²gether NHS Foundation Trust
Annual Report and Accounts
2015/16

²gether
Making life better

²gether
NHS Foundation Trust **NHS**

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Annual Report and Accounts
2015/16

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

Contents

We're ²gether

Welcome to our Annual Report, where you will find information about who we are and what we have done throughout 2015/16.

²gether NHS Foundation Trust
A statement of our intent: 2015-2019

NHS

	Making Life Better						
PURPOSE Why we exist	**Making Life Better**						
VISION What we want to achieve	*To be the Provider and Employer of choice delivering sustainable high quality, cost effective, inclusive services.*						
STRATEGIC PRIORITIES Headline targets we will focus on	• Continuous **Quality** Improvement • **Engagement** to support the delivery of a challenging agenda • Ensure **Sustainability** of services						
VALUES How we do things	**S**eeing from a service user and carer perspective	**E**xcelling and improving	**R**esponsive	**V**aluing and respectful	**I**nclusive, open and honest	**C**an do	**E**fficient, effective, economic and equitable
PILLARS Enabling Strategies	• Organisational development • Practice development in professions e.g. nursing, AHP, medical, social care, psychological services • Service delivery • Technology • Finance			• Engagement and communication • Research • Quality • Commerce • Corporate			

Get involved

Find out more about our Trust at: **www.2gether.nhs.uk**

You can also keep in touch with us through our social media channels:

twitter.com/2getherTrust   facebook.com/2getherNHS   www.linkedin.com/company/2gether-nhs-foundation-trust

Join us!

²gether operates within the NHS as a not-for-profit, public benefit corporation. As a member, you can help shape strategy and the way services are run. To become a member of the Trust, visit **2gether.nhs.uk/membership** or call **01452 894007**.

Our registered address is: ²gether NHS Foundation Trust, Rikenel, Montpellier, Gloucester, GL1 1LY. You can also contact us by telephone on 01452 894000.

Performance Report - Overview
Chief Executive's Statement

As we look back over what we have achieved during 2015/16, we can feel proud of the significant improvements we have made to our services and the differences we have made to people's lives. That we have done so against the backdrop of a very challenging financial environment is testimony to the commitment, dedication, care and compassion of our staff, in partnership with our Board, Governors, service users, carers, commissioners and our many and varied partners.

Our focus has remained on our three strategic objectives of continually **improving the quality of our services**, continually **improving internal and external engagement** and e**nsuring the sustainability of our services** by being an **effective partner, employer and advocate for services.**

While we constantly strive to deliver the highest quality of care, this year our services came under increased scrutiny during a comprehensive inspection by the Care Quality Commission (CQC). The CQC provided an additional external perspective and when we received the inspection report, which rated our Trust as Good overall, we were reassured and recognised ourselves within it.

We were pleased to note the many examples of good practice and care we are providing, and the fact that we were the first Trust in the country to be awarded an 'Outstanding' rating for Crisis and Place of Safety services, and our adult acute inpatient and psychiatric intensive care services.

This is entirely due to the talented, committed and caring staff we employ, as well as the collaboration and support of our commissioners and partners. Where improvements were suggested or recommended we took steps to either make those improvements immediately or set in place the mechanisms for sustainable improvements to be made in the near future.

In our Quality Report you can read the full details of our CQC inspection outcome, alongside details of the progress we have made on our locally and nationally set priorities and targets.

You can also read, in our Regulatory Report, the full detail of our achievements against Monitor's regulatory framework. We have continued to deliver what we anticipated achieving in the five year strategic plan we submitted to Monitor last year.

As described in our Performance Report, we have delivered our planned financial position of a £0.5m deficit.

Our actual reported position was a deficit of £0.7m, but this included £0.2m spend on capital asset impairments which are not included in the plan or the Monitor financial stability rating, and £0.03m spend on our Hereford physical community services initiative which was agreed to be additional to our planned position. We have also achieved the savings efficiencies required for the future financial security of the organisation.

We now propose to deliver a small surplus in 2016/17, against a realistic assessment of the economic environment and dependent upon the full delivery of a challenging Cost Improvement Plan (CIP). You can read more about our financial performance in detail within our Annual Accounts.

We can only continue to meet our priorities and plans, and continue to invest in services, through the constant diligence of our staff across the Trust.

Throughout this report you will read about the many new initiatives we have been involved in during 2015/16. These include significant investment in our buildings, membership of the national Triangle of Care scheme, the strategic partnership we have formed with Swindon Mind, our Memorandum of Understanding with Wye Valley Trust to take responsibility for managing physical health services in Herefordshire, and the introduction of new Information Technology schemes to release time to care. We also constantly strive to tackle the stigma experienced by people with mental health conditions, so were delighted to be involved in a national pilot scheme with campaigning organisation Time to Change.

We are a constantly evolving Trust but everything we do, we do in partnership with others. You can play your own part in helping to develop our Trust by getting involved – as a Trust member, volunteer or by participating in our events and responding to our consultations. We'd love to hear from you whatever role you want to play. Join us in Making Life Better.

Shaun Clee
Chief Executive   **25 May 2016**

What we achieved in 2015/16

Rated 'Good'
overall following a comprehensive inspection by the Care Quality Commission in October 2015

Rated 'Outstanding'
for our Adult Inpatient, Psychiatric Intensive Care Unit, Crisis Resolution Home Treatment and Place of Safety services **(the first to be rated 'outstanding' nationally)**

91% of people who completed the Friends and Family Test said that they would recommend our services

① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩
Service users rate us amongst the **top five** mental health trusts in England who 'listen carefully to service users'

Above average in 18 key findings from the national NHS Staff Survey, with a higher than above average rating for the number of colleagues who would recommend the Trust as a place to work or receive treatment

Continued improvements in patient safety and service experience

Royal College of Psychiatrists official accreditation under the Accreditation for Inpatient Mental Health Services in Gloucestershire Recovery Units

RC PSYCH
ROYAL COLLEGE OF PSYCHIATRISTS

Selected as **one of only two trusts** in England to co-develop and pilot the Mental Health Professionals Tackling Mental Health Stigma project with campaign group Time to Change

An increase in the number of service users with a LESTER tool intervention (a specialist cardio metabolic assessment tool) alongside increased access to physical health treatment

An **increase** in the number of service users reporting that the people they see from our Trust help them to feel hopeful about the things that are important to them

A **reduction** in the number of detained patients who are absent without leave

43,000 referrals into our services

26,000 contacts per month

313,000 contacts either face-to-face or by telephone

2,300 dedicated members of staff

7,480 members

Let's Talk An **increase** in the number of vulnerable people who are able to access our Let's Talk service

£106m income to deliver and enhance local service provision

Who we are

²gether NHS Foundation Trust (²gether) provides specialist social and mental healthcare services across Gloucestershire and Herefordshire.

The services we provide are determined and paid for by NHS commissioning organisations. These are the organisations that manage local and specialist budgets.

In July 2007, we were one of the first ten mental health trusts in England to be authorised as a foundation trust by Monitor, the independent sector regulator for health services in England.

As a foundation trust, we are a not-for-profit, public benefit corporation. The applicant organisation, Gloucestershire Partnership NHS Trust, was established when we brought together specialist staff and services from four different organisations: Severn NHS Trust, East Gloucestershire NHS Trust, Gloucestershire County Council and Gloucestershire Health Authority.

We became ²gether in April 2008 as part of an initiative to strengthen our identity and pursue our purpose to help make life better. Our name is a statement of intent: 'together' we and our partners, communities, staff, service users, carers and families work to make life better for everyone who requires our services.

Since 2011, we have been commissioned by Herefordshire Clinical Commissioning Group (CCG) to provide mental health services. Herefordshire Local Authority commissions us to provide a learning disability health team. Social Care services in Herefordshire are provided directly by the local authority and services work closely together to deliver supportive integrated care pathways.

We employ 2,300 members of staff (including bank staff) and serve a combined population of 761,000, over nearly 1,900 square miles. Last year we delivered services to more than 40,000 individuals and offered education and support to their carers and families.

As an NHS Foundation Trust, we are accountable to our local people who help ensure local ownership and control of their NHS. Nearly 7,480 members influence our activities both directly by contacting the Trust and through locally elected representatives who sit on our Council of Governors.

Our services

Our services are provided according to core NHS principles - free care, based on need and not on someone's ability to pay.

The conditions we provide assessment, support and advice on include a wide range of mental health conditions, learning disabilities and long-term conditions, such as dementia.

Our services include Let's Talk, which is an Improving Access to Psychological Therapy (IAPT) service aimed at supporting people with common conditions such as depression and anxiety.

We also deliver community and inpatient NHS learning disability services; adult inpatient mental health care at Stonebow Unit (Hereford), Wotton Lawn Hospital (Gloucester) and Charlton Lane Hospital (Cheltenham); psychiatric intensive care at Greyfriars (Gloucester); assertive outreach and recovery services; children and young people emotional wellbeing services; eating disorder services; early intervention services; and a place of safety for those under Section 136 of the Mental Health Act at the Maxwell Centre Assessment Suite, in Gloucester.

Chinese visitors at The Maxwell Centre in Gloucester

Our occupational health service provides services to public and private organisations through our Working Well identity.

Our Gloucestershire-based Better 2 Work services facilitate vocational opportunities and promote social inclusion for people recovering from mental ill health. We also provide, in partnership with other organisations, the Severn & Wye Recovery College, which delivers educational courses for people recovering from mental illness.

Strategic priorities

The environment in which we provide services continues to be complex and challenging.
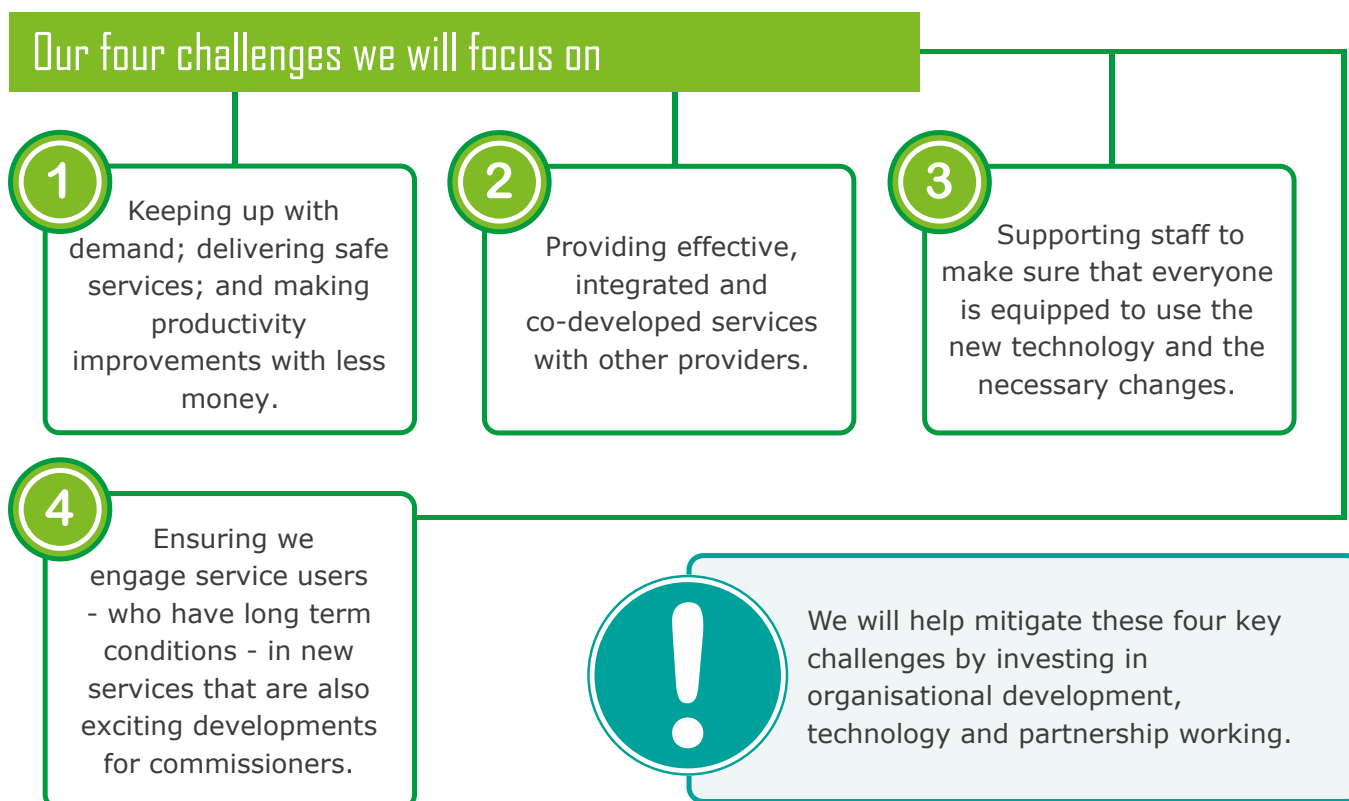
Over the past six years, we have delivered significant transformational change in our services. This has improved the care we provide to our service users and carers while helping us to realise our financial savings. As such, we remain focused on our three strategic priorities:

• Continually improving the **quality** of the services we provide

• Continually improving **engagement** with the Trust internally and externally to support the delivery of a challenging agenda which, to be successful, has to be delivered in partnership with others

• Ensuring the **sustainability of services** and the Trust as an effective partner, employer and advocate for services

Our five-year plan for Monitor is structured around our three strategic priorities and provides the basis for our future investment. By 2019 we will have:

• Further empowered people to make informed choices to support their wellbeing

• Enabled rapid access to treatment and support which enables recovery from unavoidable acute episodes

• Helped people to spot and, wherever possible, avoid crisis

Our plan identifies four key challenges which we will help mitigate by investing in organisational development, technology and partnership working.

Our four challenges we will focus on

1 Keeping up with demand; delivering safe services; and making productivity improvements with less money.

2 Providing effective, integrated and co-developed services with other providers.

3 Supporting staff to make sure that everyone is equipped to use the new technology and the necessary changes.

4 Ensuring we engage service users - who have long term conditions - in new services that are also exciting developments for commissioners.

! We will help mitigate these four key challenges by investing in organisational development, technology and partnership working.

These significant changes are being driven by increasing demand, changing demography, changing knowledge base and changing technology. In order to achieve our key priorities, we know that further transformational change is necessary – this will be asking a great deal from our colleagues who have already delivered significant changes and efficiency savings.

Discussions with colleagues, partners and the wider public suggest that we will remain a sustainable business in four years if we rise to these challenges and further lower our operating costs by £15 million.

We will therefore invest time and money as follows:

Organisational Development

We will review staff skills to make sure that services continue to be **safe and sustainable**.

We will **develop and support leaders** at every level to make sure we have strong leadership and continuous engagement.

Technology

We will use technology to change the way people think about their health and wellbeing and the **way we deliver services**.

Technology will **enable greater self-care** for service users and **new ways of working for staff**.

Partnership Working

We will invest time, energy and resources in **building relationships** with commissioners and other organisations who share our values.

We will provide a **co-ordinated response** to people in a crisis and develop **new and improved services.**

Above all, our desire to provide the best possible care is informed by the experiences that our service users, carers and our staff contribute to our ongoing process of community and internal engagement.

Going concern

After making enquiries, the directors have a reasonable expectation that [2]gether NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Performance Report - Analysis

Throughout 2015/16, we have worked hard to enhance our services and our performance, against a challenging financial backdrop. We have done this in partnership with a wide range of organisations, including our commissioners.

As an NHS Foundation Trust our performance is measured in a variety of ways, including the ratings we are given by our regulator, Monitor. As can be seen from our Regulatory Ratings (page 53), we have met our Monitor targets throughout 2015/16, with a continuity risk rating of at least '3' and a Governance rating of 'green', which indicates no significant governance issues have been identified.

We are also regulated by the Care Quality Commission (CQC), which conducted a comprehensive inspection of our services in October 2015. As you will read in our Quality Report (page 71), we achieved an overall rating of 'good', with two of our core services achieving an 'outstanding' rating. Two of our services were rated as 'requires improvement'.

We have developed a comprehensive action plan in response to the 15 'must do' recommendations and the 58 'should do' recommendations identified by the inspection.

A full copy of the CQC's inspection report can be seen on the CQC website.

The CQC did not take any enforcement action against the Trust in 2015/16.

We report on a number of local safety and quality standards agreed with Herefordshire and Gloucestershire commissioners through the Commissioning for Quality and Innovation (CQUIN) payment framework. You can read more about our CQUINs and our achievements against them in our Quality Report (page 71).

In addition to these operational performance measures, we also constantly undertake our own quality assurance reviews and audits across all services. We also seek to accredit our services against national standards through schemes such as the Accreditation for Inpatient Mental Health Services (AIMS) scheme. Many of our services are AIMS accredited.

Our latest services to achieve an 'excellent' AIMS rating were Greyfriars Psychiatric Intensive Care Unit (PICU), in Gloucester, Laurel House and

Honeybourne Recovery Inpatient Units, in Cheltenham, and the Electroconvulsive Therapy (ECT) clinics at Wotton Lawn Hospital, in Gloucester, and Stonebow, in Hereford.

Last summer we also commissioned a 'well-led governance review' through our external auditor, Deloitte, which provided reassurance that our governance structures are sound.

In 2015/16 we have, with our commissioners and partners, worked on a number of initiatives aimed at improving our services. These include:

- Initial development of a new Mental Health Acute Response Service (MHARS) for Gloucestershire, which will continue throughout 2016/17 as part of our commitment to the Crisis Care Concordat

- Investment in our buildings, in particular provision of new bases for services in the Forest of Dean, Hereford and Stroud districts, as well as a new research facility and base for our Managing Memory service, in Cheltenham

- Membership of the national Triangle of Care scheme, which brings carers, service users and professionals closer together to jointly promote the recovery of people with mental health conditions

- An increase in the courses offered by our Severn & Wye Recovery College

- Entering into a strategic partnership with Swindon Mind, through which we will explore opportunities to develop integrated and accessible mental health services in Gloucestershire

- Signing of a Memorandum of Understanding with Wye Valley Trust (WVT), to take responsibility for managing physical health services in Herefordshire communities. Overall responsibility for the services still remains with WVT; however, we will be working alongside them to deliver the services

- Our Improving Care through Technology programme, which includes the introduction of a new version of the RiO electronic care record system and new technology to enable increased mobile working alongside digital dictation and transcription for our clinicians. These schemes are aimed at reducing the administrative burden on clinicians, thereby releasing time to care

- Becoming a signatory to the Armed Forces Corporate Covenant and developing the support we provide to armed forces veterans

- Enhancements to our Autism Service to help decrease waiting times

- Preparatory work to make our Trust 'Smokefree', in line with National Institute for Clinical Excellence (NICE) PH48 guidance

- Our selection as a partnership site for tackling mental health stigma as part of a national Time to Change initiative

Financial Performance

During 2015/16 our two main commissioners were Gloucestershire and Herefordshire Clinical Commissioning Groups (CCGs) with whom we agreed to provide clinical care and treatment through block contracts.

We also held contracts with commissioners in our surrounding region and a contract with NHS Specialist Commissioners for low secure mental health inpatient care.

Our 2015/16 Statement of Comprehensive income can be found on page 132.

The table here details a financial performance summary for the past two years:

	2015/16 £m	2014/15 £m
Total income	105.820	106.373
Operating expenses	(104.092)	(103.958)
Underlying surplus	N/A	0.092
Deficit	(0.715)	N/A

As detailed above, operating expenses in 2015/16 totalled £104,092,000 which is an increase of 0.1% year-on-year. Staff costs accounted for £77.4m or 74.3% of our operating expenses. We report a £0.715m deficit, based on our plan of a £0.5m deficit plus capital asset impairments and Hereford physical community services spend.

2015/16 was the first year since becoming a foundation trust that we planned to forgo a financial surplus, while we continued to invest in services and staff. In 2016/17 we plan to deliver a small surplus of £4,000 while we continue to deliver our existing capital programme, which includes further improvements to our community environments and our extensive improving care through technology programme.

Our full annual accounts can be found at page 132.

On 30 November 2015, the Trust stopped providing Drug and Alcohol Services in Herefordshire (DASH). The full-year contract was worth £1.635m and involved 31 whole-time equivalent members of staff.

Efficiency savings

During 2015/16 we were expected to deliver £4.35m in efficiency savings in addition to the £5.4m we delivered in 2014/15. This comprised a 3.8% national efficiency requirement and additional savings to meet cost pressures and service developments.

"Over the year, we delivered savings of £4.01m against a total income of £105.8m."

In a challenging and complex environment, we have delivered significant transformational change.

We have managed our money cautiously and, by investing in our communities' mental health and enhancing the services we have been commissioned to deliver, we have retained our stable financial performance.

All efficiency schemes must be approved by our Medical Director, Director of Engagement and Integration, and Director of Quality at the planning and delivery stages. This helps us to ensure that an appropriate clinical risk assessment process informs our decisions.

Quality is uppermost in our mind and the Trust's Board receives regular updates on whether we are delivering our savings plans. They also provide challenge while seeking clear assurances on the impact that any schemes may have on our ability to deliver the best clinical care.

Cost allocation and charging requirements

The Directors confirm that ²gether NHS Foundation Trust complies with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance.

Public Sector Payment Policy

The Trust's performance against the policy has remained consistently high throughout 2015/16.

The cumulative Public Sector Payment Policy (PSPP) performance for the Trust for the financial year 2015/16 was 83% of invoices paid within 10 days and 96% paid within 30 days.

The Trust paid £0 interest under the Late Payment of Commercial Debts (Interest) Act 1998.

Income disclosure

The Directors confirm that ²gether NHS Foundation Trust has met the requirement that income from the provision of goods and services for the purposes of the health service in England is greater than its income from the provision of goods and services for any other purposes.

Post balance sheet events

There are no material post balance sheet events to report.

Counter fraud

Our robust and effective Counter Fraud Service demonstrates our commitment to ensuring that public money is not defrauded; this helps make sure that NHS funds are used for patient care and services.

Over the year, Gloucestershire Local Counter Fraud Service (LCFS) has assisted us in reducing opportunities for the commission of fraud and corruption to an absolute minimum.

They have also helped to increase liaison with other government, public and private organisations, and the national and regional offices of NHS Protect to improve the impact of our counter fraud activity.

We continue to encourage the honest majority of staff to report any concerns to the LCFS about potential fraud and corruption or areas of high fraud risk.

The LCFS then takes appropriate action and pursues appropriate sanctions. The outcome of this activity is reported to act as a deterrent to others.

Future investment

The significant changes for our workforce and our future planning are driven by increased demand, a changing demographic, increased understanding of mental health issues and new technologies.

"Delivering our required savings, while improving the quality of care we provide, will remain one of the most significant challenges we face over the coming year."

We do not expect the financial challenges to ease and yet we remain committed to investing in our staff, and the systems they need, to facilitate continued change across our organisation. Investing in these areas will help us to achieve our strategic priorities.

We plan to deliver a slight surplus in 2016/17. We have also reviewed and adjusted our capital investment plans so we can invest in the areas that staff tell us are important to them and will provide the foundations for future years' quality and financial gains.

Environmental sustainability

Our strategic objective for Gloucestershire was to reduce greenhouse gas emissions (expressed in the following tables as CO_2e), in line with the national targets, by a minimum of 10%, by 2014/15 from the 2008/09 base year, and to reduce them by 34% by 2019/20 from the same base year.

Recognising that the Trust did not operate services in Herefordshire in 2008/09, our strategic objective for Herefordshire is to reduce greenhouse gas emissions (CO_2e) by 2% year-on-year from our contract base year of 2011/12, making our 2014/15 target a 6% reduction.

We have achieved a 33% reduction in Gloucestershire from 2008/09 to 2014/15 against the 10% target; and are only 1% off our 2019/20 target.

Utilities carbon production in Gloucestershire

	Baseline 2008/09 Weight of CO_2e (tonnes)	2009/10 Weight of CO_2e (tonnes)	2010/11 Weight of CO_2e (tonnes)	2011/12 Weight of CO_2e (tonnes)	2012/13 Weight of CO_2e	2013/14 Weight of CO_2e (tonnes)	2014/15 Weight of CO_2e (tonnes)	Percentage change against 2008/09
Gas	1597	1279	1403	1109	1156	1182	999	**-38%**
Electricity	1633	1592	1638	1734	1437	1581	1151	**-30%**
Heating Oil	69	57	64	69	82	83	52	**-25%**
Water	7	7	9	9	11	9	23	**+329%**
TOTAL	**3306**	**2935**	**3114**	**2921**	**2686**	**2855**	**2225**	**-33%**

We have achieved a 23% reduction in Herefordshire from 2011/12 to 2014/15 and are exceeding our 2019/20 target of 16% by 7%.

Utilities carbon production in Herefordshire

	2011/12 Weight of CO_2e (tonnes)	2012/13 Weight of CO_2e (tonnes)	2013/14 Weight of CO_2e (tonnes)	2014/15 Weight of CO_2e (tonnes)	Percentage Change against 2011/12
Gas	82	86	71	87	+6%
Electricity	70	167	157	129	+84%
Heating Oil	237	282	221	78	-67%
Water	2	2	2	4.9	+246%
TOTAL	**391**	**537**	**451**	**299**	**-23%**

Gas

The Trust's primary heating source is gas, with the exception of the Stonebow Unit and Westridge, which have oil-fired boilers. Over the reporting period, there has been a 35% reduction in greenhouse emissions Trustwide. This is due to a programme of works installing, or improving, roof insulation; the replacement of older inefficient boilers; improved plant controls; and solar water heating.

Electricity

There has been a 25% reduction in greenhouse emissions from electricity between 2008/09 and 2014/15 Trustwide, reversing recent trends. Electricity is generally used for lighting, information technology and, to a smaller extent, for air conditioning. The reductions in electrical consumption have been the consequence of higher performance lighting during refurbishment projects.

The projects for the installation of Photovoltaics for electricity were abandoned in-year due to the removal of subsidies for renewable tariffs.

Water

Trust-measured water consumption has increased steadily and will continue to do so. This is the consequence of a trend towards the metering of water instead of water bills being a product of rateable value.

We are also systematically flushing water outlets to combat the risk of microbiological population of our water systems and providing more en-suite facilities.

However, the 310% increase in greenhouse gasses from water are the consequence of a change in the calculation for 2014/15, which now includes waste water and sewerage, as well as water consumed.

Waste

Significant changes have occurred in the treatment of the Trust's waste, resulting in large reductions in the greenhouse gases produced, and DEFRA has changed the metrics for the calculation of CO2e, compounding these changes.

During 2014/15, recycling was rolled out across Herefordshire and the Trust's domestic and recycling waste provider put all of our Gloucestershire waste through an Energy From Waste (EFW) Plant that sorts its black bag waste, diverting it from landfill to fuel.

This means that one tonne of black waste only produces 21kg of CO2e compared with 459kg when sent to landfill. From 1 April 2015 Veolia is now the waste provider for Herefordshire as well as Gloucestershire and will extend this service.

In 2008/09, the Trust put approximately 233 tonnes of waste into landfill. In 2014/15 this had been reduced to around 27 tonnes through a combination of recycling and diverting waste to use for energy generation.

Waste data for Gloucestershire

	Baseline 2008/09 Weight of CO_2e (tonnes)	2009/10 Weight of CO_2e (tonnes)	2010/11 Weight of CO_2e (tonnes)	2011/12 Weight of CO_2e (tonnes)	2012/13 Weight of CO_2e (tonnes)	2013/14 Weight of CO_2e (tonnes)	2014/15 Weight of CO_2e (tonnes)	Percentage change against 2008/09
Landfill	88.0	80.3	66.3	69.1	66.0	61.7	0	**-100%**
Treated and Incinerated	8.4	0	0.8	0.5	0.5	0.4	4.3	**-48%**
Treated and Landfill	0	6.4	6.4	8.4	8.7	9.7	2.3	**-**
Mixed Recycling	0	2.3 = 0	20.1 = 0	25.2 = 0	58.3 = 0	34.02 = 0	3.0	**-**
TOTAL	**96.4**	**86.7**	**73.5**	**78.0**	**75.2**	**71.8**	**9.6**	**-74%**

Waste data for Herefordshire

	Baseline 2011/12 Weight of CO_2e (tonnes)	2012/13 Weight of CO_2e (tonnes)	2013/14 Weight of CO_2e (tonnes)	2014/15 Weight of CO_2e (tonnes)	Percentage change against 2011/12
Landfill	37.4	37.4	37.4	7.7	**-78.4**
Treated and Incinerated	1.0	1.5	1.3	0.6	**-41%**
Treated and Landfill	0	0	0	0	**-**
Mixed Recycling	6.6 = 0	6.0 = 0	6.3 = 0	0.63	**-**
TOTAL	**38.4**	**38.9**	**38.7**	**8.3**	**-74%**

CO_2e is the universal unit of measurement to indicate the global warming potential (GWP) of Greenhouse Gases (GHGs), expressed in terms of the Global Warming Potential of one unit of carbon dioxide expressed in tonnes.

DEFRA is the Department of Environment, Food and Rural Affairs.

Public and patient involvement

Our Engagement and Communication Strategy was launched in early 2016. Our collaborative approach is based on an engagement cycle using three fundamental principles: **to inform, involve and improve services together**.

Our engagement and communication vision is that people in our community will become champions of our services to make life better. This vision includes the involvement of our 7,480 members and our 47 active volunteers. The contribution of volunteers has continued to be of significant value and has made a real difference to individuals and local communities.

"In 2015/16 we have continued to modernise recruitment and support of our volunteers across Herefordshire and Gloucestershire in line with our Volunteering Strategy."

Service experience

Our overarching vision is that every service user will receive a flexible, compassionate, empathetic, respectful, inclusive and proactive response from our staff and volunteers. As we serve our patients and their carers we will go beyond what people expect of us to ensure that we earn their trust, confidence and engender hope for the future.

²gether's Service Experience Strategy was co-designed and co-produced with staff and other stakeholders. This strategy continues to drive our vision for best service experience for patients and carers. The implementation of the work to deliver our service experience vision is monitored through the Trust's Service Experience Committee, which meets quarterly. Membership of the committee includes service users, carers, partner organisations and senior members of staff.

Our quarterly Service Experience Reports are presented to and discussed at our public Trust Board meetings.

Learning from experiences

Listening to and learning from patient and carer stories forms part of every agenda at each Trust Board meeting. We routinely invite patients, carers and staff members to share their experiences directly with our Trust Board.

This helps us to have a continued awareness of service user and carer feedback at the highest level of the organisation.

Detailed information is also considered by our Board's Governance Committee and our individual Locality Boards. We also ensure service users and carers are actively involved in advising on and appraising our services through a wide range of methods.

Furthermore, our Trust Experts by Experience are involved in recruitment processes as well as consultation on policy and service developments. Staff training and development also involves Experts by Experience.

