68 trusts commissioned to undertake the 'Picker' Maternity Survey in 2017. 236 mothers from our Trust were sent a questionnaire of which 86 were returned. This gave us a response rate of 36.4%; this is slightly above the average response rate of 35.8% of the other 67 trusts taking part in the survey.

The Maternity Survey has historically been repeated every other year, however from 2018 this will move to annually. Looking at trends over time helps to focus attention on the improvements required. A total of 52 questions were used in both 2015 and 2017 surveys.

Historic Comparisons



Compared to other Trusts



We are ranked number 5 out of 68 trusts who took part in the Picker survey, as a best performer and number 16 most improved trust with 3.0% fewer mothers on average reporting a problem

'PJ Paralysis' Campaign

In April 2017, the Trust signed up to the national 'PJ Paralysis' Campaign.

'PJ Paralysis' is a really simple idea, but it has a big benefit for patients. The campaign encourages patients to get dressed into their own day clothes as early as possible, instead of remaining in pyjamas or night wear whilst in hospital. It also drives us to put the patient at the centre of everything we do.

We know that if patients stay in their pyjamas or gowns for longer than they need to they have a higher risk of infection, decreased mobility, fitness and strength, and can stay in hospital longer. If we can help patients get back to their normal routine as quickly as possible, including getting dressed, we can support a quicker recovery to help patients maintain their independence and help to get them home sooner.

Led by the Practice Development Team a number of initiatives have been undertaken:

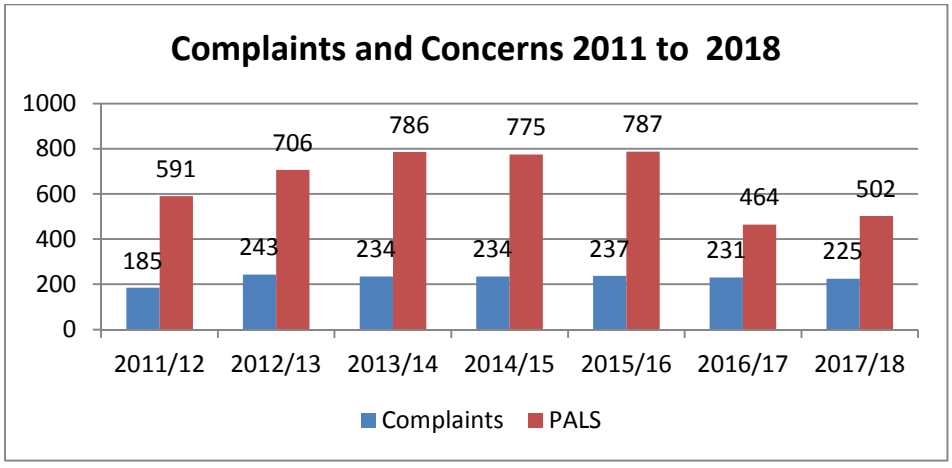
- Met with patients and relatives to raise awareness of the campaign.
- Engaged with staff around the campaign via various methods: screensavers, articles in staff newsletter and presentations at staff meetings.
- Worked with patients and families to develop a Trust logo and notices for ward areas.
- Working with staff in the community to promote awareness before patients are admitted to hospital.

Listening to Concerns and Complaints

The Trust acknowledges the value of feedback from patients and visitors and continues to encourage the sharing of personal experiences. This type of feedback is invaluable in helping us ensure that the service provided meets the expectations and needs of our patients through a constructive review.

For the year 2017/18 we received a total of 225 formal complaints. Promoting a culture of openness and truthfulness is a prerequisite to improving the safety of patients, staff and visitors as well as the quality of healthcare systems. It involves apologising and explaining what happened to patients who have been harmed as a result of their healthcare treatment when inpatients or outpatients of the Trust. It also involves apologising and explaining what happened to staff or visitors who have suffered harm. It encompasses communication between healthcare organisations, healthcare teams and patients and/or their carers, staff and visitors and makes sure that openness, honesty and timeliness underpins responses to such incidents.

The Patient Advice and Liaison Service (PALS) offer confidential advice, support and information on health-related matters. They provide a point of contact for patients, their families and carers.



During 2017/18 the top five main reasons to raise a formal complaint were in relation to:

- Clinical Treatment – General Medical Group (52 complaints).
- Clinical Treatment – Surgical Group (45 complaints).
- Communications (26 complaints).
- Values & Behaviours (Staff) (25 complaints).
- Clinical Treatment – Accident & Emergency (18 complaints).

Complaints Performance Indicators	**Total 2017/18**
Complaints received	225
Acknowledged within three working days	225
Complaints closed	195
Closed within agreed timescale (eight weeks)	116
Number of complaints upheld	132
Concerns received by PALS	502

Complaints Indicators	**Total 2017/18**
Number of closed complaints reopened	46*
Number of closed complaints referred to Health Service Ombudsman	12

*although this number has increased from 12 last year, this includes cases opened from previous years as well as better reporting by the complaints staff.

Outcome of complaints referred to Health Service Ombudsman (HSO)	**Total 2017/18**
Awaiting decision	10
Complaints upheld	0
Part upheld	0
Declined to be investigated	2

3.4 Focus on Staff - Valuing Our People

The Trust's goal is to have an engaged and motivated workforce living the values and behaviours of the organisation, and who are responsive and adaptive to the changing needs of our environment. Throughout the year we have worked towards this through recognising, involving and developing our staff, in order to ensure we are a high quality, patient-focused organisation. Despite the financial pressures facing all NHS organisations, we are still committed to training and supporting staff to reach their full potential, and to attracting and retaining the best calibre of people to provide our services.

Listening to our Staff through the NHS Staff Survey (* does not cover QE Facilities Limited)

The annual NHS Staff Survey is a critical tool in enabling the Trust to benchmark itself against similar NHS organisations and the NHS as a whole, on a range of measures of staff engagement and satisfaction and we have seen an improvement this year in terms of response rate.

Highlighted by the Trust's values of openness and honesty, we have a multi-faceted approach to Staff Engagement which includes partnership working with staff representatives, involving staff in service transformation work, regular communications via QE Weekly, staff briefings from the Chief Executive, using the Friends and Family Test, as well as professional forums, away days and annual conferences.

Formally, the Trust has two key mechanisms for consulting with our employees across the organisation: Joint Consultative Committee for non-medical staff and Local Negotiating Committee for Medical Staff. Meetings are held regularly with representatives from trade union organisations and employee representatives to seek their views before decisions are made. This has been on matters ranging from policies and procedures to new systems or initiatives, and future plans of the Trust. These forums, supplemented by professional groups, Business Unit events, service line meetings and any organisational change processes, include staff in matters relating to the financial, operational and quality performance of the Trust.

This year the Trust chose to include all staff in the Staff Survey for the third consecutive year (not using a sample) to give everyone the opportunity to provide feedback. Our response rate is illustrated in the table below.

	2016/17		2017/18		Trust improvement/ deterioration on previous year
Response rate	**Trust**	**National average**	**Trust**	**National average**	
	39%	43%	44%	43%	5% increase

Measured against 32 CQC key indicators, the Trust performed favourably compared to other Acute and Community Trusts in the UK in the following areas:

	2016/17		2017/18		Trust improvement/ deterioration on previous year
Top 5 ranking scores	**Trust**	**National average**	**Trust**	**National average**	
Percentage of staff experiencing physical violence from staff in last 12 months	1%	2%	1%	2%	No Change
Staff confidence and security in reporting unsafe clinical practice	3.79	3.65	3.84	3.67	0.05 improvement
Organisation and management interest in action on health and wellbeing	3.69	3.61	3.82	3.63	0.13 improvement
Staff satisfaction in resourcing and support	3.43	3.33	3.46	3.27	0.03 improvement
Percentage of staff felling unwell due to work related stress in the last 12 months	33%	35%	31%	38%	2% improvement

The Trust's lowest ranked scores in comparison to other Acute and Community Trusts were:

	2016/17		2017/18		Trust improvement/ deterioration on previous year
Bottom 4 ranking scores	**Trust**	**National average**	**Trust**	**National average**	
Percentage of staff/colleagues reporting most recent experience of harassment, bullying or abuse	40%	45%	42%	47%	2% improvement
Percentage of staff/colleagues reporting most recent experience of violence	63%	67%	59%	67%	4% deterioration
Percentage of staff agreeing their role makes a difference to patients/service users	92%	90%	91%	90%	1% deterioration
Staff motivation at work	3.93	3.94	3.92	3.91	0.01 deterioration

Our ratings show that we are:

- Better than average in twenty eight key scores (24 in 2016/17).
- Average in two key scores (4 in 2016/17).
- Below average in two key scores (4 in 2016/17).

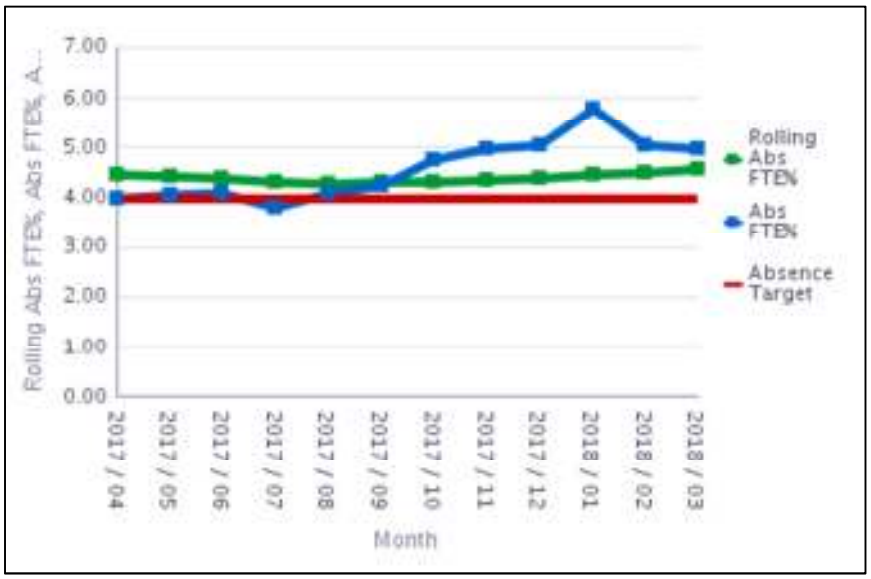
The arrival of over 600 community staff into the Trust since the last staff survey has resulted in a shift in the profile of the Trust in line with the national survey co-ordination centre. The Trust has now been classified as a 'Combined Acute and Community Trust', rather than an 'Acute Trust'.

Following the publication of the 2015 survey results, the Trust set two-year objectives to give us sufficient time to make changes and demonstrate progress. As a result of listening to staff feedback, the 2017 results show progress in all three areas, including Health and Well-being of staff and reduction of stress, the eradication of violence between colleagues taking a zero tolerance approach, and to redesign our appraisal framework based on our values and behaviours. However, there has been a deterioration in the percentage of staff/colleagues reporting most recent experience of violence therefore we will continue to work to improve this in pursuit of a culture of openness.

Health and Well-being

There is a wealth of research to say that having healthy staff, both in mind and body, has a positive impact on the quality of patient experience and clinical outcomes. For this reason, the Trust invests in making sure that the right conditions and support are in place to create a healthy workforce with activities and events to increase healthier lives throughout the year.

The Trust continues to support staff to be able to attend and sustain attendance at work. Robust monitoring of sickness absence enables early intervention and support. In 2017/18 we have seen more staff with long-term absences compared to short-term absences, potentially reflective of our population's increasing complex health needs.



We have an in-house Occupational Health Department consisting of a physician, a nursing team, a multi-disciplinary ergonomics team, a physiotherapist, a counselling service; all supported by an administration team. The service holds national accreditation as a Safe Effective Quality Occupational Health Service (SEQOHS) following rigorous independent assessment against recognised industry standards across the UK.

Throughout 1st April 2017 – 31st March 2018 we have provided 4806 appointments for staff which covered the following:

- ✓ 513 counselling appointments.
- ✓ 1196 pre-employment screening appointments.
- ✓ 1525 vaccination/immunisation screenings.
- ✓ 330 ergonomic and workplace assessments.
- ✓ 982 sickness absence management appointments.
- ✓ 106 other consultations.
- ✓ 111 appointments associated with sharps injuries.
- ✓ 350 physiotherapy referrals.
- ✓ 35 health surveillance appointments.

In 2017/18 we were also delighted to see that 76% of our staff chose to have their flu vaccination, to protect themselves, their family and our patients and visitors. This allowed us to achieve the national Commissioning for Quality and Innovation (CQUIN) goal and is testament to the continued commitment of our staff in this area.

Organisational Development (OD)

Ensuring that each and every patient has a great experience does not only depend on **what** we do, but also **how** we do it. At the centre of this are our Trust values and in the last year our staff have spent time refreshing those values and developing a behaviours framework around them. This is designed to run alongside our new appraisal process and future values-based recruitment plans.

(* does not cover QE Facilities Limited)

The Trust has focused this year on supporting our staff to be ready for, and respond, to the challenges it faces. This has included:

- Continuing support of the Community Service Teams/Gateshead Care Partnership transformation plans.
- Engaging staff within Mental Health Services to improve the delivery of quality services.
- Encouraging and embedding the use of Insights Discovery Model and the Healthcare Leadership models as ways to improve individual behaviours and team working.
- Work has begun to be able to identify the talent in the Trust, and how this will help us have succession pathways to support our future workforce needs.
- Refreshing of the Trust's values and creation of a behaviours framework.
- Redesigning the Appraisal process and roll out of new training for staff and managers.

Recruitment and Retention

At the end of 2017/18 we employed 4386 people. The number is broken down as follows:

PROFESSION	
Additional Professional, Scientific and Technical	167
Additional Clinical Services	806
Administrative and Clerical	890
Allied Health Professionals	296
Estates and Ancillary	504
Healthcare Scientists	162
Medical and Dental	297
Nursing and Midwifery Registered	1261
Students	3
Total	**4386**

A comparison of our workforce is provided below:

	2016/17	**%**	**2017/18**	**%**
AGE				
17-21	106	2.53	107	2.44
22+	4086	97.47	4279	97.56
ETHNICITY				
White	3987	95.11	4126	94.07
Mixed	19	0.45	19	0.43
Asian or Asian British	107	2.55	120	2.74
Black or Black British	32	0.76	40	0.91
Other	21	0.50	24	0.55
Not Stated	26	0.62	57	1.30
GENDER				
Male	841	20.06	931	21.23
Female	3351	79.94	3455	78.77
RECORDED DISABILITY				
	91	2.17	167	3.81

As at 31st of March 2018 our Board of Directors was 57.2% male and 42.8% female.

Work Experience

The Trust offers an extensive work experience programme enabling us to build invaluable links with the surrounding community through working with local schools and colleges. By providing work experience for 14 -19 year old students we are aiming to build and grow our workforce for the future. Work placements are offered in a number of different areas across the Trust including medicine, midwifery, nursing and physiotherapy to help local young people to gain a broader understanding in these areas. In 2017/18 the Trust hosted 125 placements, 63% for the medical shadowing programme. We also hosted a Careers Event for local schools in 2017 inviting over 60 students from neighbouring schools into the Trust to showcase a range of careers within the NHS.

Policies and Practices to support Disabled Staff

The Trust supports Project Choice, which provides young people who have learning difficulties/disabilities with support and access to work experience placements and employment opportunities. We have also offered internships in areas of the Trust such as reception, Human Resources (HR) team and Health Records. We continue to work with a number of charitable organisations working on pre-employment programmes including Shawe Trust, Azure and the Wise Group.

The Trust is committed to ensuring that, as far as is reasonably practicable, the way we treat staff reflects their individual needs and does not unlawfully discriminate against individuals or groups on the grounds of any protected characteristic (Equality Act 2010). Our key employment policies promote the right of all staff to be treated fairly and consistently in accordance with equality and human rights requirements. We reviewed our Recruitment Policy in 2017 and this policy encourages the use of reasonable adjustments as a means of removing any disadvantage for disabled persons. The Supporting and Managing Sickness Absence Policy provides a supportive framework to help employees return to work where possible. We work with Access to Work, part of Jobcentre Plus, to ensure we consider the most appropriate reasonable adjustments to support our employees.

We are confirmed as a Disability Confident Employer. This scheme replaced the "Disability Two Ticks Employer" status, which was awarded by Jobcentre Plus to employers who have agreed to make certain positive commitments regarding the employment, retention, training and career development of disabled people.

We are a Mindful Employer, which demonstrates our commitment to supporting staff who experience stress, anxiety, depression or other mental health conditions. As part of this charter, we raise awareness and share information to support both existing and prospective employees.

During 2017/18 we have developed new guidance which provides line managers with a toolkit to support staff who may be experiencing poor mental well-being. This "Well-being at Work" guidance has been launched in conjunction with a bitesize session for line managers (Mental Well-being in the Workplace) which aims to enable managers to feel confident in supporting the mental well-being of the people in their teams.

A Learning Culture

One of the initiatives we are proud of again this year is continued improvement and scores in the Library Quality Assurance Framework (LQAF) awarding the library service a score of 97% compliance. This is an increase of 1% from 2016. This gives a green quality assurance status (ranking the Trust 3rd in the North East Region with 99% being the highest scored).

We have also had positive feedback from a General Medical Council (GMC) Survey in relation to our Doctors in Training and an Annual Deans Quality Meeting from Health Education England (HEE) commending our commitment to providing a positive learning environment for all. In a recent visit the Dean commented that we could well be "the jewel in the crown of the Foundation Programme".

We believe that effective leadership means not only having the right knowledge and skills, but demonstrating the right behaviours and values to ensure patient safety and quality. Our strategy has embraced the Healthcare Leadership Model as a means of ensuring that consistent messages are given around appropriate leadership behaviours and as such we've been developing our behaviour statements in line with the Trust's values.

This is why this year we've worked with our partners in Gateshead College to design two new Leadership Programmes aligned to the apprentice standards and aimed at first time managers and developing leaders.

Our employees also have access to the many opportunities available to them via eLearning, development sessions, postgraduate support for specialist development, and Continuing Workforce Development (CWD) sessions as commissioned by HEE North East.

The Trust continues to provide apprenticeship opportunities to support people at all levels to gain valuable experience and a vocational qualification with the ultimate aim of securing employment within the NHS. In September 2017 the Trust recruited 14 Business & Administration apprentices and 12 Healthcare apprentices. We have also been part of the new pilot of Nursing Associates with a total of 10 appointed. This programme has been extended and amended to be an apprentice programme from next year.

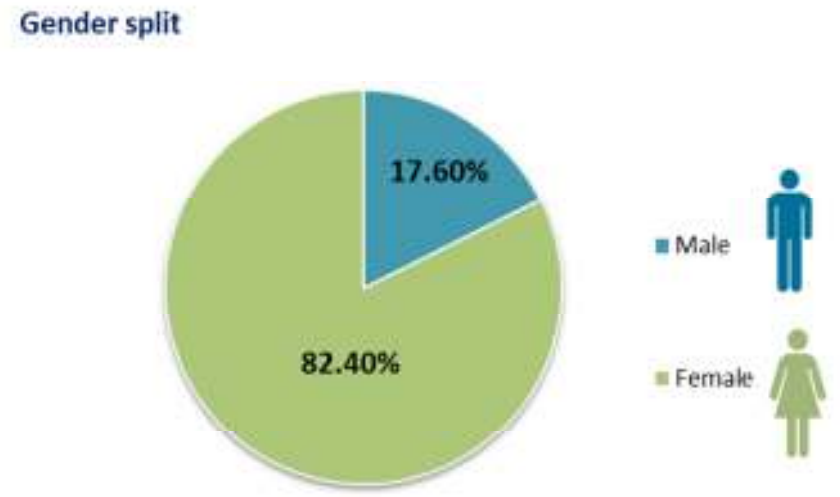
Reward and Recognition

We continue to look for innovative ways to recognise our staff. We continue to run a media campaign to get our public and patients to nominate their "QE Angel" recognising the importance of our patients' voices.

We also held our annual Star Awards event; a humbling and proud evening where around 200 guests (staff, patients and partners from the local community) came together to celebrate the amazing work that members of our workforce do each and every day. Those who were nominated as a 'Star' of the organisation received a personal note from the Chief Executive letting them know that their contribution counts, as well as a QE Gateshead Star pin badge to wear. The winners in each category were presented with a coveted QE Gateshead 2017 Trophy.

New legislation means that all large employers across the UK with more than 250 employees are required to show the difference between the average earnings of all men and women as a percentage and publish their results. This helps us understand the gender pay gap which we must analyse and take appropriate action to address any imbalance or inequality.

Gender Pay Gap



Pay and Bonus pay gap	Mean	Median
Ordinary Pay	30.80%	17.46%
Bonus	50.48%	50.94%

(* does not cover QE Facilities Limited)

82.4% of our workforce is female and there are more male employees in certain occupations that fall into the higher paid quartile, for example consultants. The gender split across the national landscape of the NHS is 77% female and 23% males and amongst medical staff the ratio is 2:1 with a male dominated workforce. Gateshead is not dissimilar to the national picture.

Further information on our findings is published here - https://www.qegateshead.nhs.uk/edhrreports

Diversity and Inclusion

The Trust has operated a human rights based approach to promoting equality, diversity and human rights for many years. This is reflected in the 'Vision for Gateshead', which promotes the

core values of openness, respect and engagement. The aim is to ensure services are accessible, culturally appropriate and equitably delivered to all parts of the community, by a workforce which is valued and respected, and whose diversity reflects the community it serves. To support accountability, there is a well-established infrastructure in place which has provided leadership, governance and continuity, for example:

- The Trust Board has appointed Governors from diverse backgrounds, including Gateshead Youth Council, the Jewish Council and the Diversity Forum for Gateshead. Many Governors are active members of groups and committees.
- We publish a separate annual report relating to diversity and inclusion, on a dedicated part of the QE Gateshead website. Information about diversity and inclusion can be accessed using the following link: http://www.qegateshead.nhs.uk/edhr
- During 2017/18, the Trust's Executive Sponsors of our Equality Objectives have met a number of times to drive activity from a Trust Board level. This has included Gender Pay Gap Reporting, Accessible Information Standard and Sexual Orientation Monitoring Standard.
- The Trust has invested in corporate membership of the Employers Network for Equality & Inclusion, which is a leading employer network covering all aspects of equality and inclusion issues in the workplace. We aim to develop a programme of work in partnership with other NHS organisations in the North East region to support an inclusive and diverse workplace. We will use this work to help build staff networks, to offer support and the opportunity for feedback in the future.

In addition, the following important areas of work were undertaken in 2017/18:

The Workforce Race Equality Standard (WRES) aims to ensure all NHS organisations demonstrate annual progress using nine different indicators (metrics) of workforce race equality. Four of the metrics are from workforce data and four of the metrics are based on data derived from the national NHS Staff Survey. The Trust published our third WRES information in 2017 (* does not cover QE Facilities Limited) and moving forward the Operational Workforce Forum and Your Voice Staff Forum (see below) will consider this information and use it to inform appropriate actions to ensure the treatment of our staff is not unfairly affected by their ethnicity.

The new "Your Voice Staff Forum" was established in 2017. This forum draws its membership from a wide range of staff from across the organisation, and aims to support the Trust by driving change and challenging future priorities, ensuring the different values and needs of our workforce, patients and local communities are represented. The forum has elected its own chair, and works in partnership with members of the Workforce Team.

The Trust continues to progress work in relation to our three Equality Objectives which underpin our Public Sector Equality Duty.

Equality Objectives

1. All patients receive high quality care through streamlined accessible services with a focus on improving knowledge and capacity to support communication barriers.

2. The Trust promotes a culture of inclusion where employees have the opportunity to work in a supportive and positive environment and find a healthy balance between working life and personal commitments.
3. Leaders within the Trust are informed and knowledgeable about the impact of business decisions on a diverse workforce and the differing needs of the communities we serve.

Progress continues to be monitored through bi-monthly meetings with our three Executive Leads.

During 2017/18 the Trust became an "NHS Employers Diversity and Inclusion Partner". This programme supports organisations to develop their equality performance over a period of 12 months, and is closely aligned to Equality Delivery System 2.

As part of the NHS Employers Equality Diversity and Human Rights week in May 2017 the Trust launched a 'STOP Bullying and Harassment' campaign. We also participated in a national 'Call to Action' from the Social Partnership Forum to raise awareness of how to stop bullying in the workplace. As part of this campaign we also launched a workplace Mediation Service with 12 accredited mediators to support positive informal resolution to workplace issues.

3.5 Quality overview - performance of Trust against selected indicators

The following sections provide details on the Trust's performance on a range of quality indicators. The indicators themselves have been extracted from NHS nationally mandated indicators, Commissioning for Quality and Innovation (CQUIN), and locally determined measures. Trust performance is measured against a mixture of locally and nationally agreed targets. The key below provides an explanation of the colour coding used within the data tables.

	Target achieved
	Although the target was not achieved, it shows either an improvement on previous year or performance is above the national benchmark
	Target not achieved but action plans are in place

Where applicable, benchmarking has been applied to the indicators using a range of data sources which are detailed in the relevant sections. The Trust recognises that benchmarking is an important tool that allows the reader to place the Trust performance into context against national and local performance. Where benchmarking has not been possible due to timing and availability of data, the Trust will continue to work with external agencies to develop these in the coming year.

‡ denotes indicators governed by standard national definitions

1) Visible Leadership for Safety and Culture

‡*Outcomes of Trust Wide MaPSaF Patient Safety Culture Assessment:*

An assessment will be undertaken in 2018/19. Following this a Trust wide action plan will be developed to address any areas for improvement.

Executive Quality and Safety Walkabouts (implemented from February 2010):

All Executive Board members undertake walkabouts within their own teams and across the wider organisation. The Chairman and Chief Executive undertake regular walkabouts and the Director and Deputy Director of Nursing, Midwifery & Quality attend clinical areas on a weekly basis.

2) Team Effectiveness / Efficient / Innovative

Team Effectiveness	2015-16	2016-17	2017-18	Target
Core Skills Training Compliance	74.56%	73.37%	79.75%	90%
Appraisal Compliance (Staff with a current appraisal)	71.93%	81.82%	67.81%	90%
Staff Sickness Absence (12 month rolling percentage)	4.82%	4.49%	4.62%	4.00%
Staff Turnover (Labour turnover based on Full Time Equivalent)	24.63%**	12.92%*	11.48%	N/A

**the significant shift in turnover is in relation to staff transferring to QE Facilities.

*the turnover figures is affected significantly by the transfer in of Community Services.

From September 2017 the Trust has been part of a Regional Streamlining Programme which is aimed at reducing the variation in Core Skills Training between NHS organisations (aligning to the National NHS Core Skills Framework) and thus enabling portability.

3) Safe Reliable Care / No Harm

A) Reducing Harm from Deterioration:

Safe Reliable care	2015-16	2016-17	2017-18	Target
‡HSMR*	100.2	104.0	108.0**	<100
‡SHMI Period	Apr 16 to Mar 17	Jul 16 to Jun 17	Oct 16 to Sep 17	
‡SHMI	1.0	1.01	1.0	<=1
‡SHMI Banding	As Expected	As Expected	As Expected	As expected or lower than expected
‡SHMI - Percentage of admitted patients whose treatment included palliative care (contextual indicator)	15.4%	16.7%	18.9%	N/A
Crude mortality rate taken from Commissioning Data Set (CDS)	1.71%	1.67%	1.81%	<1.99%
Number of calls to the cardiac arrest team	224	177	177	N/A
Of the calls to the arrest team what percentage were actual cardiac arrests	48.7%	53.1%	38.4%	N/A
Cardiac arrest rate (number of cardiac arrests per 1000 bed days)	0.58	0.52	0.37	N/A
‡Hospital Acquired Pressure Damage (grade 2 and above)	108	104	92	Year on year Reduction
‡Community Acquired Pressure Damage (grade 2 and above)	854	1214†	1346	N/A
Number of Patient Slips, Trips and Falls	1902	1668	1505	N/A
Rate of Falls per 1000 bed days	10.21	9.18	9.02	Reduction (<8.5)
Number of Patient Slips, Trips and Falls Resulting in Harm	484	407	347	N/A
Rate of Harm Falls per 1000 bed days	2.60	2.24	2.08	Reduction (Less than <2.25)
Falls Change	1.2% Increase	13.8% reduction	7.1% reduction	Reduction (Less than <2.25)
Ratio of Harm to No Harm Falls (i.e. what percentage of falls resulted in Harm being caused to the patient)	25.45%	24.40%	23.10%	Year on Year reduction

* HSMR figure taken from HED April 2018

**HSMR figures are April 2017 to January 2018

† Community services transferred from South Tyneside in October 2016

B) Reducing Avoidable Harm:

Reducing Avoidable Harm		2015-16	2016-17	2017-18	Target
Medication Errors	No Harm	366	413	454	N/A
	Minimal Harm	51	45	54	N/A
	Moderate Harm	5	3	10	<8
	Severe	1	0	0	0
	Total	423	461	518	N/A
‡Never Events		2	3	3*	0
Patient Incidents per 1,000 bed days		34.72	37.33	43.93	N/A
Rate of patient safety incidents resulting in severe harm or death per 100 admissions		0.16	0.18	0.21	N/A

*2 never events reported in March relate to recently discovered incidents of Wrong implant/prosthesis. Which occurred in 2011 and 2016.

C) Infection Prevention and Control:

Infection Prevention & Control	2015-16	2016-17	2017-18	2016-18 Objective	2018-19 Objective
‡MRSA bacteraemia apportioned to acute trust post 48hrs	1^	0	0	0	0
‡MRSA bacteraemia rate per 100,000 bed days	0.005	0	**0**	**0**	**0**
‡*Clostridium difficile* Infections (CDI) post 72hr cases	**48^**	**20^^**	**31**	**<=19**	**<=18**
‡*Clostridium difficile* Infections (CDI) rate per 100,000 bed days	**27.17^**	**11.59^^**	**17.97**	**11.6**	**<=10.1**

During the 2017/18 period the Trust reported zero (0) post 72hr MRSA bacteraemia.

The Trust reported thirty one (31) cases of post 72hr CDI overall however six (6) cases were deemed unavoidable with twenty five (25) cases against the Trust objective of nineteen (19). NHS Improvement (NHSI) contacted the Trust during November as an informal response to the Trust being outside of its monthly objective to review possible causes, the Trust approach to CDI, the reaction to increasing cases and to ascertain if there was any support NHSI could offer.

NHSI recognised that the IPC Team had implemented a comprehensive process review and identification of key themes based on sampling delays, prescribing, documentation, patient management and review, human factors, feedback and education. NHSI agreed there were no clear reasons for the recent gradual increase in cases however offered a level of external support if the Trust recognised the need.

^^During the 2016/17 period the Trust reported zero (0) MRSA bacteraemia. The Trust reported 20 cases of CDI overall however nine (9) cases were deemed unavoidable with eleven (11) CDI cases against the Trust objective of nineteen (19).

^During 2015/16 the Trust reported one (1) MRSA bacteraemia. A post infection review (PIR) meeting took place identifying the case result as a contaminant and not an infection. The Trust reported forty eight (48) post 72hr CDI; thirty (30) cases were deemed as being unavoidable by an expert panel, this meant the Trust had a total of eighteen (18) avoidable cases of CDI against an objective of nineteen (19).

4) Right Care, Right Place, Right Time

Care of patients following a Stroke:

Results from the Sentinel Stroke National Audit Programme (SSNAP) are provided below. This replaces the Stroke Bundle data used in previous quality accounts to allow ongoing measuring and benchmarking.

Source: https://www.strokeaudit.org/results/Clinical-audit/National-Results.aspx

Key Stroke indicators are grouped into domains, and each domain is given a performance level (level A to E). The domain levels are then combined into a Total Key Indicator (KI) scores. The methodology aims to take into account guideline recommendations and clinical consensus. The SSNAP Summary Report, including scores and levels, will be made available in the public domain.

‡Team Centred Key Indicators	Oct-Dec 15	Jan-Mar 16	Apr-Jul 16	Aug-Nov 16	Dec-Mar 17	Apr-Jul 17
1) Scanning	D	C	B	B	N/A*	N/A*
2) Stroke unit	D	D	C	C	B	A
3) Thrombolysis	D	C	D	C	N/A*	N/A*
4) Specialist Assessments	D	D	B	C	N/A*	N/A*
5) Occupational therapy	A	A	A	B	A	A
6) Physiotherapy	A	A	A	A	A	A
7) Speech and Language therapy	D	E	E	D	C	C
8) MDT working	D	D	D	D	N/A*	N/A*
9) Standards by discharge	B	D	B	B	C	C
10) Discharge processes	A	C	A	A	A	A
Team-centred Total KI level	C	D	B	B	A	A
Team-centred Total KI score	62	56	70	70	83	87
Team-centred SSNAP level (after adjustments)	D	D	C	D	C	B
Team-centred SSNAP score	56	53	63	60	67	74

* These indicators are no longer relevant to the Trust as patients are now transferred to the Newcastle Upon Tyne Hospitals NHS Foundation Trust's Stroke Unit for these services.

Other Indicators:

Other Indicators	2015-16	2016-17	2017-18	Target	Benchmark
Percentage of Cancelled Operations from FFCE's†	0.97%	0.70%	0.68%	0.80%	1.1%**
Percentage of Patients who return to Theatre within 30 days (Unplanned / Planned / Unrelated)	5.31%	4.80%	5.48%	Improve Year on Year	N/A
Fragility Fracture Neck of Femur operated on within 48hrs of admission / diagnosis	91.16%	91.81%	94.72%	90%	N/A
Proportion of patients who are readmitted within 28 days across the Trust*	9.23%	8.62%	7.90%	Improve year on year	N/A
Proportion of patients undergoing knee replacement who are readmitted within 30 days*	6.97% 35 patients readmitted	4.41% 20 patients readmitted†	5.64% 18 patients readmitted	Improve Year on Year	N/A
Proportion of patients undergoing hip replacement who are readmitted within 30 days*	8.90% 39 patients readmitted	7.46% 34 patients readmitted†	7.67% 26 patients readmitted	Improve Year on Year	N/A

* Figures taken from Healthcare Evaluation data (HED) and provide a full year for 2015-16, 2016-17 and Apr to Dec 2017

** NHS England Statistics - NHS Cancelled Elective Operations Quarter Ending December 2017

† FFCE's refer to First Finished Consultant Episodes. A patient's treatment or care is classed as a spell of care. Within this spell can be a number of episodes. An episode refers to part of the treatment or care under a specific consultant, and should the patient be referred to another consultant, this constitutes a new episode.

5) Positive Patient Experience

Responsiveness to Inpatients' personal needs Question	2015	2016	2017	Average†
Was the patient as involved as they wanted to be in decisions about their care and treatment?	62%	57%	59%	57%
Did the patient find someone to talk to about their worries and fears?	50%*	42%	52%*	39%
Was the patient told about medication side effects to watch out for?	48%*	46%	43%	39%
Was the patient told who to contact if they were worried?	85%*	82%	83%	80%
Was the patient given enough privacy when discussing their condition or treatment?	80%*	82%	84%*	77%
Overall Composite Score	65%	63%	64%	58%

*Scores significantly better than average

†Average score for all 'Picker' Participating Trusts

Source: Picker Institute Inpatient Survey 2017 Gateshead Health NHS Foundation Trust Final Report January 2018

6) Safe, Effective Environment, Appropriate Equipment & Supplies

Patient-Led Assessments of the Care Environment (PLACE)		2015	2016	2017
Cleanliness	Gateshead Health NHS Foundation Trust	99.78%	99.94%	99.94%
	National Average	97.57%	98.06%	98.38%
Food	Gateshead Health NHS Foundation Trust	93.47%	91.53%	93.89%
	National Average	87.21%	88.24%	89.68%
Environment	Gateshead Health NHS Foundation Trust	93.13%	96.52%	97.05%
	National Average	90.11%	93.37%	94.02%
Privacy, Dignity and Wellbeing	Gateshead Health NHS Foundation Trust	84.61%	84.65%	85.30%
	National Average	86.03%	84.16%	83.68%
Dementia	Gateshead Health NHS Foundation Trust	64.93%	75.76%	78.27%
	National Average	74.51%	75.28%	76.71%

Sources:
www.hscic.gov.uk/catalogue/PUB18042
www.hscic.gov.uk/catalogue/PUB14780
www.hscic.gov.uk/catalogue/PUB11575
http://content.digital.nhs.uk/catalogue/PUB21325
https://digital.nhs.uk/catalogue/PUB30055

The Maximiser is an electronic auditing tool for measuring environmental cleanliness. It is a handheld device that captures audit scores (PASS /FAIL) against checklist items and calculates scores for each area. Below are the results for the Trust as a whole.

Maximiser	Target	2015-16	2016-17	2017-18
Gateshead Health NHS Foundation Trust	98.00%	98.31%	98.60%	98.54%

3.6 National targets and regulatory requirements

‡ The following indicators are all governed by standard national definitions

No	Indicator		2015/16	2016/17	2017/18	Target	National Average
1	Maximum time of 18 weeks from point of referral to treatment in aggregate – admitted		86.5%	83.7%	81.5%	90.0%	74.4%**
2	Maximum time of 18 weeks from point of referral to treatment in aggregate – non-admitted**		94.4%	91.4%	91.4%	95.0%	89.2%**
3	Maximum time of 18 weeks from point of referral to treatment in aggregate – patients on an incomplete pathway**		93.1%	93.4%	94.3%	92.0%	87.9%**
4	A&E – maximum waiting time of four hours from arrival to admission / transfer / discharge		93.7%	96.1%	94.6%	95.0%	88.4%
5	All cancers: 62 day wait for first treatment from: urgent GP referral for suspected cancer		86.1%	86.7%	88.4%	85.0%	82.3%†
	NHS Cancer Screening Service referral		95.3%	94.5%	96.3%	90.0%	91.6%†
6	All cancers: 31 day wait for second or subsequent treatment, comprising:	Surgery	99.3%	100.0%	98.9%	94.0%	95.8%†
		Anti-cancer drug treatments	99.7%	99.7%	99.9%	98.0%	99.4%†
		Radiotherapy	N/A	N/A	N/A	94.0%	97.1%†
7	All cancers: 31 day wait from diagnosis to first treatment		99.4%	99.9%	99.7%	96.0%	97.6%†
8	Cancer: two week wait from referral to date first seen, comprising:	All urgent referrals (cancer suspected)	93.9%	96.80%	95.78%	93.0%	94.1%†
		Symptomatic breast patients (cancer not initially suspected)	94.9%	96.50%	96.57%	93.0%	93.0%†
9	Care Programme Approach (CPA) patients,	Receiving follow up contact within seven days of discharge	82.8%	84.60%	87.10%	95.0%	96.3%††

	comprising:	Having formal review within 12 months	nil return*	nil return*	nil return*	nil return*	N/A
10	Minimising mental health delayed transfers of care		0.0%	0.0%	3.0%	< 7.5%	N/A
11	Mental health data completeness: identifiers		99.8%	99.70%	99.73%	97.0%	N/A
12	Mental health data completeness: outcomes for patients on CPA		73.5%	85.4%	83.3%	50.0%	N/A
13	Certification against compliance with requirements regarding access to health care for people with a learning disability		N/A	N/A	N/A	N/A	N/A
14	Data completeness: community services, comprising:	Referral to treatment information	92.5%	98.1%	96.3%	50.0%	N/A
		Referral information	100.0%	100.0%	100.0%	50.0%	N/A
		Treatment activity information	100.0%	100.0%	95.3%	50.0%	N/A
15	C. difficile – meeting the C. difficile objective	No. of Post 72hr Clostridium Difficile cases	48	20	31	19	N/A
		No. of Post 72hr Clostridium Difficile cases following appeal	18	11	25	N/A	N/A
		Clostridium Difficile - infection rate (per 100,000 bed days	26.8	11.6	17.97	11.6	N/A

Source: http://www.england.nhs.uk/statistics/statistical-work-areas

Source:www.gov.uk/government/statistics/clostridium-difficile-infection-annual-data

* There were no qualifying patients for this period

**Benchmarking Data for 18 weeks relate to 2017-18 data up to and including February 2018

†Cancer waiting times Benchmarking figures are 2017-18 to Dec-17

††CPA Patients Q1-Q3 2017-18

Annex 1: Feedback on our 2017/18 Quality Account

4.1 Gateshead Overview and Scrutiny Committee –

Based on Gateshead Care, Health and Wellbeing OSC's knowledge of the work of the Trust during 2017-18 we feel able to comment as follows:-

Quality Priorities for 2018 – 19 and Patient Safety
OSC is supportive of the Trusts proposed 2018-19 Quality Priorities for Improvement, in particular the continued focus on addressing Patient Safety issues given that the Trust did not meet its target for incidents of moderate harm and there has been a slight increase on last year in patient safety incidents resulting in severe harm or death, although the level of those incidents was less than in 2015-16. OSC was, however, pleased to note improvements in the areas of levels of pressure damage; falls leading to harm and medicines management. OSC congratulated the Trust on achieving national finalist in the Nursing Times Awards 2017 – Patient Safety Category.