Time to Change

During 2015/16, we were selected to participate in a national pilot initiative led by campaigning organisation Time to Change to reduce stigma experienced by people using mental health services.

"Our involvement has included a series of facilitated workshops with staff, as well as communication and awareness raising activities."

One of our Time to Change staff workshops

The pilot's success led to the wider rolling out of the programme to Trusts across the rest of the country.

We were proud to be part of this ground-breaking project, which builds on our strong history of tackling mental health stigma.

Future performance and risks

As we look ahead to 2016/17, we know that we will continue to face challenges, particularly in the economic and social context of the environment within which we operate. We have shown over the past year that we have the ability to respond to these challenges, and I have no doubt we will continue to do so.

"We will continue to explore innovative ways of providing high quality services and be both a provider and employer of choice."

We wish to maintain our CQC rating of 'good', while expanding, embedding and developing the scope of our service portfolio via partnerships.

We will work with our local health economy partners in Gloucestershire to deliver our joint vision, 'Joining up your Care', which focuses on empowering individuals and their communities to actively contribute to their continual wellbeing. This will be supported by an effective, integrated and sustainable model of health and social care services, central to Gloucestershire's Devolution Application.

We will also work with our local health economy partners in Herefordshire, to deliver our joint vision 'One Herefordshire' and similarly focus on enabling individuals and communities alongside a model of sustainable health and social care services central to Herefordshire's devolution proposals.

Our attention will remain on exploring an alliance contracting framework, to sustain working closely between partners within a 'One System' approach.

Playing an active and influential role in both the Sustainability and Transformation Plans for the areas in which we operate will also be a prime focus.

Finally, we will work towards the implementation of key changes as set out in the Five Year Forward View for Mental Health.

At an operational level we will continue working with our partners on the introduction of a new Mental Health Acute Response Service for Gloucestershire, transforming 2gether into a Smokefree Trust, enhancing the support we provide to veterans and women who are expecting a baby or who have recently given birth, and further investment in the buildings and technology we require to support the delivery of clinical care.

These, however, are just headlines for what we will set out to achieve and we are aware there are risks, which we will continue to monitor and assess and include in our Risk Register and Board Assurance Framework, which is reported and discussed regularly at our Trust Board.

We are determined to meet any challenges we face head-on. This Performance Report has been approved by the directors of 2gether NHS Foundation Trust.

Shaun Clee
Chief Executive   **25 May 2016**

Accountability Report

Directors' Report

As described in our Performance Report, ²gether NHS Foundation Trust Directors report that we have delivered a £0.715m deficit, based on our plan of a £0.5m deficit. We have also achieved the savings efficiencies required for the future financial security of the organisation.

Our Annual Accounts can be found from page 132 onwards and the accounting policies under which our accounts were prepared and completed are detailed within the notes to the accounts, from page 136 onwards.

Charitable Funds

Charity Commission Registration Number: 1097529

For many people, recovery can be quick – perhaps a few months.

For others, the enduring struggle with their illness can lead to years of difficulties, with significant personal and family consequences.

The Trust's Charitable Funds enable people to have experiences which are not part of core NHS spending. They could not be offered without your generosity.

Find out more about our charitable funds committee and how you can support it via

 www.2gether.nhs.uk/charitablefunds.

Directors' responsibilities

The Directors confirm that, so far as they are aware, there is no relevant audit information of which the Trust's auditor is unaware. The Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Accounting policies for pensions and other retirement benefits are set out in note 1.4 to the accounts, and details of senior employees' remuneration can be found in the Trust's Remuneration Report.

Income disclosures

As per Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012), we can confirm that the income from the provision of goods and services for the purposes of the health service in England is greater than its income from the provision of goods and services for any other purposes.

The impact of the provision of other income is not material on the provision of goods and services for the purposes of the health services in England.

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

The national contractual use of CQUINs is to support the essential focus upon quality improvement in the provision of services and incentivise through specific quality payments.

A proportion of ²gether NHS Foundation Trust's income in 2015/16 was conditional on achieving quality improvement and innovation goals agreed between ²gether NHS Foundation Trust and Gloucestershire Clinical Commissioning Group, Herefordshire Clinical Commissioning Group and NHS South West Specialised Commissioning Group (for the provision of low secure mental health NHS services) and any person or body they entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework.

The total potential value of the income conditional on reaching the targets within the CQUINs during 2015/16 was £2,107,995 of which £2,107,158 will be achieved.

Full details of our achievements against our CQUINS are contained within our Quality Report, which includes information about our agreed CQUINS for 2016/17.

Strategic partnerships

This year we entered into a strategic partnership with Swindon Mind, through which we will explore opportunities to develop integrated and accessible mental health services in Gloucestershire.

We look forward to building this relationship further during 2016/17.

Trust membership

As an NHS foundation trust, we help ensure local accountability, ownership and control of local services. We also seek to educate and inform people so that they in turn can become ambassadors for our Making Life Better Campaign to tackle the stigma that is so often experienced by people living with mental ill health and their families.

Membership constituencies and eligibility requirements

There are eight public membership constituencies and a staff constituency, which is divided into three classes.

Public constituencies

Members of our public constituency must live in England, be aged 11 or older and not eligible to become a member of our staff constituency. Six of our public constituencies are based in the city, borough and district councils of Gloucestershire. The seventh constituency is Greater England.

On 1 April 2014, our public constituencies were amended in our constitution. This amendment established Herefordshire as a separate eighth public membership constituency.

Staff constituency

Members of the staff constituency are individuals who are employed by the Trust under a contract of employment. Staff leaving Trust employment have the option to not transfer automatically to public membership.

The Trust provides automatic membership of the staff constituency and, when ineligible to remain a member of the staff constituency, we provide automatic membership of a public constituency. All eligible members of staff become a member of the organisation unless they elect otherwise.
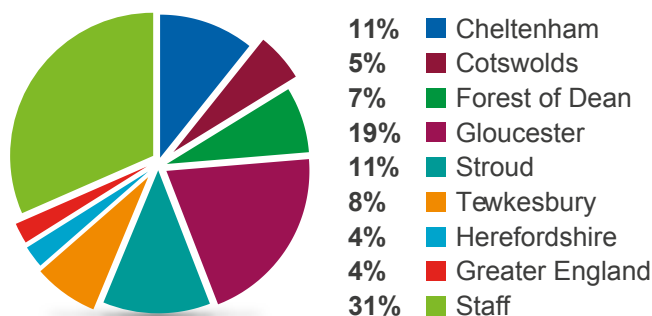
On 1 April 2014, our staff constituency was amended in our constitution. There are now three classes:

• Medical and nursing staff
• Clinical and social work and support staff
• Management, administrative and other staff

Membership data

Constituency	As at 31 March 2016
Public	5,155
Staff	2,318
Average new members per month	34

Membership data by constituency as at 31 March 2016

11%	Cheltenham
5%	Cotswolds
7%	Forest of Dean
19%	Gloucester
11%	Stroud
8%	Tewkesbury
4%	Herefordshire
4%	Greater England
31%	Staff

Membership strategy

We encourage involvement, informed participation and greater engagement to help ensure that our members' views are understood. This includes identifying opportunities for members to communicate with their governor and encouraging members to stand for election to the Council of Governors.

The three key objectives of our membership strategy are to:

• Recruit and retain members representative of the population we serve

• Retain members by communicating effectively and in a timely fashion

• Re-engage members, encouraging meaningful involvement

The vast majority of members who leave the Trust do so as a result of not providing new contact details. To help mitigate this, we continue to promote the benefit of electronic communication where it is appropriate for the member.

There are a number of ways we have engaged with our members during the year:

- Our membership magazine
- E-flyers
- Web-based information, including a dedicated governor section
- Member engagement events
- Voting and governor nomination opportunities
- Community-based campaigns
- Events at supermarkets, leisure centres and public buildings

During 2015/16, overall membership increased by an average of 34 new members per month.

Become a member

If you are interested in helping to shape local NHS services or want to support our campaign to tackle the stigma that is so often associated with mental ill-health, join us:

- **Telephone:** 01452 894007
- **Email:** 2gnft.comms@nhs.net
- **Web:** www.2gether.nhs.uk/membership

Using our foundation trust status

Since achieving foundation trust status, we have been able to use our capital programme to reinvest in a number of areas.

During 2015/16, the investments we made to improve the care we provide included:

- The provision of a new team base in the Forest of Dean
- Work to create a new clinical trials and research facility on our Charlton Lane site in Cheltenham
- The provision of a newly refurbished team base for our Stroud-based colleagues, including a new site for our Children and Young People Service for the area
- The provision of a new accommodation for staff and services in Hereford
- Continued investments in clinical systems, mobile technology and digital transcription

Service experience

Our overarching vision is that every service user will receive a flexible, compassionate, empathetic, respectful, inclusive and proactive response from our staff and volunteers.

"As we serve our patients and their carers we will go beyond what people expect of us to ensure that we earn their trust, confidence and engender hope for the future."

[2]gether's Service Experience Strategy was co-designed and co-produced with staff and other stakeholders. This strategy continues to drive our vision for best service experience for patients and carers. The implementation of the work to deliver our service experience vision is monitored through the Trust's Service Experience Committee, which meets quarterly. Membership of the committee includes service users, carers, partner organisations and senior members of staff.

Our quarterly Service Experience Reports are presented to and discussed at our public Trust Board meetings.

Complaints and concerns

A total of 131 formal complaints were made to the Trust between April 2015 and March 2016. This is a decrease of 27 formal complaints when compared with the number received in the same period last year.

We aim to resolve concerns through the less formal Patient Advice and Liaison Service (PALS). A total of 149 concerns were reported this year to the Service Experience Department. This is a 26 per cent increase from the previous year.

The number of people making a complaint/raising a concern has been reasonably consistent in relation to the number of people using our services over a three-year period and is in line with national benchmark figures.

Our timely written acknowledgement of formal complaints continues to improve, with 99% (n=130) of complaints acknowledged within the three-day time standard this year. We have continued to undertake awareness raising activities with colleagues in clinical services to encourage the earliest possible response to complaints or concerns.

Compliments

In addition to complaints and concerns, we also record the number of compliments we receive as a Trust. These compliments range from verbal messages to cards, emails and formal letters of thanks for support and treatment provided by individuals and teams across our services.

During 2015/16 we recorded a total of 2,822 compliments - more than 10 times the total number of complaints and concerns reported.
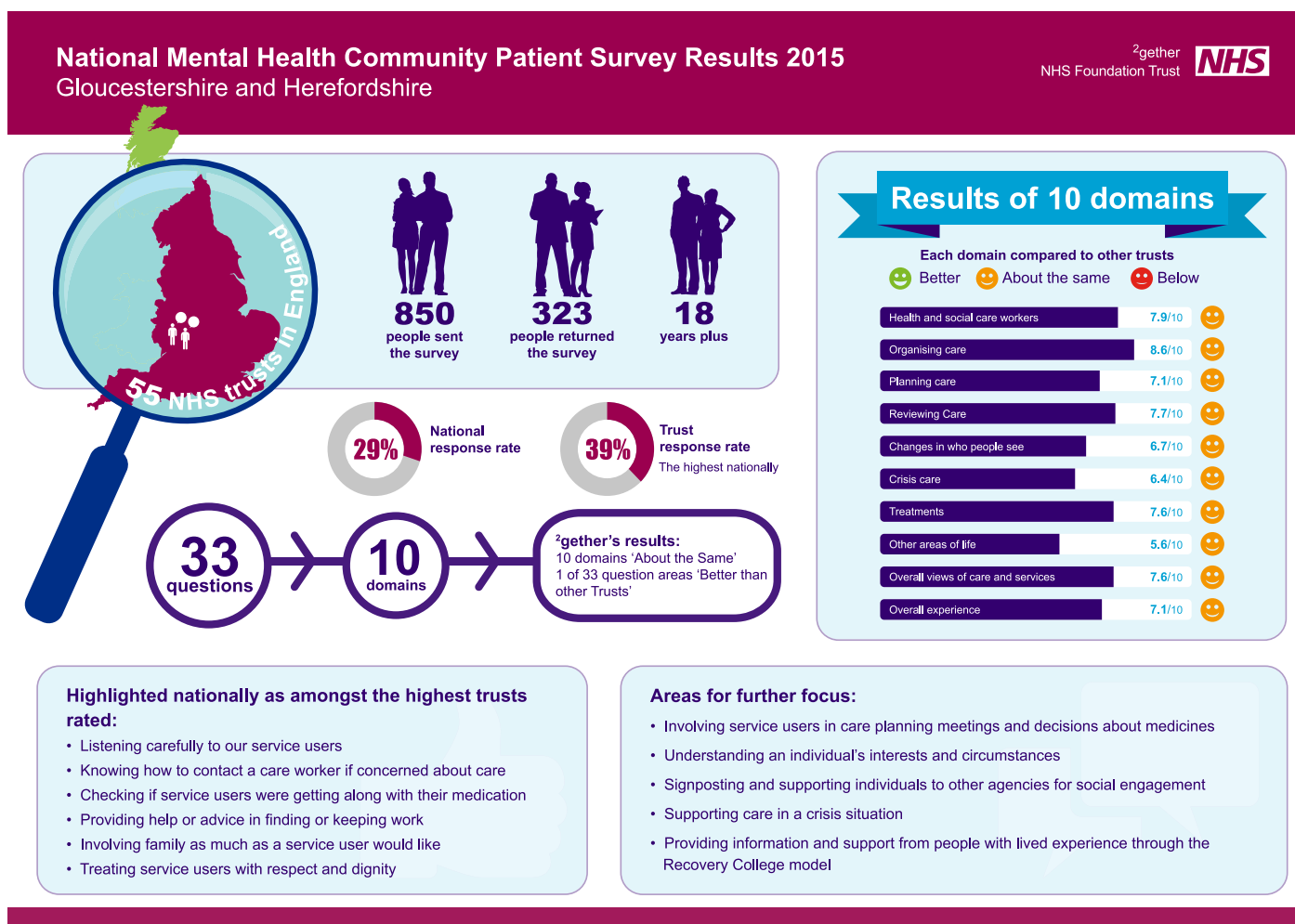
NHS Friends and Family Test

The NHS Friends and Family Test (FFT) was created to help service providers and commissioners understand whether their patients are happy with the service provided, or where improvements are needed. It is a quick and anonymous way to share views after receiving care or treatment across the NHS. We invite everyone who uses our services to respond to the FFT.

During 2015/16, the number of respondents who would recommend our services to their friends and family has ranged from 87% to 93%.

National Mental Health Community Patient Survey

The 2015 Community Mental Health Survey surveyed people who had been in contact with community mental health services in England between 1 September and 30 November 2014. The results of the survey for Gloucestershire and Herefordshire are depicted here:

National Mental Health Community Patient Survey Results 2015
Gloucestershire and Herefordshire

²gether
NHS Foundation Trust **NHS**

55 NHS trusts in England

850 people sent the survey

323 people returned the survey

18 years plus

29% National response rate

39% Trust response rate
The highest nationally

33 questions → **10** domains → ²gether's results:
10 domains 'About the Same'
1 of 33 question areas 'Better than other Trusts'

Results of 10 domains

Each domain compared to other trusts
😊 Better 😐 About the same 😠 Below

Domain	Score	
Health and social care workers	7.9/10	😐
Organising care	8.6/10	😐
Planning care	7.1/10	😐
Reviewing Care	7.7/10	😐
Changes in who people see	6.7/10	😐
Crisis care	6.4/10	😐
Treatments	7.6/10	😐
Other areas of life	5.6/10	😐
Overall views of care and services	7.6/10	😐
Overall experience	7.1/10	😐

Highlighted nationally as amongst the highest trusts rated:
- Listening carefully to our service users
- Knowing how to contact a care worker if concerned about care
- Checking if service users were getting along with their medication
- Providing help or advice in finding or keeping work
- Involving family as much as a service user would like
- Treating service users with respect and dignity

Areas for further focus:
- Involving service users in care planning meetings and decisions about medicines
- Understanding an individual's interests and circumstances
- Signposting and supporting individuals to other agencies for social engagement
- Supporting care in a crisis situation
- Providing information and support from people with lived experience through the Recovery College model

Accountability

The NHS Foundation Trust Code of Governance

Governance is the system by which the Trust is directed and controlled to achieve its objectives and meet the necessary standards of accountability and probity. The Trust has adopted its own governance framework, which requires Governors, directors and staff to have regard for recognised standards of conduct, including the overarching objectives and principles of the NHS, the seven Nolan Principles, the NHS Constitution and the NHS Foundation Trust Code of Governance.

Board of Directors

Our Board of Directors provides leadership and helps drive overall Trust performance, ensuring accountability to Governors and our members.

The Board is legally responsible for the strategic and day-to-day operational management of the Trust, our policies and our services. It maintains a scheme of delegation giving authority to Directors and others within certain limits to carry out actions required under financial procedures and the Mental Health Act.

Members of the Board

About our independent Non-Executive Directors

1. Ruth FitzJohn, DL – Chair

Ruth has been our Chair since 1 April 2013, and also chairs our Council of Governors and the Appointments & Terms of Service Committee.

For the previous six years, she was Chair of NHS Gloucestershire and during 2011, 2012 and 2013 was also Chair of NHS Swindon.

Ruth had a successful, international career in IT management and strategic planning before joining the NHS, where she has gained considerable experience as Vice Chair of the East Gloucestershire NHS Trust. She was then Chair of the '3 Star' Cheltenham and Tewkesbury Primary Care Trust.

Ruth was appointed a Deputy Lieutenant of Gloucestershire in September 2013 and was elected President of Midcounties Co-operative in November 2014.

2. Maggie Deacon – independent Non-Executive Director *(Resigned 30 November 2015)*

Maggie was appointed on 1 April 2014. From Stow-on-the-Wold, she spent the majority of her career in public services, including working in local Government, the NHS and higher and further education.

Maggie has worked in partnership across the public, private and voluntary sectors to enable regeneration, to provide joined-up services and to develop new accommodation and infrastructure.

A Chartered Public Finance Accountant by profession, she has a degree in Economics and Statistics and a post-graduate diploma in business research, with a focus on change management. She has also established wholly-owned subsidiary companies to enable organisations to achieve their objectives and minimise risk.

Maggie chaired the Mental Health Legislation Scrutiny Committee and was deputy chair of the Audit Committee. (Maggie Deacon tendered her resignation as a Non-Executive Director at the end of November 2015).

3. Martin Freeman – independent Non-Executive Director

Martin is a retired GP who joined the Trust as a Non-Executive Director on 1 April 2013 and was reappointed by the Council of Governors in January 2015 for a further three year term, commencing on 1 April 2015. He chairs the Trust's Governance Committee and the Mental Health Legislation Scrutiny Committee. He has gained knowledge and understanding of service delivery and strategic planning in his role as GP Clinical Lead for Dementia and GP Regional Lead of Dementia.

Martin has a great interest in the provision of care for people with mental illness, learning disabilities and dementia. Previously Chair of Governors for a large comprehensive school, he has also been the lead clinical support in business planning and service redesign, involved in closing Berkeley Community Hospital and building the new Vale Community Hospital.

4. Charlotte Hitchings – Deputy Chair; senior independent Non-Executive Director

Charlotte was appointed as a Non-Executive Director from 1 March 2011, and reappointed by the Council of Governors on 1 March 2014. She is the Trust's Deputy Chair and Senior Independent Director. She chairs the Trust's Delivery Committee.

During a 20-year management career in commercial organisations she has led teams in marketing, business development, product development and community investment. Prior to becoming a self-employed consultant and executive coach in 2004, Charlotte was Group Community Investment Manager with O2 plc and a member of O2's Corporate Responsibility Advisory Council. For several years, Charlotte served as Vice-Chair of the Board of Governors and on the Budget Committee of King Edward VI Handsworth School.

5. Nikki Richardson – independent Non-Executive Director

Nikki was appointed on 2 February 2015. She chairs the Trust's Charitable Funds Committee, and is Trustee Chair of New Highway, a wholly-owned subsidiary of ²gether NHS Foundation Trust.

She also sits as Vice-Chair of the Governance and Delivery Committees and co-chairs the Herefordshire Community Collaborative. Previously, she held an Executive Director role within the NHS, working for a Mental Health and Community NHS Foundation Trust. Initially qualified as a Speech and Language Therapist, her career has involved working across a wide range of clinical services including older people's mental health, learning disabilities, community nursing, paediatric services and across therapy services.

During this time, she also held a national role within Speech and Language Therapy as the Vice-Chair of the Managers' Association and as a consultant with the National Development Team, developing person-centred services for people with learning disabilities. Her last role included board-level responsibility for human resources, organisational development, training and workforce planning, patient and public engagement, information technology and communications.

She has retained her original professional links and has been a Trustee for the Royal College of Speech and Language Therapists since 2011, and will continue in that role for a further 18 months. She now has her own consultancy company and has provided services to the NHS and the government of Abu Dhabi.

6. John Saunders, OBE - independent Non-Executive Director *(Resigned 31 October 2015)*

John was appointed on 1 February 2014. Following a 20-year career in corporate and investment banking (majoring in mergers and acquisitions), John moved to the public sector in various Chief Executive, Chair and board member roles. He has specialised in introducing commercial approaches to public sector challenges including negotiating private sector investments in education, health and infrastructure initiatives.

In 2010, he was given the remit of developing and delivering the Government's Planning reforms to accommodate the essential £150bn National Infrastructure Investment. He has recently led the transformation of the Planning Inspectorate. John has contributed to change programmes in organisations such as BMW (Germany) and the Disney Corporation (USA). He is a former member of the UK Investment Task Force and chaired the UK Investment Readiness Initiative.

John has a strong connection to the area, having lived in Herefordshire for 14 years up to 2001. He is returning to live in the area in the near future.

John was chair of the Audit Committee. (John Saunders tendered his resignation as a Non-Executive Director at the end of October 2015, following a six-month period of compassionate leave).

7. Richard Szadziewski – independent Non-Executive Director *(Interim Appointment 1 December 2015 – 30 April 2016)*

Richard was appointed on 1 December 2015 on an interim basis while the Trust recruited to vacant Non-Executive Director roles. Richard was previously a Non-Executive Director with the Trust for three years from March 2011 to February 2014.

Richard is a qualified accountant with more than 20 years' experience at director level in a range of public sector organisations, either in permanent or interim roles. He combines these roles with significant change management projects and programmes.

During this interim period, Richard chaired the Trust's Audit Committee and was a member of the Mental Health Legislation Scrutiny Committee.

8. Jonathan Vickers - independent Non-Executive Director

Jonathan was appointed on 1 April 2013. He spent 25 years in the international oil and chemicals industries, including board membership of Castrol and Burmah Chemicals.

Over the past decade, Jonathan has served as a non-executive director on the boards of a range of public sector organisations including NHS South West Strategic Health Authority. Jonathan is an independent member of the Department of Energy and Climate Change (DECC) Investment Committee and a board member of British Rowing. He chairs the Trust's Development Committee and became Vice Chair of the Audit Committee in May 2015.

About our Executive Directors

9. Shaun Clee - Chief Executive

Shaun has more than 38 years' experience in the NHS, having trained as a Registered Mental Health Nurse before moving into management in 1990. He brings a passion for providing services that are responsive to service users and carers and has significant experience in both the commissioning and provision of mental health, learning disability and substance misuse services, having led mental health services in South Warwickshire for a number of years. He has also had executive board-level responsibility for community hospitals, dentistry, sexual health, intermediate care teams, chiropody, physiotherapy, and occupational therapy as well as estates, information management and technology, estates and human resources and organisational development.

Shaun is the current Chair of the NHS Confederation Mental Health Network, a Trustee and Board member of the NHS Confederation, a member of the NHS Confederation National Policy Forum, a member of the NHS Confederation Audit Committee and Chair of the South of England Clinical Faculty for Improving Safety in Mental Health, represents health on the National Criminal Justice Council and is a board member representing mental health and community services on Health Education England's South West Board.

10. Dr Paul Winterbottom – Medical Director

Paul has held the role of Medical Director since April 2003 and combines this with his role as Caldicott Guardian and Consultant Psychiatrist in the psychiatry of Learning Disabilities. He is particularly interested in support structures for parents with a learning disability, autism spectrum condition and the development of inclusive communities. He is a Trustee of Gloucestershire Young Carers and a school governor at a primary school.

11. Colin Merker – Director of Service Delivery

Colin has 36 years' NHS Experience. He is a professionally qualified Chartered Engineer. For the past 22 years he has held board-level posts in a number of NHS organisations. He has experience of commissioning services at a PCT and regional level, as well as operationally directing services at a provider level. He has experience of establishing and running a successful NHS shared service. He was Director of Mental Health Services in Coventry from 2002 and Chief Operating Officer of the Coventry & Warwickshire NHS Trust from 2006 until joining ²gether in 2009.

12. Carol Sparks – Director of Organisational Development

Carol has 20 years' experience in the NHS and is a Fellow of the Chartered Institute of Personnel and Development.

She has responsibility for ensuring colleagues have the knowledge and skills to lead our services into the future, that our culture reflects Trust values and the NHS Constitution and, last but not least, that the health and wellbeing of staff is assured. Carol is particularly passionate about ensuring equality and diversity is integrated into how we work and deliver services.

13. Andrew Lee - Director of Finance and Commerce

Andrew has 35 years' of experience working in the NHS and is a Fellow of the Chartered Association of Certified Accountants (FCCA). For the past 20 years he was either Finance Director or Deputy Director within the NHS, working in service provision, including acute, mental health and community services, and shared service provision, as well as service commissioning at Health Authority level and PCT level. Andrew also played a lead role in setting up a Clinical Commissioning Group and worked at the Welsh Assembly Government for two years as it became a devolved administration from the Welsh Office.

As well as operating as a Director of Finance at a number of different organisations, Andrew has also undertaken roles as Director of Quality & Performance and Director of Strategy.

14. Professor Jane Melton – Director of Engagement and Integration (from 1 December 2014)

Jane is a registered Allied Health Professional (Occupational Therapist) and has worked with people who have learning disabilities and people experiencing mental illness for the majority of her career. Her exceptional contribution to practice was acknowledged through a Fellowship of the College of Occupational Therapists in 2012.
Alongside her dedication to practice, Jane has achieved doctoral level qualifications and published collaborative, research and practice development activity. Her academic connections are maintained through her honorary professorial role with Queen Margaret University, Edinburgh.

Jane brings a track record of service development that is shared with service users, their families, colleagues and local communities. She is passionate about the need to deliver the best experience of NHS care, is dedicated to the principles of recovery and underpins her approach to leadership with inclusion and engagement.

15. Marie Crofts – Director of Quality

Marie is a mental health nurse with more than 30 years' experience. She has worked in adult and children services across provider organisations, as well as within specialised commissioning. She has lived and worked in the West Midlands for the majority of her working life, and has had opportunities working in regional posts developing evidence-based practice, as well as service improvement work within the National Institute of Mental Health in England.

Marie has worked in Service Director roles managing large-scale Child and Adolescent Mental Health Services (CAMHS) and, more recently, been Deputy Director of Nursing and Operations within a community trust in Liverpool. She is committed to improving services through engagement with service users and their families, as well as active and effective engagement with all staff. She has a passion for involving families in services, along with an interest in parental mental health and child welfare.

Attendance by Non-Executive Directors and Executive Directors

Terms of reference define membership for each committee. The Chair and Chief Executive by virtue of office may attend all meetings (except the Audit Committee).

The number of meetings and individual attendances at those meetings are detailed in the following table. Board members who are "Members" of a particular committee or Board, as per the Terms of Reference, and therefore expected to attend, are highlighted. All Board members can attend any meeting and ad hoc attendance is also recorded.

Attendance at Trust Board and Board Committees by Non-Executive and Executive Members

Name and position	Council of Governors	Board	Development	Charitable Funds	Audit	Governance	Delivery	Mental Health Legislation Scrutiny
Total Meetings	**6**	**11**	**8**	**2**	**5**	**11**	**9**	**5**
Ruth FitzJohn, DL, Trust Chair [1]	5/6	10/11	1	-	1	-	-	-
Maggie Deacon, Non-Executive Director [2]	3	4/8	1	0/1	2/4	-	1	3/4
Martin Freeman, Non-Executive Director	5	11/11	-	1/2	5/5	9/11	7	5/5
Charlotte Hitchings, Deputy Trust Chair	6	11/11	7/8	1/2	4/5	-	8/9	-
Nikki Richardson, Non-Executive Director	4	10/11	1	2/2	5/5	10/11	7/9	4
John Saunders, OBE, Non-Executive Director [3]	-	1/6	0/4	0/1	0/4	-	-	-
Richard Szadziewski, Non-Executive Director [4]	-	3/3	-	0/1	1/1	-	-	1
Jonathan Vickers, Non-Executive Director	4	10/11	8/8	2/2	5/5	-	-	
Shaun Clee, Chief Executive [1]	5	11/11	-	0/2	1	1	-	-
Marie Crofts, Director of Quality	2	11/11	2	0/2	4	8/11	1/9	-
Andrew Lee, Director of Finance and Commerce	1	10/11	8/8	1/2	4	-	-	-
Prof. Jane Melton, Director of Engagement and Integration	5	11/11	2	0/2	-	9/11	-	-
Colin Merker, Director of Service Delivery	4	10/11	4	1/2	-	-	9/9	5/5
Carol Sparks, Director of Organisational Development	3	11/11	-	0/2	-	-	5	0/5
Dr Paul Winterbottom, Medical Director	1	8/11	-	0/2	-	6/11	0/9	-

KEY Member of a Committee/Board as stated in the terms of reference. Board members are welcome to attend all Committees and ad hoc attendance is also included in the table above.

[1] Ex officio (by virtue of office) member of all committees other than Audit
[2] Resigned 30 November 2015
[3] Resigned 31 October 2015 following a six-month period of compassionate leave
[4] Interim appointment for five months commencing 1 December 2015

Board Committees

Audit Committee

All Non-Executive Directors, except the Trust Chair, are members of the Audit Committee. Maggie Deacon was acting Chair of the Audit Committee in 2015/16; however, Richard Szadziewski took over this role following Maggie's resignation in November 2015. The role of the Audit Committee is to provide the Board of Directors with a means of independent and objective review of financial and corporate governance, assurance processes and risk management across the whole of the Trust's activities, both generally and in support of the Annual Governance Statement.

There were five meetings of the Audit Committee held in the reporting period. The Audit Committee's agenda is structured so as to enable consideration of significant issues throughout the year. Standing agenda items include:

Internal Audit: PwC is the Trust's Internal Audit provider, having been reappointed in April 2013 for a period of three years. The Committee has commissioned from PwC a full audit programme based upon risk as identified by the Board Assurance Framework and received regular reports on the outcomes and actions completed. Where appropriate, the findings of these audits were also reported to other Committees in order for action plans to be developed and their timely implementation monitored.

A number of these audits were specifically requested by the Committee in order to scrutinise known areas of risk.

External Audit: Each year, the Committee approves an External Audit Plan setting out the timetable for the audit of the annual accounts and the Quality Report. The Committee also receives at each meeting a summary of any additional significant risks identified through the planned audit work, as well as a summary of significant risk, regulatory and health sector developments which are pertinent to the work of the Trust.

Deloitte LLP was appointed as the Trust's Statutory Auditor in 2012 for an initial period of three years, through a competitive tendering process overseen by the Council of Governors. During 2014/15 the Council of Governors accepted a recommendation from the Audit Committee to extend Deloitte's appointment for a further two years, with effect from 1 April 2015.

Financial Reporting: The Committee receives a number of reports throughout the year on significant financial issues, such as losses and special payments and valuation of intangible assets. In accordance with International Financial Reporting Standards, the Committee also receives the 'Going Concern' report enabling the Trust to make and document a rigorous assessment of whether the Trust is a going concern when preparing its annual financial statements.

In reviewing and approving the financial statements, the Committee also reviews any changes to accounting policies, and receives a report outlining factors which the Committee must take into account in order to satisfy itself that no material misstatements have been made in the accounts, and providing assurance that sufficient controls exist for the Committee to be assured that the Annual Accounts present an accurate assessment of the Trust's financial position, and the external auditor can rely on the information contained within the Letter of Representation.

Counter Fraud Reporting: The Committee approves a Counter Fraud Plan each year, and receives reports on Counter Fraud activity at each meeting.

Appointment and Terms of Service Committee

The Appointment and Terms of Service Committee is chaired by the Trust Chair and has a membership of all Non-Executive Directors. In the absence of the Chair, the Deputy Chair of the Trust will lead the meeting. The Committee's role is to agree the arrangements for appointment to, and conditions of service for, the posts of Chief Executive and Executive Director. It also ensures there are appropriate arrangements for the consideration and management of succession planning.

During the year the committee met five times and considered:

• The performance of each Executive Director and the Chief Executive

• Executive Director and Chief Executive pay

• Succession arrangements

• The allocation of clinical excellence awards for consultants, discretionary points to associate specialists and optional points to staff grades in line with the Trust's policies and procedures and as necessary

Appointment

Appointment of new Non-Executive Directors is for an initial period of three years subject to earlier termination or extension and is governed by the terms of the Trust's Constitution and the Standing Orders for the Council of Governors and Board of Directors. Appointment both of Executive and Non-Executive Directors is subject to candidates satisfying the requirements for Fit and Proper Persons; as set out in the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014, Directors must continue to satisfy these requirements during the term of their appointment.

Reappointments

Non-Executive Directors are eligible for reappointment at the end of their initial period of office in accordance with the Trust's Constitution, but they have no absolute right to be reappointed. Decisions about reappointments are made by the Council of Governors.

In reaching a decision, in addition to giving regard to the appraised performance of the individual, the Council of Governors will consider the performance of the Trust, the make-up of the Board of Directors in terms of skills, diversity and geographical representation, the Board dynamics and the effectiveness of its team working.

The maximum term of office for a Non-Executive Director is six years.

Termination of Appointment

Our Constitution sets out the following circumstances in which the appointment of a Non-Executive Director may be terminated by the Trust:

• Removal from the Board of Directors being approved by 75% of members of the Council of Governors at a general meeting of the Council of Governors

• The Non-Executive Director being adjudged bankrupt or their estate being sequestrated and (in either case) not being discharged

- The Non-Executive Director making a composition or arrangement with, or granting a trust deed for, their creditors and not having been discharged in respect of it

- Within the past five years, the Non-Executive Director having been convicted in the British Isles of any offence for which a sentence of imprisonment (whether suspended or not) for a period of not less than three months (without the option of a fine) was imposed

- The Non-Executive Director being a person whose tenure of office as a Chair or as a member or director of a health service body having been terminated on the grounds that the appointment is not in the interests of public service, for non-attendance at meetings, or for non-disclosure of a pecuniary interest

- The Non-Executive Director having had his/her name removed from any relevant list of medical practitioners prepared pursuant to paragraph 10 of the National Health Service (Performers Lists) regulations 2004 or Section 151 of the 2006 Act (or similar provision elsewhere), and has not subsequently had his/her name included in such a list; or a person who has had their professional clinical registration revoked. This provision shall not apply where a person's registration lapses or their name has been removed at their own request, for example following retirement

- The Non-Executive Director having within the previous two years been dismissed, otherwise than by reason of redundancy or ill health, from any paid employment with a health service body

- The Non-Executive Director being subject to a director's disqualification order made under the Company Directors Disqualification Act 1986

- The Non-Executive Director being a person who is a registered sex offender pursuant to the Sex Offenders Act 2003

- The Non-Executive Director ceasing to be a public member of the Trust

- The Non-Executive Director being or becoming a Governor of the Trust

If the Council of Governors is of the opinion that it is no longer in the interests of the National Health Service that a Non-Executive Director continues to hold office then, subject to the provisions of the Trust's Constitution, their appointment may be terminated.

The following list provides examples of matters which may indicate to the Council of Governors that it is no longer in the interests of the National Health Service that a Non-Executive Director continues in office:

- If an annual appraisal or sequence of appraisals is unsatisfactory

- If the Non-Executive Director no longer enjoys the confidence of the Council of Governors

- If the Non-Executive Director loses the confidence of the public or local community in a substantial way

- If the Non-Executive Director fails to deliver work against agreed targets incorporated within their annual objectives

- If there is a terminal breakdown in essential relationships, for example between the Chair and Chief Executive, or between a Non-Executive Director and the other Directors

The above list is not intended to be exhaustive or definitive. The Council of Governors will consider each case on its merits, taking all relevant factors into account.

Balance of the Board and appraisal

The Board reviews its effectiveness after each meeting, and through developmental workshops throughout the year. These build on similar performance evaluations carried out during previous years. Board Committees' objectives and Terms of Reference are reviewed annually, and Committee membership is regularly reviewed to take account of any new Non-Executive Directors joining the Board, and to ensure that Non-Executive Directors' skills and knowledge are being put to the best possible use. It is the Trust Chair's responsibility to ensure Committee and Board membership is revitalised when appropriate.

The balance of skills on the Board is considered when appointing replacements, thus ensuring that the Board's mix of skills, knowledge and experience remains appropriate for the current and future requirements of the Trust.

Except where people join the Board late in the financial year, all Board members have a performance appraisal during the year involving input from colleagues and, when appropriate, Governors and others in order to provide insight into effectiveness and to identify learning and development opportunities. The results of the appraisals of the Executive Directors have been shared in summary with the Appointments and Terms of Service Committee of the Board of Directors. Similar arrangements have been followed for the summary of Non-Executive and Chair appraisals to be given to the Nomination and Remuneration Committee of the Council of Governors.

Each Board member has individual development and performance targets for the coming year, and it is the responsibility of the Trust Chair to ensure that the results of Directors' performance appraisals are acted upon.

Board remuneration

Accounting policies for pensions and other retirement benefits are set out in note 1.4 of the accounts.

Details of senior employees' remuneration can be found on page 39 of the Remuneration Report, and details of company directorships and other significant interests held by Directors or Governors which may conflict with their management responsibilities are set out in note 18 of the accounts.

Directors' Statement as to Disclosure of Information to the Auditor

The Directors confirm that, so far as they are aware, there is no relevant audit information of which the auditor is unaware. The Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information. They have made such enquiries of their fellow Directors and of the auditors for that purpose and have taken such steps as required by their duty as Directors to exercise reasonable care, skill and diligence.

Accounting policies for pensions and other retirement benefits are set out in note 1.4 to the full statutory accounts and details of senior staff's remuneration can be found in the Remuneration Report later in this document.

Going concern

After making enquiries, the Directors have a reasonable expectation that 2gether NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Council of Governors

Our Council of Governors consists of public, staff, and appointed Governors from the local authority and clinical commissioning groups. There is also a Governor appointed by the Gloucestershire Learning Disability Partnership Board.

Governors are an essential link between our membership and the Board of Directors. They help ensure that the Trust hears everyone's views.

Public and staff Governors are elected by members of their own constituency using the single transferable vote system.

The following elections took place during 2015/16 for public and staff governor positions:

Constituency	Vacant posts	Candidates	Total votes cast	Turnout
July 2015				
Public: Forest of Dean	2	N/A	N/A	
Public: Greater England	1	N/A	N/A	
Public: Tewkesbury	1	Josephine Smith * Christine Laird	Eligible voters: 607 Valid votes cast: 109	18%
Staff: Clinical and Social Care and Support	1	N/A	N/A	
Staff: Medical and Nursing	1	Dr Svetlin Vrabtchev *	N/A	

Constituency	Vacant posts	Candidates	Total votes cast	Turnout
September 2015				
Public: Forest of Dean	2	Jennifer Thomson *	N/A	
Public: Herefordshire	1	Martin Kibblewhite * Chris Chappell Anthony Dallimore Miles Goodwin Cherry Newton Phil Smart	Eligible voters: 258 Valid votes cast: 46	17.8%
Staff: Clinical and Social Care and Support	1	N/A		
November/December 2015				
Public: Stroud	2	Richard Castle ** Anthony Cawthraw*	N/A	
Staff: Management and Administration	1	Katie Clark * Jan Furniaux	Eligible voters: 534 Valid votes cast: 162	30.3%
Staff: Medical and Nursing	1	Paul Grimer **	N/A	

* Elected   ** Re-elected

The appointment term of all Governors is three years unless they are councillors representing first and second tier authorities. Local authority Governors may hold office for the period of their current term of office as a councillor.

Council of Governors by constituency and current vacancies

Category of Governor	Total number of Governors	Vacancies as of 31 March 2016
Public constituencies		
Cheltenham	2	0
Cotswolds	2	1
Forest	2	1
Gloucester	2	0
Stroud	2	2
Tewkesbury	2	0
Herefordshire	2	0
Greater England	1	1
Staff constituencies		
Medical and Nursing	3	0
Clinical and social care support staff class	2	1
Management, administrative and other staff class	2	0
Appointed Governors		
Gloucestershire Clinical Commissioning Group	1	0
Gloucestershire County Council	1	0
Herefordshire Clinical Commissioning Group	1	0
Herefordshire Council	1	0
Gloucestershire Learning Disabilities Partnership Board	1	1
Total	**27**	**7**

The Council of Governors has three primary roles:

• to hold the Non-Executive Directors individually and collectively to account for the performance of the Board; and

• to represent the interests of the Trust's stakeholders in the governance of the organisation; and

• to communicate the key messages of the Trust to the electorate and appointing bodies.

The Trust's Constitution was amended in July 2013 to fully implement the requirements of the Health and Social Care Act 2012, particularly in relation to the role of Governors. The duties and powers of Governors are defined within the constitution and include:

• Reviewing and providing advice and comments to the Board of Directors on any strategic plans

• Developing and approving a membership strategy, including feeding information back to their constituencies and stakeholder organisations

• Appointing or removing the Chair and the Non-Executive Directors

• Deciding the remuneration and allowances of the Chair and Non-Executive Directors

• Appointing or removing the Trust's auditors

• Receiving and reviewing the annual accounts, any report of the auditor on the accounts and the Trust's annual report

• Holding the Non-Executive Directors to account for the performance of the Board

• Approving an appointment by the Non-Executive Directors of the Chief Executive

• Enforcing standards of conduct for Governors

• Such other responsibilities as the Board of Directors and Council of Governors may agree

In 2015/16, the Council of Governors has:

• Met nine times in the reporting period (six scheduled meetings and three extraordinary meetings)

• Appointed two new Non-Executive Directors

• Approved the interim appointment of a Non-Executive Director for six months to provide support while Non-Executive recruitment was carried out

• Reappointed the Trust Chair and one Non-Executive Director

• Assisted in the development of strategic plans and provided comments on drafts

• Developed a work programme for the coming year

• Carried out a joint development programme with the Board of Directors to develop more effective ways of working

• Received presentations from services and the Chief Executive on various aspects of their work

• Received assurance from Non-Executive chairs of Board Committees as part of the process for holding the Non-Executive Directors to account for the performance of the Board

• Endorsed a Membership Engagement Plan

• Organised three local engagement events for members in Stroud, Hereford and Gloucester

• Reviewed the Trust's Quality priorities

• Selected local Quality Report indicators to be audited

• Appointed a Lead Governor (Rob Blagden, Staff Governor)

• Received and provided comments on service user feedback, including complaints

• Received the Annual Report and Accounts

• Held a joint Annual General Meeting with the Board of Directors

• Agreed the process of appraisal for the Chair and the Non-Executive Directors

The following table shows the composition of the Council of Governors during the reporting period, listing names, appointment dates and length of service.

Constituency	Number of Constituency Governors	Name of Governor	Date of appointment/ nomination (Date of reappointment) (*resignation date*)
Elected Public Governors			
Cheltenham Borough Council	2	Al Thomas	July 2014
		Vic Godding	July 2014
Cotswold District Council	2	Pat Ayres MBE	July 2011 (July 2014)
		Vacant	
		Rod Whiteley [4]	*February 2016*
Forest District Council	2	Jennifer Thomson	August 2015
		Vacant	
Gloucester City Council	2	Gillian Hayes	July 2013
		Paul Toleman	July 2014
Stroud District Council	2	Vacant	
		Vacant	
		Jodie Townsend [4]	*December 2015*
		Richard Castle [4]	*February 2016*
		Anthony Cawthraw [3]	*March 2016*
Tewkesbury Borough Council	2	Mandy Nelson	July 2013
		Josephine Smith	July 2015
Herefordshire	2	Dawn Lewis	July 2013
		Martin Kibblewhite [3]	*March 2016*
Greater England		Cherry Newton [5]	September 2015 [5]
	1	Vacant	
Elected Staff Governors			
Medical and Nursing	3	Dr Amjad Uppal	November 2011 (Nov 2014)
		Paul Grimer	December 2012 (Nov 2015)
		Dr Svetlin Vrabtchev	July 2015
Clinical and Social Care and Support Staff	2	Elaine Davies	July 2013
		Vacant	
Management, Administrative and Other Staff	2	Rob Blagden	July 2014
		Katie Clark	December 2015
		Diane Topham [1]	*October 2015*
Governors nominated by partner organisations			
Gloucestershire Clinical Commissioning Group	1	Dr Helen Miller	July 2014
Gloucestershire County Council	1	Cllr Roger Wilson	July 2014
Herefordshire Clinical Commissioning Group	1	Simon Hairsnape	February 2016
		David Farnsworth [1]	*January 2016*
Herefordshire County Council	1	Cllr Jenny Bartlett	July 2015
Gloucestershire Learning Disabilities Partnership Board	1	Vacant	

Resignation notes:
[1] End of term
[2] Deceased
[3] Removed by Council of Governors
[4] Personal reasons

[5] Cherry Newton has been appointed as a Herefordshire Public Governor following Martin Kibblewhite's departure. Cherry came second in the election and has been appointed to continue for the remainder of the term, commencing in April 2016.

How Governors work with Directors and Members

Meetings of the Council of Governors and Board of Directors are both presided over by the Chair of the Trust or, in her absence, the Deputy Chair of the Board of Directors.

It is the Chair's role to ensure there is a positive working relationship between the Council of Governors and the Board of Directors. The constitution provides for the sharing of responsibilities and this is supported by standing orders for each forum. The Trust has a formal process for the resolution of disputes between the two bodies if required but use of this process has not been necessary to date. Directors' duties are set out in a scheme of delegation.

Both Non-Executive and Executive Directors have attended Council of Governors meetings to present information and to seek Governors' views. The Council of Governors was consulted as part of the Trust's business planning process. Individual Non-Executive Directors have provided assurance to the Council of Governors on areas relevant to their roles as Committee Chairs, as part of the Council of Governors' responsibility to hold the Non-Executive Directors to account for the performance of the Board.

Governors have been provided with summaries of feedback received by the Trust about its services. Actions taken in response to issues raised have also been reported. The Chair informs the Council of Governors of the work of the Board through regular correspondence to Governors and reports at meetings.

The Chief Executive has given several presentations to the Council on current and future developments for the Trust. Some Governors have attended Board of Directors' meetings and the Chair keeps the Board informed of the issues dealt with at the Council of Governors. The minutes of Council meetings are included on the agenda of the Board of Directors.

Members are informed of changes and proposals through a newsletter and invited to comment and make suggestions. Public and member events showcasing services or highlighting issues have been held at various venues, with Governors and Members attending.

The following shows the number of meetings of the Council of Governors attended by Governors during the reporting period. Attendance by Board members at Council of Governors meetings is detailed elsewhere in this report.

Attendance by Governors at Council of Governors' meetings

Constituency	Name of Governor	Possible attendance	
Elected Public Governors		Scheduled	Extraordinary
Cheltenham Borough Council	Al Thomas	4/6	2/3
	Vic Godding	6/6	2/3
Cotswold District Council	Pat Ayres MBE	4/6	2/3
	Vacant		
	Rod Whiteley	*5/5*	*3/3*
Forest District Council	Jennifer Thomson	3/4	1/3
	Vacant		
Gloucester City Council	Gillian Hayes	4/6	0/3
	Paul Toleman	5/6	1/3
Stroud District Council	Vacant		
	Vacant		
	Jodie Townsend	*2/4*	*0/1*
	Richard Castle	*5/5*	*1/2*
	Anthony Cawthraw	*0/2*	*0/2*
Tewkesbury Borough Council	Mandy Nelson	2/6	2/3
	Josephine Smith	3/4	1/3
Herefordshire	Dawn Lewis	6/6	0/3
	Martin Kibblewhite	*0/3*	*0/3*
	Cherry Newton	-	-
Greater England	Vacant		

Constituency	Name of Governor	Possible attendance	
Elected Public Governors		Scheduled	Extraordinary
Medical and Nursing	Dr Amjad Uppal	4/6	2/3
	Paul Grimer	6/6	1/3
	Dr Svetlin Vrabtchev	4/5	3/3
Clinical and Social Care and Support Staff	Elaine Davies	0/6	2/3
	Vacant		
Management, Administrative and Other Staff	Rob Blagden	3/6	2/3
	Katie Clark	2/2	2/2
	Diane Topham	*0/3*	*-*
Appointed Governors			
Gloucestershire Clinical Commissioning Group	Dr Helen Miller	2/6	1/3
Gloucestershire County Council	Cllr Roger Wilson	1/6	0/3
Herefordshire Clinical Commissioning Group	Simon Hairsnape	0/1	-
	David Farnsworth	*1/3*	*1/1*
Herefordshire County Council	Cllr Jenny Bartlett	2/4	1/3
Gloucestershire Learning Disabilities Partnership Board	Vacant		

Nominations and Remuneration Committee

The Nominations and Remuneration Committee is a committee of the Council of Governors which advises the Council on the appointment, dismissal, remuneration and terms of service of the Chair and Non-Executive Directors of the Board. The Committee is normally chaired by the Trust Chair, unless they must be excluded from the meeting due to the business being conducted. In this instance, the Deputy Chair of the Committee, a Governor, will oversee the meeting.

The Committee has delegated authority to manage and oversee the recruitment and appraisal processes for the Chair and Non-Executive Directors on behalf of the Council.

In 2015/16 the Committee oversaw the appointment of two new Non-Executive Directors and the reappointment of the Trust Chair and one Non-Executive. The Committee reviewed the process for future appointments and reappointments. The annual appraisals of the Non-Executive Directors and Trust Chair were discussed, and the process for future appraisals agreed.

The Nominations and Remuneration Committee met four times during the reporting period.

Name	5 May 2015	13 January 2016	26 January 2016	9 February 2016
Ruth FitzJohn	✓			
Charlotte Hitchings *		✓	✓	✓
Rob Blagden	✓	✓	✓	✓
Richard Castle	✓	✓		
Elaine Davies		✓		
Helen Miller			✓	
Al Thomas			✓	✓
Rod Whiteley		✓	✓	

* Charlotte Hitchings, Deputy Trust Chair and Senior Independent Director was in attendance at these meetings as the business being conducted related to the Trust Chair

Governor expenses

Governors do not receive remuneration but are paid reasonable expenses in order to perform their role. During the reporting period, eight Governors received expense payments. The aggregate sum of expenses paid to Governors during the reporting period is £2,092.

Register of Governors' and Directors' interests

Our hospitality register and register of Governors' and Directors' interests, including that of our Trust Chair, is available from the Trust Secretary, who may be contacted on **01452 894000** or by emailing **anna.hilditch@nhs.net**.

Shaun Clee, Chief Executive   **Date: 25 May 2016**

Remuneration Report

Our Appointments and Terms of Service Committee has delegated responsibility from the Board of Directors to review and set the remuneration and terms of service of the Chief Executive and the Executive Directors.

All other senior managers are covered by Agenda for Change terms and conditions of service. The intention is to continue to review the definition of senior manager, although the policy has been for all staff who are not board members to be employed on national terms and conditions of employment. The Appointment and Terms of Service Committee is chaired by the Trust Chair and has a membership of all Non-Executive Directors. In the absence of the Chair, the Deputy Chair of the Trust will lead the meeting.

The Appointment and Terms of Service Committee has adopted a policy of developing a very simple reward package. Where appropriate, recruitment and retention premia may be applied based on internal or external factors. The package has no additional other pay or non-pay benefits which are outside standard terms and conditions that apply to the majority of staff employed within the trust e.g. annual leave, sick pay etc.

Salary ranges for the Executive Directors have been agreed through an externally commissioned job evaluation process. Appointments are made through a spot salary within a range.

Decisions which the Committee takes on the salary and terms of conditions of service of its Chief Executive and Executive Directors will be informed by externally commissioned reviews that take into account the market, the scope of responsibilities, performance and best practice.

The Committee also takes into account the awards for other staff groups when considering the remuneration of its Chief Executive and Executive Directors.

For all other senior managers, performance is managed in accordance with our appraisal policy and pay progression policy, both of which are consistent with Agenda for Change national terms and conditions of service and agreed locally with our Staff Side representatives.

The appraisal process for Executive Directors and senior managers employed on Agenda for Change terms and conditions ensures that objectives for each individual are aligned to the Trust strategy and Trust business.

For senior managers on Agenda for Change terms and conditions under the Trust's Pay Progression Policy, one increment may be withheld if levels of performance are not maintained.

The Committee receives an annual report on the performance of the Chief Executive and Executive Directors from the Chair and Chief Executive respectively. This follows the assessment of the appraisal objectives for each member of the Board that are agreed at the beginning of each financial year.

Having taken legal advice, we decided that the Chief Executive and Executive Directors are employed on substantive contracts with the Trust. The current Chief Executive's contract is subject to six months' written notice from either party. The exception to this is in the case of incapacity and for reasons of qualification, conduct or capability. In these cases, the contract is subject to three months' notice of termination.

None of the contracts for the Chief Executive or Board Directors contains clauses specifying termination payments which are in excess of contractual obligations.

Senior managers on Agenda for Change terms and conditions are employed on substantive contracts subject to three months' written notice by the individual and statutory notice by the Trust. No contract contains clauses specifying termination payments which are in excess of contractual obligations.

For those senior managers who are also designated as Directors but are not Executive Directors, their remuneration is as determined under national terms and conditions and therefore applicable to the majority of staff employed by the Trust.

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. As a consequence, it is not possible for the NHS Trust to identify its share of the underlying scheme assets and liabilities.

Therefore, the scheme is accounted for as a defined contribution scheme and the cost of the scheme is equal to the contributions payable to the scheme for the accounting period. Further details can be found in note 1.4 of our annual accounts.

Nominations and Remuneration Committee

The Nominations and Remuneration Committee is a committee of the Council of Governors which advises the Council on the appointment, dismissal, remuneration and terms of service of the Chair and Non-Executive Directors of the Board. The Committee is normally chaired by the Trust Chair, unless they must be excluded from the meeting due to the business being conducted. In this instance, the Deputy Trust Chair of the Committee, or a Governor, will oversee the meeting.

The Committee has delegated authority to manage and oversee the recruitment and appraisal processes for the Chair and Non-Executive Directors on behalf of the Council.

In 2015/16 the Committee oversaw the appointment of two new Non-Executive Directors and the reappointment of the Trust Chair and one Non-Executive. The Committee reviewed the process for future appointments and reappointments. The annual appraisals of the Non-Executive Directors and Trust Chair were discussed, and the process for future appraisals agreed.

The Nominations and Remuneration Committee met four times during the reporting period.

Name	5 May 2015	13 January 2016	26 January 2016	9 February 2016
Ruth FitzJohn	✓			
Charlotte Hitchings *		✓	✓	✓
Rob Blagden	✓	✓	✓	✓
Richard Castle	✓	✓		
Elaine Davies		✓		
Helen Miller			✓	
Al Thomas			✓	✓
Rod Whiteley		✓	✓	

* Charlotte Hitchings, Deputy Trust Chair and Senior Independent Director was in attendance at these meetings as the business being conducted related to the Trust Chair

Salary and pension entitlement of senior managers: Remuneration

Name and title	2015 - 16			2014 - 15		
	Salary (bands of £5,000)	Other Remuneration (bands of £5,000)	Benefits in kind (Rounded to nearest £100)	Salary (bands of £5,000)	Other Remuneration (bands of £5,000)	Benefits in kind (Rounded to nearest £100)
Non-Executive Directors	£000	£000		£000	£000	
Ruth FitzJohn – Chair	40-45	0	0	40-45	0	0
Charlotte Hitchings Non-Exec Dir	15-20	0	0	15-20	0	0
Martin Freeman Non-Exec Dir	15-20	0	0	15-20	0	0
Jonathan Vickers Non-Exec Dir	10-15	0	0	10-15	0	0
Maggie Deacon Non-Exec Dir (Left 30/11/15)	10-15	0	0	10-15	0	0
John Saunders Non-Exec Dir (Left 31/10/15)	05-10	0	0	10-15	0	0
Nikki Richardson Non-Exec Dir	10-15	0	0	00-05	0	0
Richard Szadziewski Non-Exec (Start 01/12/15)	00-05	0	0	00-00	0	0
Executive Directors						
Shaun Clee Chief Executive	165-170	0	0	165-170	0	0
Andrew Lee Director of Finance & Commerce	120-125	0	0	140-145[1]	0	0
Carol Sparks Director of Organisational Development	90-95	0	0	90-95	0	0
Marie Crofts Director of Quality (Start 01/04/15)	85-90	0	0	0	0	0
Colin Merker Director of Service Delivery	115-120	0	0	115-120	0	0
Jane Melton Director of Engagement & Integration	80-85	0	0	20-25	0	0
Paul Winterbottom Medical Director (Left 31/03/16)	55-60[2]	135-140	0	55-60[2]	145-150	0
Locality/Service Directors						
Les Trewin – Locality Director	70-75	0	0	75-80	0	0
Jan Furniaux - Locality Director	60-65	0	0	60-65	0	0
Mark Hemming – Locality Director	70-75	0	0	70-75	0	0
Sarah Batten – Service Director	55-60	0	0	25-30	0	0
Alison James – Service Director	45-50	0	0	20-25	0	0

[1] £88,000 of The Director of Finance & Commerce salary shown here was paid through an arrangement to a personal service company (see 'off payroll arrangements'). This figure excludes VAT paid to the supplier.

[2] The Medical Director is a part-time role whose payment is identified under Salary. Pay associated with the Medical Director's clinical work is shown as Other Remuneration.

Salary and pension entitlement of senior managers: pension benefits

Name and title	Real increase in pension at age 60	Real increase in pension lump sum at age 60	Total accrued pension at age 60 at 31 March 2016	Lump sum at age 60 related to accrued pension at 31 March 2016	Cash Equivalent Transfer Value at 1 April 2015	Cash Equivalent Transfer Value at 31 March 2016	Real Increase in Cash Equivalent Transfer Value	Employer's Contribution to Stakeholder Pension
	(bands of £2,500)	(bands of £2,500)	(bands of £5,000)	(bands of £5,000)	£'000	£'000	£'000	£'000
Shaun Clee - Chief Executive	0	0	0	0	0	0	0	0
Andrew Lee - Dir of Finance	0	0	0	0	0	0	0	0
Carol Sparks- Dir of OD	0-2.5	0-2.5	25-30	85-90	638	671	25	0
Marie Crofts - Dir of Quality	5-7.5	10-12.5	35-40	110-115	557	665	102	0
Colin Merker - Dir of Service Delivery	0-2.5	0-2.5	55-60	165-170	1130	1170	27	0
Paul Winterbottom - Medical Director	2.5-5	10-12.5	75-80	230-235	1422	1523	84	0
Jane Melton - Director of E&I	5-7.5	20-22.5	30-35	90-95	420	554	129	0
Les Trewin - Service Dir	0	0	20-25	70-75	458	447	0	0
Jan Furniaux - Locality Dir	0-2.5	2.5-5	30-35	90-95	521	551	24	0
Mark Hemming – Locality Dir	0-2.5	0-2.5	15-20	45-50	326	349	19	0
Sarah Batten – Service Dir	0-2.5	2.5-5	5-10	15-20	95	120	23	0
Alison James – Service Dir	0-2.5	0	5-10	0	46	78	31	0

As Non-Executive members do not receive pensionable remuneration, there are no entries in respect of pensions for Non-Executive Directors.

Median pay

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

The banded remuneration of the highest-paid director in ²gether NHS Foundation Trust in the financial year 2015/16 was £195,000-£200,000 (2014/15, £205,000-£210,000). This was 7.0 times (2014/15, 7.2) the median remuneration of the workforce, which was £28,280 (2014/15, £29,129).

In 2015/16, 3 (2014/15, 0) employees received remuneration in excess of the highest-paid director, one permanent, one trust locum and one medical agency.

Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions. The calculation is based on the full-time, annualised equivalent of every member of staff in post at 31 March 2016, including bank staff and medical locums.

Governor expenses

Governors do not receive remuneration but are paid reasonable expenses in order to perform their role. During the reporting period, eight Governors received expenses payments. The aggregate sum of expenses paid to Governors during the reporting period is £2,092.

Governors do not receive remuneration but are paid reasonable expenses in order to perform their role. During the reporting period, eight Governors received expenses payments. The aggregate sum of expenses paid to Governors during the reporting period is £2,092.

Directors

In 2015/16, 15 Directors were in office during the period, including starters and leavers. During the reporting period, all but one Director claimed expenses to a total of £28,785.

The above information has been audited.

Shaun Clee
Chief Executive   **Date: 25 May 2016**

Staff Report

Everyone who works for ²gether is helping to Make Life Better for the people we serve.

On March 31 2016, we employed 2,300 people across a variety of professions, including doctors, nurses, Allied Health Professionals, social workers and support staff.

Our staff are categorised as follows:

Permanent employees	1858
Bank staff	344
Others	98

We also employed, on average (Whole Time Equivalent), 55 agency and contract staff per month in the 12 months to 31 March 2016.