Patient Satisfaction
OSC also congratulated the Trust on achieving high levels of patient satisfaction with the Trust's services during 2017- 18 and in particular supported its proposed continued focus on involving patients and the public and specific plans to obtain feedback from patients and carers who use the Trust's mental health services.

CQC Inspection Outcomes
OSC sought reassurances about work being progressed to address issues raised during the Inspection of Older People's Mental Health Services. OSC was advised that a whole programme of improvement was in train and the Trust was pleased with the level of progress as most actions identified by CQC had been achieved although some areas of work were still in progress.

Outcome of Local Clinical Audits
OSC was supportive of the areas for improvement identified as outcomes of the Local Clinical Audit of Child Protection Referral Forms and was assured that referrals would not be made until full information had been received.

NHS Staff Survey
OSC expressed concern at the deterioration in the percentage of staff reporting most recent experience of violence and sought reassurances about work being progressed to address this and was advised that work was being progressed and recent results showed improvements.

OSC also noted that although the Trust did not meet the 4 hour A&E waiting time standard during some winter months, it did meet the standard for many other months and congratulated the Trust on remaining one of the best performers both regionally and nationally.

4.2 Gateshead Clinical Commissioning Group

NHS
Newcastle Gateshead
Clinical Commissioning Group

NHS Newcastle Gateshead Clinical Commissioning Group statement for Gateshead Health NHS Foundation Trust Quality Accounts 2017/18

As commissioners, Newcastle Gateshead Commissioning Group (CCG) is committed to commissioning high quality services from Gateshead Health NHS Foundation Trust and takes seriously their responsibility to ensure that patients' needs are met by the provision of safe, high quality services and that the views and expectations of patients and the public are listened to and acted upon. The CCG welcomes the opportunity to submit a statement on the Annual Quality Account for Gateshead Health NHS Foundation Trust.

The CCG can confirm to the best of their ability, the information provided within the Annual Quality Account is an accurate and fair reflection of the Trust's performance for 2017/18. The CCG would like to provide the following statement:

The CCG continues to hold regular quality review group meetings with the Trust which are well attended and provide positive engagement for the monitoring, review and discussion of quality issues. The CCG has also continued throughout 2017/18 to conduct a programme of assurance visits to the Trust to gain assurances and an insight into the quality of care being delivered to patients. This has resulted in valuable partnership working with the Trust and has provided the CCG with an opportunity to make recommendations for suggested areas of improvement. A programme of CCG visits has been planned for 2018/19.

The report provides a comprehensive and accurate description of the quality improvement work undertaken within the Trust and an open account of where improvements in priorities have been made. It is acknowledged that a lot of work has been undertaken to deliver the Trust's ambitions in a number of key areas and the Trust is to be commended on their achievements during 2017/18. We are happy to see that quality remains the Trust's number one priority for 2018/19 and it is reassuring to see that this is reflective of the CCGs and national priorities.

The CCG recognises the progress the Trust has made in implementing the improvement plan to improve the Patient Reported Outcome Measures (PROMS) scores for hip and knee replacements. It is acknowledged that due to the delay in the publication of the PROMS data it is not possible for the Trust to determine if this improvement work has had a positive impact on the scores. The CCG fully supports the next steps in the implementation of the new clinical pathways following the Trust's successful bid for the MSK Service; in particular the recruitment of a Physiotherapist Consultant Lower Limb who will have two sessions each week dedicated to PROMS and improving patient outcomes from hip and knee replacements.

The CCG recognises the excellent work the Trust has undertaken in standardising and increasing the number of mortality reviews undertaken and fully supports the next steps which have been identified. In March 2018 there was a low mortality review rate of 44.3% however it is noted that the percentage of deaths reviewed may lag and should increase the following month as deaths are reviewed within six weeks, in line with Trust policy. The CCG would like to congratulate the Trust on their robust approach to implementing the National Guidance on Learning from Deaths ensuring that systems and processes are in place to identify, report, review, investigate and learn from deaths; and engage with bereaved families and carers.

The Trust continues to perform well with the Summary Hospital Mortality Indicator (SHMI) however it is noted that the Hospital Standardised Mortality Ratio (HSMR) score of 108 is above the national average of 100 with more deaths than expected. The CCG receives regular mortality updates at the quality review group and acknowledges that the Trust has robust processes in place to monitor and investigate any concerns with coding or with the quality of care provided. The Trust is also continuing to further embed the mortality review database to ensure that they continue to identify valuable learning and share this throughout the organisation.

The CCG commends the work the Trust has undertaken to improve the patient safety culture within the organisation, which is evidenced by the continuous rise in incident reporting rates. It is pleasing to see that in 2017/18 there were 75 members of staff formally trained in the theory of root cause analysis (RCA) investigation training and the new internal RCA training to staff commenced in January 2018. It is noted that further work remains ongoing such as developing and publishing a monthly lessons learned bulletin and establishing a quarterly organisational learning meeting. The CCG fully supports the continued work around improving patient safety culture as a priority in 2018/19.

The CCG would like to congratulate the Trust on the success of their first Quality Patient Safety Summit held in March 2018. Staff from the CCG were given the opportunity to attend the event and found it very informative and inspirational, putting patient safety at the forefront of patient care.

It is noted that work is ongoing to ensure that all Local Safety Standards for Invasive Procedures (LocSSIPs) are implemented. However the CCG commends the Trust on the significant progress they have made to date, with 32 LocSSIPs ratified and in use, which have all been incorporated into the Clinical Audit Programme for 2018/19.

The Trust's approach to learning from complaints and taking action is comprehensive and demonstrates a real commitment to improving patient experience and outcomes. It is pleasing to see that 93% of complainants find it easy to make a complaint and 69% find the information on how to make a complaint easy to read. These scores should continue to improve as work continues with services, across the Trust, to ensure that the process for managing complaints is as efficient and effective as possible.

The Trust reported 31 cases of hospital acquired Clostridium Difficile, six of which were deemed unavoidable, with 25 cases against the annual trajectory of 19. It is encouraging that the Trust has a proactive approach for reviewing each case, analysing themes arising from these and sharing lessons learned and best practice. The collaborative Healthcare Associated Infection Partnership Group will continue its positive contribution to this agenda and remain sighted on these issues.

In June 2017 the CQC published their report rating the Wards for Older Peoples Mental Health as *'inadequate'* and the Community Mental Health Service as *'requires improvement'* following an inspection in December 2016. Three outstanding breaches remain however the Trust has made significant progress on their mental health action plan, which is overseen by their Chief Executive. Two CQC Mental Health Act (1983)

monitoring visits also took place during 2017 which identified concerns and these have been incorporated as actions into the overall mental health action plan. The CCG carried out an unannounced commissioner assurance visit to the mental health ward areas and were assured from speaking to staff and patients on the quality of care being delivered. The CCG will continue to receive regular updates on the mental health action plan via the quality review group.

Never Events are serious incidents which are preventable with appropriate procedures in place and it is noted that during 2017/18 the Trust reported three never events. The CCG acknowledges that the Trust continues to make good progress with their never events improvement plan and a robust governance structure has been established. The CCG commends the Trust for their approach in the implementation of human factors training. The CCG welcomes the continued commitment to improving patient safety in 2018/19 and fully supports priority four *"Ensure that all patients are kept safe by using the new national guidance for Serious Incidents and Never Events".*

The CCG welcomes the specific priorities for 2018/19 which are highlighted within the report and consider that these are appropriate areas to target for continued improvement. The CCG looks forward to continuing to work in partnership with the Trust in delivering high quality effective care for patients.

Dr Neil Morris
Medical Director

Chris Piercy
Executive Director of Nursing, Patient Safety & Quality

May 2018

4.3 Healthwatch

Healthwatch Gateshead
Davidson Building
Swan street
Gateshead
NE8 1BG

Freephone 0808 8010382

www.healthwatchgateshead.co.uk

Healthwatch Gateshead is part of Tell Us North CIC, company no. 10394966

Healthwatch Gateshead Response to Gateshead Health NHS Foundation Trust Quality Account 2017/18

Thank you for giving Healthwatch Gateshead (HWG) the opportunity to respond to the Gateshead Health NHS Foundation Trust Quality Account for 2017/18.

It is clear the Trust has worked hard making improvements based on progress against the priorities from 2017/18

We would like to comment on the following:

Priority 1 Continue to implement the improvement plan in relation to Patient Reported Outcome Measures (PROMS) scores for hip and knee replacements.

We note that it is unknown if this priority was achieved due to the delay in the PROMs data, however, we are encouraged that the trust continues to seek improvement and has been successful in the bid to deliver the musculo-skeletal (MSK) service. We welcome the next steps in recruitment of a Physiotherapy Consultant and the identification of the new MSK pathway. We look forward to further information on how patients will be involved in future service design and improvement.

Priority 2: Standardise and increase the number of mortality reviews undertaken in line with the national guidance.

We are pleased to read that the Trust has achieved its target to roll out a standard approach for undertaking mortality reviews across the organisation. We note that the Trust has developed a single database and a standard tool for mortality reviews and are encouraged that is there is a programme of training to support the initiative.

Priority 3: Improve Patient Safety Culture

We are pleased to read that the trust has achieved its priority around developing an improved patient safety culture. We note that this has been achieved by working collaboratively with the patient safety team and Business Units across the Trust. We are pleased to see that staff feel more confident to report incidents within the Trust and that this will continue to be a priority for 2018/19.

Priority 4: Implement National Safety Standards for Invasive Procedures (NatSSIPs) and Local Safety Standards for Invasive Procedures (LocSSIPs)

We note that progress has been made but that the priority has only partially been achieved. Whilst this is disappointing, we are encouraged that the Trust is continuing work to ensure that local safety standards are in line with national standards on safety incidents related to invasive procedures. We look forward to hearing the outcome.

Patient Experience

Priority 5: Review of complaints investigations and actions

We are pleased to read that the Trust has achieved its priority in this area and recognise its commitment to continuous review of the complaints processes following the North East Quality Observatory Service report in 2016. We welcome the Trusts intention to continue monitoring processes for managing complaints, its efficiency and effectiveness.

National targets and regulatory requirements

We note that the Trust is below target for three of the national indicators; maximum times from referral to treatment for both admitted and non-admitted aggregates, and A&E maximum waiting times. However, we recognise the Trust is achieving above the national average on all the indicators.

Looking Ahead – Quality priority for improvements in 2018/19

We are aware of the Care Quality Commission's (CQC) report from June 17, "Wards for older people with mental health problems", and the Trust's rating of inadequate in this area. We are however, encouraged by the implementation of the "Treat as One" strategy working to bridge the gap between mental and physical health services and welcome this as priority 1 for 2018/19.

We note the priorities for 2018/19 and welcome the commitment the Trust has given to develop patient and public and carer involvement activities in priority five and six. We are keen to discuss this work and see how we can work in partnership with you.

Overall our view is that the draft Quality Account demonstrates Gateshead Health NHS Foundation Trust's commitment to continuous improvement for service users and carers. We wish the Trust continued success and look forward to receiving updates on progress. Healthwatch Gateshead looks forward to continuing our close working relationship with the Trust in 2018/19.

Steph Edusei

Chief Executive

4.4 Council of Governors

The Governors of Gateshead Health NHS Foundation Trust have been consulted on and been involved in the formation of the Trust's Quality Account in 2017/18. Governors have been continuously involved in refreshing the Trust's strategic plans with their involvement at various Trust committees and the Council of Governors meetings throughout the year. At each of the Council of Governors meeting during 2017/18, a range of reports have been presented, which enable Governors to receive and discuss quality and patient safety matters and progress against our quality priorities. In January 2018 a Governor workshop was held where Governors were consulted on the quality priorities for inclusion in the Quality Account 2017/18.

Overall the Quality Account clearly demonstrates the Trust's ongoing commitment to delivering high quality and safe patient care and improved health outcomes.

Comments received from Governor's:

"I would like to thank all staff, medical and nursing whether in the hospital or in the community, management, patients, carers and volunteers for ensuring that wherever possible progress has been made in the Trusts commitment to quality and patient safety.
The Quality Account report gives a comprehensive and in depth analysis of progress made in this area".

"The Quality Report, is again, very concise and informative.
It appears that the Trust, is preforming well, in some national targets, and improvement required in others.
This is obviously again a challenging time not only for the Trust, but the NHS on the whole.
It is evident that the Trust, continues to provide high clinical care, to patients, and is committed to carry on doing this, through new initiatives and partnership working.
The Trust remains one of the best performing trusts in the country, which the residents of Gateshead, and non-residents who use the services of Trust, can be proud of.
Thanks to all the staff at the Trust, for providing a high quality, safe service to patients and families".

"*I feel it is very thorough and has my approval*".

"Unfortunately I cannot agree to the wording as is. I would be happy to agree wording to the effect that: The information/statistics provided by the Trust and discussions witnessed in the Board of Governors meetings demonstrate the Trust's ongoing commitment to delivering high quality and safe patient care and improved health outcomes".

Annex 2: Statement of directors' responsibilities in respect of the quality account

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year.

NHS Improvement has issued guidance to NHS foundation Trust boards on the form and content of annual quality 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 commissioners dated May 2018
    - feedback from governors dated 23/05/2018
    - feedback from local Healthwatch organisations dated 25/05/2018
    - feedback from Overview and Scrutiny Committee dated 25/05/2018
    - the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 31/03/2018
    - the 2017 national patient survey February 2018
    - the 2017 national staff survey February 2018
    - the Head of Internal Audit's annual opinion of the Trust's control environment dated May 2018
    - CQC inspection report dated 24/02/2016
    - CQC Inspections and rating of specific services dated 28/06/2017

- the Quality Report presents a balanced picture of the NHS foundation Trust's performance over the period covered

- the performance information reported in the Quality Report is reliable and accurate

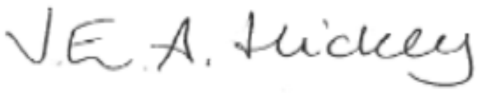
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice

- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review and

- the Quality Report has been prepared in accordance with NHS Improvement's annual reporting manual and supporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the Quality Report.

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

By order of the board



Mrs J E A Hickey, Chairman
Date: 23rd May 2018

Mr ID Renwick, Chief Executive
Date: 23rd May 2018

Glossary of Terms

Always Events
'Always Events' are aspects of the patient experience that are so important to patients and family members that health care providers must aim to perform them consistently for every individual, every time. These can only be developed with the patient firmly being a partner in the development of the event, and the co-production is key to ensuring organisations meet the patients' needs and what matters to them.

Antimicrobial
Antimicrobial is an agent that kills micro-organisms or inhibits their growth. Antimicrobial medicines can be grouped according to the micro-organisms they act against. For example, antibacterials are used against bacteria and antifungals are used against fungi.

Anaphylaxis
Anaphylaxis is a serious allergic reaction that is rapid in onset and may cause death. It typically causes more than one of the following: an itchy rash, throat or tongue swelling, shortness of breath, vomiting, light-headedness, and low blood pressure

Apgar Score
Apgar score is a measure of the physical condition of a newborn infant. It is obtained by adding points for heart rate, respiratory effort, muscle tone, response to stimulation, and skin coloration; a score of ten represents the best possible condition

Aspiration pneumonia
Aspiration pneumonia occurs when food, saliva, liquids, or vomit is breathed into the lungs or airways leading to the lungs, instead of being swallowed into the oesophagus and stomach.

Care Quality Commission (CQC)
The CQC is the independent regulator of all health and adult social care in England. The CQC aim is to make sure better care is provided for everyone, whether that's in hospital, in care homes, in peoples' own homes, or elsewhere.

Clinical Audit
Clinical audit measures the quality of care and service against agreed standards and suggests or makes improvements where necessary.

***Clostridium difficile infection* (CDI)**
Clostridium difficile is a bacterium that occurs naturally in the gut of two-thirds of children and 3% of adults. It does not cause any harm in healthy people, however some antibiotics can lead to an imbalance of bacteria in the gut and then the Clostridium difficile can multiply and produce toxins that may cause symptoms including diarrhoea and fever. This is most likely to happen to patients over 65 years of age. The majority of patients make a full recovery however, in rare occasions it can become life threatening.

Commissioning for Quality and Innovation (CQUIN)
The CQUIN framework was introduced in April 2009 as a national framework for locally agreed quality improvement schemes. It enables commissioners to reward excellence by linking a proportion of English healthcare provider's income to achievement of local quality improvement goals.

Commissioners
Commissioners are responsible for ensuring that adequate services are available for their local population by assessing need and purchasing services.

Continuity of Care
Care where the midwife is the lead professional in the planning, organisation, and delivery of care throughout pregnancy, birth, and the postpartum period.

Datix
Datix is an electronic risk management software system which promotes the reporting of incidents by allowing anyone with access to the Trust Intranet to report directly into the software on easy-to-use web pages. The system allows incident forms to be completed electronically by all staff.

Deprivation of Liberty (DoLS)
The Deprivation of Liberty Safeguards (DoLS) are part of the Mental Capacity Act 2005. The safeguards aim to make sure that people in care homes and hospitals are looked after in a way that does not inappropriately restrict their freedom.

Dignity
Dignity is concerned with how people feel, think and behave in relation to the worth or value that they place on themselves and others. To treat someone with dignity is to respect them as a valued person, taking into account their individual views and beliefs.

Duty of Candour
Duty of candour places a legal obligation on health care providers to be open about any patient safety incident resulting in a moderate harm, severe harm or death.

Dysphagia
Is the medical term for swallowing difficulties. Some people with dysphagia have problems swallowing certain foods or liquids, while others can't swallow at all.

Elective Cases
Elective cases or elective procedure is surgery that is scheduled in advance because it does not involve a medical emergency.

Foundation Trust
A Foundation Trust is a type of NHS organisation with greater 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 the board or become members.

Fragility Fracture
A fragility fracture is any fall from a standing height or less, that results in a fracture.

Friends and Family Test (F&FT)
The friend and family test is an important feedback tool that supports the principle that people who use NHS services should have the opportunity to provide feedback on their experience. It asks people if they would recommend the services they have used and offers a range of responses.

Healthcare Quality Improvement Partnership (HQIP)
The Healthcare Quality Improvement Partnership (HQIP) was established in April 2008 to promote quality in healthcare, and in particular to increase the impact that clinical audit has on healthcare quality in England and Wales.

Hogan Score
A standard scale to determine whether a death was avoidable.

Hospital Standard Mortality Ratio (HSMR)
The HMSR is an indicator of healthcare quality that measure whether the death rate at a hospital is higher or lower than would be expected.

Healthwatch
Healthwatch is an independent arm of the CQC who share a commitment to improvement and learning and a desire to improve services for local people.

Healthcare Evaluation Data (HED)
HED is an online benchmarking solution designed for healthcare organisations. It allows healthcare organisations to utilise analytics which harness Hospital Episode Statistics (HES) national inpatient and outpatient and Office of National Statistics (ONS) Mortality data sets.

Hospital Episode Statistics (HES)
HES is a data warehouse containing a vast amount of information on the NHS, including details of all admissions to NHS hospitals and outpatient appointments in England. HES is an authoritative source used for healthcare analysis by the NHS, Government and many other organisations.