The following table provides a breakdown of the number and percentage of **female and male members of staff:**

Board Members	Employees	Percentage
Female	6	46%
Male	7	54%

Senior Clinicians/Manager (Band 8c and above)	Employees	Percentage
Female	56	45%
Male	68	55%

Total staff (Up to Band 8b)	Employees	Percentage
Female	1671	80%
Male	428	20%

Sickness Absence Data

Our staff sickness absence figures are reported, as per national guidance, on a calendar year basis. The table here shows the number of staff days lost to sickness for the period January to December 2015, in comparison with the same period for 2014.

Total working days available (full time equivalent staff)	Recorded days sickness absence (full time equivalent staff)	Average annual sick days per full time equivalent member of staff
626,922	33,964	12

The Trust has a comprehensive Sickness Absence Policy, which includes provision of support to staff who become disabled during their employment, and encourages redeployment to alternative roles wherever this is possible.

Equal opportunities

Our Trust continues to meet all of its Public Sector Equalities Duties as outlined by the Equality Act 2010. We remain committed to ensuring equality and diversity in the provision of our services and in the support for our staff.

Our Director of Organisational Development is the Board lead for equality and diversity within the Trust. We continually seek to improve access to our services, recognising the diversity of the communities we serve and of our staff. We strive to ensure the delivery of the best possible care by working within the parameters set out in EDS2, the revised NHS Equality Delivery System.

We have also implemented the Workforce Race Equality Standard (WRES), introduced in April 2014. The WRES consists of nine metrics to compare the experience of people from a Black and Minority Ethnic (BME) background to that of white colleagues working in the NHS. One year on, we are about to compare the current data with the baseline information established last year. We were very pleased to see that one Key Finding from the Annual Staff Survey showed that 92% of staff believed that the organisation provides equal opportunities for career progression and promotion - one of our most improved results.

Our Managing Diversity Policy was reviewed in October 2015 and sets out principles for recruiting and managing staff inclusive of protected characteristics and other circumstances.

We are also pleased to have maintained our 'Positive about Disabled People' (or Two Ticks) accreditation and will interview all applicants who declare themselves to be disabled if they meet the minimum criteria for a job vacancy and consider them on their abilities. Application of the process is set out in our Recruitment and Selection policy.

The policy is supplemented with comprehensive guidance and support to managers and covers external recruitment, internal recruitment and processes which support career development and promotion opportunities.

We remain a signatory to the Mindful Employer initiative, which is aimed at supporting mental wellbeing at work. As part of this we promote health and wellbeing benefits to staff via ²getherNet, our Trust intranet.

Occupational health

Working Well is our occupational health service. The service promotes and helps improve the health and wellbeing of people in work – both within our Trust and for external public and private sector organisations.

The service offers independent advice both to managers and employees, which includes staff counselling; appropriate return to work guidance; the working environment; and assessment of health risks associated with the workplace. In addition, appropriate training is provided to support the health and safety of staff, with training provided to all new staff in their first week of employment, and comprehensive managers' health and safety training.

Engagement

All staff have access to information through a number of different communication mechanisms. Our weekly staff e-bulletin is called ByteSize, and we deliver monthly Team Talk sessions to managers, which enables them to cascade key information to their teams. We also publish comprehensive news updates, policies and other information of relevance and interest to staff on ²getherNet.

There are a number of other Trust-wide gatherings, such as our Senior Leadership Forum, which acts as an opportunity for leaders to be consulted on policy and performance issues. We also run regular 'focus groups' for staff across the Trust to enable colleagues to raise issues, concerns, and develop solutions. This ensures engagement with staff at all levels.

We work in partnership with Staff Side colleagues through the formal Joint Negotiation and Consultative Committee, which meets bi-monthly. In addition, we encourage participation from Staff Side representatives, and staff at all levels from across the Trust, to take a role within our Workforce and Organisational Development Committee and its underpinning work streams of Training, Workforce Planning, Engagement, and Culture. These mechanisms are used to consult with staff, share Trust performance, seek feedback and develop staff-related initiatives.

Staff Side representatives, including Safety Representatives, meet bi-monthly with managers to discuss and share a range of information on health and safety; health and wellbeing; and other related staff and workplace health issues.

We also work closely with our local Counter Fraud Service to ensure policies and procedures are 'fraud proofed'. The service provides regular briefings and updates to staff to maintain fraud awareness.

"This year we introduced 'SpeakInConfidence', which enables staff to access a web-based system to have an anonymous and confidential dialogue with a manager of their choice about issues they may be concerned about."

Speak In Confidence has been introduced primarily to support staff who are subjected to inappropriate behaviour but who do not feel able to raise the issue through existing channels.

Reward and recognition

Clinical Team of the Year - Dean Ward

Our annual Recognising Outstanding Service and Contribution Awards (ROSCAs) are now in their ninth year. More than 200 nominations were received in 2015 across ten award categories, and the winners were announced during an award ceremony held on 26 February 2016.

Our monthly Best Supporting Colleague Award is now in its third year and enables staff to nominate colleagues who have made a significant difference to their working life. The award helps to make sure that staff who perform above and beyond are recognised throughout the year.

As part of our approach to engagement with our staff we participate fully in the Annual NHS Staff Survey. In 2015, the survey was carried out entirely online in response to staff feedback. For the first time we did not use paper-based questionnaires as all colleagues have PC access and an email account.

The survey is anonymous and it enables colleagues to express their views honestly about their work experience and the Trust as an employer. The answers to the questions posed enable us to focus on what we could be doing better and, of course, to celebrate what we do well and to continue to positively develop. We are also able to use the feedback to assess how we are doing when compared to other Mental Health and Learning Disability Trusts.

For 2015, a random sample of 750 colleagues was invited to take part in the survey. The full report received by the Trust was structured around 32 Key Findings. A number of new Key Findings were introduced in the 2015 survey and others were amended so, although not directly comparable with the 2014 survey, the results were extremely encouraging.

Staff told us that the Trust was above average in 18 Key Findings, average in 13 and below average in only one.

This compares favourably with the results of the previous year's survey when the Trust was viewed as being above average in 15 Key Findings, average in four and below average in ten.

Once again, the survey showed an increase in the number of colleagues who would recommend the Trust as a place to work or receive treatment. Our score of 3.75 (from a possible five with the highest score being best) improved from 3.6 in the previous year and was above the national average of 3.63.

This finding has been reflected in the **Staff Friends and Family Test** which is run each quarter. Colleagues are asked to respond to two questions, which we use as a pulse survey to complement the annual staff survey. In the most recent test, 85% of staff said they would recommend the Trust to friends and family if they needed care or treatment, which shows an improvement from 79% in the previous test.

The test also found that 68% of colleagues would recommend the Trust to friends and family as a place to work, a further improvement from 63% previously.

Overall staff engagement has increased from a score of 3.75 to 3.86, above the national average of 3.75 for mental health/learning disability trusts.

Response rate	2015		2014		
	Trust	**National average**	**Trust**	**National average**	**Trust improvement/deterioration**
	40%	41%	46%	42%	Decrease of 6 percentage points

Top four ranking scores	2015		2014		
	Trust	**National average**	**Trust**	**National average**	**Trust improvement/deterioration**
KF23 Percentage of staff experiencing physical violence from staff in last 12 months	0%	3%	1%	3%	Improvement of 1%
KF15 Percentage of staff satisfied with the opportunities for flexible working patterns	67%*	57%	N/A	N/A	*New Key Finding for 2015
KF7 Percentage of staff able to contribute towards improvements at work	80%	73%	74%	72%	Improvement of 6 percentage points
KF9 Effective team working	3.91*	3.82*	3.89*	3.84*	(*from a possible score of 5 with highest score best) Improvement of 0.2 percentage points

Bottom four ranking scores	2015		2014		
	Trust	**National average**	**Trust**	**National average**	**Trust improvement/deterioration**
KF6 Percentage of staff reporting good communication between senior management and staff	28%	32%	32%	30%	Decrease of 4 percentage points
KF12 Quality of Appraisals	3.05*	3.11*	N/A	N/A	(*from a possible score of 5 with highest score best) New Key Finding for 2015
KF32 Effective use of patient/service user feedback	3.64*	3.68*	3.49*	N/A	(*from a possible score of 5 with highest score best)
KF24 Percentage of staff/colleagues reporting most recent experience of violence	84%	84%	87%	N/A	Decrease of 3 percentage points

Following analysis of the Staff Survey report and the feedback from the Staff Friends and Family Test, an action plan has been developed. A number of key priorities have emerged:

• To improve communication between staff and senior managers

• To decrease the number of staff experiencing harassment, bullying or abuse

• To improve the quality of appraisals

• To reduce the number of staff suffering work-related stress

• To demonstrate organisation and management interest in and action on health and wellbeing

• To increase the response rate to the Staff Survey

Over the coming months, a comprehensive programme of focus groups will be taking place to seek the opinions of staff on these issues and others that are of importance to them to improve and enhance the experience of working for the Trust. Feedback to staff on issues highlighted by the Staff Survey, Staff Friends and Family Test and focus groups will be given to staff either directly or through the popular 'You said, we did' format.

Expenditure on consultancy

During 2015/16 our consultancy costs totalled £148,000. During 2014/15 our consultancy costs totalled £328,000.

Off-payroll engagements/arrangements

We are required to declare highly paid and/or senior off-payroll engagements. The off-payroll engagements for more than £220 per day and that last for longer than six months are as follows:

Number of existing engagements as of 31 March 2016	14

Of which:

Number that have existed for less than one year at the time of reporting	11
Number that have existed for between one and two years at the time of reporting	2
Number that have existed for between two and three years at the time of reporting	1
Number that have existed for between three and four years at the time of reporting	0
Number that have existed for four or more years at the time of reporting	0

We confirm that all existing off-payroll engagements, outlined above, have at some point been subject to a risk-based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought.

The following table details all new off-payroll engagements, or those that reached six months in duration, between 1 April 2015 and 31 March 2016, for more than £220 per day and that last longer than six months.

Number of new engagements, or those that reached six months in duration between 1 Apr 2015 and 31 Mar 2016	16
Number of the above which include contractual clauses giving the Trust the right to request assurance in relation to income tax and national insurance obligations	16
Number for whom assurance has been requested	16

Of which:

Number for whom assurance has been received	9
Number for whom assurance has not been received	7
Number that have been terminated as a result of assurance not being received	0

The following table details the off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 1 April 2015 and 31 March 2016.

Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year	0
Number of individuals who have been deemed "board members and/or senior officials with significant financial responsibility". This figure should include both off-payroll and on-payroll engagements	21

Exit packages

We are required to publish information on our use of exit packages during the year, with comparative tables for the previous year.

The following table details the number of exit packages used during 2015/16 and the table below gives a comparative for 2014/15.

Exit packages 2015/16

Exit package cost cost band (including any special payment element)	Number of Compulsory Redundancies	Cost of Compulsory Redundancies	Number of Other Departures Agreed	Cost of Other Departures Agreed	Total Number of Exit Packages	Total Cost of Exit Packages	Number of Departures where Special Payments have been made	Cost of Special Payment Element included in Exit Packages
	Number	£000s	Number	£000s	Number	£000s	Number	£000s
< £10,001	0	0	12	60	12	60	0	0
£10,001 - £25,000	0	0	0	0	0	0	0	0
£25,001 - £50,000	0	0	2	51	2	51	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
> £200,000	0	0	0	0	0	0	0	0
Total	**0**	**0**	**14**	**111**	**14**	**111**	**0**	**0**

Exit packages 2014/15

Exit package cost cost band (including any special payment element)	Number of Compulsory Redundancies	Cost of Compulsory Redundancies	Number of Other Departures Agreed	Cost of Other Departures Agreed	Total Number of Exit Packages	Total Cost of Exit Packages	Number of Departures where Special Payments have been made	Cost of Special Payment Element included in Exit Packages
	Number	£000s	Number	£000s	Number	£000s	Number	£000s
< £10,001	0	0	0	0	0	0	0	0
£10,001 - £25,000	0	0	0	0	0	0	0	0
£25,001 - £50,000	0	0	0	0	0	0	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
> £200,000	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

This table details the other (non-compulsory) departure payments used during the year, with comparison figures for the previous year:

	2015/16 Payments Agreed Number	2015/16 Total value of Agreements £000s	2014/15 Payments Agreed Number	2014/15 Total value of Agreements £000s
Voluntary redundancies including early retirement contractual costs	0	0	0	0
Mutually agreed resignations (MARS) contractual costs	0	0	0	0
Early retirements in the efficiency of the service contractual costs	0	0	0	0
Contractual payments in lieu of notice	14	111	0	0
Exit payments following Employment Tribunals or court orders	0	0	0	0
Non-contractual payments requiring HMT approval	0	0	0	0
Total	**14**	**111**	0	0

This table details the number and value of early retirements on the grounds of ill-health:

Early retirements due to ill - health	2015/16 £000	2015/16 Number	2014/15 £000	2014/15 Number
No. of early retirements on the grounds of ill-health		4		5
Value of early retirements on the grounds of ill-health	149		287	

Compliance with the NHS Foundation Trust Code of Governance

The purpose of the Foundation Trust Code of Governance is to assist Foundation Trust Boards in improving their governance practices by bringing together the best practice of public and private sector corporate governance.

The Foundation Trust Code of Governance can be found on the Monitor website, at

www.monitor.gov.uk/FTcode

The Code requires Foundation Trusts to:

• Make certain information publicly available, either on the Foundation Trust's website or on request. The Trust provides such information both through its website, and via its Freedom of Information Act Publication Scheme. The Trust is therefore fully compliant with these requirements of the Code.

• Confirm to Governors that where a Non-Executive Director seeks reappointment, his/her performance continues to be effective. The Trust provides Governors with annual summary appraisal information in respect of each Non-Executive Director, including the Chair, and this information is reprised in reports to the Council of Governors accompanying a resolution to reappoint the Non-Executive Director.

• Provide biographical and other relevant information to members to enable them to make an informed decision about any Governor seeking election or re-election. The Trust uses an external organisation to manage Governor elections and is fully compliant with this provision of the Code.

• Make clear within their annual reports where compliance with the Code has not been achieved.

The Code of Governance also requires Foundation Trusts to provide some supporting explanation within the annual report to demonstrate compliance with certain provisions of the Code, and these are set out below. To avoid duplication, where the information required by the Code is already provided elsewhere in the annual report, a reference to its location is given to avoid unnecessary duplication.

Reference	Code of Governance requirement	Trust response
A.1.1	This statement should 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.	Any disputes are resolved in accordance with the procedure set out in the Trust's constitution, whereby the Trust Chair will seek to resolve the matter in the first instance. Where this cannot be achieved, the matter may be escalated to a special joint committee of Governors and Directors, or, as a final step, referred to an external mediator. Details of how the Board and the Council of Governors operate are given in pages 35-37 of this Annual 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 Appointments and Terms of Service, and Audit committees. It should also set out the number of meetings of the Board and those committees and individual attendance by directors.	This information can be found on page 24 of the Annual 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.	This information is set out in pages 31 of the Annual Report.

Reference	Code of Governance requirement	Trust response
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.	This information is set out in pages 28-37 of the Annual Report.
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.	This information is set out in pages 24-26 of the Annual 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.	This information is set out in pages 24-26 of the Annual Report.
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.	This information is set out on page 29 of the Annual Report.
B.2.10	A separate section of the annual report should describe the work of the Appointments & Terms of Service Committee, and the Governors' Nomination & Remuneration Committee, including the process each has used in relation to Board appointments.	This information is set out in pages 29-36 of the Annual Report.
FT ARM	The disclosure in the annual report on the work of the Appointments & Terms of Service 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.	This information is set out in pages 29-31 of the Annual 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.	This information is set out on page 24 of the Annual Report. Interests are disclosed to the Council of Governors as part of the appointments process for Non-Executives, and the declaration of interests is a standing agenda item at Council of Governors' meetings.
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.	The Council of Governors received a presentation on the forward plan and feedback was taken into account when compiling the final version. This built on a number of Governor-led engagement events that have taken place during the year, enabling Governors to seek feedback from members and the public.
FT ARM	If during the financial year the Council of Governors has exercised its power under Paragraph 10C of Schedule 7 of the NHS Act 2006 (to require a director to attend a meeting of the Council of Governors) then information on this must be included in the annual report.	Not relevant. This power has not been exercised.
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.	The Board evaluates its own performance after each meeting, and has conducted a self-assessment during the year in accordance with Monitor's Well-Led Framework for Governance. Committees each produce an annual report for the Board, setting out how they have performed against their terms of reference.

Reference	Code of Governance requirement	Trust response
B.6.1		Committee remits have been reviewed through the year to ensure appropriate focus and reduce potential duplication of effort. Directors are subject to annual performance appraisals; for Non-Executive Directors, Governors are invited to contribute through a 360 degree feedback process. Non-Executive Director appraisals are presented in summary form to the Nomination & Remuneration Committee.
B.6.2	Where there has been external evaluation of the Board and/or governance of the Trust, the external facilitator should be identified and a statement made as to whether they have any other connection with the Trust.	This information is set out on page 28 of the Annual Report.
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).	This information is set out in pages 57-171 of the Annual 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.	This information is set out on page 57 of the Annual Report.
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.	This information is set out on page 60 of the Annual Report.
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.	Not relevant. There has been no appointment, reappointment or removal of the external auditor during the financial year.
C.3.9	A separate section of the annual report should describe the work of the Audit 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 reappointment 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	This information is set out in pages 28-29 of the Annual Report.

Reference	Code of Governance requirement	Trust response
C.3.9	• 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.	
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.	This information is set out in pages 29-36 of the Annual 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 Trust website and in the annual report.	This information is set out on page 175 of the Annual Report and is available on the Trust website.
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.	This information is set out on page 35 of the Annual Report.
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.	This information is set out in pages 21-22 of the Annual Report.
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 [see also E.1.6 above], including progress towards any recruitment targets for members.	This information is set out in pages 21-22 of the Annual Report.
FT ARM and FReM	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.	This information is set out on page 37 of the Annual Report.

2gether NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a 'comply or explain' basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

Shaun Clee
Chief Executive

Date: 25 May 2016

Regulatory Ratings

England's health services regulator has a statutory role to ensure the continued provision of NHS services by NHS providers. This includes overseeing the governance of NHS Foundation Trusts.

NHS Foundation Trusts required a licence from Monitor that stipulates specific conditions that must be met for the trust to operate. These include financial sustainability and governance requirements.

All NHS foundation trusts, including ourselves, now receive a Monitor quarterly risk rating performance for continuity of services and governance.

Similar to all NHS organisations, we continue to operate in the context of unprecedented financial challenges. At the end of 2014/15 we planned to deliver a Continuity of Service Risk Rating of 4, where 4 represents the lowest level of risk. We delivered to plan.

In 2015/16 we planned to deliver a rating of at least 3, under the new Continuity of Services and Financial Sustainability risk rating, and we again delivered to plan. Our Governance rating remained Green throughout the year, which indicates no significant governance issues have been identified. Both of these scores were, again, in line with the Trust's plans at the start of the year.

Our performance against the Monitor Risk Assessment Framework for 2015/16:

2015/16	Annual Plan	Q1	Q2	Q3	Q4
Continuity of Risk Rating	At least 3	4	4	3	3
Governance Rating	Green	Green	Green	Green	Green

Our performance against the Monitor Risk Assessment Framework for 2014/15:

2014/15	Annual Plan	Q1	Q2	Q3	Q4
Continuity of Risk Rating	4	4	4	4	4
Governance Rating	Green	Green	Green	Green	Green

Statement of Chief Executive's Responsibilities as the Accounting NHS Officer of ²gether 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 Monitor.

Under the NHS Act 2006, Monitor has directed ²gether NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of ²gether NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the NHS Foundation Trust Annual Reporting Manual and in particular to:

• observe the Accounts Direction issued by Monitor, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;

• make judgements and estimates on a reasonable basis;

• state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;

• ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance; and

• prepare the financial statements on a going concern basis.

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

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

Shaun Clee
Chief Executive   **Date: 25 May 2016**

Annual Governance Statement

1. Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS foundation trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the NHS foundation trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the NHS Foundation Trust Accounting Officer Memorandum.

2. The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of ²gether 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 ²gether NHS Foundation Trust for the year ended 31 March 2016 and up to the date of approval of the Annual Report and accounts.

3. Capacity to handle risk

To support the Trust's Board and me as Accounting Officer, the Board has in place:

- A Governance Committee, of Executive and Non-Executive Directors, supported by Clinical Directors and Heads of Profession which receives assurance on all aspects of information governance, clinical governance and quality management.

- An Audit Committee, comprising only Non-Executive Directors, to review the adequacy of arrangements for risk management and internal control.

- A Delivery Committee that receives assurance on operational performance management including economy, efficiency and effectiveness on behalf of the Board

- A Mental Health Legislation Scrutiny Committee that receives assurance on the measures in place to ensure the Trust's continued compliance with the Mental Health Act, Mental Capacity Act, Human Rights Act and associated codes of practice.

- A Development Committee that receives assurance on business development matters, and works with other Committees to ensure ongoing monitoring of business plan implementation and performance, and ongoing management of business case risks

- A Charitable Funds Committee that oversees the management, in accordance with Charity Commission requirements, of funds held on trust by the Board of Trustees

These committees, chaired by Non-Executive Directors, are directly accountable to the Board and report to it. Committees are subject to regular review of membership and objectives to ensure that they remain sufficiently focussed on relevant quality, performance and financial risks, and to further improve coordination between Committees in their support of the Board. In addition to the Committees outlined above, an Executive Committee comprising Executive Directors is the executive decision-making body of the Trust and is accountable to the Trust Board for enacting the Trust's strategic priorities.

Lead Executive Directors have been identified for Clinical Governance and Patient Safety, Finance, Risk Management, Mental Health Act and Mental Capacity Act compliance, Infection Prevention and Control, Safeguarding Children and Vulnerable Adults, Security, Service User Experience, Engagement and Integration, Health and Safety, Workforce and Organisational Development. They provide leadership for the management of the risks presented.

The Trust has in place a number of policies and procedures designed to ensure the safety of its staff. These policies are supported by a suite of statutory and mandatory training which includes training to enable good quality care to be delivered in our inpatient units and community services while ensuring that both staff and service users are able to remain safe.

Delivery of statutory and mandatory training is monitored by the Delivery Committee, and incidents involving injury to or aggression towards staff are recorded and scrutinised on a quarterly basis by the

Governance Committee to identify areas for procedural or policy improvement and ensure that learning is disseminated throughout the organisation.

To help minimise the number of incidents and ensure risks are appropriately controlled, all new staff are required to attend corporate induction training prior to commencing employment with the Trust, and to undertake a local induction during their first week in the work place. For all staff, annual appraisals include a review of training including attendance at mandatory risk management courses appropriate to their authority and duties. Monitoring, benchmarking and other means are used to identify examples of good practice that can be introduced into services and systems as appropriate.

The Trust takes steps to seek out and learn from good practice in terms of the management of risk. This includes compliance with guidance issued by the Department of Health, Monitor, and other regulatory bodies. The Trust's active leadership and participation in the South of England Safety Improvement in Mental Health Programme enables the Trust to share and learn from good practice in terms of clinical risk management. The Trust receives regular bulletins from its legal advisers outlining sector developments and good practice, including in terms of risk management. The Trust receives sector development reports from its External Auditor which also highlight relevant guidance in terms of risk management. The Trust also agrees and implements actions arising from Internal Audit reports, and reviews incidents to ensure that lessons are captured and implemented in the organisation.

As a matter of good practice, the Trust commissioned an external review of governance during the year. This review, conducted by Deloitte LLP, highlighted a number of areas of good practice with regard to risk management, and made recommendations to enable the Trust to strengthen still further its internal control and management of risk. An action plan was developed and implemented to address each of the review's recommendations. The findings of the external review were used by the Care Quality Commission to inform its formal inspection of the Trust in October 2015.

4. The risk and control framework

In its report following the formal inspection in October 2015 the CQC found that the Trust has developed a detailed governance system to support the achievement of its vision of making life better. The CQC found that the process for monitoring risk is robust and the Board is sighted on both the corporate and operational risks facing the organisation. The CQC agreed that the structure of committees and meetings which provide the Board with assurance is well established and effective, and agreed that the Non-Executive Director oversight on Board committees ensures objectivity and appropriate challenge.

Through meetings, reports and correspondence, the Chair, Directors and I have regularly exchanged information about risks with Monitor, the Care Quality Commission and our partners including Clinical Commissioning Groups, Gloucestershire County Council, and Herefordshire Council. Whenever possible and appropriate the Trust works jointly with these partners to manage risks. Representatives of Gloucestershire and Herefordshire Clinical Commissioning Groups attend the Governance Committee as observers, enabling them to contribute to and take assurance from the Trust's approach to the management of clinical and quality risks.

Risk management principles and practical risk management arrangements, including the duties of relevant committees, directors, managers, clinicians, specialist advisors and individual employees, are set out in the Trust's Risk Management Strategy. This strategy has been shared with local health, social care and key voluntary sector organisations in line with an agreed communications plan. The strategy is underpinned by policies, procedures and guidance documentation that contribute to the management and control of risk. The strategy and supporting information has been brought to the attention of all managers and is widely available in all work areas through the Trust intranet. All managers are required to draw the attention of employees to their duties and responsibilities in relation to the identification and control of risks. The Board promotes a culture of openness in reporting without fear of unwarranted repercussions. This is reinforced in the advice and training given to staff.

The Risk Management Strategy sets out a process for the assessment and prioritisation of risks and describes the level at which risks may simply be monitored, those that must be treated and the level at which the Board must be informed of a risk and ensure that mitigating actions are in place and working.

The following are identified as particularly important tools supporting the Trust's Risk Management Strategy:

• **An Assurance Framework** has been developed by the Board. The process includes the identification and monitoring of:

• The Trust's principal objectives

• The risks to these objectives

• The key controls on the risks

• The sources of assurance that the key controls are adequate

The Audit Committee reviews the information provided by the assurance framework on a quarterly basis, on behalf of the Board. Further quarterly scrutiny of the assurance framework is provided by me as the Accounting Officer and the Trust's Executive Committee. The assurance framework is reviewed by the Trust Board on an annual basis, and provides a thorough repository of the risks selected from the Corporate Risk register, the nature of risk exposure together with an assessment of the assurance and a measure of the actions in place to mitigate any gaps. Individual senior managers are identified as the 'risk owner' with responsibility for developing risk treatments and monitoring their continued effectiveness, responding to changes in conditions as they arise. The assurance framework identifies for each risk the 'owning' Committee responsible for overseeing and receiving assurance on the implementation of mitigating actions. The frequency of the Board's review of the assurance framework will be increased during 2016 in line with a recommendation from the Trust's external Well-Led Framework for Governance review.

• **Risk Management** - The Board determines the Trust's appetite for risk as part of the process for setting and regularly reviewing the Trust's strategy in the light of the prevailing economic outloook. This approach ensures that corporate and operational risks are mitigated as fully as possible through regular reviews of the Risk Register and Board Assurance Framework, while indicating how much, or little the Trust wishes to commit in terms of risk when reviewing service changes or investment. Following a recommendation from the Internal Audit review of risk management, the Board will review its risk appetite in order to assist with the management of risks and enhance the potential for the Trust to achieve its strategic objectives.

Each strategic and corporate risk identified by the Trust is assigned to an appropriate Committee of the Board for oversight and assurance that risks are being robustly managed. This means, for example, that the Board's Development Committee provides oversight of business and commercial risks by ensuring that these risks are properly identified, assessed and mitigated; the Delivery Committee provides similar oversight in relation to performance risks, with the Governance Committee addressing clinical and quality risks. The Audit Committee receives aggregated assurance on all corporate and strategic risks on a quarterly basis, enabling the Audit Committee to provide robust challenge in respect of mitigation in place, and assurance to the Board.

The Trust uses a number of methods to identify potential risks and learning opportunities affecting external stakeholders. These include the Trust's procedures for raising Complaints, Comments and Concerns, the national Patient Survey, local Friends and Family Test processes. The Trust also participates in multi-agency safeguarding procedures to ensure that safeguarding risks are appropriately and promptly managed. Governors have access to the Risk Register and may raise concerns with the Board on behalf of their stakeholders and communities.

A Local Security Management Specialist has been appointed by the Trust to ensure the safety and security of the Trust's property and assets. In accordance with guidance from the Secretary of State, the Trust has maintained a Counter Fraud Service during the year. Mitigating actions are in place for those areas where the Trust relies on single points of expertise.

A revised template for Board and Committee reports has been introduced to standardise the format of reports and ensure that both assurance and risks are highlighted within the Executive summary. A common definition of each level of assurance has also been provided in guidance to report authors to ensure consistency. Committee summary reports to the Board include a structured reporting framework that provides the Board either with assurance that mitigation is in place or highlights areas where there may be a lack of assurance and in this case, lists the proposed actions to address this. Committee agendas include a standing item to identify any matter requiring inclusion in the Trust's corporate risk register. This has assisted in the identification of a number of risks throughout the year, for which mitigating actions have been put in place.

A Board review of risk has built on the findings of the Trust's external governance review and further increased understanding of the Trust's risk profile

by identifying and clarifying strategic risks which may hinder the achievement of the Trust's objectives, and allocating those risks to the appropriate Committee for oversight and agreement of mitigating actions. This review of risk management and oversight has increased the robustness of scrutiny and management of risk within the Trust.

• **Risk Register** - The Risk Register is a log of risks of all kinds that threaten success in achieving the Trust's aims and objectives. It provides a structure for collating information about risks that helps both in the analysis of risks and in decisions about whether or how those risks should be treated. Locality Risk registers are reviewed by Locality Boards each quarter, and the corporate risk register is reviewed quarterly by the Audit Committee, which reviews management responses to risks and decisions relating to the Trust's risk appetite. The Board also reviews the corporate risk register every six months. Committees receive updates every quarter in respect of specific risks assigned to them. Following a recommendation in the Trust's Well-Led Framework for Governance review, access to the risk register has been extended to enable risk to be recorded and reviewed at a more granular level, for example by wards and teams.

• **Risk Dashboard** - This document is produced by the Risk Manager each quarter for the Audit Committee. The purpose of the Dashboard is to provide the committee with a view of the Trust's risk management performance in respect a range of activities by using KRIs (Key Risk Indicators), and determine the level of assurance relating to each risk and the mitigating actions.

• **Risk Rating/Grading System** – This assists the Board, managers and staff in deciding priorities and highlighting areas which need particular attention. The use of a 5x5 impact/likelihood matrix enables risks to be graded consistently.

• **Authority to treat risks** – This is delegated to the lowest competent level to ensure prompt and effective action is taken without bureaucratic delays.