Intentional Rounding
Intentional rounding is a structured process where nurses on wards in acute and community hospitals and care home staff carry out regular checks with individual patients at set intervals, typically hourly. During these checks, they carry out scheduled or required tasks.

Invasive
A medical procedure that invades (enters) the body, usually by cutting or puncturing the skin or by inserting instruments into the body.

Joint Consultative Committee (JCC)
JCC is a group of people who represent the management and employees of an organisation, and who meet for formal discussions before decisions are taken which affect the employees.

Lasting Power of Attorney (LPA)
A lasting power of attorney is a legal document that lets the 'donor' appoint one or more people (known as 'attorneys') to help make decisions or to make decisions on their behalf. There are two types of LPA: health and welfare and property and financial affairs.

Manchester Patient Safety Framework

The Manchester Patient Safety Framework (MaPSaF) is a tool to help NHS organisations and healthcare teams assess their progress in developing a safety culture.

MaPSaF uses critical dimensions of patient safety and for each of these describes five levels of increasingly mature organisational safety culture. The dimensions relate to areas where attitudes, values and behaviours about patient safety are likely to be reflected in the organisation's working practices. For example, how patient safety incidents are investigated, staff education, and training in risk management.

Meticillin- Resistant Staphylococcus aureus (MRSA)

MRSA is a bacterium responsible for several difficult to treat infections in humans. MRSA is, by definition, any strain of Staphylococcus aureus bacteria that has developed resistance to antibiotics. It is especially prevalent in hospitals, as patients with open wounds, invasive devices and weakened immune systems are at greater risk of infection than the general public.

Mothers and Babies: Reducing Risk through Audits and Confidential Enquiries (MBRRACE)

The programme investigates the deaths of women and their babies during or after childbirth, and also cases where women and their babies survive serious illness during pregnancy or after childbirth. The aim is to identify avoidable illness and deaths so the lessons learned can be used to prevent similar cases in the future leading to improvements in maternal and newborn care for all mothers and babies.

Multidisciplinary Team

A multidisciplinary team is a group of health care workers who are members of different disciplines (professions e.g. Psychiatrists, Social Workers, etc.), each providing specific services to the patient.

National Confidential Enquiries

These are enquiries which seek to improve health and healthcare by collecting evidence on aspects of care, identifying any shortfalls in this, and disseminating recommendations based on these findings. Examples include Mothers and Babies: Reducing Risk through Audits and Confidential Enquiries in the UK (MMBRACE) and the National Confidential Enquiry into Patient Outcome and Death (NCEPOD).

National Confidential Enquiry into Patient Outcome and Death (NCEPOD)

NCEPOD's purpose is to assist in maintaining and improving standards of medical and surgical care for the benefit of the public by reviewing the management of patients. This is done by undertaking confidential surveys and research, and by maintaining and improving the quality of patient care and by publishing the results.

National Institute for Health and Clinical Excellence (NICE)

The National Institute for Health and Clinical Excellence provides guidance, sets quality standards and manages a national database to improve people's health and prevent and treat ill health. It makes recommendations to the NHS on new and existing medicines, treatments and procedures, and on treating and caring for people with specific diseases and conditions. It also makes recommendations to the NHS, local authorities and other organisations in the public, private, voluntary and community sectors on how to improve people's health and prevent illness.

National Patient Survey
The NHS patient survey programme systematically gathers the views of patients about the care they have recently received because listening to patients' views is essential to providing a patient-centred health service.

National Reporting and Learning System (NRLS)
The National Reporting and Learning System is a central database of all patient safety incident reports. Since the NRLS was set up in 2003, over four million incident reports have been submitted.

National Safety Standards for Invasive Procedures (NATSSIPS)/Local Safety Standards for Invasive Procedures (LOCSSIPS)
The NatSSIPs support the NHS to provide safer care and reduce the number of patient safety incidents related to invasive procedures in which surgical Never Events can occur. They bring together national and local learning from the analysis of Never Events, Serious Incidents and near misses in a set of recommendations that will help provide safer care for patients undergoing invasive procedures. They do not replace the existing World Health Organisation (WHO) Surgical Checklist, but enhance it by looking at extra factors such as the need for education and training. The NatSSIPs enable trusts to review their current local processes for invasive procedures (LocSSIPs) and ensure that they comply with the new national standards.

NHS Improvement (NHSI)
NHS Improvement supports Foundation Trusts and NHS Trusts to give patients consistently safe, high quality, compassionate care within local health systems that are financially sustainable.

NHS England (NHSE)
NHS England leads the National Health Service (NHS) in England. They set the priorities and direction of the NHS and encourage and inform the national debate to improve health and care.

North East Quality Observatory System (NEQOS)
The North East Quality Observatory Service provides quality measurement for NHS organisations (both providers and commissioners).

Overview and Scrutiny Committee
The Overview and Scrutiny Committees in local authorities have statutory roles and powers to review local health services. They have been instrumental in helping to plan services and bring about change. They bring democratic accountability into healthcare decision-making and make the NHS more responsive to local communities.

Pandora
The Trust's electronic document management system.

Patient Advice and Liaison Service (PALS)
PALS is an impartial service designed to ensure that the NHS listens to patients, their relatives, their carers and friends answering their questions and resolving their concerns as quickly as possible.

Picker Institute
Picker Institute is a non-profit organisation that works with patients, professionals and policy makers to promote a patient centred approach to care. It uses surveys, focus groups and other methods to gain a greater understanding of patients' needs.

Pressure Ulcers
Pressure ulcers are also known as pressure sores or bed sores. They occur when the skin and underlying tissue becomes damaged. In very serious cases the underlying muscle and bone can also be damaged.

Prevent
Prevent is part of the UK's Counter Terrorism Strategy.

Rapid Process Improvement Workshop (RPIW)
An RPIW is an improvement workshop that brings together staff from the organisation or health and care system improve a process.

Regulation 28
The Coroner has a legal power and duty to write a report following an inquest if it appears there is a risk of other deaths occurring in similar circumstances. This is known as a 'report under regulation 28' or a Preventing Future Deaths report because the power comes from regulation 28 of the Coroners (Inquests) Regulations 2013.

Research
Clinical research and clinical trials are an everyday part of the NHS and are often conducted by medical professionals who see patients. A clinical trial is a particular type of research that tests one treatment against another. It may involve people in poor health, people in good health or both.

Ribotyping
Is a technique for bacterial identification and characterisation. It is a rapid and specific method widely used in clinical diagnostics and analysis of microbial communities in food, water, and beverages.

Risk
The potential that a chosen action or activity (including the choice of inaction) will lead to a loss or an undesirable outcome.

Risk assessment
This is an important step in protecting patients and staff. It is a careful examination of what could cause harm so that we can weigh up if we have taken enough precautions or should do more to prevent harm.

Root Cause Analysis (RCA)
This is a technique that helps us to understand why something has occurred that was not expected. The learning is then shared with staff across the hospital to inform our practice and help prevent further recurrence.

Safety Cross
The safety cross is a visual tool used to collect data for improvement. It is displayed in care settings to encourage the communication of goals and results to the team. It can also help to empower ownership of the data locally.

Secondary Use Services – SUS
A system designed to provide management and clinical information based on an anonymous set of clinical data.

Special Review
A special review is carried out by the Care Quality Commission. Each special review looks at themes in health and social care. They focus on services, pathways and care groups of people. A review will usually result in assessments by the CQC of local health and social care organisations as well as supporting the identification of national findings.

Standard Operating Procedure
A Standard Operating Procedure is a set of step-by-step instructions compiled to help workers carry out complex routine processes.

Trust Board
The Trust Board is accountable for setting the strategic direction of the Trust, monitoring performance against objectives, ensuring high standards of corporate governance and helping to promote links between the Trust and the community. The Chair and Non-Executive Directors are lay people drawn from the local community and are accountable to the Secretary of State. The Chief Executive is responsible for ensuring that the Board is empowered to govern the organisation and to deliver its objectives.

Ulysses System
Ulysses Safeguard is an electronic system. The Trust use two modules, Ulysses Alerts module is used to track alerts issued from external agencies, as well as disseminating internal policies and documents. The audit module is used to register and monitor all clinical audit activity within the organisation, including all National Audits.

Vitalpac
Vitalpac is a mobile clinical system that monitors and analyses patients' vital signs e.g. blood pressure, pulse, and temperature providing clinicians with accurate, real-time information for the safest possible patient care.

Appendix A: Independent Auditor's Report to the Council of Governors of Gateshead Health NHS Foundation Trust on the Quality Report

We have been engaged by the Council of Governors of Gateshead Health NHS Foundation Trust ('the Trust') to perform an independent assurance engagement in respect of Gateshead Health NHS Foundation Trust's Quality Report for the year ended 31 March 2018 (the 'Quality Report') and certain performance indicators contained therein.

This report is made solely to the Trust's Council of Governors, as a body, in accordance with our engagement letter dated 30 April 2018. 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 that 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 Trust and the Trust's Council of Governors as a body, for our examination, for this report, or for the conclusions we have formed.

Our work has been undertaken so that we might report to the Council of Governors those matters that we have agreed to state to them in this report and for no other purpose. Our report must not be recited or referred to in whole or in part in any other document nor made available, copied or recited to any other party, in any circumstances, without our express prior written permission. This engagement is separate to, and distinct from, our appointment as the auditors to the Trust.

Scope and subject matter

The indicators for the year ended 31 March 2018 subject to limited assurance consist of the national priority indicators as mandated by NHS Improvement:

- Maximum time of 18 weeks from point of referral to treatment in aggregate – patients on an incomplete pathway (see page 170 of the Quality Report); and
- A&E – maximum waiting time of four hours from arrival to admission/ transfer/discharge (see page 170 of the Quality Report

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

Respective responsibilities of the directors and Ernst & Young LLP

The directors are responsible for the content and the preparation of the quality report in accordance with the criteria set out in the 'NHS Foundation Trust Annual Reporting Manual 2017/18' issued by NHS Improvement.

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

- the Quality Report is not prepared in all material respects in line with the criteria set out in the 'NHS Foundation Trust Annual Reporting Manual 2017/18' , which is supported by NHS Improvement's 'Detailed Requirements for quality reports 2017/18';

- the Quality Report is not consistent in all material respects with the sources specified in detailed in Section 2.1 of the 'Detailed guidance for external assurance on Quality Reports 2017/18' and

- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the 'NHS Foundation Trust Annual Reporting Manual 2017/18' and supporting guidance and the six dimensions of data quality set out in the 'Detailed Guidance for External Assurance on Quality Reports 2017/18'.

We read the Quality Report and consider whether it addresses the content requirements of the 'NHS Foundation Trust Annual Reporting Manual 2017/18' and supporting guidance, and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the quality report and consider whether it is materially inconsistent with the other information sources detailed in Section 2.1 of the 'Detailed guidance for external assurance on quality reports 2017/18'. These are:

- Minutes of the Board of Directors for the period 1 April 2017 to 29 March 2018;
- Papers relating to quality reported to the Board over the period April 2017 to 29 March 2018;
- NHS Newcastle Gateshead Clinical Commissioning Group Statement for Gateshead Health NHS Foundation Trust Quality Accounts 2017/18;
- Gateshead Health NHS Foundation Trust Quality Account Feedback paper for the Council of Governors Meeting 23 May 2018;
- Healthwatch Gateshead response to Gateshead Health NHS Foundation Trust Quality Account 2017/18;
- Statement for inclusion in Gateshead Hospitals NHS Foundation Trust Quality Account received from Gateshead Care, Health and Wellbeing Overview and Scrutiny Committee on 25 May 2018;
- The Trust's complaints report published under regulation 18 of the Local Authority, Social Services and NHS Complaints (England) Regulations 2009;
- 2017 National NHS Staff Survey Results from Gateshead Health NHS Foundation Trust;
- Picker Inpatient Survey 2017 – Gateshead Health NHS Foundation Trust Final Report issued January 2018;
- Care Quality Commission Quality Report on Queen Elizabeth Hospital published 24 February 2016; and
- The Head of Internal Audit's annual opinion over the trust's control environment, dated 18 May 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.

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

This report, including the conclusion, has been prepared solely for the Council of Governors of Gateshead Health NHS Foundation Trust as a body, to assist the Council of Governors in reporting Gateshead Health 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 Gateshead Health NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – 'Assurance Engagements other than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). Our limited assurance procedures included, but were not limited to:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators;
- making enquiries of management;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the 'NHS Foundation Trust Annual Reporting Manual 2017/18' to the categories reported in the Quality Report; and
- reading the documents.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on the Quality Report**.** The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Inherent limitations

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

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different

measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the 'NHS Foundation Trust Annual Reporting Manual 2017/18' and supporting guidance. The scope of our assurance work has not included governance over quality or non-mandated indicators, which have been determined locally by Gateshead Health 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 is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual 2018 and the Detailed requirements for Quality Reports 2017/18 published in January 2018 (updated in February 2018) issued by NHS Improvement
- the Quality Report is not consistent in all material respects with the sources specified above; and
- the indicators in the Quality Report subject to limited assurance have not been reasonably stated in all material respects in accordance with NHS Foundation Trust Annual Reporting Manual 2018 and the Detailed requirements for Quality Reports 2017/18 published in January 2018 (updated in February 2018) issued by NHS Improvement .

Ernst & Young LLP
Newcastle upon Tyne
NE1 8HW

29 May 2018

Annual Accounts

2017/18

Foreword to the Accounts

These accounts relate to the period 1 April 2017 to 31 March 2018. They have been prepared, on a going concern basis, in accordance with paragraphs 24 and 25 of schedule 7 to the National Health Service Acts 2006 in the form which Monitor has, with approval of the Treasury, directed.

Signed: **Date: 23 May 2018**

Mr I D Renwick

Chief Executive

Chief Executive's responsibility as Accounting Officer identifies the individual accountable for the proper administration of the Trust's financial affairs.

The Auditor's Report sets out the Auditor's opinion on the preparation of the accounts and the truth and fairness of the figures included.

The Annual Governance Statement identifies how the Accounting Officer has discharged his responsibilities around safe systems of internal control and safeguarding the assets of the organisation.

The Statement of Comprehensive Income covers all of the income and expenditure of the organisation for the period 1st April 2017 to 31st March 2018.

The Statement of Financial Position details the assets and liabilities of the Trust as at 31st March 2018.

The Statement of Changes in Taxpayers' Equity summarises all of the movements in the Reserves of the Trust during the period.

The Statement of Cashflows summarises all transactions relating to cash flowing into and out of the organisation.

Notes to the Accounts which includes the Accounting Policies.

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF GATESHEAD HEALTH NHS FOUNDATION TRUST

Opinion

We have audited the financial statements of Gateshead Health NHS Foundation Trust ('the Foundation Trust') for the year ended 31 March 2018, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes1 to 22, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ('IFRSs') as adopted by the European Union and HM Treasury's Financial Reporting Manual ('FReM') to the extent that they are meaningful and appropriate to NHS foundation trusts.

In our opinion, the financial statements:

- give a true and fair view of the state of Gateshead Health NHS Foundation Trust and Group's affairs as at 31 March 2018 and of its income and expenditure and cash flows for the year then ended; and
- have been prepared in accordance with the Department of Health Group Accounting Manual 2017/18 and the directions under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report below. We are independent of the Foundation Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's ('FRC's') Ethical Standard and the Comptroller and Auditor General's ('C&AG's') AGN01, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Use of our report

This report is made solely to the Council of Governors of Gateshead Health NHS Foundation Trust in accordance with paragraph 24(5) of Schedule 7 of the National Health Service Act 2006 and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Accounting Officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Foundation Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Overview of our audit approach

Key audit matters	• Risk of fraud in revenue and expenditure recognition • Valuation of land and buildings
Materiality	• Overall materiality of £5.1 m for the Group and £5.0m for the Foundation Trust which represents 2% of operating expenditure.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Risk of fraud in revenue and expenditure recognition **Group operating revenue £264.8m (2016/17 - £246.0m) Group operating expenditure £254.9m (2016/17 - £237.9m)** *Refer to the Audit Committee Report (page 33); Accounting policies (page 204); and Notes 2 and 3 of the Consolidated Financial Statements* The Foundation Trust was set a control total of a £2.3m deficit for the year by NHS Improvement. The pressure of meeting this financial target, as well as the significant financial pressures that are prevalent in clinical commissioning groups ('CCGs') as the Foundation Trust's main commissioners of services, lead to a risk of inappropriate revenue and expenditure recognition. We evaluated the income and expenditure streams of the Foundation Trust and identified that those areas where management are more likely to be able to override existing	We reconciled income recognised from CCGs to contracts for £221.5m of income from protected service activities (out of a total of £235.0m) and agreed year-end contract accruals to supporting evidence. We obtained the NHS Agreement of Balances mismatch report from the National Audit Office ('NAO'), which identifies income, expenditure, debtors and creditors balances not agreed by the counterparty. We investigated all variances over the reporting threshold of £300,000, set by the NAO, by discussing with management and agreeing to corroborating evidence. We tested management estimates in the financial statements, agreeing to corroborative evidence where available, and did not identify any indicators of management bias. We selected a sample of invoices received, and payments made, in the month	There were no findings arising from our work to report to the Audit Committee.

controls is where the risk of inappropriate revenue and expenditure recognition lies, specifically: • year-end income accruals for contracts with the CCGs; • accounting estimates including accruals and provisions; and • through omission of expenditure from the financial statements. This risk was not indentified as a key audit matter in the Independent Auditor's Report issued by the predecessor auditor for the year ended 31 March 2017.	of April 2018 and checked back to supporting documentation to confirm that the expenditure was recognised in the correct period. We used data analytics to select a sample of journal entries based on specific risk criteria. We agreed these journal entries back to supporting documentation.	
Valuation of land and buildings **Land £2.2m (2016/17 - £2.2m)** **Buildings £111.6m (2016/17 - £105.6m)** **Investment Property £2.6m (2016/17 - £2.6m)** *Refer to the Audit Committee Report (page 33); Accounting policies (page 204); and Note 8 of the Consolidated Financial Statements* The Foundation Trust engaged Cushman & Wakefield to perform a desk top valuation of the estate. The valuation process is complex and subject to a number of assumptions. A small movement in the assumptions used in the valuation process could have a material impact on the valuation in the financial statements. The predecessor auditor included a key audit matter in the Independent Auditor's Report issued for the year ended 31 March 2017 regarding the exclusion of VAT from the valuation. We have extended the key audit matter to cover all significant assumptions in the valuation.	We obtained a copy of the valuation report produced by Cushman & Wakefield and agreed the valuation in the report to the financial statements. Our EY property valuation experts confirmed that the assumptions used in the valuation were acceptable. Specifically, we reviewed the documentation for the provision of the fully operated healthcare facility to confirm that the subsidiary company is responsible for the maintenance of all aspects of buildings and external works to satisfy ourselves that exclusion of VAT from the valuation is appropriate.	We reported that the valuation was within an acceptable range; however the assumptions used in the valuation meant it was at the lower end of that range. We reported that a formal valuation of the Investment Property held in the Group financial statements was not requested from Cushman & Wakefield and that we recommended that it was included within the valuation in future years. We had no other findings to report in relation to the valuation.

An overview of the scope of our audit

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the Foundation Trust. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the Foundation Trust and effectiveness of controls, including controls and changes in the business environment when assessing the level of work to be performed. All audit work was performed directly by the audit engagement team.

Materiality
The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be £5.1m million which is 2% of operating expenditure. For the 2016/17 audit, KPMG determined materiality for the Group to be £3.7 million which was 1.5% of income from operations. We believe that operating expenditure provides us with an appropriate basis for materiality as it is the key driver of the Group's financial position.

During the course of our audit, we reassessed initial materiality and recalculated it based on the draft accounts submitted for audit.

Performance materiality
The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 50% of our planning materiality, namely £2.6 million. We have set performance materiality at this percentage due to this being our first year as external auditors. The comparable levels of materiality used by the predecessor auditor for the year ended 31 March 2017 are not publically available in the Independent Auditor's Report.

Reporting threshold
An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £0.24 m, which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. This is comparable with the reporting threshold of £0.2m disclosed in the Independent Auditor's Report issued by the predecessor auditor on the financial statements for the year ended 31 March 2017.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the Annual Report set out on pages 1 to 84, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

We read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. We have nothing to report in this regard.