• **Incident Reporting** - The Trust expects all incidents to be reported via the Trust's web-based system, Datix. All staff have been trained in how to report incidents and this forms part of the Trust's corporate induction programme for new staff. Incidents are analysed on a quarterly basis and reported to the relevant committees within the Trust with patterns and trends identified to inform future actions.

• **Whistle-blowing Policy** – A policy is in place to enable staff to report any suspected malpractice, danger or wrongdoing without fear of unwarranted repercussions. The policy has been reviewed within the financial year in the light of an increased national focus on whistleblowing following the publication of the Francis report. A self-assessment tool issued by the National Audit Office was used as part of the review process. To complement the Whistle-blowing Policy, the Trust has introduced 'Speak in Confidence', a web-based system enabling staff to have an anonymous and confidential dialogue about issues that they may be concerned about, with a manager of their choice. The Trust will continue to review the national guidance and consider the impact of this on our local processes in the coming months.

• **Clinical Audit and Assurance Processes** – The Trust regards clinical audit and clinical assurance processes as important tools in promoting the adoption of clinically effective practice and is committed to maintaining an effective programme of review which includes participating in national audits.

• **Internal Audit** – The integrity of the Trust's arrangements for both general and financial management and control is a fundamental requirement of sound risk management. The Trust actively commissions a comprehensive programme of internal audit designed to provide assurance on the main risks of the Trust, and responds positively to the auditor's findings and recommendations.

A full programme of internal audit reviews was completed for the year ending 31 March 2016, with findings graded as high, medium or low risk as appropriate. No critical risks were reported. A review of risk management during the year produced a classification of 'medium risk' and a number of recommendations which informed the Board's risk review in February 2016. These recommendations included review of the Trust's risk appetite, the provision of appropriate challenge at Locality Governance committees in respect of risks graded just below the threshold for inclusion in the Board Assurance Framework, and embedding the 'Three Lines of Defence' model of risk management within an updated Risk Management Strategy.

Work has continued during the year to improve the use and management of incident data, identified as a critical risk in an Internal Audit report in December 2013. A Datix Manager has been recruited, and new Datix modules have been purchased to provide greater flexibility in terms of the collection of risk data and how information is

presented, and also to allow risks to be directly reported throughout the Trust. The Trust's Governance Committee continues to oversee the improvement actions agreed by the Trust and a further internal audit review is planned for 2016 to assess progress.

• **Health and Safety Inspection** – Compliance with health and safety legislation and internal policies is central to the welfare of staff and service users. There is an annual health and safety programme and risk assessments are carried out based on priority. A programme of training and audits to assess compliance with health and safety regulations, codes of practice and procedures is maintained and monitored by the Delivery and Governance Committees, each of which report to the Board on a monthly basis.

Following a serious incident in 2014 in which a member of staff lost her life, the Trust conducted its own internal investigation and cooperated fully with an investigation by the Health and Safety Executive to ensure that any lessons from this tragic event were quickly identified and learning was promptly disseminated across the Trust. A letter of contravention was issued by the HSE, informing the Trust formally that in the opinion of the Health and Safety Executive the Trust was in contravention of the Health and Safety at Work Act in relation to this incident. The Trust has implemented a comprehensive action plan to address all issues raised by the HSE and our progress with this will be subject to future scrutiny by the HSE.

• **Training** – Training is an essential prerequisite of safe working. The Trust aims to ensure it assesses the risk management training needs of all staff and that staff receive adequate training and professional education to enable them to carry out their duties safely. The Trust has a Key Performance Indicator for training in order to monitor compliance.

• **Quality Governance** – The Trust has robust arrangements in place to monitor and improve the safety, experience and effectiveness of care provided to those who use our services, to support delivery of Monitor's Quality Governance Framework, and to provide the Board with evidence which in turn enables the Board to make an informed quarterly declaration of compliance to Monitor.

Quality is a central element of the Trust's vision and values, organisational strategy, and annual business plan. Together with the Quality Report, these mechanisms enable the Board to take assurance that quality governance is embedded

into the organisation. The Board is supported in identifying risks to quality through the work of its committees, notably the Governance Committee which reviews quality matters on a monthly basis, is constantly challenging of what we can do to continuously improve, and reports to the Board on these issues. The Audit Committee also considers quality and the governance processes associated with it, and is supported by a programme of internal audits. Aspects of quality which are considered to be higher risk are included in the clinical audit and assurance programme, with action plans arising from these audits being monitored by the appropriate committee to ensure implementation and delivery of the intended outcome. Care Quality Commission outcome standards are allocated to specific directors, and both the Board and the Governance Committee receive regular reports on CQC Compliance. The Trust is fully compliant with the registration requirements of the Care Quality Commission. The Trust's recent CQC inspection identified a number of required improvements which the Trust is addressing.

Board agendas include a number of standing items relating to quality, including reports on Patient Safety and Serious Incidents, Quality Report monitoring, and Service Experience reports. The Board uses checklists based on the Burdett Trust's report 'Sustaining Quality during Turbulent Times' to ensure that all relevant quality issues have been identified and adequately reviewed. A comprehensive monthly performance dashboard provides timely monitoring information on all quality targets, and data assurance processes are in place to ensure that quality information presented to the Board is robust.

Following the publication of the Mid Staffordshire NHS Foundation Trust Public Inquiry (the Francis report), and the subsequent report by Professor Don Berwick 'A promise to learn – a commitment to act: Improving the safety of patients in England' the Trust instigated a comprehensive and ongoing programme of engagement in order to identify and embed learning. Monitoring of the resulting detailed action plans takes place through an Organisational Development and Workforce Committee structure with 4 work streams led by Trust staff covering Staff Engagement, Culture, Workforce Planning, and Training and Development. Progress is monitored by the Executive and Delivery Committees, with the Governance Committee receiving regular updates on progress against an overall high-level action plan. Similar updates have been provided to the Council of Governors

The Board and Council of Governors began a joint development programme during the year in order to work more efficiently together. Following an externally-facilitated workshop, the Council of Governors established an action plan comprising 4 working groups each with Board and Governor membership. These working groups cover the development of a team charter, Governor induction, collaborative working, and clarification of the Governors' role. The Council of Governors will receive updates on progress against the action plans for each of these 4 working groups.

The Medical Director and Director of Quality take the executive lead for quality, working closely with the Chief Executive and other Directors, and (together with the Director of Engagement and Integration and the Director of Finance and Commerce) assessing Quality Impact Assessments in respect of every cost improvement programme to ensure that adverse safety impacts are avoided and adverse quality impacts other than safety are mitigated. The Director of Engagement and Integration is the lead Executive for service experience and complaints. The Board takes an active leadership role in quality in order to promote a quality-focused culture throughout the Trust, and Board members participate in a regular programme of service visits and patient safety walkabouts. The organisation is structured to enable quality accountability in appointed Clinical Directors, Heads of Profession, and Lead Nurses. A Quality Management Team provides support in embedding this quality culture and ensuring that learning is captured from complaints, incidents and other initiatives.

The Trust was inspected formally by the Care Quality Commission during October 2015. As a result of that inspection the Trust received an overall rating of Good. Two of the Trust's core services (Crisis and Health-based Place of Safety, and Acute Inpatient Services and Psychiatric Intensive Care Unit) were rated as Outstanding and the CQC reported that both of these services were able to demonstrate excellent practice and innovation which went above the standards expected. A further seven core services were rated as Good. The Learning Disability service and Community Older People's Service were rated as Requires Improvement. This service has undergone significant change during the year as part of a Trust-led development programme, and the Trust has continued to consolidate its own improvements in addition to addressing the CQC's recommendations for this and other Trust services through an action plan which has been developed with the Trust's Leadership Forum and agreed with the CQC. The action plan will be monitored by the Trust's Governance Committee, which will in turn provide assurance to the Board.

The Trust actively engages with patients, staff and other key stakeholders on quality; the Quality Report and public Board papers are published, and quarterly updates on the Quality Report are shared with stakeholders such as Clinical Commissioning Groups, Healthwatch, and Health & Social Care Overview and Scrutiny Committees, and feedback is encouraged. The Board receives a 'patient story' presentation at each meeting in public, providing an opportunity for the Board to hear first-hand service users' experience of the Trust's services. The Council of Governors' agenda also includes a standing item on service and quality issues, and there is active development of patient and carer experience through the Director of Engagement and Integration. Regular surveys of service users inform the quality debate and help to ensure quality of service.

• **Review and Assurance** – Each level of management, including the Board, frequently reviews the risks and controls for which it is responsible. These reviews are monitored by and reported to the next level of management and the results recorded on the risk register. Any need to change priorities or controls is either actioned or reported to those with authority to take action. Lessons that can be learned, from both successes and failures, are identified and disseminated to those who can gain from them by the Assistant Director of Governance or the Risk Manager. The Board ensures an appropriate level of independent assurance is provided on the whole process of risk identification, evaluation and control.

• **Information Governance** – The Trust maintains a number of systems and processes to ensure that all information, but particularly personal identifiable information, is kept safe, accurate and only shared with appropriate authority.

The Trust has appointed, at Board level, a Caldicott Guardian and a Senior Information Risk Officer to oversee this area of risk. The Trust self-assessed at Level 2 in the Health and Social Care Information Centre's Information Governance Toolkit, and is committed to maintaining full compliance with the Information Governance Toolkit standards by tracking information flows, auditing compliance with relevant policies and procedures, raising the awareness of staff, training, and improving the Trust's information technology infrastructure.

The Trust has implemented a range of solutions to ensure information is managed securely and to prevent the theft or accidental loss of information, including secure port control so that data can only be downloaded to approved encrypted media. All laptops are fully encrypted before they are distributed and all staff have access to network shared drives to remove the need to store information locally on a PC. Information governance training is given to all new staff at corporate induction. Information governance refresher training forms part of the Trust's suite of mandatory training, and must be completed by all staff on an annual basis. Training has also been provided to Information Asset Owners throughout the Trust to enable the completion of revised Information Asset Registers.

The Trust actively encourages the reporting of information governance incidents and near misses. These are investigated internally where it is appropriate to do so, and incidents are reported to and reviewed by the Information Governance and Health Records Committee (a sub-committee of the Board's Governance Committee comprising Information Asset Owners from across the Trust) to ensure that learning is appropriately cascaded throughout the organisation. The Trust has had no incidents categorised as level 2 on the Information Governance Incident Reporting Tool during the year.

• **Involvement** – The Trust aims to involve service users, carers, members, the local community and its own staff in matters that affect them and to ensure the manner of their participation will enhance their own confidence that the Trust and its employees will always act professionally, and listen to and take account of their views. The Trust has established a membership and created a Council of Governors which represents the interests of constituents and members of the public, and holds the Trust's Non-Executive Directors to account for the performance of the Board.

The Trust has undertaken an extensive engagement and involvement exercise during the year to inform the production of its five year strategic plan. This included active engagement with service users and carers, staff, Governors, and a range of external stakeholders including Healthwatch, Clinical Commissioning Groups and Local Authorities. This engagement enabled the Trust to produce a strategic plan which is aligned to local planning assumptions and commissioning intentions, and which was rated 'Green' by Monitor. The engagement process, led at Board level by the Director of Engagement and Integration, was

noted as an example of good practice in the Trust's external Well-Led Framework for Governance review. The Trust has developed an Engagement and Communication strategy which will improve still further its communication and engagement with stakeholders.

• **Human Rights** – Fundamental to the work of the Trust is the protection and promotion of the human rights of its service users and others in contact with the organisation. The Trust ensures that its responsibilities are carried out through a programme of staff training, policy review, audit and inspection of services. The Board's Mental Health Legislation Scrutiny Committee ensures the rights of detained patients are properly safeguarded. The Director of Organisational Development is the Trust's lead for human rights.

• **Equality and Diversity** - Supporting its work on human rights the Trust utilises the NHS Equality Delivery System as the basis for ensuring it meets its legal obligations under the Equality Act 2010. Feedback obtained from service users, carers, volunteers, staff, partner agencies, volunteers and others enables the Trust to reduce health inequalities based on a protected characteristic, reduce stigma and discrimination and improve our working environment and employment practices. The Trust requires equality impact assessments to be undertaken on all policies, practices, activities and services. These are then reviewed by trained nominated individuals in the Trust prior to being published on the Trust's intranet and internet sites. Through the use of equality impact assessments the Trust will make reasonable adjustments to ensure people with protected characteristics have their rights secured and are provided with fair and appropriate access to high quality care. The Trust published an annual Equality Statement as required by the Equality Act 2010, and has continued to develop its commitment to equality this year by implementing changes to its service planning process and embedding the use of the Equality Delivery System into service delivery. The Trust encourages applications from under represented groups for election as a Governor or appointment as a Non-Executive Director. The Trust signed the Armed Forces Corporate Covenant during the year, the first mental health NHS trust in the country to do so. In signing the Covenant the Trust has committed to its two core principles:

• no member of the armed forces community should face disadvantage in the provision of public and commercial services compared to any other citizen; and

- in some circumstances special treatment may be appropriate, especially for the injured or bereaved.

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with. Human Rights control measures are monitored by the Mental Health Legislation Scrutiny Committee through scrutiny of Key Performance Indicators regarding the Mental Health Act, Deprivation of Liberty Safeguards and Mental Capacity Act, and by scrutiny of audits of compliance with requirements to ensure patients and their carers are informed and aware of their rights. The Delivery Committee receives an annual assurance statement outlining measures taken to meet the Trust's Public Sector Equalities duty in accordance with the Equalities Act 2010.

In addition to supporting the Trust's Risk Management Strategy, the structures, policies and procedures set out in this Annual Governance Statement also allow the Trust to address risks to compliance with the terms of its licence. One such risk is that the Trust's governance structures and reporting lines may not be sufficiently focussed to enable an appropriate level of oversight of the Trust's operations, management and control. The Trust's Governance structures are subject to regular review to ensure that they remain fit for purpose. During the year, the Trust has taken a number of actions to mitigate this risk, including: a review of Executive Director portfolios to take account of changes in personnel, to optimise the capacity of the Executive Directors to oversee the Trust's operations and exercise effective management and control, including managing risks to compliance with the conditions of the Trust's licence; recruitment to vacant Non-Executive Director positions; and ongoing review of Committee membership and responsibilities in the light of Non-Executive Director changes to ensure continued oversight of performance standards, and to maintain compliance with relevant legislation, licence conditions and good practice.

Alignment of Board and Committee dates where possible ensures that Committees provide appropriate challenge to management and onward assurance to the Board based on the latest available information. Committee administration processes support prompt and efficient referral of issues between Committees, and from Committees to the Board, Council of Governors and Locality Boards. An external review of Board and Committee administrative support has been undertaken and an action plan has been agreed which will be implemented and monitored into 2016 in order to support more effective and efficient working.

The Trust's Corporate Governance Statement also provides assurance to the Board that risks to compliance with the terms of its licence are being appropriately addressed. Before signing off its Corporate Governance Statement, the Board receives and reviews a detailed report summarising the evidence upon which the Board might rely in making each individual declaration within the Corporate Governance Statement. The Board also considers reports it has received through the year and takes account of the work undertaken through the year by its Committees in assessing the Trust's performance, overseeing compliance with relevant legislation, and ensuring the efficient, effective and economic operation of the Trust.

The Council of Governors provides a further layer of governance, and has devised and implemented a process of reviews to hold Non-Executive Directors individually and collectively to account for the performance of the Board, in accordance with its duty under the Health and Social Care Act 2012. The Council of Governors has exercised its statutory duty during the year by appointing three new Non-Executive Directors and re-appointing the Trust Chair and two Non-Executive Directors.

Key Risks

The Executive Committee has identified and agreed five overarching organisational risks which the Trust faced during the year and beyond. These risks comprise a number of individual risks which are each included in the corporate risk register, but which when taken together represent a significant risk to the achievement of the Trust's objectives during the reporting year and beyond. The Trust has mitigating actions in place for each of these risks, which are summarised as follows:

That a serious incident occurs that is judged to have been preventable for which the organisation is negligent and catastrophically destabilises clinical and/or financial governance: The Trust joined the NHS South West Quality and Safety Improvement Programme for Mental Health, in January 2011. Originally a two year programme of work but subsequently extended until 2015, the overall aim of the programme is to reduce harm to service users, by focussing on improving safe and reliable care, safe and effective medicines management, patient and family centred care and communication, and leadership.

The Trust's commitment to the aims of this programme are illustrated by a programme of capital works designed to improve patient safety at Wotton Lawn Hospital and specifically to further improve ligature risk management beyond compliance with current guidance, whilst also improving facilities from a privacy and dignity perspective. Going forward, the Trust will continue with its rolling programme of annual ligature risk assessments at each inpatient unit.

The Trust has also joined the Sign Up To Safety campaign, a national initiative which has set out a three-year shared objective to save 6,000 lives and halve avoidable harm as part of the journey towards ensuring patients get harm free care every time, everywhere. The Trust has made five pledges as part of this campaign: Put Safety First; Continually Learn; Honesty; Collaborate; Support. The Trust implements these pledges through a number of practical actions such as:

• Board members carrying out patient safety visits to wards and teams twice a month to have conversations about patient safety directly with clinical staff. Any actions are then actively followed up

• Seeking and acting on feedback about services from service users, carers, families and staff

• Collaborating with families and carers about service users' care

• Building a culture that supports staff to do the right thing, every time and to speak up when it may not be possible.

The Trust maintains a robust approach on the reporting and investigation of Serious Incidents which includes the active promotion of incident reporting using Datix, and a comprehensive training and induction programme in incident reporting. The Trust's patient safety agenda is a top priority for the Board, which receives monthly patient safety reports and quarterly reports detailing compliance against the CQC's Essential Regulations. The Board's oversight of patient safety issues is supported by the work of its Committees. The Governance Committee reviews quality, and the associated risks on a monthly basis, which are then reported to the Board. Ownership of quality is clear, with clinical leads for specific areas.

The Governance Committee also ensures that learning points from incidents, complaints and claims are captured, reviewed and disseminated throughout the organisation. An ongoing engagement and learning process, supported by a Workforce and Organisational Development Committee structure and monitored regularly by the Governance Committee, ensures that lessons from the Francis and Berwick reports are captured and embedded within the Trust in order to improve patient safety and the quality of service. The Audit Committee also considers quality and the governance processes associated with it, through a programme of internal audits. Some higher risk areas of practice, such as Patient Safety and Serious Incidents, are reported monthly to the Board.

The corporate Risk Register collates all risks and monitors progress on mitigation, including those impacting on quality. Aspects of quality which are considered to be higher risk are included in the annual clinical audit programme. Quality targets are monitored each month by the Trust Board and the Delivery Committee through the Trust's performance dashboard. Executive Director Safety Walk-rounds also take place each month in order to highlight patient and staff safety risks which can be actioned.

The Trust places particular importance on the safety of its staff, and through the Delivery Committee monitors compliance with mandatory training for staff in the management of violence and aggression. Such training is mandatory for those staff in relevant frontline inpatient roles, and helps to ensure the safety of staff providing high quality compassionate care to patients.

That financial and demand pressures within the health and social care community result in financial pressures on ²gether to a degree that it is beyond that which can be managed effectively without destabilising either Clinical or Financial Governance: As a responsible partner in the local health economy, the Trust has to balance the needs of commissioners in delivering ever more cost-effective services within limited financial resources against the need to maintain financial sustainability and compliance with the Continuity of Services condition of its provider licence, while at the same time continuously improving quality. The Trust's five year strategic plan makes clear that in order to remain sustainable and to support the local health economy in delivering safe and cost effective services, the Trust needs to lower operating costs by £22 million, to transform the way that clinical and corporate functions work, and to keep safety at the forefront of our minds at all times.

The strategic plan was assigned a 'Green' rating by Monitor in 2014.

To achieve this financial challenge, the Board agreed a savings programme which is projected to deliver the required £22m in the five years to 2019/20. Achievement of savings targets remains under constant review by the Trust Board. To support service transformation, the Trust is using its strong liquidity position to invest in organisational development, in technology and in partnership working in order to deliver services which are safe, modern, affordable and accessible.

The Trust has a number of mechanisms in place to ensure that efficiency savings and transformation schemes do not impact negatively on quality. Clinicians have been fully involved in generating these schemes, and have direct ownership of some of the initiatives. Quality Impact Assessments are drawn up for each savings scheme and are reviewed and signed off by the Medical Director, Director of Quality and Director of Engagement and Integration, in conjunction with the Director of Finance and Commerce, in order to mitigate any adverse effect on safety and quality. Post implementation evaluation reports are presented to the Governance Committee on a quarterly basis to provide assurance that savings schemes which have been implemented are not having any unforeseen adverse effect on quality. In addition to clinical input to and ownership of efficiency and transformation schemes through quality impact assessments, wider quality and safety issues are considered by the Trust's Governance and Delivery Committees. The Trust Board has incorporated into its agendas elements of the quality checklists contained within the Burdett Trust's report 'Sustaining Quality in Turbulent Times' to ensure a sustained focus on patient safety and quality improvement, especially when considering efficiencies and service change.

That we fail to secure the workforce and evolve the organisational culture necessary to deliver our strategic objectives: To achieve the required transformation of services that will both support financially constrained local health partners, and provide better, more accessible services to patients, the Trust has to achieve a concomitant shift in culture to enable new models of service delivery to be developed and implemented.

Alongside the financial investment outlined above, the Trust is therefore making a significant investment in organisational development and engagement with staff in order to co-produce change wherever we can, and to do so in a transparent, open and honest way. A Leadership Forum has been established to provide a forum in which the wider Leadership Team can actively

contribute to the Trust's purpose and help in identifying and achieving its key strategic objectives. An organisational development programme is in place alongside an organisational committee structure which enables the Trust to manage internal engagement; both are subject to regular review. Service plans have been aligned to the Trust's strategic priorities. A technology and mobile working project board, including clinical representation, has been set up to identify and implement suitable enabling technologies in support of the Trust's Technology Strategy. The Technology Strategy is complemented by a Practice Development Strategy, led by the Director of Engagement and Involvement, which sets out the changes required in terms of pathway design and implementation.

The Trust continues to review local terms and conditions to ensure these support a flexible and agile workforce and that supporting policies and procedures provide the framework for recruitment and retention. The Trust also has in place a comprehensive package of training and leadership development to ensure our leaders understand the challenges and can support and manage their workforce to deliver sustainable services.

The Trust has collaborative, open and honest relationships with Staff Side representatives so that we can co-produce new ways of working, enhance our respective understanding of the challenges we collectively face and adopt an approach that enables us to deliver our strategic objectives.

That we fail to secure and sustain positive and productive relationships with stakeholders to the extent that discretionary positive impact is lost: The Trust places great emphasis on its positive relationships with key stakeholders which provides a synergy that supports service development while providing assurance to commissioners and regulators through a 'No surprises' approach that accords with the Trust's values.

The maintenance and development of these relationships forms a key part of the Trust's strategy for the coming year and beyond. The Trust has drawn up an Engagement and Communication Strategy, a Partnership Strategy, and has appointed a Director of Engagement and Integration to the Board to ensure that the development and maintenance of sustainable and productive relationships maintains an appropriate profile in order to achieve the Trust's strategic objectives.

That we fail to utilise our liquidity position effectively to support delivery of strategic objectives: The Trust faces a difficult economic climate in the coming year and beyond, and the Trust's strategic plan recognises that sustainability in the long term can only be achieved through service transformation, by lowering operating costs, and by ensuring the safety of services, service users and staff. The Trust faces four main challenges in delivering sustainable services: keeping up with demand, delivering safe services, and making productivity improvements with less money; providing effective, integrated and co-developed services with other providers; supporting staff to make sure that everyone is equipped to use the new technology and the necessary changes; and ensuring we engage service users who have long term conditions in new services that are also exciting developments for commissioners.

As set out in its strategic plan, the Trust continues to address these challenges by using its strong liquidity position, for example by using an increased capital programme to underpin service delivery by investing in organisational development, in technology and in partnership working, and by making a significant investment in Herefordshire Community Health services in support of the Trust's strategic objectives.

NHS Pension Scheme

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.

Carbon Reduction

The 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 the UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

5. Review of economy, efficiency and effectiveness of the use of resources

The Trust has a number of key processes designed to ensure the economy, efficiency and effectiveness of the use of resources. These include:

• Monthly monitoring by the Board of Trust performance in relation to contracts, services, financial performance and associated risk ratios, training and attendance targets, resource usage and the delivery of national and local target trajectories

• The use of reference cost benchmarks for service review and economic improvement

• The development of Service Line Costing to enable the Trust to understand better its cost structure, improve the potential for benchmarking, and inform future cost improvement programmes

• The use of internal audit to review the efficiency and effectiveness of corporate business processes

• Active management of NICE Technical Appraisals and Guidelines implementation including planned audits

• Service and pathway redesign within the Trust's services

At a strategic level, the Delivery Committee receives assurance on the efficient, economic and effective use of resources. The Board of Directors receives regular reports from its committees and itself receives regular finance and performance reports. The Board reviews the Trust's financial position on a monthly basis, and approves the quarterly compliance reports required by the independent regulator, Monitor. In its report on the Trust's formal inspection carried out in October 2015, the CQC found that the Trust has effective systems in place for financial reporting and that these, along with key performance indicators for all teams, ensure that the Trust's management team is aware of the organisation's performance throughout the year.

Internal Audit conducts a review of the Trust's internal control systems and processes as part of an annually agreed audit plan. This review encompasses the flow through the organisation of information pertaining to risk and assurance. It ensures that systems are in place, are appropriate, and can be evidenced by a range of documents available within the organisation. Internal audits have reviewed the governance arrangements within the organisation over a range of financial and other functions to ensure that there is an appropriate and

and robust approach to the use of resources.

The Executive Committee has responsibility for overseeing the day-to-day operations of the Trust and for ensuring that resources are used efficiently, effectively and economically.

The Trust knows that staff are our biggest resource and account for our highest expenditure. The Trust is committed to ensuring that we minimise our expenditure on agency staff and has set up a Temporary Staffing Project Board led by our Director of Quality and Director of Finance, and supported by our Director of Organisational Development. This will ensure we have comprehensive input aligning quality of service delivery with efficient use of resources.

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

The Trust has put a number of processes in place to assure the Board that the Quality Report presents a balanced view, and that there are appropriate controls in place to ensure the accuracy of data. The Trust has a Data Quality policy which is reviewed annually, and which places ultimate responsibility for data quality with the Chief Executive. Operationally, the Director of Quality oversees the production of the Quality Report, while the Director of Service Delivery has responsibility for data quality. Data quality is overseen by an Information Governance Committee which reports to the Trust Board's Governance Committee. Corporate data quality objectives have been agreed by the Executive Committee. Clinicians are involved in the production of the Quality Report through approval of the constituent data and involvement in the development of the Quality Report objectives. Minutes of the Board's Delivery and Governance Committees demonstrate the involvement of clinicians in the operational aspects of data quality.

The Trust has processes in place to ensure that data are used to inform reporting and decision making and are subject to a system of internal control and validation. Internal and external reporting requirements have been critically assessed and data provision is reviewed regularly.

Data are used to populate a Performance Dashboard which is reviewed by the Executive Committee, Delivery Committee, Service Directorates and the Trust Board, subjected to appropriate levels of challenge, and used to inform strategic and operational decision making and monitor performance. The Performance Dashboard contains information about performance in relation to national and local targets and contractual obligations including waiting times, quality targets, internal 'stretch' performance targets and other internal performance measures regarding finance and human resources.

A Data Quality Assurance Group, comprising senior operational managers from each Service Directorate in the Trust has lead responsibility for clinical data quality in their respective services. The Group is chaired by the Trust's Information Development Manager, and provides a forum for dissemination of policy and process changes as well as the opportunity to address data quality issues in a consistent manner across all services. Financial and performance data are subject to scrutiny and challenge by the Delivery Committee, Audit Committee and Development Committee, in order to provide assurance to the Board.

Non-Executive Directors chairing these Committees will request further clarification and assurance in the event that information initially presented is unclear. Data are benchmarked where appropriate against national and regional data sets to ensure consistency and identify improvement opportunities.

A RiO System User Group, established as part of the local implementation of the RiO Electronic Patient Record System across the Trust, provides a forum to ensure that data quality issues arising from the use of the Electronic Patient Record System can be tackled consistently across all Trust services

Real time automated data quality reports derived from RiO are available in a secure manner to operational managers, team managers and individual clinicians throughout the Trust. Each clinician can view a report of each patient on their caseload which highlights missing key data items on that person's record. These are refreshed on a 24 hour basis and enable managers to monitor data quality performance and clinicians to identify and fix specific data quality issues.

A number of mechanisms exist to ensure that staff have the knowledge, competencies and capacity for their roles in relation to data quality. Managers monitor staff competencies and development needs through the annual appraisal process, and ensure

that staff have access to appropriate training opportunities. The Trust has put training programmes in place to ensure staff have the capacity and skills for effective collection, recording and analysis of data. RiO training is provided to all appropriate staff, and RiO support materials are available on a dedicated intranet page. Individual members of staff have their own training records and are responsible for identifying their own individual skill requirements in relation to data quality. Training provision is regularly reviewed by the Strategic Training Group, and training provision is periodically evaluated by clinical managers.

The Trust has a comprehensive suite of Care Practice policies in place to ensure the quality of care provided to service users. Care Practice policies are subject to regular programme of consultation, review and update to incorporate emerging good practice and inform existing training and awareness programmes. An annual programme of local audits measures compliance against these policies, and results are reported to the Governance Committee or Mental Health Legislation Scrutiny Committee as appropriate.

In the development of the annual Quality Report, the trust draws on several sources of information and data to develop a holistic and rounded analysis of its performance against nationally and locally defined quality measures. These have included internal data and information such as clinical audit findings, patient care performance data and NICE compliance. The Trust has also drawn on information from independent studies such as the service user experience survey, staff survey, NHSLA accreditation and achievement of CQUINs, as well as external bodies such as the Care Quality Commission assessment of compliance. This triangulated approach provides an assurance that the information provided to the Trust Board on its Quality Reports is both measured and objective.

We have involved stakeholders including Governors, Healthwatch, Overview and Scrutiny Committees and commissioners, in the development of our Quality Report objectives and have taken that opportunity to include many of their very useful comments and suggestions. The comments received indicate an agreement that the Quality Report is representative and that there are no significant omissions of concern. Our commissioners have confirmed that the accuracy of the data presented in the Quality Report accords with the data and information they have available and that there are robust arrangements in place to monitor and review the quality of services.

Quality Reports are produced on a quarterly basis and shared with commissioners and stakeholders to enable continuous feedback to be collected.

7. Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS foundation trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the Quality Report attached to this Annual Report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the audit committee and governance committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

I have taken account of the findings of an external Well-Led Framework for Governance review which has been undertaken on behalf of the Board by Deloitte, and which identified the Trust as a strategically focussed organisation with a strong focus and commitment to continuous learning, and a commitment to engaging with service users and carers to improve the quality of care.

I have also taken account of the formal inspection report of the CQC which rated the Trust as Good and found that the Trust is well-led with an experienced, skilled and committed Board and provides caring, effective and responsive services to the people it serves while recognising that some improvements are needed in some services.

The Assurance Framework provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed.

In maintaining and reviewing the effectiveness of the system of internal control:

• The Board has reviewed its assurance framework.

• The Board or its committees have considered all major assurance reports received by the Trust and ensured action plans were developed to address any weaknesses.

- The Audit Committee has reviewed all internal and external audit reports and ensured action is taken to address the recommendations, and has provided an annual report to the Board setting out the Committee's work during the year.

- The Governance Committee has also considered the results of the monitoring of incidents and complaints to ensure any lessons were carefully reviewed and acted upon.

- The Board and Governance Committee have closely monitored arrangements for the prevention and control of infection. They have also monitored all service areas and continued the implementation of a substantial clinical governance development plan.

- The Board has acted on the recommendations of the Care Quality Commission arising from the CQC's formal inspection of the Trust

- The Board has commissioned an external Well-Led Framework for Governance review and acted on the recommendations of that review

- The Risk Manager has reported on the management of the risk register and supporting processes.

- Non-Executive and Executive Directors, the Chair and I have visited services and met staff, service users, carers, members and governors as part of an informal programme of review.

8. Conclusion

The Trust firmly believes that it has comprehensive and robust governance processes in place. No significant internal control issues have been identified.

Shaun Clee
Chief Executive   **Date: 25 May 2016**

Contents

Part 1: Statement on Quality from the Chief Executive

Introduction

"The first Trust in the country to be awarded an 'Outstanding' rating for crisis and place of safety services, and our adult acute inpatient and psychiatric intensive care services."

I am privileged to present, on behalf of the Trust Board and all Trust colleagues, our Quality Report for 2015/16.

As a Trust Board we have set three key strategic priorities for ourselves, the first and most important of which is 'Continuous Quality Improvement'. Only by focussing on continuous improvement can we continue to strive to achieve the quality of services which each of us would wish for a member of our own family. It is also one of the principal ways in which we strive to deliver our overall purpose of Making Life Better for our communities, our service users and carers.

Through this report you will learn how we monitor quality, how we seek to continuously improve quality, our main quality achievements during 2015/16 and what we will focus upon in the coming 12 months.

To summarise, our main quality initiatives this year included:

• measures focussed on improving the physical health of our service users;

• risk reduction (in the form of improving transitions from children's' to adult services, reducing opportunity for detained patients to be absent without leave, suicide prevention activities and improved inpatient discharge planning); and

• improving access to services.

We will continue to focus on many of these again in 2016/17 in recognition that these are all areas which impact greatly on the people we serve. We will also seek to build upon our commitment within 'The Triangle of Care' - supporting colleagues to work with families, including the needs of young carers. As a part of our contribution to a national initiative, we will also look to reduce the number of prone restraints used in our inpatient services, in acknowledgement of the associated potential risks and the distress this can cause.

The quality of services we provide is a continual focus of each and every Trust colleague. This year we were able to look at the quality of services we provide from an additional external perspective when we were subject to a comprehensive inspection by the Care Quality Commission (CQC). Having the CQC comprehensive inspection team with us seemed comparable to showing visitors around your home town - you see things differently.

When we received the inspection report, which rated our Trust as Good overall, we were reassured and recognised ourselves within it – both in the areas where we were found to be outstanding and those areas where we need to further improve.

We were pleased to note the many examples of good practice and care we are providing, and the fact that we were the first Trust in the country to be awarded an 'Outstanding' rating for crisis and place of safety services, and our adult acute inpatient and

psychiatric intensive care services. This is entirely due to the talented, committed and caring staff we employ as well as the collaboration and support of our commissioners and partners. Where improvements were suggested or recommended we took steps to either make those improvements immediately or set in place the mechanisms for sustainable improvements to be made in the near future.

CQC inspections provide additional focus and raise the profile of quality, however continued openness and transparency on quality is of paramount importance to our Trust. We openly discuss quality through our Trust Board meetings and when our Council of Governors meet. Both of these gatherings are held in public and, wherever we can appropriately do so, we share details of these discussions publicly on our website. We also invite regular feedback and discussion from our service users and carers, as well as the communities we serve, through regular events and a wide range of other methods. Full details of the feedback we receive and how we use that feedback in a continuous cycle of improvement is contained within this report.

The content of this report has been reviewed by the people who pay for our services (our commissioners), the Health and Care Scrutiny Committees of our local authorities and Healthwatch. Their views on this report are included on page 119. The report is also subject to review by our external auditor.

In preparing our Quality Report, we have used 'best endeavours' to ensure that the information presented is accurate and provides a fair reflection of our performance during the year. The Trust is not responsible, and does not have direct control for all of the systems from which the information is derived and collated. The provision of information by third parties introduces the possibility that there is some degree of error in our performance, although we have taken all reasonable steps to verify and validate such information. As Chief Executive, I confirm that to the best of my knowledge the information within this document is accurate.

On behalf of our services, I am proud to present the achievements contained within this report and determined to work with my colleagues, our Board, Governors, communities and partners to continue to Make Life Better with continued quality improvement throughout 2016/17.

Shaun Clee
Chief Executive
²gether NHS Foundation Trust

Date: 25 May 2016

Part 2a: Looking ahead to 2016/17

Quality Priorities for Improvement 2016/17

This section of the report looks ahead to our priorities for quality improvement in 2016/17.

We have developed our quality priorities under the three key dimensions of effectiveness, user experience and safety and these have been approved by the Trust Board following discussions with our key stakeholders.

Following feedback from service users, carers and staff, our Governors and commissioners as well as Herefordshire and Gloucestershire Healthwatch, we have identified 7 goals and 11 associated targets for 2016/17.

These targets will be measured and monitored through reporting to the Trust Governance Committee with the period of time varying from monthly, quarterly or annually dependent upon what we measure and the frequency of data collection.

How we prioritised our quality improvement initiatives

The quality improvements in each area were chosen by considering the requirements and recommendations from the following sources:

Documents and organisations:

- Our 2016/17 Business Plan: The NHS England Business Plan 2016-2017;
- The Government's mandate to NHS England for 2016-17;
- Care Quality Commission (via Intelligent Monitoring Reports and CQC Comprehensive Inspection at our sites in October 2015);
- NHS Outcomes Framework 2016-17;
- Department of Health, with specific reference to 'No health, without mental health' (2011) and 'Mental health: priorities for change (January 2014);
- Future in mind: Promoting, protecting and improving our children and young people's mental health and wellbeing. Department of Health 2015;
- Internal assurance inspections;
- Monitor;
- King's Fund report on Quality Accounts;
- National Institute for Health & Care Excellence publications including their quality standards;
- Preventing suicide in England: two years on. Second annual report on the cross-government outcomes strategy to save lives. Department of Health 2015;
- National Confidential Inquiry into Suicide & Homicide by People with Mental Illness: Annual Report July 2015.

The feedback and contributions have come from:

- Healthwatch Gloucestershire;
- Healthwatch Herefordshire;
- Gloucestershire Health and Care Overview and Scrutiny Committee (HCOSC) and Council colleagues;
- Herefordshire Overview and Scrutiny Committee and Council colleagues;
- Gloucestershire Clinical Commissioning Group;
- Herefordshire Clinical Commissioning Group;
- Internal assurance and Internal Audit reports;
- NHS South of England Mental Health Patient Safety Improvement Programme;
- Trust's Governors;
- Trust clinicians and managers.

Effectiveness

Goal	Target	Drivers
Improving the physical health care for people with serious mental illness.	1.1 To increase the number of service users (all inpatients and all Serious Mental Illness/Care Programme Approach service users in the community, inclusive of Early Intervention Service, Assertive Outreach and Recovery) with a LESTER tool intervention (a specialist cardio metabolic assessment tool) alongside increased access to physical health treatment.	To support NHS England's commitment to reduce the 15-20 year premature mortality in people with psychosis and improve their safety through improved assessment, treatment and communication between clinicians. We wish to continue to improve the physical health for those people in contact with our services. There is historical data available for year on year comparison.
Ensure that people are discharged from hospital with personalised care plans.	1.2 To further improve personalised discharge care planning in adult and older peoples wards, including the provision of discharge information to primary care services within 24hrs of discharge.	This was CQUIN for our Herefordshire services in 2015/16, but equally applicable to Gloucestershire services. We wish to continue to support this as a key quality priority during 2016/17 to ensure effective discharge from our inpatient services. There is historical data available for year on year comparison.
Improve transition processes for child and young people who move into adult mental health services.	1.3 To ensure that joint Care Programme Approach reviews occur for all service users who make the transition from children's to adult services.	We wish to build on previous years CQUINs to further improve our transition processes.

User Experience

Goal	Target	Drivers
Improving the experience of service user in key areas. This will be measure though defined survey questions for both people in the community and inpatients.	**2.1** Were you involved as much as you wanted to be in agreeing what care you will receive? > 78% **Target :** To achieve a response 'Yes' for more than **78%** of the people surveyed. 2015 Local survey score = 78%	Questions 2.2 – 2.4 are areas relating to patient experience where we wish to improve following the 2015 Care Quality Commission (CQC) national community mental health survey results.
	2.2 Were you involved as much as you wanted to be in decisions about which medicines to take? > 73% **Target :** To achieve a response 'Yes' for more than **73%** of the people surveyed. 2015 Trust score = 73%	
	2.3 Do you know who to contact out of office hours if you have a crisis? >71% **Target :** To achieve a response of 'Yes' for more than **71%** of the people surveyed. 2015 Trust score = 71%	
	2.4 Has someone given you advice about taking part in activities that are important to you? > 48% **Target :** To achieve a response of 'Yes' for more than **48%** of the people surveyed.	

Safety

Goal	Target	Drivers
Minimise the risk of suicide of people who use our services	**3.1** Reduce the numbers of deaths by suicide (pending inquest) of people in contact with services when comparing data from previous years. During 2015/16 reported **24** deaths from suspected suicide which is higher than the previous 2 years, therefore we aim to reduce the number of deaths from suicide in 2016/17.	Gloucestershire Suicide Prevention Strategy and Action Plan Preventing suicide in England: Two years on. First annual report on the cross-government outcomes strategy to save lives. It is a high risk area with historical data available for year on year comparison.
Ensure the safety of people detained under the Mental Health Act.	**3.2** Reduce the number of detained patients who are absent without leave (AWOL) when comparing data from previous years. We will report against 3 categories of AWOL as follows: 1. Absconded from escort 2. Failure to return from leave 3. Left the hospital (escaped) There were **125** total reported occurrences during 2014/15 and our target was to report fewer than 110 occurrences. During 2015/16 we reported **114** incidents and met the overall target but saw an increase of **9** incidents where service users left the hospital.	NHS South of England Patient Safety Improvement Programme It is a high risk area with historical data available for year on year comparison.
Minimise the risk of harm to service users within our inpatient services when we need to use physical interventions	**3.3** To reduce the number of prone restraints by 5% year on year (on all adult wards & PICU) based on 2015/16 data. During 2015/16 we reported **127** such incidents.	Positive and safe: reducing the need for restrictive interventions. April 2014 There is historical data available for year on year comparison.
Ensure we follow people up when they leave our inpatient units within 48 hours to reduce risk of harm.	**3.4** **95%** of adults will be followed up by our services within 48 hours of discharge from psychiatric inpatient care. (This is a local target. The national target is that 95% CPA service users receive follow up within 7 days).	During 2014/15 this percentage was **94%** and this reduced to **90%** in 2015/16. There is historical data available for year on year comparison.

Part 2b: Statements relating to the Quality of NHS Services Provided

The purpose of this section of the report is to ensure we have considered the quality of care across all our services which we undertake through comprehensive reports on all services to the Governance Committee (a sub-committee of the Board).

During 2015/2016, the ²gether NHS Foundation Trust provided and/or sub-contracted the following NHS services:

Gloucestershire

Our services are delivered through multidisciplinary and specialist teams. They are:

• One stop teams providing care to adults with mental health problems and those with a learning disability;

• Intermediate Care Mental Health Services (Primary Mental Health Services & Improving Access to Psychological Therapies);

• Specialist services including Early Intervention, Crisis Resolution and Home Treatment, Assertive Outreach, Managing Memory, Children and Young People Services; Intensive Health Outcome Team and the Learning Disability Intensive Support Service;

• Inpatient care.

Herefordshire

We provide a comprehensive range of integrated mental health and social care services across the county.

Our services include:

• Providing care to adults with mental health problems in Primary Care Mental Health Teams, Recovery Teams and Older People's Teams;

• Children and Adolescent Mental Health care;

• Specialist services including Early Intervention, Assertive Outreach and Crisis Resolution and Home Treatment and Substance Misuse Services (Until December 2015);

• Inpatient care;

• Community Learning Disability Services;

• Improving Access to Psychological Therapies.

²gether NHS Foundation Trust has reviewed all the data available to them on the quality of care in all of these NHS services through a systematic plan of quality reporting and assurance that is considered by the Trust's Governance Committee and the Board.

The income generated by the NHS services reviewed in 2015/16 represents 94.5% of the total income generated from the provision of NHS services by the ²gether NHS Foundation Trust for 2015/16.

Participation in Clinical Audits and National Confidential Enquiries

During 2015/16 two national clinical audits and three national confidential enquiries covered NHS services that ²gether NHS Foundation Trust provides.

During that period, ²gether NHS Foundation Trust participated in 50% national clinical audits and 100% of confidential enquiries of the national clinical audits and national confidential enquiries which we were eligible to participate in.

The national clinical audits and national confidential enquiries that ²gether NHS Foundation Trust was eligible and participated in during 2015/16 are as follows:

National Clinical Audits

Clinical Audits	Participated - Yes/No	Reason for no participation
Prescribing Observatory for Mental Health	No	The Trust is not a member of the Observatory.
Early Intervention in Psychosis audit	Yes	N/A

National Confidential Enquiries

National Confidential Enquiries	Participated - Yes/No	Reason for no participation
Confidential Enquiry into Maternal and Child Health	Yes	N/A
National Confidential Inquiry into Suicide and Homicide by People with Mental Illness	Yes	N/A
Sudden Unexplained Death Study	Yes	N/A

The national clinical audits and national confidential enquiries that ²gether NHS Foundation Trust participated in, and for which data collection was completed during 2015/2016 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.

Topic	Trust Participation		National Participation	
	Teams	Submissions	Teams	Submissions
Early Intervention in Psychosis	Early Intervention Service	Information not available*	Information not available*	Information not available*

*This information has not been provided by the Royal College of Psychiatrists

The report of 1 national clinical audit was reviewed in 2015/16 and ²gether NHS Foundation Trust intends to take the following action to improve the quality of healthcare provided.

• Continued focus on the physical health of people diagnosed with schizophrenia via Target 1.1 2016/17 - to increase the number of service users with a LESTER tool alongside increased access to physical health treatment.

Participation in National Confidential Enquiries

Confidential Enquiries	% cases submitted	
	²gether	National Average
Confidential Enquiry into Maternal and Child Health	Information not published	Information Unavailable
National Confidential Inquiry into Suicide and Homicide by People with Mental Illness	98%	98%
Sudden Unexplained Death Study	Information unavailable	Information unavailable

Local Clinical Audit Activity

Within our services there is a high level of clinical participation in local clinical audits, demonstrating our commitment to quality across the organisation. All clinically led local audits are reported to the Governance Committee in summary form to ensure that actions are taken forward and learning is shared widely. The table below show the status of the audit plan at the end of the year. During this process we internally identified 375 recommendations to further improve our practice as part of our commitment to continuous improvement.

Clinical Audits	2014/15 audit programme	2015/16 audit programme
Total number of audits on the audit programme	122	168
Audits completed (at year end)	67	75
Audits that are progressing and will carry forward	30	49
Audits taken off the programme for specific reasons	25	44

The reports of 75 local clinical audits were reviewed by the provider in 2015/16 and ²gether NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

• Building on the review of key clinical policies Assessment and Care Management CPA and Assessing and Managing Clinical Risk and Safety undertaken in 2013/ 2014, the Trust has now implemented and embedded these principles into polices and practice. There have been a number of audits carried out throughout the year to evidence improvements made and actions plan were developed to support improvements in compliance throughout the year. This action continues from last year;

• The Trust has continued to review and develop its training programme to all staff (clinical and non-clinical) in line with the learning that is established from the clinical audit programme. This has, and will continue, to drive the constant review and evaluation of training modules and their contents. This action also continues from last year.

Specific examples of change in practice that have resulted from clinical audits are:

• Following a Quality Improvement Project on inpatient wards in Gloucestershire, a re-audit of Capacity and Consent to Hospital Admission found significant improvement in documentation of capacity and consent for admission and treatment in Gloucestershire. Following the audit a number of further steps have been taken to improve recording of Capacity and Consent. To support implementation of the Trust wide Mental Capacity Act (MCA) policy, there is also MCA page on intranet with associated links to documents. A Mental Health Legislation Mandatory Read briefing document was posted on the intranet in November 2015 which includes guidance on the use of the MCA. Discussions have been held with the MCA Lead in Herefordshire to discuss what has worked well in Gloucestershire to help improve practice in Herefordshire;

- Following completion of a re-audit on NICE TA98 Methylphenidate, atomoxetine and dexamfetamine for attention deficit hyperactivity disorder (ADHD) in children and adolescents & CG72 Attention deficit hyperactivity disorder - Diagnosis and management of ADHD in children, young people and adults it was identified that there were areas of concern around record keeping/documentation and dual diagnosis. To address these concerns, four recommendations were made in the action plan to develop an ADHD referral pathway. Review of RiO documentation to adapt questionnaires and charts for blood pressure, pulse, weight, height and side effect profile. To devise ADHD checklist/proforma to go onto RiO and to provide a series of training programme on ADHD in Children and adolescent with Intellectual disability disorders.

Internal peer review assurance visits:

- The Trust has undertaken 14 peer review assurance visits during 2015/16 covering both community and inpatient services. During this process a number of team specific recommendations were made and individual services have developed agreed Specific, Measurable, Achievable, Realistic and Time Limited (SMART) action plans to address these recommendations.

Participation in Clinical Research

Research Activity in 2gether in 2015-16

The number of patients receiving relevant health services provided or subcontracted by 2gether NHS Foundation Trust in 2015/2016 that were recruited during that period to participate in research approved by a research ethics committee 275.

This participation was from across 21 different studies[1]. This level of recruitment is less than the previous year's total of 482 participants. The difference was due to 2gether's involvement in a 2014/15 study which had an unusually large response[2].

In 2015/16, the Trust registered and approved 32 studies. Of these studies, 13 were based in mental health or dementia services. The remaining studies were made up from local, commercial (as a patient identification centre/PIC) or student studies. We currently have 5 service evaluation, and 11 educational research projects initiated and co-ordinated by Trust staff or students.

Leadership for 2gether's Research portfolio

Our dedicated team consists of the Head of Research and Development, two Research Nurse Practitioners and one Assistant Research Practitioner, working across mental health and dementia services in both Gloucestershire and Herefordshire. 2gether continues to offer clinical leadership at the West of England Clinical Research Network (WoE CRN) for the speciality of dementia. This year we were also delighted to welcome an Honorary Professorial Consultant Physician and Principle Investigator to the team who brings a wealth of experience in dementia research and leadership.

The Trust is pleased to be a member of the Gloucestershire Research and Development Consortium. We continue to work strategically with our Gloucestershire Health Community partners, and co-commission support from the skilled research specialists based at Gloucester Hospitals NHS Foundation Trust.

Seeking new research opportunities

The availability of research through the National Institute of Health Research (NIHR) and local portfolios fluctuated throughout 2015/16. The Research Team regularly scan the national portfolio for new studies that are open to new sites and proactively make contact with study teams. Currently we have 21 approved NIHR studies recruiting or active in Gloucestershire, an increase on the 13 open at this time last year. We continue to develop a rolling programme of studies open across the range of our services.

2gether is not currently recruiting to any commercial-sponsored research projects, and this has been identified as an area for development.

Research 2gether strategy

In January 2016, the Trust Board approved our Research 2gether Strategy 2016 – 2020. This co-developed document outlines our bold vision to be a world class centre of practice-based research and development to help make life better. The strategy focuses on the Research 2gether values of people, partnerships, innovation and leadership, and features a number of work streams that include strengthening internal and external partnerships, developing clinical research leadership, and finding creative and innovative ways to increase research opportunities for and with service users and carers.

A Research Centre for ²gether's practice based research

During the year we have been developing a clinical trials facility at The Fritchie Centre, on our Charlton Lane Centre site in Cheltenham. This purpose built centre provides us with high quality facilities that will enable us to host clinical trials, making us an attractive prospect for partnership work in research and to commercial sponsors looking to host studies.

Future Developments

The National Institute of Health Research has been re-organised into streamlined clinical research networks. ²gether is represented at the regional forum (WoE CRN) by our Head of Research and Development who is also, responsible for leading the implementation of the Trust's Research Strategy Action Plan.

Nationally, there appears to be a reduction in studies investigating mental health practice and an increase in the number of dementia related studies. We are pursuing ways to influence partnerships with the academic establishments where research is designed to ensure that research reflects the future needs of clinical services.

Research Studies

Examples of the portfolio of activity for 2016/17 are listed below:

Mental Health

- **SCIMITAR** - Smoking Cessation Intervention for Severe Mental Ill Health Trial: a definitive randomised evaluation of a bespoke smoking cessation service

- **The MILESTONE Study** - Improving Transition from Child to Adult Mental Health Care

- **QUEST** - Quality and Effectiveness of Supported Tenancies (QuEST)

- **LonDownS** - The London Down Syndrome Consortium (LonDownS): an integrated study of cognition and risk for Alzheimer's Disease in Down Syndrome

- **Autism Cohort UK** – Learning about the lives of adults on the autistic spectrum

- **PPiP** – Prevalence of neuronal cell surface antibodies in patients with psychotic illness

- **DPIM Polymorphisms in Mental Illness** - Investigating genetic factors involved in schizophrenia, bipolar disorder, alcoholism and autism and exploring possible treatment options

Dementias and Neurodegenerative Disease

- **DAPA** - Dementia and Physical Activity research programme;

- **VALID** - Valuing Active Life in Dementia: a randomised controlled trial of Community Occupational Therapy in Dementia (COTiD-UK)

- **IDEAL** - Improving the experience of dementia and enhancing active life; the IDEAL longitudinal research study

- **MADE** - Minocycline in Alzheimer's Disease Efficacy, a clinical trial

- **MAS** - Using Patient Reported Outcome Measures (PROMs) to Improve Dementia Services: Evaluation of Memory Assessment Services

Use of the Commissioning for Quality & Innovation (CQUIN) framework

A proportion of ²gether NHS Foundation Trust's income in 2015/16 was conditional on achieving quality improvement and innovation goals agreed between ²gether 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 CQUIN goals for 2015/16 are available electronically at:

www.2gether.nhs.uk/cquin

2015/16 CQUIN Goals

Gloucestershire

Gloucestershire Goal Name	Description	Goal weighting	Expected value	Quality Domain
Acute Kidney Injury	AKI is a sudden reduction in kidney function. It is not a physical injury to the kidney and usually occurs without symptoms. In England over half a million people sustain AKI every year with AKI affecting 5-15% of all hospital admissions. As well as being common, AKI is harmful and often preventable, thus representing a major patient safety challenge for health care. This CQUIN is concerned with demonstrating that 90% of patients have Early Warning Scores (EWS) within 12 hours of admission to Charlton Lane Hospital.	.10	£66160	Safety
Improving Physical Healthcare	The purpose of this CQUIN is twofold. Firstly, to improve the physical health of service users who are classed having a severe mental illness (SMI) receiving high levels of support. Secondly, to improve the flow of useful clinical information between secondary and primary care.	.35	£231560	Effectiveness
Delirium Screening	Delirium is linked to dementia and frailty; it can be an unrecognised factor in a change or deterioration of a patient with dementia with significant impact upon their physical and mental health. This CQUIN monitors the development, and use of a delirium screening and assessment tool.	.30	£198480	Effectiveness
Triangle of Care	This CQUIN monitors the implementation of the six standards identified in the Triangle of Care best practice guide to achieve better collaboration and partnership with carers. The six key standards are: 1. Carers and the essential role they play are identified at first contact or as soon as possible thereafter. 2. Staff are 'carer aware' and are trained in carer engagement strategies. 3. Policy and practice protocols regarding confidentiality and sharing information are in place. 4. Defined posts responsible for carers are in place.	.20	£132320	User experience

Gloucestershire Goal Name	Description	Goal weighting	Expected value	Quality Domain
	5. A carer introduction to the service and staff is available, with a relevant range of information across the care pathway. 6. A range of carer support services are available.			
Young Peoples Transitions	This CQUIN will improve outcomes in young people transitioning from ^{2}gether Young People's Services to Adult Mental Health Services.	.80	£529277	Effectiveness
Perinatal Mental Health	This CQUIN will focus on quality improvement across the perinatal mental health pathway to promote integration, knowledge and skills of staff and improve outcomes for women and families.	.75	£496200	Effectiveness

2015/16 CQUIN Goals

Herefordshire

Herefordshire Goal Name	Description	Goal weighting	Expected value	Quality Domain
Improving Physical Healthcare	The purpose of this CQUIN is twofold. Firstly, to improve the physical health of service users who are classed as having a severe mental illness (SMI) receiving high levels of support. Secondly, to improve the flow of useful clinical information between secondary and primary care.	.25	£40900	Effectiveness
Personality Disorder	This CQUIN is concerned with demonstrating that improvements have been made to services for people with personality disorders by ensuring service delivery which is consistent with regional strategy.	1.0	£163600	User Experience
Crisis Contingency Planning	This CQUIN is concerned with preventing patients from having a relapse and encouraging service users to maintain their mental health at home by having a personalised crisis contingency plan.	.25	£40900	Effectiveness
Inpatient Discharge Planning	This CQUIN is about developing patient centred discharge care plans (based on a self-management recovery outcome approach) for use at the point of discharge from inpatients admissions.	.25	£40900	Effectiveness
IAPT Vulnerable Service Users	This CQUIN is about assessing ease of access for vulnerable service users and assessing the service user's experiences once it has been successfully accessed.	.75	£122700	Effectiveness

2015/16 CQUIN Goals

Low Secure

Low Secure Goal Name	Description	Goal weighting	Expected value	Quality Domain
Improving Physical Healthcare	The purpose of this CQUIN is twofold. Firstly, to improve the physical health of service users who are classed as having a severe mental illness (SMI) receiving high levels of support. Secondly, to improve the flow of useful clinical information between secondary and primary care.	.25	£4500	Effectiveness
Mental Health Carer Involvement Strategies	This CQUIN continues the theme of the Carer Involvement Strategies developed during 2014/15 and requires providers to evaluate the effectiveness of the strategies.	.25	£4500	User Experience
Collaborative Risk Assessments	This CQUIN requires the provision of an education and training package for patients and qualified staff around collaborative risk assessment and management.	1	£18000	User Experience
Smoking Cessation	This CQUIN focuses on supporting service users in secure services to stop smoking.	1	£18000	Safety

The total potential value of the income conditional on reaching the targets within the CQUINs during 2015/16 is £2,107,995 of which we anticipate £2,107,153 will be achieved.

In 2014/15, the total potential value of the income conditional on reaching the targets within the CQUINs was £2,056,500 of which £2,053,407 was achieved.

2016/17 CQUIN Goals

CQUIN goals for 2016/17 have been drafted with Gloucestershire and Herefordshire Clinical Commissioning Groups and NHS England (for the provision of low secure mental health NHS services).

These include:

National CQUINs applicable to Herefordshire mental health services

• Staff health and wellbeing;

• Physical health care.

Gloucestershire (Local)

• Young people's transitions;

• Perinatal mental health;

Herefordshire (Local)

• Crisis contingency planning for Early Intervention and Assertive Outreach services;

• Crisis contingency planning for Child and Adolescent Mental Health Services;

• Frequent attenders at Emergency Department.

Low Secure

• Length of stay.

Statements from the Care Quality Commission

The Care Quality Commission (CQC) is the independent regulator of health and adult social care services in England. From April 2010, all NHS trusts have been legally required to register with the CQC.

Registration is the licence to operate and to be registered, providers must, by law, demonstrate compliance with the requirements of the CQC (Registration) Regulations 2009.

2gether NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is to provide the following regulated activities:

• Assessment or medical treatment to persons detained under the Mental Health act 1983;

• Diagnostic and screening procedures;

• Treatment of disease, disorder or injury.

2gether NHS Foundation Trust has no conditions on its registration.

The CQC has not taken enforcement action against 2gether NHS Foundation during 2015/16 or the previous year 2014/15.

CQC Inspections of our services

2gether NHS Foundation Trust has participated in special reviews or investigations by the Care Quality Commission relating to the following areas during 2015/16.

The Care Quality Commission undertook a planned comprehensive inspection of the Trust week commencing 26 October 2015 and published its findings on 28 January 2016.

The CQC rated our services as GOOD, rating **2** of the **10** core services as "outstanding" overall and **6** "good" overall.

Overall rating	Inadequate	Requires improvement	Good	Outstanding

Are services

Safe?	Requires improvement
Effective?	Good
Caring?	Good
Responsive?	Good
Well led?	Good

The inspection found that there were some aspects of care and treatment in some services that needed improvements to be made to ensure patients were kept safe. However, the vast majority of services were delivering effective care and treatment.

Overall rating	Inadequate	Requires improvement	**Good**	Outstanding

	Safe	Effective	Caring	Responsive	Well led	Overall
Community-based mental health services for older people	Good	Requires improvement	Good	Good	Requires improvement	Requires improvement
Long stay/rehabilitation mental health wards for working age adults	Requires improvement	Good	Good	Good	Good	Good
Wards for older people with mental health problems	Requires improvement	Good	Good	Good	Good	Good
Community-based mental health services for adults of working age	Requires improvement	Good	Good	Good	Good	Good
Specialist community mental health services for children and young people	Good	Good	Good	Good	Good	Good
Acute wards for adults of working age and psychiatric intensive care units	Outstanding ☆	Good	Good	Good	Outstanding ☆	Outstanding ☆
Wards for people with learning disabilities or autism	Requires improvement	Requires improvement	Good	Requires improvement	Requires improvement	Requires improvement
Mental health crisis services and health-based places of safety	Good	Good	Outstanding ☆	Outstanding ☆	Good	Outstanding ☆
Forensic inpatient/secure wards	Good	Good	Good	Good	Good	Good
Community mental health services for people with learning disabilities or autism	Good	Good	Good	Good	Requires improvement	Good

A full copy of the Comprehensive Inspection Report can be seen at:

www.cqc.org.uk/provider/RTQ

2gether NHS Foundation Trust intends to take the following action to address the conclusions or requirements reported by the CQC:

• The Trust has developed an action plan in response to the **15** "must do" recommendations, and the **58** "should do" recommendations identified by the inspection.