Opinion on other matters prescribe by the Code of Audit Practice issued by the NAO
In our opinion:

- the information given in the performance report and accountability report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the parts of the Remuneration and Staff report identified as subject to audit has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2017/18.

Matters on which we report by exception
The Code of Audit Practice requires us to report to you if:

- we issue a report in the public interest under schedule 10(3) of the National Health Service Act 2006;
- we refer the matter to the regulator under schedule 10(6) of the National Health Service Act 2006 because we have reason to believe that the Trust, or a director or officer of the Trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency;
- we are not satisfied that the Foundation Trust has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources as required by schedule 10(1)(d) of the National Health Service Act 2006;
- we have been unable to satisfy ourselves that the Annual Governance Statement, and other information published with the financial statements meets the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2017/18 and is not misleading or inconsistent with other information forthcoming from the audit; or
- we have been unable to satisfy ourselves that proper practices have been observed in the compilation of the financial statements.

We have nothing to report in respect of these matters.
The NHS Foundation Trust Annual Reporting Manual 2017/18 requires us to report to you if in our opinion, information in the Annual Report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the NHS Foundation Trust acquired in the course of performing our audit; or
- otherwise misleading.

We have nothing to report in respect of these matters.

Responsibilities of Accounting Officer
As explained more fully in the Statement of the Chief Executive's responsibilities as the accounting officer of Gateshead Health NHS Foundation Trust set out on page69, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accounting Officer is responsible for assessing the Foundation Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council of Governors intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Auditor's responsibilities with respect to value for money arrangements

We are required to consider whether the Foundation Trust has put in place 'proper arrangements' to secure economy, efficiency and effectiveness in its use of resources. This is based on the overall criterion that 'in all significant respects, the audited body had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people'.

Proper arrangements are defined by statutory guidance issued by the National Audit Office and comprise the arrangements to:

- take informed decisions;
- deploy resources in a sustainable manner; and
- work with partners and other third parties.

In considering your proper arrangements, we draw on the requirements of the guidance issued by NHS Improvement to ensure that our assessment is made against a framework that you are already required to have in place and to report on through documents such as your annual governance statement.

We are only required to determine whether there are any risks that we consider significant within the Code of Audit Practice which defines this as:

"A matter is significant if, in the auditor's professional view, it is reasonable to conclude that the matter would be of interest to the audited body or the wider public. Significance has both qualitative and quantitative aspects".

Our risk assessment supports the planning of sufficient work to enable us to deliver a safe conclusion on arrangements to secure value for money and enables us to determine the nature and extent of further work that may be required. If we do not identify any significant risk there is no requirement to carry out further work. Our risk assessment considers both the potential financial impact of the issues we have identified, and also the likelihood that the issue will be of interest to local taxpayers, the Government and other stakeholders.

Certificate

We certify that we have completed the audit of the financial statements of Gateshead Health NHS Foundation Trust in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office on behalf of the Comptroller and Auditor General ('C&AG').

Nicola Wright
for and on behalf of Ernst & Young LLP
Newcastle upon Tyne
29 May 2018

The maintenance and integrity of the Gateshead Health NHS Foundation Trust web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.
Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of Comprehensive Income

for the year ended 31 March 2018

	Note	Group 2017/18 £000	Trust 2017/18 £000	Group 2016/17 £000	Trust 2016/17 £000
Revenue					
Operating Income from patient care activities	2	**234,986**	**234,986**	218,999	218,999
Other operating income	2	**29,785**	**24,685**	27,043	24,171
Operating Expenses	3	**(254,890)**	**(251,836)**	(237,879)	(236,653)
Operating surplus / (deficit) from continuing operations		**9,881**	**7,835**	8.163	6,517
Finance Costs					
Finance income	6	**91**	**1,195**	92	1,325
Finance expense - financial liabilities	6.1	**(741)**	**(2,487)**	(781)	(2,640)
PDC Dividends payable		**(2,733)**	**(2,733)**	(3,117)	(3,117)
Net Finance Costs		**(3,383)**	**(4,025)**	(3,806)	(4,432)
Other Gains/(Losses)		**0**	**0**	17	17
Share of profit/(loss) of associates joint ventures		**0**	**0**	0	0
Gains/(losses) from transfers by absorption		**0**	**0**	0	0
Corporation tax (expense)/income	5.0	**(522)**	**0**	462	0
Surplus / (Deficit) from continuing operations		**5,976**	**3,810**	4,836	2,102
Surplus / (Deficit) of discontinued operations		**0**	**0**	0	0
Surplus / (Deficit) for the financial year		**5,976**	**3,810**	4,836	2,102
Other comprehensive income					
Impairments	6.2	**0**	**0**	0	0
Revaluations	6.2	**1,848**	**1,848**	(463)	(463)
Other recognised gains and losses		**0**	**0**	169	0
Actuarial gains/(losses) on defined benefit pension schemes		**0**	**0**	0	0
Other reserve movements		**24**	**24**	(21)	(21)
Total Comprehensive Income for the year		**7,848**	**5,682**	**4,521**	**1,618**

The notes on pages 204 to 210 form part of these accounts.

Analysis of deficit for the year	Group 2017/18 £000	Trust 2017/18 £000	Group 2017/18 £000	Trust 2017/18 £000
Surplus/(Deficit) for the financial period	5,976	3,810	4,836	2,102
Movement in fair value of investment property and other investments	**0**	**0**	**0**	**0**
Net Impairments	**(3,554)**	**(3,554)**	**(434)**	**(434)**
Charitable Funds (surplus/deficit)	**175**	**0**	**432**	**0**
Impact of Capital Donations I&E Impact	**(193)**	**0**	**(252)**	**0**
Remove 2016/17 STF Post Accounts Allocation	**(150)**	**0**	**0**	**0**
Surplus/ (Deficit) for the financial period before impairments, revaluations and charitable funds	**2,254**	**256**	**4,582**	**1,668**

The result for the financial period before impairment, revaluation and the impact of the charitable funds is one of the primary financial KPIs used by the trust and Monitor. This Non -GAAP measure has been referred to as 'operational surplus' in the Annual Report.

Statement of Financial Position as at 31 March 2018

	Note	Group 31 March 2018 £000	Trust 31 March 2018 £000	Group 31 March 2017 £000	Trust 31 March 2017 £000
Non-current assets					
Property, plant and equipment	8.2	**122,252**	**121,826**	117,590	117,270
Investment Property	8.5	**2,595**	**0**	2,595	0
Investments in Subsidiaries	8.9	**0**	**16,824**	0	16,824
Loans to Subsidiaries	8.9	**0**	**27,335**	0	30,927
Other Investments (Charitable)	22	**1,113**	**0**	1,304	0
Trade and other receivables	10.1	**1,696**	**1,705**	1,797	1,797
Total non-current assets		**127,656**	**167,690**	123,285	166,818
Current assets					
Inventories	11.1	**2,943**	**1,154**	2,895	1,268
Trade and other receivables	10.1	**20,052**	**18,843**	18,234	16,443
Other financial Assets		**0**	**0**	0	0
Cash and cash equivalents	12	**8,073**	**5,631**	5,590	2,058
Total current assets		**31,068**	**25,628**	26,719	19,769
Current liabilities					
Trade and other payables	13.1	**(28,539)**	**(25,992)**	(27,370)	(22,329)
Borrowings	14.1	**(1,356)**	**(3,358)**	(1,356)	(4,721)
Provisions	15	**(429)**	**(427)**	(433)	(432)
Other liabilities	13.2	**(1,708)**	**(1,440)**	(2,055)	(2,042)
Total current liabilities		**(32,032)**	**(31,217)**	(31,214)	(29,524)
Total assets less current liabilities		**126,692**	**162,101**	118,790	157,063
Non-current liabilities					
Trade and other payables	13.1	**0**	**0**	0	0
Borrowings	14.1	**(17,900)**	**(65,067)**	(19,255)	(67,229)
Provisions	15	**(2,822)**	**(2,821)**	(3,055)	(3,052)
Other Liabilities	13.2	**(3,334)**	**(1,371)**	(2,546)	(452)
Total non-current liabilities		**(24,056)**	**(69,259)**	(24,856)	(70,733)
Total assets employed		**102,636**	**92,842**	93,934	86,330
Financed by taxpayers' equity					
Public Dividend Capital		**113,746**	**113,746**	112,892	112,892
Revaluation reserve		**14,519**	**14,519**	12,671	12,671
Charitable Fund Reserve		**1,150**	**0**	1,301	0
Other Reserves		**99**	**99**	99	99
Income and expenditure reserve		**(26,878)**	**(35,522)**	(33,029)	(39,332)
Total taxpayers' equity		**102,636**	**92,842**	93,934	86,330

The financial statements on pages **199-243** were approved under designated authority of the Board on 30 May 2017 and signed on its behalf by:

Ian Renwick
Chief Executive

Date: 31 May 2017

Statement of Changes in Taxpayers' Equity 2017/18

	Group						Trust					
	Total £000	Public Dividend Capital £000	Revaluation Reserve £000	Charitable Fund Reserve £000	Other Reserves £000	Income and Expenditure Reserve £000	Total £000	Public Dividend Capital £000	Revaluation Reserve £000	Other Reserves £000	Income and Expenditure Reserve £000
Taxpayers' Equity at 1 April 2017	93,934	112,892	12,671	1,301	99	(33,029)	86,330	112,892	12,671	99	(39,332)
Changes in taxpayers' equity for 2017/18											
Retained surplus/(deficit) for the year	5,976	0	0	(175)	0	6,151	3,810	0	0	0	3,810
Impairments	0	0	0	0	0	0	0	0	0	0	0
Transfer from Revaluation Reserve to I & E reserve	0	0	0	0	0	0	0	0	0	0	0
Revaluations Property, Plant and Equipment	1,848	0	1,848	0	0	0	1,848	0	1,848	0	0
Asset disposals	0	0	0	0	0	0	0	0	0	0	0
Other Recognised gains / losses	0	0	0	0	0	0	0	0	0	0	0
Other reserve movements	24	0	0	24	0	0	0	0	0	0	0
	101,782	112,892	14,519	1,150	99	(26,878)	91,988	112,892	14,519	99	(35,522)
Public Dividend Capital received	854	854	0	0	0	0	854	854	0	0	0
Public Dividend Capital repaid	0	0	0	0	0	0	0	0	0	0	0
Taxpayers' Equity at 31 March 2018	102,636	113,746	14,519	1,150	99	(26,878)	92,842	113,746	14,519	99	(35,522)

Statement of Changes in Taxpayers' Equity 2016/17

	Group						Trust					
	Total £000	Public Dividend Capital £000	Revaluation Reserve £000	Charitable Fund Reserve £000	Other Reserves £000	Income and Expenditure Reserve £000	Total £000	Public Dividend Capital £000	Revaluation Reserve £000	Other Reserves £000	Income and Expenditure Reserve £000
Taxpayers' Equity at 1 April 2016	89,402	112,880	13,155	1,565	99	(38,297)	84,700	112,880	13,155	99	(41,434)
Changes in taxpayers' equity for 2016/17											
Retained surplus/(deficit) for the year	4,835	0	0	(433)	0	5,268	2,102	0	0	0	2,102
Impairments	0	0	0	0	0	0	0	0	0	0	0
Transfer from Revaluation Reserve to I & E reserve	0	0	(21)	0	0	21	0	0	(21)	0	21
Revaluations Property, Plant and Equipment	(463)	0	(463)	0	0	0	(463)	0	(463)	0	0
Asset disposals	0	0	0	0	0	0	0	0	0	0	0
Other Recognised gains / losses	169	0	0	169	0	0	0	0	0	0	0
Other reserve movements	(21)	0	0	0	0	(21)	(21)	0	0	0	(21)
	93,922	112,880	12,671	1,301	99	(33,029)	86,318	112,880	12,671	99	(39,332)
Public Dividend Capital received	12	12	0	0	0	0	12	12	0	0	0
Public Dividend Capital repaid	0	0	0	0	0	0	0	0	0	0	0
Taxpayers' Equity at 31 March 2017	93,934	112,892	12,671	1,301	99	(33,029)	86,330	112,892	12,671	99	(39,332)

Statement of Cashflows for the year ended 31 March 2018

	Note	Group 2017/18 £000	2016/17 £000	Trust 2017/18 £000	2016/17 £000
Cash flows from operating activities					
Operating surplus /(deficit) from continuing operations		**9,880**	8,163	**7,835**	**6,517**
Operating surplus /(deficit) of discontinued operations		**0**	0	**0**	**0**
		9,880	8,163	**7,835**	6,517
Non-cash income and expense:					
Depreciation and amortisation		**5,394**	5,403	**5,347**	5,387
Proceeds from Sales of Property, Plant and Equipment		**0**	0	**0**	0
Impairment		**0**	0	**0**	0
Reversals of Impairments		**(3,554)**	(434)	**(3,554)**	(434)
Loss (Gains) on disposal of fixed assets		**0**	0	**0**	0
Non Cash Donations credited to Income Note 22		**(415)**	(404)	**0**	0
Change in Trade and Other Receivables		**(1,503)**	(2,347)	**(2,308)**	1,995
Change in Inventories		**(49)**	(212)	**114**	537
Change in Trade and other Payables		**1,305**	(2,093)	**3,505**	(3,349)
Change in Other Liabilities		**442**	(615)	**317**	(554)
Change in Provisions		**(244)**	74	**(236)**	80
Tax (paid)/received		**(522)**	(348)	**0**	0
Other movements in operating cash flows		**(4)**	812	**1,293**	400
NHS Charitable Funds - working Capital adjustments		**(234)**	207	**0**	0
Net cash inflows from operating activities		**10,496**	**8,206**	**12,313**	10,579
Cash flows from investing activities					
Interest received		**50**	43	**1,228**	1,290
Sale of Financial Assets		**0**	0	**0**	0
Purchase of Property, Plant and Equipment		**(4,022)**	(4,908)	**(3,930)**	(4,783)
Receipt of donations to purchase capital assets		**0**	0	**0**	0
NHS Charitable Funds - net cash flow from investing activities		**256**	505	**0**	0
Net cash outflow from investing activities		**(3,716)**	(4,360)	**(2,702)**	(3,493)
Net cash (outflow) / inflow before financing		**6,780**	**3,846**	**9,611**	7,086
Cash flows from financing activities					
Public dividend capital received		**854**	12	**854**	12
Public dividend capital repaid		**0**	0	**0**	0
NHS Charitable funds - net cash flows from financing activities		**0**	0	**0**	0
Loans received from Independent Trust Financing Facility		**0**	0	**0**	0
Capital element of finance lease rental payments		**0**	0	**0**	0
Loans repaid to Independent Trust Financing Facility		**(1,356)**	(1,356)	**(1,356)**	(1,356)
Other capital receipts		**0**	0	**0**	0
Interest paid		**(732)**	(772)	**(2,482)**	(2,631)
Interest element of finance lease		**0**	0	**0**	0
PDC Dividend paid		**(3,063)**	(3,174)	**(3,063)**	(3,174)
Cash flows from other financing activities		**0**	0	**0**	0
Net cash inflow / (outflow) from financing activities		**(4,297)**	(5,290)	**(6,047)**	(7,149)
Increase in cash and cash equivalents		**2,483**	**(1,444)**	**3,564**	**(63)**
Opening Cash and Cash equivalents at 1 April 2017		**5,590**	7,034	**2,058**	2,121
Closing Cash and Cash equivalents at 31 March 2018		**8,073**	5,590	**5,622**	2,058

Notes to Accounts

Note 1. Accounting Policies and other information

Basis of preparation

Monitor is responsible for issuing an accounts direction to NHS foundation trusts under the NHS Act 2006. Monitor has directed that the financial statements of NHS Foundation Trusts shall meet the accounting requirements of the DH GAM which shall be agreed with the Secretary of State. Consequently, the following financial statements have been prepared in accordance with the DH GAM 2016/17 issued by Monitor. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) and HM Treasury's Financial Reporting Manual to the extent that they are meaningful and appropriate to NHS Foundation Trusts. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment and certain financial assets and financial liabilities.

Going Concern

These accounts have been prepared on a going concern basis. The Trust Board of Directors has a reasonable expectation that the Trust will have adequate financial resources to continue in operational existence for the foreseeable future. This is based on a strong financial performance in 2017/18 with the Group achieving a £2.2m surplus against a planned deficit of £2.3m. In achieving this performance the Group generated cash from operations of £10.5m in the year enabling capital investment of over £4m, a reduction in debt of £1.36m and holding cash balances of £8.1m at the year end. Looking forward to 2018/19 the Group has developed a financial plan that meets the NHSI required outturn. Therefore the Group continues to adopt the going concern basis in the preparation of these financial statements.

Consolidation

NHS Charitable Fund

The NHS Foundation Trust is the corporate trustee to Gateshead Health NHS Foundation Trust Charitable Fund. The Foundation Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the Foundation Trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

The charitable funds' statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard (FRS)102. On consolidation, necessary adjustments are made to the charity's assets, liabilities and transactions to:

- recognise and measure them in accordance with the Foundation Trust's accounting policies and
- eliminate intra-group transactions, balances, gains and losses.

Other subsidiaries

QE Facilities Limited is a wholly owned subsidiary of the NHS Foundation Trust. Subsidiary entities are those over which the Trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines.

Where subsidiaries' accounting policies are not aligned with those of the Trust (including where they report under UK FRS 102) then amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/losses are eliminated in full on consolidation.

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 commissioners in respect of health care services. Where income is received for a specific activity which is to be delivered in a subsequent

financial year, that income is deferred. Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale of contract.

Expenditure on Employee Benefits

Short-term employee benefits

Salaries wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. It is not possible for the NHS Foundation Trust to identify its share of the underlying scheme liabilities. Therefore, the scheme is accounted for as a defined contribution scheme.

Employer's pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the Trust commits itself to the retirement, regardless of the method of payment.

Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that, they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

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; and
- the cost of the item can be measured reliably; and
- assets 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.

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 valuation. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost

Interest on borrowings is not capitalised within fixed assets in line with the DH GAM.

An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS40 or IFRS5.

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 organisation 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 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 and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Trust respectively.

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has been previously recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment 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 income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment is recognised.

Other impairments are treated as revaluation losses. Reversal of 'other impairments' are treated as revaluation gains.

De-recognition

Assets intended for disposal are reclassified as 'Held for Sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable i.e.:
  - management are committed to a plan to sell the asset
  - an active programme has begun to find a buyer and complete the sale;
  - the asset is being actively marketed at a reasonable price;
  - the sale is expected to be completed within 12 months of the date of classification as ' held for sale'; and
  - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

Plant, property and equipment which is to be scrapped or demolished does not qualify for recognition as 'Held for Sale' and instead is retained as an operational asset and the asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated, government grant and other grant funded assets

Donated and grant funded property, plant and equipment are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as the other items of property, plant and equipment.

Investment Property

Investment properties are properties held either to earn rental income or for capital appreciation or for both. Investment properties are revalued annually to open market value. Surpluses or deficits are recognised in income. Depreciation is not provided in respect of freehold investment properties or in respect of leasehold investment properties where the unexpired term of the lease is more than 20 years.

Revenue government and other grants

Government grants are grants from government bodies other than income from commissioners or NHS trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

Inventories

Inventories are valued at lower of cost and net realisable value. Inventories are valued using the weighted average cost method.

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 below.

All other financial assets and 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 expires.

Classification and Measurement

Financial assets are categorised as loans and receivables. Financial liabilities are 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 at bank and in hand, NHS debtors, accrued income and 'other debtors'.
Loans and receivables are recognised initially at fair value, net of transactions costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated

future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive income.

Other financial liabilities

All other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability. They are included in current liabilities except for amounts payable more than 12 months after the 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.

Determination of fair value

For financial assets and financial liabilities carried at fair value, the carrying amounts are determined from their purchase or sale prices.

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.

Leases

"Determining whether an arrangement contains a lease"

At inception of an arrangement, the Foundation Trust determines whether such an arrangement is or contains a lease. This will be the case if the following 2 criteria are met:

- The fulfilment of the arrangement is dependent on the use of a specific asset or assets; and
- The arrangement contains the right to use the asset(s).

At inception or on reassessment of the arrangement, the Foundation Trust separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Foundation Trust concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Foundation Trust's incremental borrowing rate.

Finance leases

Where substantially all the risks and rewards of ownership of a leased asset are borne by the Foundation 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 asset and liability are recognised at the inception of the lease. Thereafter the asset is accounted for as an item of property, plant and equipment. The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

Operating leases

Other leases are regarded as operating leases and the rentals are charged to the 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 this is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

Provisions

The NHS Foundation Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published by HM Treasury.

Clinical Negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the NHS Foundation Trust pays an annual contribution to the NHSLA, which, in return, settles all clinical negligence claims. Although the NHSLA is administratively responsible for all clinical negligence cases, the legal liability remains with the NHS Foundation Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the NHS Foundation Trust is disclosed at note 15 but is not recognised in the NHS Foundation Trust's accounts.

Non-clinical Risk Pooling

The NHS Foundation Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to the NHS Litigation Authority and in return receives assistance with the costs of claims arising. The annual membership contributions, and any "excesses" payable in respect of particular claims are charged to operating expenses when the liability arises.

Contingencies

Contingent liabilities are not recognised, but are disclosed in note 16.3, 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.

Public Dividend Capital

Public Dividend Capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of 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 cost of capital utilised by the NHS Foundation 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 Foundation Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for (i) donated assets (including lottery funded assets), (ii) average daily cash balanced held with the Government Banking Services (GBS) and National Loans Fund (NFL) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and (iii) any PDC dividend balance receivable or payable. In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the 'pre-audit' version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result of the audit of the annual accounts.

Value added Tax

Most of the activities of the NHS Foundation Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

Corporation Tax

QE Facilities Limited is a wholly owned subsidiary of Gateshead Health NHS Foundation Trust and is subject to corporation tax on its profits.

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities, for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted on the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on the 2nd July 2013. Further reductions to 19% (effective from the 1st April 2017) and to 18% (effective from the 1st April 2020) were substantively enacted on the 26th October 2015, and an additional reduction to 17% (effective on 1st April 2020) was substantively enacted on the 6th September 2016. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 31 March 2017 has been calculated based on these rates.

Third Party Assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS Foundation Trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with the requirements of the HM Treasury Financial Reporting Manual.

Losses and Special Payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the NHS Foundation Trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accruals basis with the exception of provisions for future losses.

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 remunerated transfers, such as the loan of an asset for its expected useful life and the sale or lease of assets at below market value.

Accounting standards that have been issued but have not yet been adopted

The DH GAM does not require the following Standards and Interpretations to be applied in 2016/17. These standards are still subject to HM Treasury's Financial Reporting Manual adoption, with IFRS 9 and IFRS 15 being for implementation in 2018/19 and the government implementation date for IFRS 16 is still subject to HM Treasury consideration.

IFRS 9 Financial Instruments – Application required for accounting periods on or after 1 January 2018, but not yet adopted by the HM Treasury's Financial reporting Manual: early adoption is not therefore permitted. **IFRS 15 Revenue from Contract with Customers** – Application required for accounting periods on or after 1 January 2018, but not yet adopted by the HM Treasury's Financial reporting Manual: early adoption is not therefore permitted. **IFRS 16 Leases** – Application required for accounting periods on or after 1 January 2019, but not yet adopted by the HM Treasury's Financial reporting Manual: early adoption is not therefor permitted. **IFRIC 22** Foreign Currency Transactions and Advance Consideration – Application required for accounting periods beginning or after 1 January 2018. The Trust are currently carrying out an exercise to identify any potential impact.

Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2016/17.

Note 1.1 Segmental Analysis

The Foundation Trust operates within a single reportable segment i.e. healthcare. This primarily covers the provision of a wide range of healthcare related services to the community of Gateshead and additionally, the provision of an increasing range of more specialised services to patients outside of the area.

The Board of Directors/ Chief Executive acts as the Chief Operating Decision Maker for the Foundation Trust and the monthly financial position of the Foundation Trust is presented/reported to them as a single segment.

	Group		Foundation Trust	
	2017/18 Total £000	2017/18 Healthcare £000	2017/18 Total £000	2017/18 Healthcare £000
Income				
Income from activities	**234,986**	**234,986**	**234,986**	**234,986**
Other operating income	**29,785**	**29,785**	**24,685**	**24,685**
Income from discontinued operations	**0**	**0**	**0**	**0**
Total Operating Income	**264,771**	**264,771**	**259,671**	**259,671**

The majority of the Trust's total income from activities is received/derived from CCG's and NHS England. Of the £234.986k reported in 2017/18 (2016/17: £218,999k), an amount of £223,971k i.e. 95.31% was attributable to CCG's and NHS England (2016/17: £207,838k i.e. 94.94%)

	Group		Foundation Trust	
	2016/17 Total £000	2016/17 Healthcare £000	2016/17 Total £000	2016/17 Healthcare £000
Income				
Income from activities	218,999	218,999	218,999	218,999
Other operating income	27,043	27,043	24,171	24,171
Income from discontinued operations	0	0	0	0
Total Operating Income	246.041	246,041	243,170	243,170

Note 2. Income

2.1 Operating Income from activities by classification

	Group 2017/18 £000	Foundation Trust 2017/18 £000	Group 2016/17 £000	Foundation Trust 2016/17 £000
Elective income	34,562	34,562	33,884	33,884
Non elective income	50,646	50,646	44,776	44,776
Outpatient income	19,402	19,402	26,384	26,384
Other NHS Clinical income	98,616	98,616	91,369	91,369
A & E income	11,030	11,030	9,418	9,418
Community Income	19,498	19,498	12,078	12,078
Additional income for the delivery of healthcare services	56	56	0	0
Private patient income	610	610	538	538
Other clinical income	566	566	551	551
Total Income from Activities	234,986	234,986	218,999	218,999
Research and Development	648	648	828	828
Education and training	8,137	8,065	7,078	7,036
Charitable and other contributions to expenditure	415	415	404	404
Non-patient care services to other bodies	6,171	2,288	3,243	1,930
Sustainability and Transformation Funds	8,924	8,924	9,001	9,001
Other Income	3,850	3,381	5,169	4,223
Profit on disposal of other tangible fixed assets	0	0	0	0
Profit on disposal of land and buildings	0	0	0	0
Rental revenue from finance leases	0	0	0	0
Rental revenue from operating leases	351	37	412	42
Income in respect of staff costs	927	927	707	707
NHS Charitable Funds Incoming resources excluding investment income	362	0	200	0
	29,785	24,685	27,043	27,171
Total Operating Income	264,771	259,671	246,041	243,170

All services are Mandatory except Private patients

2016-17 reversals of impairment of property plant and equipment is now reported in Note 3.1 operating expenses in accordance with revised guidance.

In previous years this was included in operating income and has been restated in this year's accounts.

2.1.1 Private patient income

Group	2017/18 £000	2016/17 £000
Private patient income	610	538
Total patient related income	234,986	218,999
Proportion (as percentage)	0.26%	0.25%

Foundation Trust	2017/18 £000	2016/17 £000
Private patient income	610	538
Total patient related income	234,986	218,999
Proportion (as percentage)	0.26%	0.25%

Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services for any other purposes. The Foundation Trust has met this requirement.

2.2 Operating lease income

	Group & Foundation Trust	
	2016/17	2015/16
	£000	£000
Rents recognised as income in the period	**351**	412
Total	**351**	412
Future minimum lease payments due		
- not later than one year	**0**	0
- later than one year and not later than five years	**982**	1,049
- later than five years	**2,311**	2,387
Total	**3,293**	3,436

2.3 Income from activities by source

	Group	**Foundation Trust**	Group	Foundation Trust
	2017/18	**2017/18**	2016/17	2016/17
	£000	**£000**	£000	£000
NHS Foundation Trusts	**9,667**	**9,667**	9,527	9,527
NHS Trusts	**0**	**0**	0	0
CCGs and NHS England	**223,971**	**223,971**	207,838	207,838
Local Authorities	**56**	**56**	83	83
Department of Health - grants	**0**	**0**	0	0
Department of Health - other	**0**	**0**	0	0
NHS Other	**30**	**30**	379	379
Non-NHS Private patients	**610**	**610**	538	538
Non-NHS Overseas patients (non-reciprocal)	**40**	**40**	59	59
NHS injury scheme	**565**	**565**	551	551
Non NHS other	**47**	**47**	24	24
Additional income for the delivery of healthcare services	**0**	**0**	0	0
Total Income from continuing Activities	**234,986**	**234,986**	218,999	218,999

Injury cost recovery income is subject to a provision for impairment of receivables of 21.99% to reflect expected rates of collection.

2.4 Other Operating Income	Group 2017/18 £000	Foundation Trust 2017/18 £000	Group 2016/17 £000	Foundation Trust 2016/17 £000
Research and development	648	648	828	828
Education and Training	8,137	8,065	7,078	7,036
Charitable and other contributions to expenditure	415	415	404	404
Non-patient care services to other bodies	6,171	2,288	3,243	1,930
Sustainability & Transformation Funds	8,924	8,924	9,001	9,001
Profit on disposal of land and buildings	0	0	0	0
Profit on disposal of other tangible fixed assets	0	0	0	0
Reversal of impairments of property, plant and equipment	0	0	0	0
Rental revenue from finance leases	0	0	0	0
Rental revenue from operating leases	351	37	412	42
Car Parking	870	870	833	833
Estates Recharges	0	0	0	0
IT recharges	0	0	1	1
Pharmacy Sales	155	0	200	59
Staff costs	927	927	707	707
Creche Services	247	247	153	153
Clinical Test Services	410	410	478	478
Clinical Excellence Awards	149	149	147	147
Charitable Funds NHS income excluding investing	362	362	200	0
Catering	529	0	494	0
Property Rentals	0	0	0	0
Other (note 2.41)	1,490	1,343	2,863	2,553
Total Other Operating income	29,785	24,685	27,043	24,171

2016-17 reversal of impairment of property plant and equipment reported in Note 3.1 operating expenses in accordance with revised guidance. In previous years this was included in operating income and has been restated this year.

2.4.1 Other Operating Income - Other	Group 2016/17 £000	Foundation Trust 2016/17 £000	Group 2015/16 £000	Foundation Trust 2015/16 £000
Telecommunications	0	0	16	0
Central Sterile Supplies Department	6	0	6	0
Sponsorship	104	104	171	171
Tyneside Surgical Services	150	150	132	132
Salary sacrifice	508	508	470	470
Training	52	52	140	140
Capital schemes funding	0	0	0	0
Other	670	529	1,928	1,640
Total Other Operating Income - other	1,490	1,343	2,863	2,553

Note 3. Expenses 3.1 Operating expenses comprise:	Group 2017/18 £000	Foundation Trust 2017/18 £000	Group 2016/17 £000	Foundation Trust 2016/17 £000
Purchase of healthcare from NHS and DHSC Bodies	6,103	6,103	6,926	6,890
Purchase of healthcare from non NHS Bodies	1,357	1,218	3,849	3,503
Staff and Executive Director Costs	170,288	155,866	153,521	142,232
Employee Expenses - Non-executive directors	173	162	171	159
NHS Charitable Funds -employee expenses	0	0	0	0
Drug Costs (non inventory)	0	0	0	0
Supplies and services - clinical (excluding drugs costs)	25,209	12,680	25,189	15,931
Supplies and services – general	2,115	24	2,781	108
Establishment	3,058	1,996	2,980	2,147
Research and development - (Not included in employee expenses)	0	0	11	11
Research and development - (included in employee expenses)	542	542	627	627
Change in Provisions discount rates	0	0	249	249
Transport (Business travel only)	805	743	1,074	870
Transport (Other)	315	88	264	99
Premises	10,010	44,244	9,379	38,234
Increase/(decrease) in bad debt provision	146	137	(189)	(189)
Increase in other provisions	0	0	0	0
Inventories written down (net, including inventory drugs)	0	0	262	262
Drugs Inventories consumed	17,309	13,941	16,700	14,249
Operating Lease Expenditure Net	3,159	1,586	1,124	226
Depreciation on property, plant and equipment	5,394	5,348	5,403	5,388
Net Impairments of Property, Plant & Equipment	(3,554)	(3,554)	(434)	(434)
Audit fees				
*audit services - statutory audit	48	39	57	42
Other auditors' remuneration				
Other services	8	8	9	9
Audit Fees payable to external auditor of charitable funds accounts	4	0	3	0
Clinical negligence	5,168	5,168	3,758	3,758
Loss on Disposal of Land and Buildings	0	0	0	0
Loss on Disposal of other Property , Plant & Equipment	0	0	0	0
Legal Fees	399	323	195	178
Consultancy Costs	596	517	638	526
Internal Audit costs- (not included in employee expenses)	184	152	178	147
Training, courses and conferences	766	658	715	638
Car parking & Security	329	65	526	31
Voluntary Severance Payments	0	0	0	0
Redundancy	22	22	46	46
Hospitality	0	0	1	1
Insurance	260	88	311	101
Other Services***	2,877	2,836	39	38
NHS Charitable funds other resources expended	574	0	677	0
Losses, ex-gratia and special payments	0	0	474	472
Other	1,226	836	374	115
	254,890	251,836	237,879	236,653

*EY LLP Limited liability of £1,000,000

*KPMG LLP Limited liability of £1,000,000

3.2 Operating leases	Group & Foundation Trust	Group & Foundation Trust
Payments recognised as an expense	**2017/18**	2016/17
	£000	£000
Minimum lease payments	**4,182**	2,032
Sub-lease payments *	**(1,023)**	(908)
	3,159	1,124

Total future minimum lease payments	**2017/18**	2016/17
	£000	£000
Payable:		
Not later than one year	**2,689**	1,745
Between one and five years	**3,341**	2,723
After 5 years	**132**	274
Total	**6,162**	4,742

* Sub-lease payments relate to contributions from employees in the Trust's Green Car Salary Sacrifice scheme

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

No claims were made against the Foundation Trust during the accounting period under this legislation. No compensation was paid to cover debt recovery under this legislation.

3.4 Better Payment Policy

	2017/18		2016/17	
	Number	**£000**	Number	£000
Total bills paid in the year	**29,315**	**118,050**	37,394	142,370
Total bills paid within target	**12,694**	**74,791**	31,526	130,334
Percentage of bills paid within target	**43.3%**	**64.2%**	84.3%	91.5%

The Better Payment Practice Code recommends the Trust to aim to pay all valid invoices by the due date or within 30 days of receipt of goods or a valid invoice, with the exception of small to medium sized businesses which, under the recommendation of central government, are paid within 10 days of receipt of goods and services wherever possible. The Group migrated to a new financial ledger system in November 2017 which has had a detrimental impact upon these statistics.

Note 4. Employee expenses, numbers and benefits

4.1 Employee expenses (Including Executive Directors' Costs)

	Group				Foundation Trust			
	2017/18 Total £000	Permanently Employed £000	Other £000	2016/17 Total £000	2017/18 Total £000	Permanently Employed £000	Other £000	2016/17 Total £000
Salaries and wages	138,627	133,434	5,193	125,468	126,499	121,322	5,177	115,760
Capitalised Salaries and wages	0	0	0	0	170	170	0	0
Social Security Costs	12,703	12,272	431	11,534	11,747	11,312	435	10,786
Apprenticeship Levy	629	608	21	N/A	572	553	19	N/A
Pension costs - defined contribution plans	15,345	14,824	521	14,048	14,397	13,864	533	13,187
Employers' contributions to NHS Pensions Agency/contract staff	3,694	0	3,694	3,299	3,192	0	3,192	3,128
NHS Charitable Funds staff	0	0	0	0	0	0	0	0
Termination Benefits	22	22	0	46	22	22	0	46
Total Gross Staff Costs	171,020	161,160	9,860	154,395	156,599	147,243	9,356	142,907

4.2 Number of persons employed at 31st March 2018
(The figures shown represent the Whole Time Equivalent as opposed to the number of employees)

	Group				Foundation Trust			
	2017/18 Total Number	Permanently Employed Number	Other Number	2016/17 Total Number	2017/18 Total Number	Permanently Employed Number	Other Number	2016/17 Total Number
Medical and dental	376	369	7	350	376	369	7	350
Ambulance staff	0	0	0	0	0	0	0	0
Administration and estates	807	784	23	753	721	698	23	682
Healthcare assistants and other support staff	847	847	0	779	463	463	0	445
Nursing, midwifery and health visiting staff	1,187	1,084	103	1,063	1,186	1,083	103	1,062
Healthcare scientists	408	408	0	393	396	396	0	381
Scientific, therapeutic and technical staff	336	335	1	278	336	335	1	278
Other *	29	29	0	38	23	23	0	33
Total	3,990	3,856	134	3,654	3,501	3,367	134	3,230

* Other relates to Apprentices employed by the Trust

4.3 Staff Exit Packages

	2017/18 Group				2016/17 Group			
Exit package cost band	Number of compulsory departures agreed	Cost of compulsory departures agreed £000s	Number of non compulsory departures agreed	Cost of non compulsory departures agreed £000s	Number of compulsory departures agreed	Cost of compulsory departures agreed £000s	Number of non compulsory departures agreed	Cost of non compulsory departures agreed £000s
< £10,000	0	0	0	0	0	0	1	3
£10,001 - £25,000	1	22	0	0	0	0	2	22
£25,001 - £50,000	0	0	0	0	1	46	0	0
£50,001 - £100,000	0	0	0	0	0	0	0	0
£100,001 - £150,000	0	0	0	0	0	0	0	0
£150,001 - £200,000	0	0	0	0	0	0	0	0
> £200,001	0	0	0	0	0	0	0	0
Total	1	22	0	0	1	46	3	25
Redundancy	0	0	0	0	0	0	0	0
Voluntary Severance Scheme	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0

5. Corporation Tax

	Group 2017/18 £000	Group 2016/17 £000
UK corporation tax expense	407	303
Adjustments in respect of prior years	0	(22)
Current tax expense	407	281
Origination and reversal of temporary differences	129	(731)
Change in tax rate	(14)	(12)
Deferred tax charge/ (credit)	115	(743)
Total income tax (income)/expense in Statement of Comprehensive Income	522	(462)

The trust has no corporation tax expense (2016/17 £nil)

Reconciliation of effective tax rate	2017/18 £000	2017/17 £000
Surplus/(Deficit) for the year	2,325	4,836
Total tax (income)/expense	522	(462)
	2,847	4,374
Tax using the UK corporation tax rate of 20% (2016:20.25%)	541	875
Adjustments to current tax charge in respect of prior years	0	(22)
Deferred tax not recognised	(5)	0
Tax exempt revenues	0	(572)
Recognition of previously unrecognised deferred tax asset	0	(731)
Other	(14)	(12)
Total tax (income) expense	522	(462)

6. Finance Income

	Group 2017/18 £000	Foundation Trust 2017/18 £000	Group 2016/17 £000	Foundation Trust 2016/16 £000
Interest received on commercial bank accounts	50	50	44	44
NHS Charitable Funds Investment Income	41	0	48	0
Intragroup Loan Interest	0	1,145	0	1,281
	91	1,195	92	1,325

6.1 Finance Expense

	Group 2017/18 £000	Foundation Trust 2017/18 £000	Group 2016/17 £000	Foundation Trust 2015/16 £000
Finance Leases - external	**0**	**0**	0	0
Finance Leases - inter group	**0**	**1,746**	0	1,859
FTFF Loan	**741**	**741**	781	781
	741	**2,487**	781	2,640

6.2 Impairment / Revaluation of Assets

	Group & Foundation Trust	
	2017/18	2016/17
	£000	£000
Gross Impairment	**0**	0
Reversal of impairments	**3,554**	434
Increase in valuation of assets	**1,848**	463
Total Impairment / (Revaluation)	**5,402**	(29)

In 2017/18 £3.554m has been credited to operating income and £1.848m has been credited to other comprehensive income.
In 2016/17 £0.43m has been credited to operating expenses and a £0.46m has been charged to other comprehensive income.
The Foundation Trust has no recorded intangible assets at the Statement of Financial Position date nor in the prior period.

7. Intangible Fixed Assets

The Foundation Trust had no recorded intangible assets at the Statement of Financial Position date nor in the prior period.