2gether NHS Foundation Trust has made the following progress by 31 March 2016 in taking such action:

• Setting up a Project Group to manage all actions through to their conclusion.

Changes in service registration with Care Quality Commission for 2015/16

There have been no requests to change our registration with the CQC this year.

Quality of Data

Statement on relevance of Data Quality and actions to improve Data Quality

Good quality data underpins the effective provision of care and treatment and is essential to enabling improvements in care.

2gether NHS Foundation Trust submitted records during 2015/16 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data (Month 11 data is reported below, as this was the only available information at the date of publication).

• The patient's valid NHS number was: 99% for admitted patient care (99.2% national); and 99.4% for outpatient care (99.4% national);

• The patient's valid General Practitioner Registration Code was: 100% for admitted patient care (99.9% national); and 100% for outpatient care (99.8% national).

2gether NHS Foundation Trust has taken the following action to improve data quality building on its existing clinical data quality arrangements:

• During 2015/16 the Trust has continued to progress data quality improvement. Based on the work undertaken in previous years to provide automated reports, we have introduced a new early warning report for Senior Managers so they are alerted to any identified gaps;

• A successful series of "Masterclasses" have taken place across all areas of the Trust. These have focused on educating staff on how to enter the right data, at the right time and how to effectively manage data quality through the use and interpretation of data that is available to them;

• As a result of the Masterclass series, a review of the current data quality systems was initiated. This has led to the design of a more intuitive "Team Sites" platform that aims to bring many data sources together into one place to help teams manage their individual and team data

quality more effectively. This was trialed during Quarter Four and will be rolled out to all teams throughout 2016/17.

Information Governance Toolkit

Ensuring that patient data is held securely is essential, as such the Trust complies with the NHS requirements on Information Governance and assesses itself annually against the national standards set out in the Information Governance Toolkit which is available on the Health & Social Care Information Centre website:

http://systems.hscic.gov.uk/infogov

2gether NHS Foundation Trust Information Governance Assessment Report overall score for 2015/16 was 84% and was graded green. This is the same as in 2014/15

The Toolkit has been the focus of regular review throughout the year by the Information Governance and Health Records Committee, and the Information Governance Advisory Committee. In this year's assessment of 45 key indicators:

• **23** key indicators were at level 3;
• **21** key indicators were at level 2;
• **1** key indicator was deemed not relevant.

The Toolkit has been the subject of an audit by the Trust's Internal Auditor, which produced a classification of low risk.

The Trust's efforts will remain focussed on maintaining the current level of compliance during 2016/17 and ensuring that the relevant evidence is up to date and reflective of best practice as currently understood, and that good information governance is promoted and embedded in the Trust through the work of the Information Governance and Health Records Committee, the IG Advisory Committee and Trust managers and staff.

Clinical Coding Error Rate

2gether NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during 2015/2016 by the Audit Commission.

Part 3: Looking Back: A Review of Quality during 2015/16

Introduction

The 2015/16 quality priorities were agreed in May 2015 and published in last year's Quality Report, and can be accessed through the following link:

www.2gether.nhs.uk/files/Quality%20Report_2014_15.pdf

The quality priorities were grouped under the three areas of Effectiveness, User Experience and Safety.

The table below provides a summary of our progress against these individual priorities. Each are subsequently explained in more detail throughout Part 3.

Summary Report on Quality Measures for 2015/2016

		2014 - 2015	2015 - 2016
Effectiveness			
1.1	To increase the number of service users (all inpatients and all SMI/CPA service users in the community, inclusive of Early Intervention Service, Assertive Outreach and Recovery) with a LESTER tool intervention (a specialist cardio metabolic assessment tool) alongside increased access to physical health treatment	-	**Achieved**
1.2	To improve personalised discharge care planning in: a) Adult inpatient wards and; b) Older people's wards.	-	**Achieved**
1.3	To increase the number of vulnerable people who are able to access the IAPT service "Let's Talk" (Improving Access to Psychological Therapies).		**Achieved**
1.4	To develop a measureable data set to improve the experience of service users who make the transition from children and young people's services to adult services.	-	**Achieved**
User Experience			
2.1	Have you been offered a written or printed copy of your care plan? >72.5%	**72.5%**	**71%**
2.2	Do the people you see through NHS mental health services help you feel hopeful about the things that are important to you? >65%	65%	**86%**
2.3	In the last 12 months, did NHS mental health services give you any help or advice with finding support for physical health needs? >58%	58%	**79%**
2.4	Have you been given advice about taking part in local activities? >51%	51%	**81%**
Safety			
3.1	Reduce the numbers of deaths by suicide (pending inquest) of people in contact with services when comparing data from previous years.	**20**	**24**
3.2	Reduce the number of detained patients who are absent without leave (AWOL) when comparing data from previous years. Reported against 3 categories of AWOL as follows: 1. Absconded from an escort 2. Did not return from leave 3. Absconded from a ward	27 30 69 126 total	13 23 78 114 total
3.3	**95%** of adults will be followed up by our services within 48 hours of discharge from psychiatric inpatient care.	94%	**90%**

Effectiveness

In 2015/16 we remained committed to ensure that our services are as effective as possible for the people that we support. We set ourselves 4 targets against the goals of:

• Improving the physical health care for people with schizophrenia and other serious mental illnesses;

• Ensuring that people are discharged from hospital with personalised care plans;

• Ensuring appropriate access to psychological therapy;

• Improving transition processes for child and young people who move into adult mental health services.

Target 1.1 To increase the number of service users (all inpatients and all SMI/CPA service users in the community, inclusive of Early Intervention Service, Assertive Outreach and Recovery) with a LESTER tool intervention (a specialist cardio metabolic assessment tool) alongside increased access to physical health treatment

There is a long established association between physical comorbidity (the presence of multiple illnesses) and mental ill health. People with severe and enduring mental health conditions experience reduced life expectancy compared to the general population. People with Schizophrenia and Bipolar disorder die on average, 20 to 25 years earlier than the general population, largely because of physical health problems. These include coronary heart disease, diabetes, respiratory disease, greater levels of obesity and metabolic syndrome. In 2014/15 the Trust introduced the LESTER screening tool within the inpatient services, as part of the National Physical Health Commissioning for Quality and Innovation (CQUIN) payment framework.
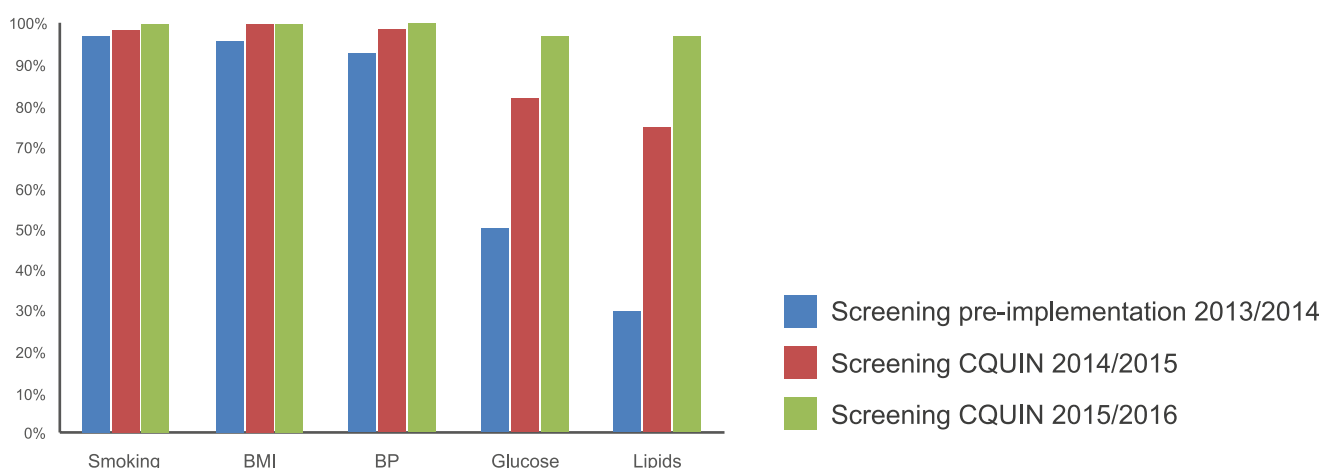
The LESTER tool is a way of identifying service users at risk of cardiovascular disease and to implement interventions to reduce any risk factors identified. Specific areas covered in the tool are, diabetes, high cholesterol, high blood pressure, increased body mass index, smoking, diet and exercise levels, and substance and alcohol misuse. The Trust was also involved in the NHS Improving Quality, as a national physical health pilot site. This was a 2 year project which focused on improving physical health outcomes for service users.

As part of the project the Trust submitted an audit of 100 patients to the College Centre for Quality Improvement. Results demonstrated that improvements were required for collecting blood lipids and blood glucose screening as part of delivery of the LESTER tool.

Figure 1 demonstrates continued improvements in these areas over the last two years, with small improvement in the areas already well screened.

In 2015/16 the National Physical Health CQUIN was repeated within the inpatient services and has been extended to include the Early Intervention teams, in Herefordshire and Gloucestershire. The inpatient services have been externally evaluated by the Royal College of Psychiatrists, based upon a sample of 100 patients who spent time as an inpatient within our Trust between the 1 August 2015 and 30 September 2015. This data was submitted in November 2015 and is being reviewed by the Royal College of Psychiatrists.

An audit of our Early Intervention teams has been undertaken in Quarter 4 and included all service users accepted onto the team caseload, as well as patients who have a Care Programme Approach review within the audit period. The data will be submitted to the Clinical Commissioning Group to be assessed locally.

Figure 1

Legend:
- Screening pre-implementation 2013/2014
- Screening CQUIN 2014/2015
- Screening CQUIN 2015/2016

(Categories: Smoking, BMI, BP, Glucose, Lipids)

In order to support this work a training programme for all inpatient areas and including the Early Intervention teams has been undertaken by the Physical Health Facilitator. This has been ward-based using a cascade methodology upon the needs of the ward areas.

The training department have designed a one day Physical Health course, designed to increase staff awareness of coronary heart disease, chronic obstructive pulmonary disease and diabetes and how these relate to the Lester Tool.

The LESTER tool is now embedded within the doctors Induction Programme. The training focuses on the role of the medical teams to support the LESTER tool.

All teams currently working with the LESTER tool have an allocated 'lead' professional who receives regular feedback regarding progress in implementing the LESTER tool. The ward lead professionals have played a key role in ensuring any advice is acted upon.

The National Physical Health CQUIN has only applied to service users with a diagnosis of psychosis. Within our inpatient services in order to widen the group of service users who receive the LESTER tool screening, all categories of the LESTER tool have been embedded within a nursing tool known as the Essence of Care.

This tool is completed for all service users within 72hrs of admission. The Essence of Care guides the clinician to identify 'high risk' areas, and then prompts clinician's to use the LESTER tool care plan interventions. Junior doctors' work with the nursing staff to open LESTER care plans if the service user is screened as high risk and to consider if a referral needs to be made to a specialist or GP.

The Physical Health Policy has been reviewed to include the LESTER tool. The policy aims to identify roles and responsibilities of each professional. A minimum standard introduced for all service users being offered Blood Glucose and Lipids screening on admission to inpatient services.

Working with community teams is ongoing. One of the Assertive Outreach Teams (AOT) have designed their own tools (based on the LESTER tool), utilising the skills of the Health and Exercise practitioner to provide lifestyle interventions. It is anticipated to roll out the learning from this AOT team to the other AOT teams across the Trust in time.

As part of the NHS Improving Quality pilot site project work which identified that screening for blood glucose and cholesterol needed to be improved. The Trust has worked with the Clinical Skills Department at Gloucester Royal Hospital to facilitate venepuncture training for wards and teams.

Within Recovery Teams, current caseload sizes would restrict the capacity of teams to complete a robust and sustainable physical health check. In the longer term, the option to expand to the highest risk patient groups, for example, patients accessing the clozapine clinic to be considered.

Work has been undertaken in community teams to standardise physical health equipment as a minimum. Work needs to progress further with teams as this would support the expansion of the LESTER tool in Community teams.

The Trust has introduced a new letter used by Consultants Psychiatrists at service user reviews within community teams. The letter has a set paragraph requesting the GP conduct a physical health check annually, to include all elements of the LESTER tool. With a request to share any findings with the Trust to inform care plans accordingly. The letters will be continued to be embedded into practice.

Documentation has been highlighted as an issue nationwide, in that physical health information (screening details and interventions offered) are currently documented in multiple locations within the Electronic Patient Record RiO. The Trust received access to 'open RiO' in May 2015 which enabled the Trust to make changes to the Electronic Patient Record. Work is underway to streamline where Physical Health information is recorded within the Electronic Patient Record RiO system. This will improve the way in which information can be audited and fed back to the clinicians.

A physical health intranet page is now available for all staff with a wide selection of information about the Lester tool, as well as recent Quality Improvement projects and audits.

Members of the Physical Health Clinical Expert Reference Group supported a physical health event hosted at Wotton Lawn in January 2016. The event was well attended by patients and staff. External providers included independence Trust, Stop Smoking Service, Slimming World, Sexual Health clinic and dentists. The Trust's Working Well and the Dietician were present.

The Trust has commented on the Department of Health improving the physical health and wellbeing of people with mental health problems actions for mental health nurses.

We have met this target.

Target 1.2 To improve personalised discharge care planning in: a) Adult inpatient wards and; b) Older people's wards.

Discharge from inpatient units to the community can pose a time of increased risk to service users. Throughout 2015/16 we will be focusing on making improvements to discharge care planning to ensure that service users are actively involved in shared decision making for their discharge and the self-management care planning process.

By the end of the year we aim to have established a robust model to include the following information:

1. Risk Management Care Plan (RMCP) to identify high risks which may be potential 'triggers' informing possible service user deterioration.

2. Documentation to detail appropriate intervention strategies to inform relapse/contingency/pre-crisis planning with inclusion of a named health care co-ordinator.

3. Documentation regarding the involvement or relevant other services in the discharge process.

4. Documentation to confirm printed copies of personalised care plan shared with service user, GP, inpatient (if transferred) or community mental health team, care home/nominated other/carer and GP.

It should be noted that the models differ between Herefordshire and Gloucestershire to reflect commissioning requirements.

During Quarter 1 a baseline audit was undertaken in both Gloucestershire and Herefordshire services to establish compliance against different models. The sample in Herefordshire included services users at Mortimer Ward, Stonebow Unit (adult inpatient ward) and Oak House (adult recovery unit) and used the Recovery Star as the basis for the model.

The sample in Gloucestershire included service users at comparable units; Priory Ward, Wotton Lawn Hospital (adult inpatient ward) and both Honeybourne and Laurel House (adult recovery units); the model used was the Trust's current Discharge from Inpatients Policy.

An audit cycle was then established for each county at differing intervals and the results are seen in the tables below.

The table below shows compliance in Herefordshire services against the audited Recovery Star model.

Service	Compliance Quarter 1 2015-2016	Compliance Quarter 2 2015-2016	Compliance Quarter 3 2015-2016	Compliance Quarter 4 2015-2016	Average compliance for year
Overall Compliance	73% (91/125)	68% 32/47)	N/A	83% (283/342)	75% (406/514)
Jenny Lind Ward	N/A	68% (32/47)	N/A	96% (54/56)	83% (86/103)
Mortimer Ward	52% (34/65)	N/A	N/A	79% (209/266)	73% (243/331)
Cantilupe*	N/A	N/A	N/A	N/A	N/A
Oak House	95% (57/60)	N/A	N/A	100% (20/20)	96% (77/80)

*No service users on Cantilupe Ward met the criteria for inclusion in the audit.

Within Herefordshire it was necessary to demonstrate the development of an adult personalised discharge care plan in as part of the CQUINS 2015-2016 for the Trust.

The Quarter 4 audit demonstrates an improvement over previous audits.

The discharge care plan was developed and improved upon over the course of 2015-16. Service users wanted a more concise and straight forward document to read and understand. By Quarter 4 a simplified document was developed that was positively received.

As a result of developing this care plan the Personal Safety Plan has been developed and incorporated into the Crisis, Relapse and Contingency Planning on RiO, reflecting the elements of the care plan created for the CQUIN.

Average compliance for the year for each ward will be used as the baseline to improve upon during 2016-17.

The table overleaf shows compliance in Gloucestershire services against the audited Discharge from Inpatients Policy.

Service	Compliance Quarter 1 2015-2016	Compliance Quarter 2 2015-2016	Compliance Quarter 3 2015-2016	Compliance Quarter 4 2015-2016	Average compliance for year
Overall Compliance	73% (138/189)	83% (1153/1385)	78% (1017/1298)	75% (712/950)	79% (2988/3774)
Chestnut Ward	N/A	86% (60/70)	91% (86/95)	84% (62/74)	87% (208/239)
Mulberry Ward	N/A	82% (183/224)	82% (70/85)	75% (83/110)	80% (336/419)
Willow Ward	N/A	77% (61/79)	59% (40/68)	59% (37/63)	66% (138/210)
Abbey Ward	N/A	87% (279/322)	86% (243/284)	72% (113/158)	83% (635/764)
Dean Ward	N/A	91% (218/240)	78% (258/330)	79% (169/215)	82% (645/785)
Greyfriars PICU	N/A	69% (43/62)	62% (31/50)	50% (13/26)	63% (87/138)
Kingsholm Ward	N/A	79% (110/139)	73% (112/153)	75% (55/73)	76% (277/365)
Priory Ward	75% (106/141)	81% (196/242)	77% (169/219)	80% (173/217)	79% (644/819)
Montpellier Unit	N/A	43% (3/7)	57% (8/14)	50% (7/14)	51% (18/35)
Honeybourne	64% (23/36)	N/A	N/A	N/A	64% (23/36)
Laurel House	75% (9/12)	N/A	N/A	N/A	75% (9/12)

In April 2015, discharge care planning was considered within Priory Ward, Honeybourne and Laurel House to ascertain compliance against the policy. Subsequent audits in following quarters looked at a wider sample of wards and inpatient settings to achieve the same aim. It should be noted that the findings from Quarter 1 to subsequent quarters looks at different samples and, as such, are difficult to directly compare.

Overall compliance from Quarter 1 to Quarter 4 increased by **2%** with the highest level of compliance being achieved in Quarter 2 (83%).

From Quarter 2 to Quarter 4 Discharge Care Planning was considered in all wards in Wotton Lawn Hospital and Charlton Lane. Overall compliance over this period decreased from **83%** to **75%**.

There were some notable areas where compliance was particularly high, these being completion of Risk Summaries, patient being discharged from bed and Nursing Discharge Summary letter being sent to the GP within 24 hours of discharge.

The findings of these audits are being reviewed by the hospital sites and action plans will be developed to ensure that there is an improvement in compliance in future audits.

Average compliance for the year for each ward will be used as the baseline to improve upon during 2016-17.

Whilst there is variable compliance with these standards at differing points in the year, the models have now been developed and established within the two counties, with associated action plans being developed

We have met this target.

Target 1.3 To increase the number of vulnerable people who are able to access the IAPT service "Let's Talk" (Improving Access to Psychological Therapies).

The Improving Access to Psychological Therapies (IAPT Service) in Herefordshire and Gloucestershire provides psychological treatments based on a Cognitive Behavioural Treatment model to patients experiencing anxiety and depression. Treatment includes provision of appropriate books and literature, telephone based interventions, courses and individual face to face therapy.

We wanted to increase the numbers of people access the service from defined vulnerable service user groups, and we have identified this people as follows:

• Parental mental health. (we have defined this as parents experiencing mental health problems,

with a particular emphasis in those in the perinatal period who are defined as at particular risk of mental health issues)

• Older people

• Carers

• People with literacy issues

• Veterans and their families

• People with long term conditions.

This target was a CQUIN for our IAPT service in Herefordshire, but the same approach was adopted in our Gloucestershire service.

The following tables show the numbers of people from within these groups at the end of the year. It is important to note that a service user may sit within more than one identified vulnerable group e.g. they may be veteran and have a long term condition.

Each service developed a detailed action plan for each cohort of service users which was implemented from December 2015.

Cohort	Herefordshire			
	Q1	Q2	Q3	Q4
Parental mental health	24	31	22	35
Older people	34	52	45	47
Carers	1	2	2	7
People with literacy issues	Not available*	8	5	5
Veterans and their families	18	20	7	3
People with long term conditions	121**	71	160	142

*This information was not currently flagged on IAPTus (the electronic system for recording service user care notes and related information for those accessing IAPT) during Quarter 1

** This figure has been adjusted from 334 as previously reported, as it has been established that some "double counting" of service user contacts was included in earlier reports.

It is seen that in Herefordshire at Quarter 1 there were **198** people in this cohort in contact with the service and at Quarter 4 this figure increased to **239**.

Cohort	Gloucestershire			
	Q1	**Q2**	**Q3**	**Q4**
Parental mental health	184	208	240	286
Older people	256	342	250	193
Carers	6	5	12	6
People with literacy issues	Not available	34	5	12
Veterans and their families	58	64	49	44
People with long term conditions	746	884	1106	1091

It is seen that in Gloucestershire at Quarter 1 there were **1250** people in this cohort in contact with the service and at Quarter 4 this figure increased to **1632**.

We have met this target.

Target 1.4 To develop a measureable data set to improve the experience of service users who make the transition from children and young people's services to adult services.

The period of transition from children and young people's services to adult mental health services is often daunting for both the young person involved and their family or carers. We want to ensure that this experience is as positive as it can be.

During 2014/15 there was a CQUIN for Herefordshire Child & Adolescent Mental Health Services (CAMHS) to capture and act upon feedback from young people. This identified a number of findings which has influenced practice within the county. The good practice findings included:

• Discussing transition with young people up to a year prior to their 18th birthday and documenting these discussions;

• Liaising with adult teams if transition to adult mental health services is indicated at approximately 6 prior to the transition period.

• Inviting adult teams to Care Programme Approach reviews 3-6 months prior to transition

• Identifying those young people with complex needs who need to follow the Herefordshire Transition Policy;

• Considering ways that the Children & Young Peoples - Improving Access to Psychological Therapy (CYP-IAPT) Participation Group can help reduce stigma;

• Using supervision to check that transition planning is taking place where required.

This information has been shared with Gloucestershire Children and Young Peoples Services (CYPS) to help inform ongoing service developments.

The numbers of young people in Herefordshire who transition to adult mental health services are still very small, but no service users refused a transition to adult mental health services where it was clinically indicated. To assist with process, an Adult Mental Health Team Psychologist provided support to young people undergoing transition to adult teams during Quarter 3, this was really beneficial and the team are considering how this can be continued in the future.

The Wellbeing Ambassadors (young people who are involved in CYP-IAPT Participation in Herefordshire) are actively working on reducing stigma and hosted a conference in October called 'Shout Out for Wellbeing'.

Within Gloucestershire CYPS, an initial data set was drafted in Quarter 1 to include the following quantitative information:

1. Completed transitions

2. Cases in transition

3. Did not attend (DNA) CYPS

4. Did not attend (DNA) Adult Services

Additionally, a further four criteria relating to lifestyle and self-management were also agreed:

1. Adherence to Care Plan

2. Engagement in Intervention

3. Compliance with Prescribed Medication

4. In Education or Employment/Not in Education, Employment or Training

This data set has subsequently been agreed for use in both counties, therefore the target has been met.

The "Your Transition Plan" was reviewed and ratified by the CYPS Children and Young People's Board on 23 July 2015. "Your Transition Plan" aims to ensure that the "voice" of the young person is clearly heard and documented along the transition of care pathway.

The plan is underpinned by best practice guidelines as well as the principles within the "Ready, Steady, Go" pathway model. The service is also in the process of creating a Top Tips sheet for clinical staff so that all areas are considered as transition planning begins.

Clinical practice was assessed and measured against policy for young people who have recently transitioned or are in the process of transitioning to adult mental health services. A gap analysis was completed through discussion with care co-ordinators and a review of RiO documentation.

Wider discussions with clinicians experienced in supporting young people through the transition (CYPS and adult mental health staff) have informed both the gap analysis and the action plan. A review of the Policy for the Transition of Care from Children & Young People Services to Adult Services is underway with contribution from both CYPS and Adult Mental Health services. Policy development will ensure/guide quality of collaborative transitions between CYPS and adult services.

Reference to transitions has been embedded into statutory & mandatory training which aims to raise awareness of the policy and process and a checklist/flowchart has been developed and implemented which guides process in line with policy. Both aim to ensure seamless and well planned transitions from CYPS to adult mental health services.

To further consider best practice both Herefordshire CAMHS and Gloucestershire CYPS are participating in the Milestone Project. This is a research study which looks at how to improve the transition process and experience for young people moving into adult mental health services in the United Kingdom and across Europe.

We have met this target.

User Experience

In this domain, we have set ourselves 1 goal of improving service user experience and carer experience with 4 associated targets.

• Improving the experience of service user in key areas. This was measured though defined survey questions for both people in the community and inpatients

Local surveys using the same questions have been implemented in our community and inpatient settings using a paper based survey method.

This has been across the Trust in both Gloucestershire and Herefordshire, and below are the cumulative responses to the returned service user questionnaires at year end.

A combined total percentage for both counties is provided for these questions to mirror the methodology used by the CQC Community Mental Health Survey, as this does not differentiate by county.

Target 2.1 Have you been offered a written or printed copy of your care plan? <73%

Questions	Treatment Setting	Sample size Glos	Number 'yes' Glos	Sample size Hereford	Number 'yes' Hereford	Total % giving 'yes' answer
Question 1 Have you been offered a written copy of your care plan or a letter about your care?	Inpatient	147	118	18	11	**71%**
	Community	250	170	147	100	
	Total Responses	397	288	165	111	

This target has not been met.

Target 2.2 Do the people you see through NHS mental health services help you feel hopeful about the things that are important to you? >65%

Questions	Treatment Setting	Sample size Glos	Number 'yes' Glos	Sample size Hereford	Number 'yes' Hereford	Total % giving 'yes' answer
Question 2 Does ²gether Trust staff help you to feel hopeful about things that are important?	Inpatient	138	110	12	12	**86%**
	Community	224	196	117	104	
	Total Responses	362	306	129	116	

This target has been met.

Target 2.3 In the last 12 months, did NHS mental health services give you any help or advice with finding support for physical health needs? >58%

Questions	Treatment Setting	Sample size Glos	Number 'yes' Glos	Sample size Hereford	Number 'yes' Hereford	Total % giving 'yes' answer
Question 3 Have you been given advice with finding support for any physical health needs that you may have?	Inpatient	57	51	14	9	79%
	Community	204	147	116	102	
	Total Responses	261	198	130	111	

This target has been met.

Target 2.4   Have you been given advice about taking part in local activities? >51%

Questions	Treatment Setting	Sample size Glos	Number 'yes' Glos	Sample size Hereford	Number 'yes' Hereford	Total % giving 'yes' answer
Question 4 Have you been given advice about taking part in activities that are important to you?	Inpatient	56	42	13	8	81%
	Community	213	167	133	121	
	Total Responses	269	209	146	129	

This target has been met.

Friends and Family Test

The Friends and Family Test question asks people to rate whether they would recommend the service should their friends or family require care.

The following six-point response scale is used to answer the question: Extremely likely, Likely, Neither likely nor unlikely, Unlikely, Extremely unlikely, Don't know

The standard way to report the findings is by calculating the percentage of people who state that they would either be 'Extremely Likely' or 'Likely' to recommend the services of the Trust. Findings are provided in the tables below to illustrate local results and comparisons with figures from other similar organisations.

²gether NHS Foundation Trust Friends and Family Test responses in Quarter 4 2015/16	Percentage likely to recommend ²gether's services in Q4 2015/16	Overall % scores for the Friends and Family Test for ²gether by quarter year in 2015/16
January 2016 **48 responses**	94%	
February 2016 **111 responses**	93%	
March 2016 **399 responses**	93%	
Total responses in Q4 2015/16 = 558	**93%**	

The results of the Friends and Family Test are reported routinely in ²gether's quarterly Service Experience report to the Board. During the year 2015/16 the data have consistently suggested that over 87% of people would recommend ²gether's services (above). Further work is being undertaken to enhance the experience of using ²gether's services.

²gether Trust Scores (in green) compared with national average for mental health trusts (in blue) for Friends and Family Test
(at time of writing no average scores had been published for February or March 16)
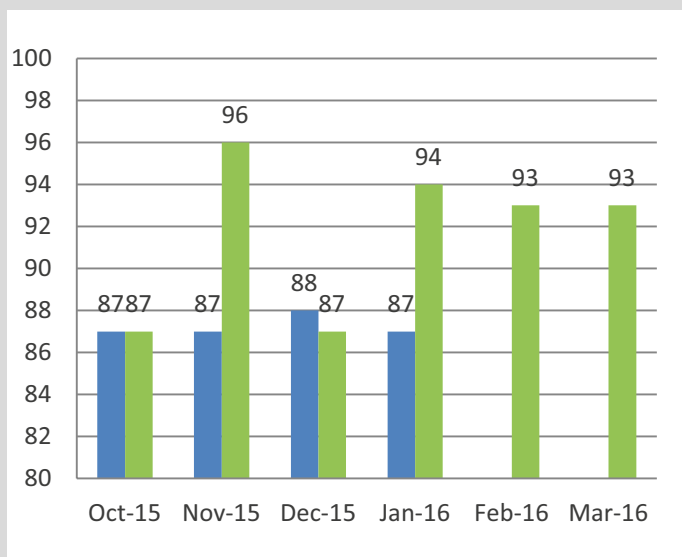
Complaints

Between 1 April 2015 and 31 March 2016 the Trust received 131 formal complaints, a reduction in actual number from the previous year.

However, Figure 2 below (numbers of complaints received as a percentage number of people seen over a three year period, by quarter year) provides a trend line suggesting that the numbers of complaints received has been relatively consistent in relation to the number of people seen over a period of three years.