Note 8. Property, plant and equipment - Group

8.1 Property, plant and equipment 2017/18

2017/18	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and Machinery	Transport Equipment	Information Technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2017	182,909	4,214	143,491	0	0	19,254	93	15,606	251
Additions purchased	4,240	0	2,133	0	0	1,280	58	769	0
Additions donated	415	0	133	0	0	282	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	5,402	0	5,402	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Cost or valuation at 31 March 2018	**192,966**	**4,214**	**151,159**	**0**	**0**	**20,816**	**151**	**16,375**	**251**
Accumulated Depreciation at 1 April 2017	65,322	1,990	37,634	0	0	14,243	44	11,268	143
Provided during the year	5,394	0	1,961	0	0	1,695	19	1,680	39
Impairments	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Revaluation surpluses	0	0	0	0	0	0	0	0	0
Transferred to disposal group as asset held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Accumulated Depreciation at 31 March 2018	**70,716**	**1,990**	**39,595**	**0**	**0**	**15,938**	**63**	**12,948**	**182**
Net book value - 31 March 2017									
- Owned	116,775	2,225	105,857	0	0	4,201	49	4,335	108
- Finance lease	0	0	0	0	0	0	0	0	0
- Donated	815	0	0	0	0	811	0	4	0
Total NBV at 31 March 2017	**117,590**	**2,225**	**105,857**	**0**	**0**	**5,012**	**49**	**4,339**	**108**
Net book value - 31 March 2018									
- Owned	121,243	2,225	111,428	0	0	3,996	89	3,436	69
- Finance lease	0	0	0	0	0	0	0	0	
- Donated	1,009	0	133	0	0	873	0	3	0
Total NBV at 31 March 2018	**122,252**	**2,225**	**111,561**	**0**	**0**	**4,869**	**89**	**3,439**	**69**

8.1 Analysis of tangible fixed assets

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & Machinery	Transport Equipment	Information Technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value									
- Protected assets at 31 March 2018	113,835	2,225	111,561	0	0	0	49	0	0
- Unprotected assets at 31 March 2018	8,417	0	0	0	0	4,869	40	3,439	69
Total at 31 March 2018	**122,252**	**2,225**	**111,561**	**0**	**0**	**4,869**	**89**	**3,439**	**69**

Property is deemed "protected" if it is required for the purposes of providing either the mandatory goods and services or the mandatory education and training as defined in the Terms of Authorisation of the Trust.

Note 8. Property, plant and equipment - Trust

8.2 Property, plant and equipment 2017/18

2017/18	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and Machinery	Transport Equipment	Information Technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2017	182,574	4,214	143,354	0	0	19,235	63	15,457	251
Additions purchased	4,086	0	2,038	0	0	1,279	0	769	0
Additions donated	415	0	133	0	0	282	0	0	0
Additions – transfer of assets from QEF Limited	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	5,402	0	5,402	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Cost or valuation at 31 March 2018	**192,477**	**4,214**	**150,927**	**0**	**0**	**20,796**	**63**	**16,226**	**251**
Accumulated Depreciation at 1 April 2017	65,304	1,990	37,636	0	0	14,239	42	11,254	143
Provided during the year	5,348	0	1,959	0	0	1,701	8	1,640	40
Transfer of assets from QEF Limited	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Revaluation surpluses	0	0	0	0	0	0	0	0	0
Transferred to disposal group as asset held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Accumulated Depreciation at 31 March 2018	**70,652**	**1,990**	**39,595**	**0**	**0**	**15,940**	**50**	**12,894**	**183**
Net book value - 31 March 2017									
- Owned	99,371	2,224	88,380	0	0	4,439	21	4,198	109
- Finance lease	17,337	0	17,337	0	0	0	0	0	0
- Donated	562	0	0	0	0	557	0	5	0
Total NBV at 31 March 2017	**117,270**	**2,224**	**105,717**	**0**	**0**	**4,996**	**21**	**4,203**	**109**
Net book value - 31 March 2018									
- Owned	102,690	2,224	93,072	0	0	3,983	13	3,329	69
- Finance lease	18,128	0	18,128	0	0	0	0	0	0
- Donated	1,009	0	133	0	0	873	0	3	0
Total NBV at 31 March 2018	**121,826**	**2,224**	**111,332**	**0**	**0**	**4,856**	**13**	**3,332**	**69**

8.2 Analysis of tangible fixed assets

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & Machinery	Transport Equipment	Information Technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value									
- Protected assets at 31 March 2018	113,556	2,224	111,332	0	0	0	0	0	0
- Unprotected assets at 31 March 2018	8,270	0	0	0	0	4,856	13	3,332	69
Total at 31 March 2018	**121,826**	**2,224**	**111,332**	**0**	**0**	**4,856**	**13**	**3,332**	**69**

Property is deemed "protected" if it is required for the purposes of providing either the mandatory goods and services or the mandatory education and training as defined in the Terms of Authorisation of the Trust.

8.3 Property, plant and equipment 2015/16 Group

2016/17	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and Machinery	Transport Equipment	Information Technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2016	178,623	4,215	141,414	0	0	17,988	73	14,671	262
Additions purchased	5,576	0	3,445	0	0	862	20	1,260	(11)
Additions donated	404	0	0	0	0	404	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	(27)	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Disposals	(1,693)	0	(1,368)	0	0	0	0	(325)	0
Cost or valuation at 31 March 2017	**182,910**	**4,215**	**143,491**	**0**	**0**	**19,254**	**93**	**15,606**	**251**
Accumulated Depreciation at 1 April 2016	61,578	1,101	38,130	0	0	12,496	33	9,722	96
Provided during the year	5,403	0	1,727	0	0	1,747	11	1,871	47
Impairments	0	0	0	0	0	0	0	0	0
Reversal of Impairments	(434)	889	(1,323)	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluation	463	0	463	0	0	0	0	0	0
Revaluation surpluses	0	0	0	0	0	0	0	0	0
Transferred to disposal group as asset held for sale	0	0	0	0	0	0	0	0	0
Disposals	(1,688)	0	(1,363)	0	0	0	0	(325)	0
Accumulated Depreciation at 31 March 2017	**65,322**	**1,990**	**37,634**	**0**	**0**	**14,243**	**44**	**11,268**	**143**
Net book value at 31 March 2016									
- Owned	116,484	3,113	103,284	0	0	4,936	40	4,945	166
- Finance lease	0	0	0	0	0	0	0	0	0
- Donated	562	0	0	0	0	557	0	5	0
Total NBV at 31 March 2016	**117,046**	**3,113**	**103,284**	**0**	**0**	**5,493**	**40**	**4,950**	**166**
Net book value at 31st March 2017									
- Owned	116,774	2,225	105,857	0	0	4,201	49	4,335	108
- Finance lease	0	0	0	0	0	0	0	0	0
- Donated	815	0	0	0	0	811	0	4	0
Total NBV at 31 March 2017	**117,590**	**2,225**	**105,857**	**0**	**0**	**5,012**	**49**	**4,339**	**108**

8.4 Prior Year - Analysis of tangible fixed assets

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & Machinery	Transport Equipment	Information Technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value									
- Protected assets at 31 March 2017	108,033	2,225	105,856	0	0	0	9	0	(58)
- Unprotected assets at 31 March 2017	9,557	0	0	0	0	5,012	40	4,339	166
Total at 31 March 2016	**117,590**	**2,225**	**105,856**	**0**	**0**	**5,012**	**49**	**4,339**	**108**

Note 8. Property, plant and equipment Trust

8.3 Property, plant and equipment 2016/17

2016/17	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and Machinery	Transport Equipment	Information Technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2016	178,465	4,214	141,301	0	0	17,986	63	14,638	262
Additions purchased	5,400	0	3,422	0	0	845	0	1,144	(11)
Additions donated	404	0	0	0	0	404	0	0	0
Additions – transfer of assets from QE Limited	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Disposals	(1,693)	0	(1,368)	0	0	0	0	(325)	0
Cost or valuation at 31 March 2017	**182,576**	**4,214**	**143,356**	**0**	**0**	**19,235**	**63**	**15,457**	**251**
Accumulated Depreciation at 1 April 2016	61,577	1,101	38,133	0	0	12,493	33	9,721	96
Provided during the year	5,387	0	1,726	0	0	1,746	9	1,859	47
Transfer of assets from QEF Limited	0	0	0	0	0	0	0	0	0
Impairments	(434)	889	(1,323)	0	0	0	0	0	0
Reversal of Impairments	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluation	463	0	463	0	0	0	0	0	0
Revaluation surpluses	0	0	0	0	0	0	0	0	0
Transferred to disposal group as asset held for sale	0	0	0	0	0	0	0	0	0
Disposals	(1,689)	0	(1,363)	0	0	0	0	(326)	0
Accumulated Depreciation at 31 March 2017	**65,306**	**1,990**	**37,636**	**0**	**0**	**14,239**	**42**	**11,254**	**143**
Net book value 31 March 2016									
- Owned	116,326	3,113	103,169	0	0	4,936	30	4,912	166
- Finance lease	0	0	0	0	0	0	0	0	0
- Donated	562	0	0	0	0	557	0	5	0
Total NBV at 31 March 2015	**116,888**	**3,113**	**103,169**	**0**	**0**	**5,493**	**30**	**4,917**	**166**
Net book value at 31 March 2017									
- Owned	116,708	2,224	105,717	0	0	4,439	21	4,198	109
- Finance lease	0	0	0	0	0	0	0	0	0
- Donated	562	0	0	0	0	557	0	5	0
Total NBV at 31 March 2017	**117,270**	**2,224**	**105,717**	**0**	**0**	**4,996**	**21**	**4,203**	**109**

8.4 Analysis of tangible fixed assets

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & Machinery	Transport Equipment	Information Technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value									
- Protected assets at 31 March 2017	106,730	2,224	105,717	0	0	(497)	0	(714)	0
- Unprotected assets at 31 March 2017	10,540	0	0	0	0	5,493	21	4,917	109
Total at 31 March 2017	**117,270**	**2,224**	**105,717**	**0**	**0**	**4,996**	**21**	**4,203**	**109**

Property is deemed "protected" if it is required for the purposes of providing either the mandatory goods and services or the mandatory education and training as defined in the Terms of Authorisation of the Trust.

8.5 Investment Property

	Group	
	2017/18	2016/17
	£000	£000
Carrying value at 1 April 2017	2,595	2,595
Transfer from Property, Plant & Equipment	0	0
Fair value gains taken to I&E	0	0
Carrying value at 31 March 2018	2,595	2,595

8.6 Economic life of Property, Plant and Equipment

Group & Foundation Trust	Min Life Years	Max Life Years
Buildings excluding dwellings	2	87
Plant & Machinery	4	15
Transport Equipment	5	7
Information Technology	5	5
Furniture & Fittings	5	5

8.7 Profit / Loss on Disposal of Fixed Assets

Group & Foundation Trust

Profit / Loss on the disposal of fixed assets is made up as follows:

	2017/18	2016/17
	£000	£000
Profit / Loss on disposal of Property, Plant & Equipment	0	17
	0	17

8.8 Revaluation Reserve - property, plant and equipment

Group & Foundation Trust	Total
	£000
Revaluation reserve at 1 April 2017	12,671
Impairments	0
Revaluations	1,848
Other reserve movements	0
Revaluation Reserve at 31 March 2018	14,519
Revaluation reserve at 1 April 2016	13,155
Impairments	0
Revaluations	(463)
Asset disposals	(21)
Revaluation Reserve at 31 March 2017	12,671

8.9 Investments in Subsidiary Undertakings	2017/18 £000	2016/17 £000
Shares in subsidiary undertakings	**16,824**	16,824
Loans to subsidiary undertakings > 1 year	**27,335**	30,927
	44,159	47,646
Loans to subsidiary undertakings< 1 year	**3,591**	3,470
	47,750	51,116

The shares in the subsidiary company QE Facilities Limited comprises a 100% holding in the share capital consisting of 16,824,382 ordinary £1 shares.

The principal activity of QE Facilities Limited is to provide estate management and facilities services.

Note 9. Finance leases

Note 9.1 Finance lease receivables

Group & Foundation Trust	31 March 2018 £000	31 March 2017 £000
Gross lease receivables	**1,325**	1,428
of which those receivable		
- not later than one year	**95**	98
- later than one year and not later than five years	**361**	369
- later than five years	**869**	961
Unearned interest income	**(317)**	(360)
Net lease receivables	**1,008**	1,068
of which those receivable		
- not later than one year	**60**	60
- later than one year and not later than five years	**240**	240
- later than five years	**708**	768
	1,008	1,068

Note 9.2 Finance lease details

	31 March 2017 £000	31 March 2015 £000
The unguaranteed residual value accruing to the FT	**1,500**	1,500
The accumulated allowance for uncollectable minimum lease payments receivable	**1,068**	1,068
Contingent rents recognised as income in the period	**60**	60

Note 10. Receivables

10.1 Trade and Other Receivables

	31st March 2018	Financial assets	Non-financial assets	31st March 2016	Financial assets	Non-financial assets
	£000	£000	£000	£000	£000	£000
Current - Group						
NHS Receivables *	11,733	11,733	0	9,125	9,125	0
Other receivables with related parties	1,081	0	1,081	1,017	0	1,017
Provision for impaired receivables	(599)	(374)	(225)	(457)	(235)	(222)
Prepayments	2,110	0	2,110	1,902	0	1,902
Accrued Income	1,352	1,352	0	1,218	1,218	0
Deferred tax	616	0	616	731	0	731
Other receivables	3,759	2,748	1,011	4,698	3,687	1,011
Total Current Trade and Other Receivables	20,052	15,459	4,593	18,234	13,795	4,439
Current - Trust						
NHS Receivables *	10,631	10,631	0	8,811	8,811	0
Other receivables with related parties	1,216	0	1,216	1,017	0	1,017
Provision for impaired receivables	(593)	(368)	(225)	(455)	(233)	(222)
Prepayments	922	0	922	1,022	0	1,022
Accrued Income	179	179	0	1,218	1,218	0
Loan repayments from QEF Limited (note 8.9)	3,591	3,591	0	3,470	3,470	0
Other receivables	2,897	1,886	1,011	1,360	349	1,011
Total Current Trade and Other Receivables	18,843	15,919	2,924	16,443	14,637	1,806

* The majority of NHS receivables are with Clinical Commissioning Groups and NHS England, as commissioners for NHS patient care services. NHS receivables that are neither past due date nor impaired are expected to be paid within their agreed terms.

Non-Current Group						
NHS Receivables *	948	948	0	1,008	1,008	0
Provision for impaired receivables	(225)	0	(225)	(222)	0	(222)
Other receivables	982	0	982	1,011	0	1,011
Total Non Current Trade and Other Receivables	1,705	948	757	1,797	1,008	789
Non-Current Trust						
NHS Receivables *	948	948	0	1,008	1,008	0
Provision for impaired receivables	(225)	0	(225)	(222)	0	(222)
Other receivables	973	0	973	1,011	0	1,011
Non current trade and other receivables (excluding loans)	1,696	948	748	1,797	1,008	789
Loan repayments from QEF Limited (note 8.9)	27,335	27,335	0	30,927	30,927	0
Total Non Current Trade and Other Receivables	29,031	28,283	748	32,724	31,935	789

Note 10.2 Provision for impairment of receivables
Group & Foundation Trust

	31 March 2018 £000	31 March 2017 £000
At 1 April	679	868
Increase in provision	146	(189)
Amounts utilised	0	0
Unused amounts reversed	0	0
At 31 March	825	679

Note 10.3 Analysis of impaired receivables past their due date
Group & Foundation Trust

	31 March 2018 £000	31 March 2017 £000
0 - 30 days	274	128
30-60 days	0	12
60-90 days	0	15
90- 180 days	263	104
> 180 days	288	419
Total	825	679

Note 10.4 Ageing of non-impaired receivables past their due date
Group & Foundation Trust

	31 March 2018 £000	31 March 2017 £000
0 - 30 days	4,383	2,879
30-60 days	687	158
60-90 days	422	94
90- 180 days	235	155
> 180 days	84	1,140
Total	5,811	4,426

*Group impaired receivables include £10.5k relating to QE Facilities Limited (2016/17 = £2.4k)

Note 10.5 Deferred Tax Asset
Recognised deferred tax assets

	Group Assets 2017/18 £000	Group 2016/17 £000
Property Plant and Equipment	616	731
Total deferred tax assets	616	731

Movement in deferred tax during the year	31 March 2018	1 April 2017
Recognised in income property plant and equipment	(115)	731
Total	(115)	731

Note 11. Inventory

Note 11.1 Inventory Balances

	Group		Foundation Trust	
	31 March 2018	31 March 2017	**31 March 2018**	31 March 2017
	£000	£000	**£000**	£000
Drugs	**1,117**	1,096	**807**	878
Consumables	**1,729**	1,705	**347**	390
Energy	**97**	94	**0**	0
Total Inventories	**2,943**	2,895	**1,154**	1,268

Note 11.2 Inventories Recognised as an Expense

	Group		Foundation Trust	
	31 March 2018	31 March 2017	**31 March 2018**	31 March 2017
	£000	£000	**£000**	£000
Inventories recognised in expenses	**(26,070)**	(24,592)	**(14,900)**	(15,735)
	(26,070)	(24,592)	**(14,900)**	(15,735)

Note 12. Cash and cash equivalents

	Group		Foundation Trust	
	31 March 2018	31 March 2017	**31 March 2018**	31 March 2017
	£000	£000	**£000**	£000
At 1 April	**5,590**	7,034	**2,058**	2,121
Net change in year	**(2,483)**	(1,444)	**3,573**	(63)
At 31 March	**8.073**	5,590	**5,631**	2,058
Broken down into:				
Cash at commercial banks and in hand	**2,442**	3,532	**0**	0
Cash with Government Banking Service	**5,631**	2,058	**5,631**	2,058
Other current investments	**0**	0	**0**	0
Cash and cash equivalents as in Statement of Financial Position	**8,073**	5,590	**5,631**	2,058
Bank overdraft	**0**	0	**0**	0
Cash and cash equivalents as in Statement of Cashflows	**8,073**	5,590	**5,631**	2,058

Note 13. Payables and other Liabilities

13.1 Trade and other payables

Group	Total 31st March 2018	Financial liabilities	Non-financial liabilities	Total 31st March 2017	Financial liabilities	Non-financial liabilities
Current	**£000**	**£000**	**£000**	£000	£000	£000
NHS payables	**4,074**	**4,074**	**0**	6,913	6,913	0
Other trade payables	**0**	**0**	**0**	0	0	0
Trade payables - capital	**999**	**999**	**0**	782	782	0
Other payables	**11,451**	**11,361**	**90**	9,523	8,957	566
Corporation Tax	**323**	**0**	**323**	303	0	303
Accruals	**11,692**	**11,692**	**0**	9,849	9,849	0
Total current trade and other payables	28,539	28,126	**413**	27,370	26,501	869
Non-current						
Other payables *	**0**	**0**	**0**	**0**	**0**	**0**
Total non-current trade and other payables	**0**	**0**	**0**	0	0	0

Trust	Total 31st March 2018	Financial liabilities	Non-financial liabilities	Total 31st March 2017	Financial liabilities	Non-financial liabilities
Current	**£000**	**£000**	**£000**	£000	£000	£000
NHS payables	**3,439**	**3,439**	**0**	968	968	0
Other trade payables	**0**	**0**	**0**	0	0	0
Trade payables – capital	**984**	**984**	**0**	710	710	0
Other payables	**12,817**	**12,727**	**90**	10,761	10,195	566
Accruals	**8,752**	**8,752**	**0**	9,890	9,890	0
Total current trade and other payables	**25,992**	**25,902**	**90**	22,329	21,763	566
Non-current						
Other payables*	**0**	**0**	**0**	0	0	0
Total non-current trade and other payables	**0**	**0**	**0**	0	0	0

13.2 Other Liabilities

	31st March 2018	31st March 2017	31st March 2018	31st March 2017
	£000	£000	**£000**	£000
Current				
Deferred Income	**1,708**	2,055	**1,440**	2,042
Total other current liabilities	**1,708**	2,055	**1,440**	2,042
Non-current				
Deferred Income	**3,334**	**2,546**	**1,371**	**452**
Finance Lease Creditor	**0**	**0**	**0**	**0**
Total other non current liabilities	**3,334**	2,546	**1,371**	452

Note 14. Borrowings

14.1 Borrowings

	Group		Trust	
	31 March 2018 £000	31 March 2017 £000	**31 March 2018 £000**	31 March 2017 £000
Current				
Loans from Foundation Trust Financing Facility	**1,356**	1,356	**1,356**	1,356
Obligations under finance leases	**0**	0	**2,002**	3,365
Total current borrowing	**1,356**	**1,356**	**3,358**	**4,721**
Non-current				
Loans from Foundation Trust Financing Facility	**17,900**	19,255	**17,900**	19,255
Obligations under finance leases	**0**	0	**47,167**	47,973
Total other non current liabilities	**17,900**	19,255	**65,067**	67,229

The Trust Finance Leases have been accounted for in accordance with the GAM.

The £49.2m obligation under finance leases in the Trust arises from the arrangements between the Trust and its subsidiary undertaking, QEF Ltd for the supply of operational healthcare facilities. This liability and the associated property have both been recognised in the balance sheet of the Trust following a detailed consideration of the lease terms and the risks and rewards of the arrangement

14.2 Finance Lease Obligations - Trust

	31 March 2018 £000	31 March 2017 £000
Gross Lease Liabilities	**49,169**	51,338
Of which liabilities are due:-		
- Not later than one year	3,681	5,013
- Later than one year and not later than five years	11,240	19,346
- Later than five years	100,074	88,434
Finance charges allocated to future periods	(65,826)	(61,455)
Net Lease Liabilities	**49,169**	51,338
- Not later than one year	**2,002**	3,365
- Later than one year and not later than five years	**5,120**	13,391
- Later than five years	**42,047**	34,582
	49,169	51,338

The Group does not have any Finance Lease Obligations following disposal in year.

Note 15. Provisions for liabilities and charges - Group and Foundation Trust

	Current		Non Current	
	31 March 2018	31 March 2017	**31 March 2018**	31 March 2017
	£000	£000	**£000**	£000
Pensions early departure costs	**155**	159	**1,284**	1,461
Legal claims	**177**	177	**0**	(0)
Equal Pay	**0**	0	**0**	0
Other	**97**	97	**1,537**	1,594
	429	433	**2,822**	3,055

	Pensions early departure costs	Legal Claims	Equal Pay	Redundancy	Other	**Total**
	£000	£000	£000	£000	£000	**£000**
At 1 April 2017	**1,621**	**177**	**0**	**0**	**1,688**	**3,486**
Change in the discount rate	**0**	**0**	**0**	**0**	**0**	**0**
Arising during the year	**(16)**	**0**	**0**	**0**	**40**	**24**
Utilised during the year	**(157)**	**0**	**0**	**0**	**(98)**	**(255)**
Reversed unused	**(12)**	**0**	**0**	**0**	**0**	**(12)**
Unwinding of discount	**4**	**0**	**0**	**0**	**4**	**8**
At 31 March 2017	**1,440**	**177**	**0**	**0**	**1,634**	**3,251**
Expected timing of cash flows:						
-not later than one year;	**155**	**177**	**0**	**0**	**97**	**429**
-later than one year and not later than five years;	**614**	**0**	**0**	**0**	**391**	**1,005**
-later than five years;	**671**	**(0)**	**0**	**0**	**1,146**	**1,817**
	1,440	**177**	**0**	**0**	**1,634**	**3,251**

	Pensions early departure costs	Legal claims	Equal Pay	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000
At 1 April 2016	1,622	169	0	0	1,612	3,403
Changes in discount rate	80	0	0	0	169	249
Arising during the year	89	81	0	0	0	170
Utilised during the year	(160)	(45)	0	0	(97)	(302)
Reversed unused	(14)	(28)	0	0	0	(43)
Unwinding of discount	4	0	0	0	4	9
At 31 March 2017	1,621	177	0	0	1,688	3,487
Expecting time of cash flows:						
-not later than one year;	159	177	0	0	97	433
-later than one year and not later than five years;	627	0	0	0	388	1,015
-later than five years;	835	0	0	0	1,204	2,039
	1,621	177	0	0	1,688	3,487

£55,216k is included in the provisions of the NHS Litigation Authority at 31/3/2018 in respect of clinical negligence liabilities of the trust which are managed through the NHS risk pooling scheme on behalf of the Foundation Trust (31/3/2017 £60,216k)

i) Pensions relating to directors and other staff represents the present value of quarterly payments to the NHS Pensions Agency in respect of the unfunded element of the pensions of staff and directors who have taken early retirement. The provisions are uncertain to the extent that the period over which payments will be made is an estimate.

ii) Other Legal claims £177k relates to a provision for Employer Liability claims which are covered under the terms of the Trust's commercial insurance. Provisions are stated net of reimbursements from the Trust's insurers. The Trust is liable for excess payments against each claim under the terms of the commercial insurance.

iii) Other Provisions £1,634k relate to Service Injury Benefit payments reimbursed to the NHS Pensions Agency in respect of former staff with service related injuries. The provision represents the present value of quarterly payments to the NHS Pensions Agency. The provisions are uncertain with regard to the value of the cash reimbursements and the period of time over which the contribution will be made.

16.1 Contractual Capital Commitments - Group and Foundation Trust

Contractual capital commitments at 31 March 2018 not otherwise included in these financial statements:

	31 March 2018	31 March 2017
	£000	£000
Property, plant and equipment	**171**	190
Total	**171**	190

16.2 Events after the Reporting Period - Group and Foundation Trust

There were no events after the reporting period having a material effect on the accounts.

16.3 Contingent Liabilities - Group and Foundation Trust

	31 March 2018	31 March 2017
	£000	£000
Gross estimated value of Non-Clinical Liabilities	(84)	(119)
Expected recoverable amount	0	0
Net value contingent liabilities	**(84)**	(119)

The Employer Liability Contingency figure of £84k is estimated using information received from the NHS Litigation Authority and the Foundation Trust's legal services department.

16.4 Related Party Transactions - Group and Foundation Trust

	Income £000	Expenditure £000
Value of transactions with related parties in 2017/18:		
Department of Health	0	0
Other NHS Bodies	254,851	15,061
Charitable Funds	0	0
Other*	0	0
NHS Shared Business Services *	0	0
Total	254,851	15,061
Value of transactions with related parties in 2016/17:		
Department of Health	0	0
Other NHS Bodies	237,486	13,019
Charitable Funds	0	0
Other	0	0
NHS Shared Business Services (Pensions)	0	0
Total	237,486	13,019

* Classification changed by the DoH.

16.5 Related Party Balances - Group and Foundation Trust

	Receivables £000	Payables £000
Value of balances (other than salary) with related parties in relation to doubtful debts at 31 March 2018	0	0
Value of balances (other than salary) with related parties in respect of doubtful debts written off in the year at 31 March 2018	0	0
Value of balances with other related parties in 2017/18:		
Department of Health	0	0
Other NHS Bodies	12,662	5,337
Charitable Funds	0	0
Other	0	0
NHS Shared Business Services	0	0
Total	12,662	5,337
Value of balances (other than salary) with related parties in relation to doubtful debts at 31 March 2017	0	0
Value of balances (other than salary) with related parties in respect of doubtful debts written off in the year at 31 March 2017	0	0
Value of balances with other related parties in 2016/17:		
Department of Health	0	168
Other NHS Bodies	10,116	5,756
Charitable Funds	0	0
Other	0	0
NHS Shared Business Services	0	0
Total	10,116	5,924

16.6 Related Party Transactions - Group and Foundation Trust

Gateshead Health NHS Foundation Trust is required under IAS 24 to disclose material transactions undertaken with a related party.

During the year none of the Board Members or members of the key management staff or parties related to them has undertaken any material transactions with the Trust.
The Foundation Trust has also received revenue and capital payments from the Gateshead Health NHS Foundation Trust charitable fund. All of the Trustees of the charity are members of the Trust Board.
The total value of Funds Held on Trust at 31st March 2018 was £1,150k. The Foundation Trust owed the Charity £0k the Charity owed the Foundation Trust £33k.

On 1st February 2017, North East Transformation System Limited (Company Number 10178726) commenced trading. The controlling parents are Gateshead Health NHS Foundation Trust and Tees, Esk Wear Valleys NHS Foundation Trust, with each party holding 50% of the £50,000 share capital. Three directors of Gateshead Health NHS Foundation Trust were also directors of the joint venture whose purpose is to deliver training and coaching on organisational change. The North East Transformation System Limited received income of £207k (2017:£11k) and spent £340k (2017:£28k) inclusive of £69k staff costs (2017:£7k) making a loss of £133k (2017:£16k).

Note 17. Financial Assets / Liabilities - Group and Foundation Trust

Note 17.1 Financial assets by category

	Group		Foundation Trust	
Assets as per Statement of Financial Position	**Total £000**	**Loans and receivables £000**	**Total £000**	**Loans and receivables £000**
Trade and other receivables excluding non financial assets - Note 10	**16,407**	**16,407**	**44,202**	**44,202**
Cash and cash equivalents at bank and in hand - Note 12	**8,073**	**8,073**	**5,631**	**5,631**
Charitable Funds investments – Note 22	**1,113**	**1,113**	**0**	**0**
Total at 31 March 2018	**25,593**	**25,593**	**49,833**	**49,833**
Trade and other receivables excluding non financial assets – Note 10	14,796	14,796	45,550	45,550
Cash and cash equivalents (at bank and in hand) – Note 12	5,590	5,590	2,058	2,058
Charitable Funds investments – Note 22	1,304	1,304	0	0
Total at 31 March 2017	21,690	21,690	47,608	47,608

Note 17.2 Financial liabilities by category

	Group		Foundation Trust	
Liabilities as per Statement of Financial Position	Total £000	Other financial liabilities £000	Total £000	Other financial liabilities £000
Borrowings excluding Finance lease liabilities - Note 14	**19,256**	**19,256**	**19,256**	**19,256**
Obligations under finance leases - Note 14	**0**	**0**	**49,169**	**49,169**
NHS Trade and other payables excluding non financial liabilities - Note 13	**28,126**	**28,126**	**25,902**	**25,902**
Other Financial Liabilities	**0**	**0**	**0**	**0**
Provisions under contract – Note 15	**3,251**	**3,251**	**3,251**	**3,251**
Charitable Fund Financial Liabilities	**33**	**33**	**0**	**0**
Total at 31 March 2017	**50,666**	**50,666**	**97,578**	**97,578**
Borrowings excluding Finance lease liabilities – Note 14	20,611	20,611	20,611	20,611
Obligations under finance leases – Note 14	0	0	51,338	51,338
NHS Trade and other payables excluding non financial liabilities - Note 13	26,501	26,501	21,763	21,763
Other Financial Liabilities	0	0	0	0
Provisions under contract – Note 15	3,487	3,487	3,487	3,487
Charitable Fund Financial Liabilities	265	265	0	0
Total at 31 March 2017	50,864	50,864	97,199	97,199

17.3 Liquidity Risk

The Foundation Trust's net operating costs are incurred under annual legally binding contracts with local Clinical Commissioning Group, which are financed from resources voted annually by Parliament. The Trust also finances its Capital expenditure from retained depreciation and accumulated surpluses. The Foundation Trust has a loan financed by the Foundation Trust Financing Facility for £22m which partly funded the construction of the Emergency Care Centre. A further £2.5m Loan was approved to fund Radiology Equipment from the ITFF.

17.4 Interest Rate Risk

59% of the Trust's current financial assets consist of cash which carries a floating rate of interest.

Finance Lease arrangements are subject to a fixed rate of interest.

The current ITFF loan of £22m is subject to an interest repayment rate of 3.78%

The current ITFF loan of £2.5m is subject to an interest repayment rate of 1.15%

17.5 Foreign Currency Risk

The Trust has no foreign currency income or expenditure.

Note 18. Fair Values - Group and Foundation Trust

Note 18.1 Fair values of financial assets

		Group			
		31 March 2018 Book Value £000	31 March 2018 Fair value £000	31 March 2017 Book Value £000	31 March 2017 Fair value £000
Cash & cash equivalents		8,073	8,073	5,590	5,590
Current Receivables		15,459	15,459	13,788	13,788
Non Current Receivables	a	948	948	1,008	1,008
Charitable fund Investments		1,113	1,113	1,553	1,553
Total		25,593	25,593	21,939	21,939

		Foundation Trust			
		31 March 2018 Book Value £000	31 March 2018 Fair value £000	31 March 2017 Book Value £000	31 March 2017 Fair value £000
Cash & cash equivalents		5,631	5,631	2,058	2,058
Current Receivables		15,919	15,919	13,615	13,615
Non Current Receivables	a	948	948	1,008	1,008
Loan to Subsidiary		27,335	27,335	30,927	30,927
Total		49,833	49,833	47,608	47,608

Note 18.2 Fair values of financial liabilities

		Group			
		31 March 2018 Book Value £000	31 March 2018 Fair value £000	31 March 2017 Book Value £000	31 March 2017 Fair value £000
Provisions under Contract	b	3,251	3,251	3,487	3,487
Obligations under finance leases - Note 14		0	0	0	0
Trade & Other Payables		28,126	28,126	26,501	26,501
Loans		19,256	19,256	20,611	20,611
Charitable Fund Financial Liabilities		33	33	265	165
Total		50,666	50,666	50,863	50,863

		Foundation Trust			
		31 March 2018 Book Value £000	31 March 2018 Fair value £000	31 March 2017 Book Value £000	31 March 2017 Fair value £000
Provisions under Contract	b	3,251	3,251	3,487	3,487
Obligations under finance leases - Note 14		49,169	49,169	51,338	51,338
Trade & Other Payables		25,902	25,902	21,763	21,763
Loans		19,255	19,255	20,611	20,611
Total		97,577	97,577	97,199	97,199

a This relates to a long term finance lease of a property to another NHS body.

b Fair value is not significantly different from book value since, in the calculation of book value, the expected cash flows have been discounted where appropriate using the discount rates published and mandated by HM Treasury.

Note 19. Third Party Assets

The Trust held £2,370 cash at bank and in hand at 31/03/18 (£3,251 at 31/03/17) which relates to monies held on behalf of patients. This has been excluded from the cash at bank and in hand figure reported in the accounts.

Note 20. Public Dividend Capital Dividend

The Trust is required to absorb the cost of capital at a rate of 3.5% of average relevant net assets. The resulting calculation of PDC (Public Dividend Capital) dividend, totalling £2,733,000 was calculated on the average relevant net assets of £78,085,000.

Note 21. Losses and Special Payments - Group and Foundation Trust

NHS Foundation Trusts are required to follow the guidance issued by the Department of Health in accounting for losses and special payments:

- These 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 divided into different categories, which govern the way each individual case is handled.

The number and value of losses and special payment cases:

		1 April 2017 – 31 March 2018		1 April 2016 – 31 March 2017	
Ref.	**Category of loss / special payment**	**Number of cases**	**Value of cases**	Number of cases	Value of cases
1a	Losses of cash due to theft, fraud etc	0	0	1	0
1b	Losses of cash due to overpayment of salaries etc.	5	1	13	13
1c	Losses of cash due to other causes	0	0	0	0
2	Fruitless payments	0	0	0	0
3a	Bad debts and claims abandoned – private patients	45	10	10	3
3b	Bad debts and claims abandoned – overseas visitors	47	84	22	62
3c	Bad debts and claims abandoned – other	375	11	38	11
4a	Damage to buildings, loss of equipment and property due to theft, fraud etc	0	0	2	9
4b	Damage to buildings, loss of equipment and property due to other causes	10	(3)	20	37
Total Losses		**482**	**103**	106	135
Special Payments					
5	Compensation under legal obligation	0	0	0	0
7a	Ex-gratia payments for loss of personal effects	6	1	13	2
7b	Clinical Negligence with advice	0	0	7	41
7c	Ex-gratia payments for personal injury with advice	0	0	0	0
7d	Other negligence and injury	0	0	1	0
7e	Ex-gratia payments - other	0	0	0	0
7f	Ex gratia maladministration, no financial loss	0	0	0	0
Total Special Payments		**6**	**1**	21	43
Total Losses and Special Payments		**488**	**104**	127	178

The above values have been calculated on an accruals basis whereby expenditure is recognised in the period in which the associated liability was incurred.

22 Charitable fund reserve

The Trust is the corporate trustee to Gateshead Health NHS Foundation Trust Charitable Fund. The Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary in accordance with IAS 27, because the Trust has the power to govern the financial and operating policies of the charitable fund so as to obtain benefits from its activities for itself, its patients or its staff. Prior to 2013/14 the Treasury had directed that IAS 27 should not be applied to NHS Charities, and therefore the FT ARM did not require the Trust to consolidate the charitable fund.

The main financial statements disclose the Trust's financial position alongside that of the group (which comprises the Trust, subsidiary and charitable fund).

Gateshead Health NHS Foundation Trust Charity - Summary Statement of financial activities;

	Year ended 31 March 2018 £000'	Intra-group eliminations £000'	Year ended 31 March 2017 £000'	Intra-group eliminations £000'
Donated income	215	0	199	0
Income from legacies	147	0	1	0
Investment income	41	0	48	0
Total incoming resources	403	0	248	0
Patients' welfare and amenities	131	0	195	0
Staff welfare and amenities	26	0	53	0
Medical research	0	0	22	0
Contributions to the Foundation Trust	415	0	404	0
Governance costs	6	0	6	0
Total outgoing resources	578	0	680	0
Unrealised gain on investments	24	0	169	0
Net incoming resources	(151)	0	(263)	0

Gateshead Health NHS Foundation Trust Charity - Summary Statement of financial position;

	As at 31 March 2018 £000'	Intra-group eliminations £000'	As at 31 March 2017 £000'	Intra-group eliminations £000'
Investments	1,113	0	1,304	0
Receivables	15	0	13	0
Cash	55	0	249	0
Payables	(33)	0	(265)	0
Total net assets	1,150	0	1,301	0
Represented by:				
Unrestricted funds	751	0	651	0
Restricted funds	351	0	603	0
Endowment funds	48	0	47	0
	1,150	0	1,301	0

The total funds are represented in the Group accounts as Charitable Funds Reserve.

Restricted funds are funds donated for a specific purpose. Unrestricted funds may be designated for a particular area but are not restricted on the purpose of expenditure. Endowment funds relate to capital funds where the charity does not hold the power to convert capital into income. The capital must generally be held indefinitely; the income generated by the investment of the funds can be used for charitable purposes at the discretion of the Trustees.

Contact Information

Trust Secretary

If you would like:

- to view the register of Board of Directors interests which are also available on the Trust internet site
- to contact the Chairman or any of the Board of Directors
- detailed information about Board of Directors meetings of Gateshead Health NHS Foundation Trust, which are open to the public. Details of meetings are displayed in all Trust premises, clinics, health centres and libraries throughout Gateshead and on the Trust's website
- to contact the Chief Executive's office for more information or if you have any comments
- further copies of this report or copies of the full accounts

Telephone: 0191 4453712

Email: debbie.atkinson4@nhs.net

Website: www.qegateshead.nhs.uk

Membership Co-ordinator

If you would like:

- to become a member of Gateshead Health NHS Foundation Trust
- to contact any of the governors
- to view the register of Council of Governors interests also available on the Trust's internet site
- to view the register of Members
- detailed information about the meetings of the Council of Governors

Write to: Freepost NAT14353
Gateshead Health NHS Foundation Trust
Queen Elizabeth Hospital
Sheriff Hill, Gateshead, NE9 6BR

Telephone: 0191 445 3713

Fax: 0191 482 6001

Email: ghnt.foundation.enquiries@nhs.net

Patient Advice and Liaison Service (PALS)

If you would like information, support or advice about the Trust's services.

Telephone: (freephone) 0800 953 0667

Fax: 0191 445 3542

Direct Dial: 0191 445 6129

Email: ghnt.pals.service@nhs.net

Gateshead Health NHS Foundation Trust

Trust Headquarters, Queen Elizabeth Hospital

Gateshead.NE96SX