Figure 2
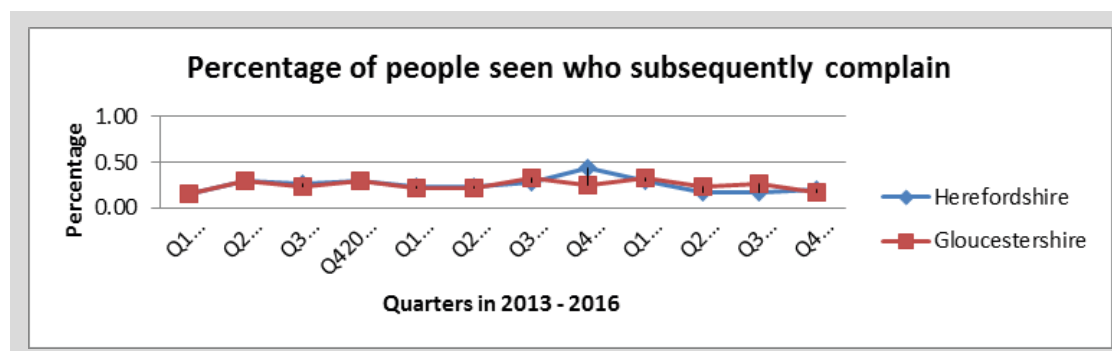
People who raise a new concerns or complaint about ²gether NHS Foundation Trust are contacted by our Service Experience Department. The aim of this is to clarify issues with people and to identify the outcomes being sought from the complaint. The complaint process is explained and the opportunities for informal resolution are also explored.

A continuous year on year improvement in written acknowledgement of complaints within the expected three day timeframe has been demonstrated. **99% (130)** of complaints were acknowledged within the three day time standard this year.

People are encouraged to seek an independent investigation of their complaint via the Parliamentary Health Services Ombudsman (PHSO) if they are not satisfied with the outcome of ²gether's investigation or if they feel that their concern remains unresolved.

This year the PHSO requested information about **11** complaints. The Ombudsman took **7** of these cases forward for review and investigation. This is the same number as last year and represents **5%** of complaints received overall in 2015/16.

3 of the cases referred this year and **1** referred the previous year have been closed following investigation by the PHSO. None of the cases referred to the PHSO were upheld.

On average the PHSO uphold a third of cases referred from organisations across the country.

Further development of ²gether's complaint process has included:

- Awareness raising activity with colleagues in clinical services to encourage the earliest possible response to complaints or concerns;

- Continued offer to meet with people who complain to seek local resolution;

- Advising people when delays in responses are expected and mitigating action to improve response times.

- Updating the Trust's Complaint Policy to reflect changes in practice and national guidance.

- Working with colleagues across the Trust to review and improve dissemination of learning from complaints to ensure service user feedback is considered and embedded in practice.

The quarterly Service Experience Report to the Trust Board outlines in detail the themes of complaints, the learning and the actions that have been taken. Learning from complaints, concerns, compliments and comments is essential to the continuous improvement of our services.

Safety

Protecting service users from further harm whilst they are in our care is a fundamental requirement.

We seek to ensure we assess the safety of those who use our services as well as providing a safe environment for service users, staff and everyone else that comes into contact with us. In this domain, we have set ourselves 3 goals to:

- Minimise the risk of suicide of people who use our services;

- Ensure the safety of people detained under the Mental Health Act;

- Ensure we follow people up when they leave our inpatient units within 48 hours to reduce risk of harm.

There are 3 associated targets.

Target 3.1 Reduce the numbers of deaths relating to identified risk factors of people in contact with services when compared data from previous years.

We aim to minimise the risk of suicide amongst those with mental disorders through systematic implementation of sound risk management principles. In 2013/14 we set ourselves a specific quality target for there to be fewer deaths by suicide of patients in contact with teams.

In that year we reported **22** suspected suicides, which was **4** more than in 2012/13 and did not meet the target. During 2014/15 we reported **20** suspected suicides which was lower than the previous year. This year we reported **24** suspected suicides, **4** more than last year, therefore we did not meet the target.

Figure 3
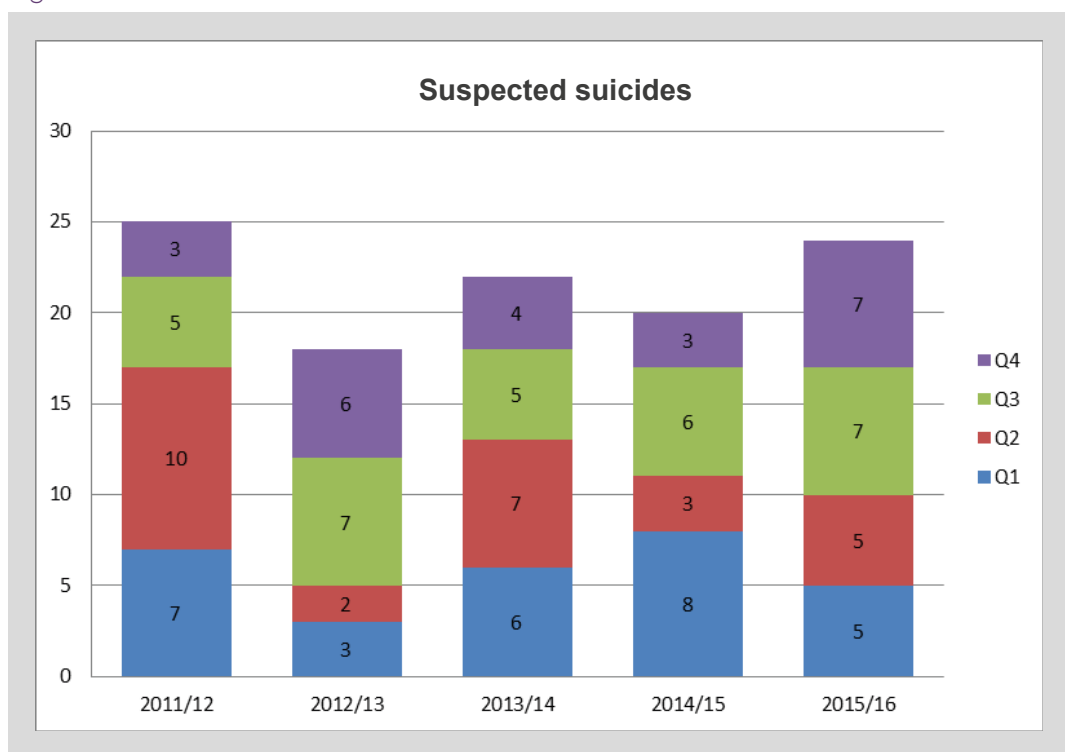
This information is provided in Figures 4 & 5 for both Gloucestershire and Herefordshire services separately. It is seen that greater numbers of suspected suicides are reported in Gloucestershire services. There is no clear indication of why the difference between the two counties is so marked, but it is noted that the population of people in contact with mental health services in Gloucestershire is greater, and the services in each county are configured differently to reflect individual commissioning requirements.

Figure 4

Suspected Suicides in Gloucestershire Services

Figure 5

Suspected Suicides in Herefordshire Services
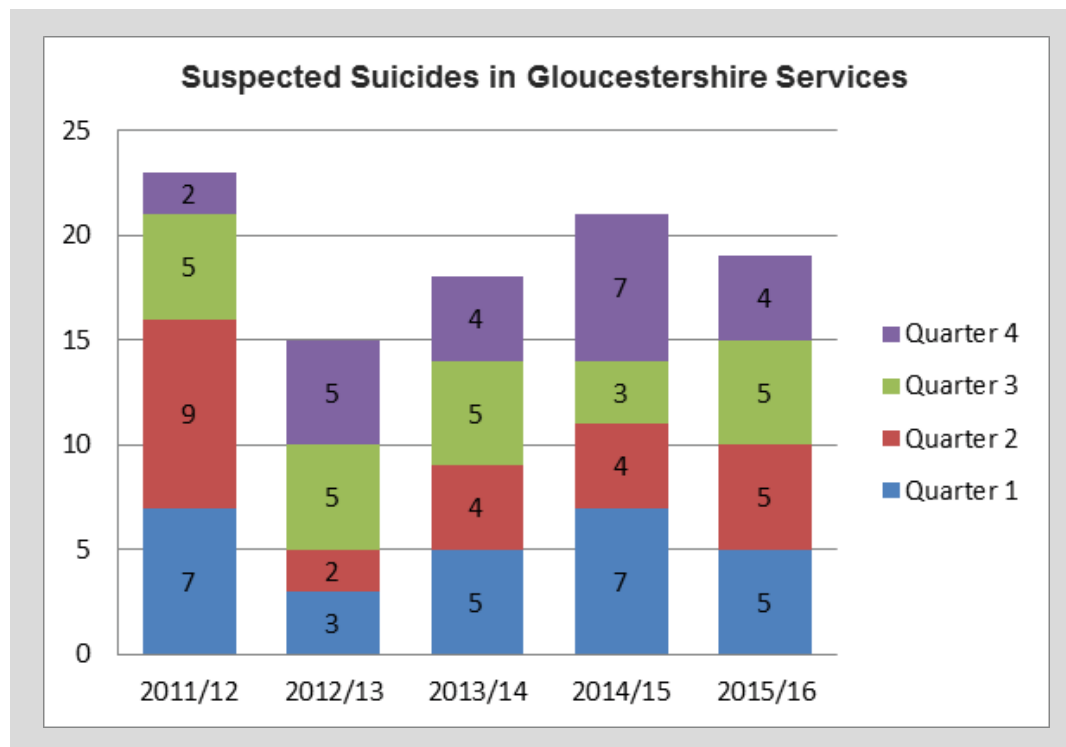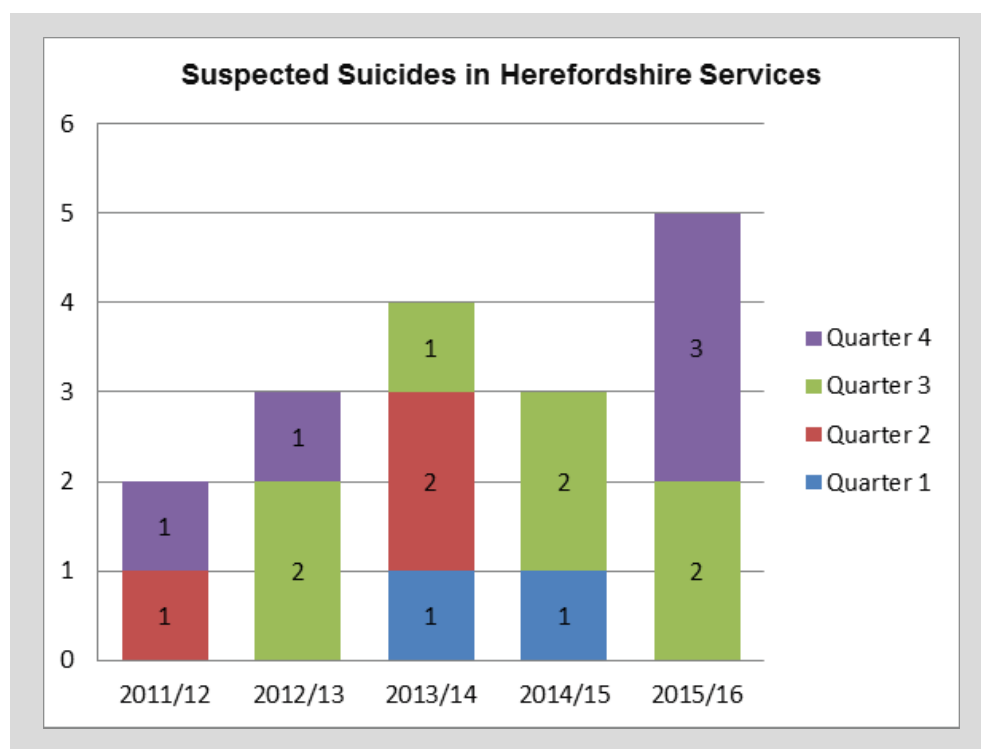
Whilst we report all deaths which appear to be as a consequence of self-harm as suspected suicide, ultimately it is the coroner who determines how a person came by their death. Figure 6 provides the number of suicide, open and narrative conclusions following an inquest being heard for the same cohort of service users.

The outcome of inquests for each county is subsequently provided in Figures 7 & 8.

Figure 6
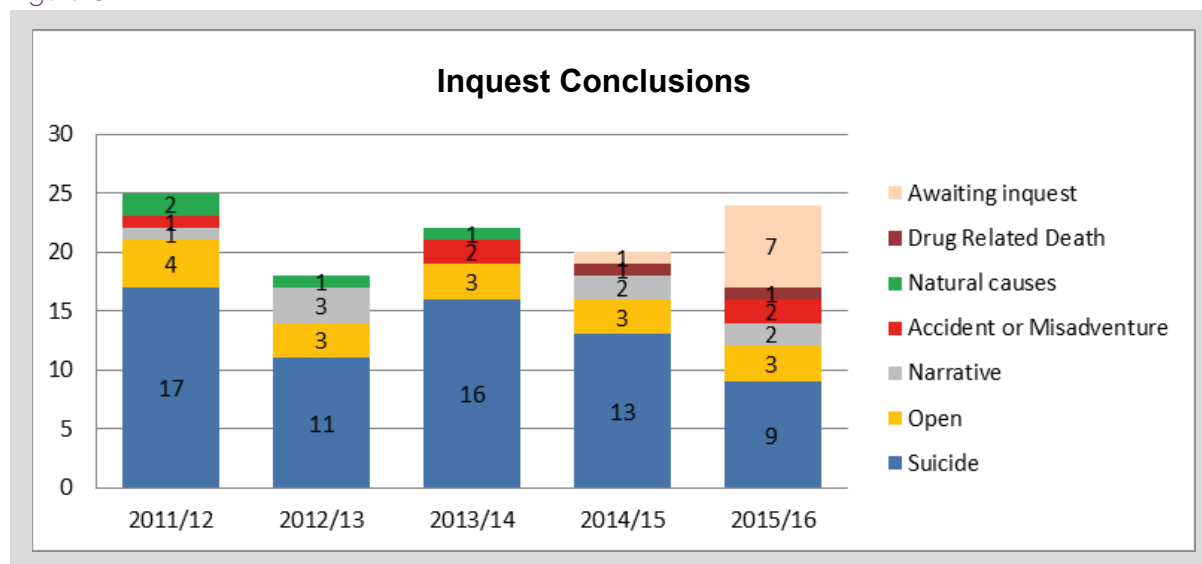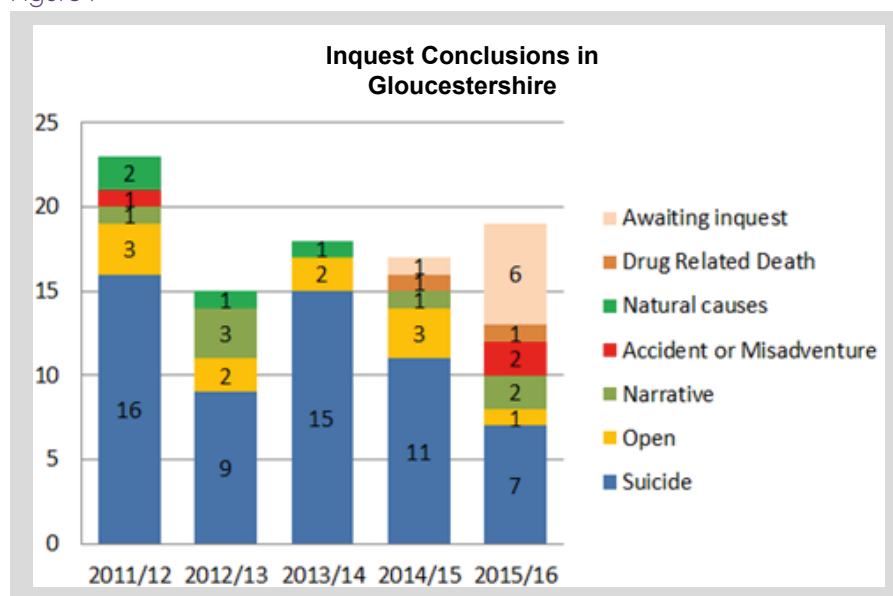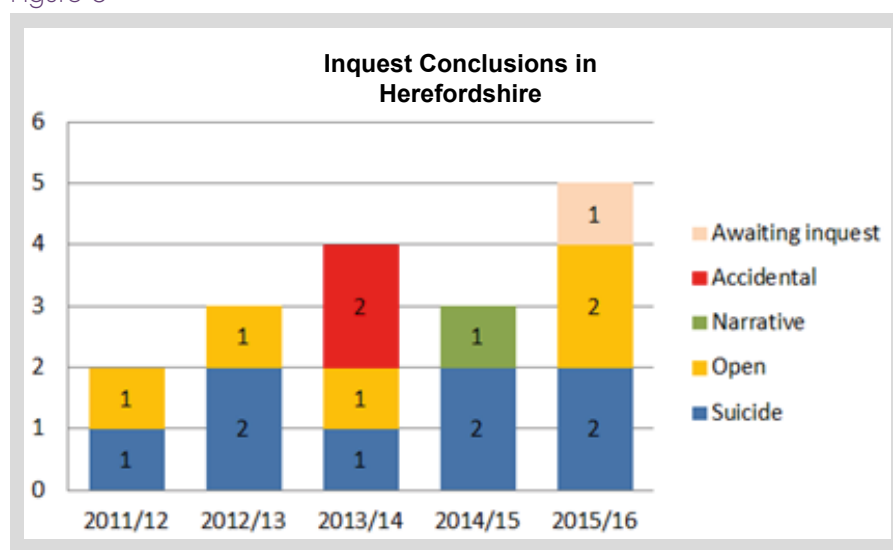
Inquest Conclusions

Figure 7

Inquest Conclusions in Gloucestershire

Figure 8

Inquest Conclusions in Herefordshire

The Trust is an active member of the Gloucestershire Suicide Prevention Partnership Forum (GSPPF). This Forum brings together key stakeholders in the county to develop and deliver a countywide suicide prevention strategy and action plan and contribute to reducing the stigma around suicide and self-harm.

We did not meet this target.

Target 3.2 Reduce the number of people who are absent without leave from inpatient units who are formally detained.

Much work has been done to understand the context in which detained service users are absent without leave (AWOL) via the NHS South of England Mental Health Patient Safety Improvement Programme. AWOL reporting includes those service users who:

1. Abscond from a ward;
2. Do not return from a period of agreed leave;
3. Abscond from an escort.

In previous years, the Quality Report has only reported on the total number of detained patients reported as being absent without leave, without providing a breakdown of each of the 3 categories above.

This year, we will focus on each of these 3 categories using the 2014/15 data as a baseline. The table below shows the past two years reported total incidents by quarter.

	2013/14	2014/15
Quarter 1	23	20
Quarter 2	25	39
Quarter 3	24	35
Quarter 4	38	32
Totals for year	110	126

Further analysis of the 2014/15 information by county against the 3 categories shows the following trend.

Herefordshire

	2014/15
Absconded from a ward	24
Did not return from leave	4
Absconded from an escort	11
Totals for year	39

Gloucestershire

	2014/15
Absconded from a ward	42
Did not return from leave	22
Absconded from an escort	10
Totals for year	74

Additionally, the system that we use to report incidents of AWOL, Datix, has the following incidents logged against "other place", "public place", "reception" and "service user's home address". It has not been possible to identify which county these incidents occurred in.

	2014/15
Absconded from a ward	3
Did not return from leave	4
Absconded from an escort	6
Totals for year	13

During 2015/16 the following 114 episodes of AWOL have been reported and, as such, the overall target has been met, but there has been an increase of 9 incidents where service users absconded from a ward. Therefore, we want to continue with this indicator as a quality priority during 2016/17.

Herefordshire

	Quarter 1 2015/16	Quarter 2 2015/16	Quarter 3 2015/16	Quarter 4 2015/16	Total 2015/16
Absconded from a ward	5	7	9	2	23
Did not return from leave	2	0	1	1	4
Absconded from an escort	1	0	1	2	4
Totals for year	8	7	11	5	31

Gloucestershire

	Quarter 1 2015/16	Quarter 2 2015/16	Quarter 3 2015/16	Quarter 4 2015/16	Total 2015/16
Absconded from a ward	4	13	19	19	55
Did not return from leave	2	9	6	2	19
Absconded from an escort	1	3	3	2	9
Totals for year	7	25	28	23	83

Regarding the category "Did not return from leave" the team on Mortimer Ward, Stonebow Unit in Hereford tested out, and now use "Leave Cards". These are credit card sized cards which are issued to service users at the time of agreeing periods of leave.

The leave arrangements are discussed with the service users together with the expectations of returning to the ward. These arrangements are documented on the back of leave card, explicitly showing the time due to return and a prompt to contact the ward team if unable to return by the agreed time. The hospital/ward contact numbers are provided on the other side of the cards also.

Since July 2015, the Abbey Ward team at Wotton Lawn Hospital in Gloucestershire have also been piloting "Leave Cards". Feedback from services users going on leave has been positive in that the cards are helpful.

Based on the pilot, it has recently been agreed that the Abbey Ward Leave Card will be reproduced for all wards at Wotton Lawn Hospital bar changing the ward name and relevant contact details for use. This is in development. The Abbey Ward Leave Card is seen below.

Interventions that have not been measured but that may impact on reducing AWOL through increased engagement are the Safewards Interventions. At Wotton Lawn Hospital and the Stonebow Unit, staff and service users, have chosen a selection of interventions for implementation to make inpatient areas more peaceful places, improve engagement, enhance relationships, and increase safety. On visiting the wards, these interventions are visually evident and both staff and services users are positive regarding their implementation.

Staying true to the Safewards model is very important in terms of being able to evaluate in time and this is not quantifiable as numerical measurement. More information can be found at:

www.safewards.net

Overall we have met this target but seen a small increase in the numbers of service users who has absconded from ward. This will, therefore, remain a quality priority during 2016/17.

Target 3.3 95% of adults will be followed up by our services within 48 hours of discharge from psychiatric inpatient care

This is a local target and one which we first established as a quality target in 2012/13. The national target is that 95% of CPA service users receive follow up within seven days[4].

Discharge from inpatient units to community settings can pose a time of increased risk of self-harm for service users. The National Confidential Inquiry into Suicides and Homicides[5] recommended that '*All discharged service users who have severe mental illness or a recent (less than three months) history of self-harm should be followed up within one week.'*

One of the particular requirements for preventing suicide among people suffering severe mental illness is to ensure that follow up of those discharged from inpatient care is treated as a priority and that care plans include follow up on discharge. Although the national target for following up service users on CPA is within seven days, in recognition that people may be at their most vulnerable within the first 48 hours, we aim to follow up 95% of people within these two days. This has been an organisational target for two years, and the cumulative figures for each year end are seen in the table below.

In 2014/15 Herefordshire services followed up **92%** (**21** breaches) of people discharged from inpatient care and Gloucestershire services have followed up **95%** (**44** breaches), this gave an organisational compliance figure of **94%**.

During 2015/16 we have taken the opportunity to review our practices and policies associated with both our seven day and 48 hour follow up of patients discharged from our inpatient services.

Whilst the adjustments we have undertaken have strengthened the patient safety aspects of our follow up contacts, introducing these changes have led to an impact on our in year performance, in comparison to our previous year's performance against these performance standards. In the case of our 48 hour local stretch target, our in year organisational performance has fallen to **90%** which is below our stretch target.

[4] Detailed requirements for quality reports 2014/15: Monitor, February 2015
[5] Five year report of National Confidential Inquiry into Suicide and Homicide by people with mental illness Department of Health – 2001

We are confident that the practice changes we have introduced have strengthened the patient safety aspects of this measure and that our future years performance in both our seven day and 48 hour follow ups will return to being well above the national performance requirement and our local stretch target as in previous years.

Therefore, at the end of 2015/16 our Herefordshire services followed up **91%** (**25** breaches) of people discharged from inpatient care and Gloucestershire services have followed up **90%** (**83** breaches). As we have not met this important target we will continue with this as a quality priority during 2016/17.

	Target	2012/13	2013/14	2014/15	2015/16
Gloucestershire Services	>95%	89%	95%	95%	90%
Herefordshire Services	>95%	70%	95%	92%	91%

We did not meet this target.

Serious Incidents reported during 2015/16

At the end of 2015/16, 45 serious incidents were reported by the Trust, and the types of incidents reported are seen in Figure 9. However, 2 incidents were subsequently declassified as serious incidents bring the actual total to 43.

Figure 10 shows a five year comparison of reported serious incidents. The most frequently reported serious incidents are "suspected suicide" and attempted suicide which is why we will continue into 2016/17 with a target to reduce suicide of people in contact with services.

All serious incidents are investigated by a senior member of staff who has been trained in root cause analysis techniques. Wherever possible, we include service users and their families/carers in this process to ensure their perspective is taken into account, and we provide feedback to them on conclusion of an investigation. We also share copies of our trust investigation reports regarding "suspected suicides" with the Coroners in both Herefordshire and Gloucestershire to assist with the Coronial investigations.

There have been no Department of Health defined "Never Events" within the Trust during 2015/16. Never Events are serious, largely preventable patient safety incidents that should not occur if the available preventative measures have been implemented.

Figure 9 - Serious Incident by Type 2015 -2016

24	Suspected suicides
5	Falls leading to a fracture
7	Attempted suicides
1	Arson
1	Grade 3 Pressure Ulcer
1	Unexpected death
2	Declassified
1	Assault
1	Near miss
1	Self-harm
1	Attempted murder
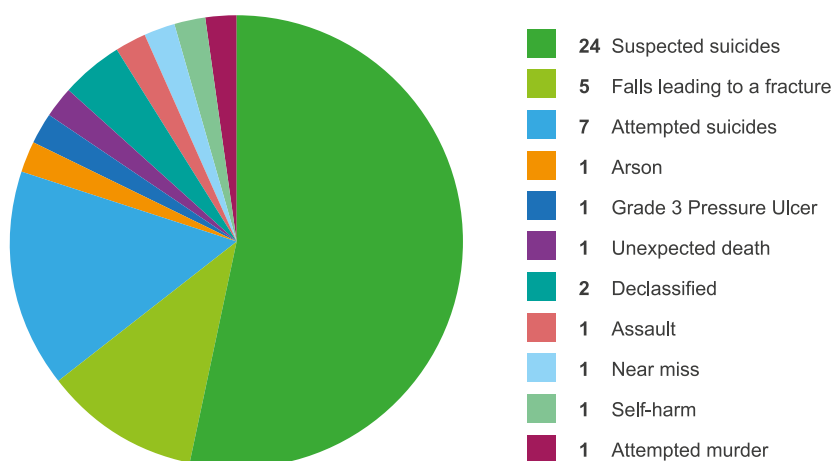
Figure 10 - Serious Incident by Type 2011-2016

Serious Incidents by Type 2011- 2016
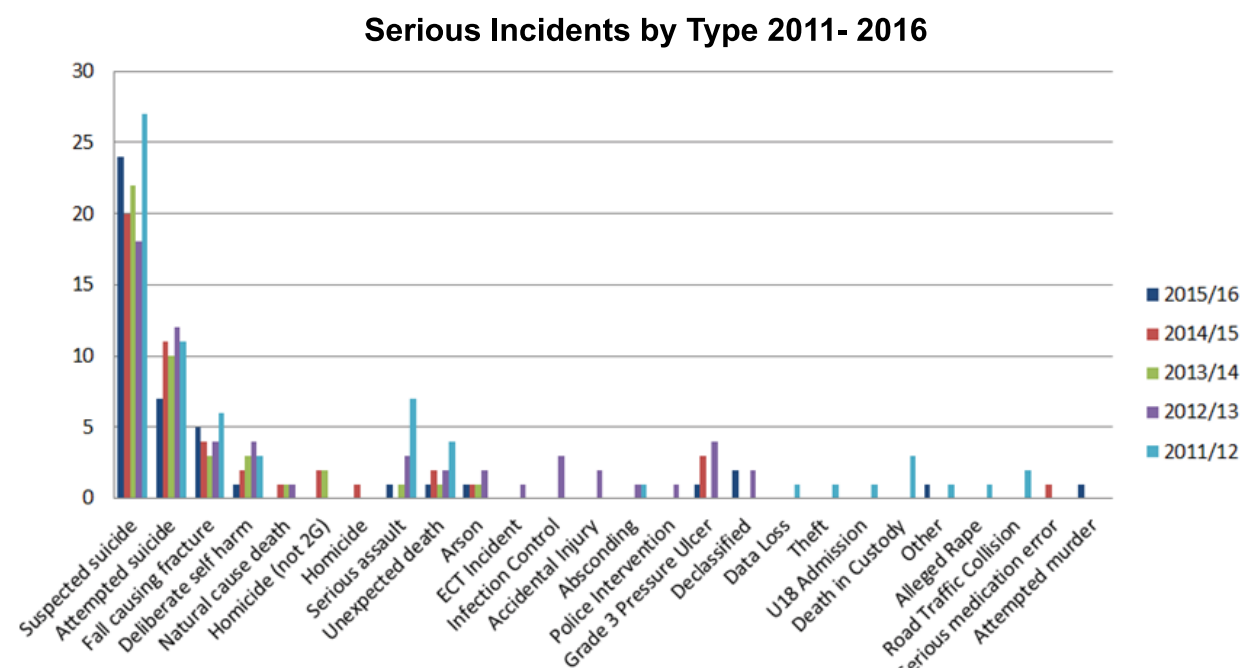
Duty of Candour

The Duty of Candour is a statutory regulation to ensure that providers of healthcare are open and honest with services users when things go wrong with their care and treatment.

The Duty of Candour was one of the recommendations made by Robert Francis to help ensure that NHS organisations report and investigate incidents (that have led to moderate harm or death) properly and ensure that service users are told about this.

The Duty of Candour is considered in all our serious incident investigations, and as indicated in our section above regarding serious incidents, we include service users and their families/carers in this process to ensure their perspective is taken into account, and we provide feedback to them on conclusion of an investigation.

Additionally, we review all reported incidents in our Datix System (incident reporting system) to ensure that any incidents of moderate harm or death are identified and appropriately investigated.

To support staff in understanding the Duty of Candour, we have provided training sessions through our Quality Forums and given all staff leaflets regarding this. There is also a poster regarding this on every staff notice board.

During the CQC comprehensive inspection of our services, they reviewed how the Duty of Candour was being implemented in across the Trust and provided the following comments in their report dated 27 January 2016.

"Staff across the trust understood the importance of being candid when things went wrong including the need to explain errors, apologise to patients and to keep patients informed."

"We saw how duty of candour considerations had been incorporated into relevant processes such as the serious investigation framework and complaints procedures. Staff across the trust were aware of the duty of candour requirements in relation to their role."

Sign up to Safety Campaign – Listen, Learn and Act (SUP2S)

²gether NHS Foundation Trust signed up to this campaign from the outset and was one of the first 12 organisations to do so.

Within the Trust the campaign is being used as an umbrella under which to sit all patient safety initiatives such as the South of England Improving Patient Safety and Quality in Mental Health Collaborative, the NHS Safety Thermometer, Safewards interventions and the Reducing Physical Interventions project.

Participation in SUP2S webinars has occurred, and webinar recordings are shared with colleagues.

A Safety Improvement Plan has been developed, submitted and approved. Monitoring of progress as a whole is completed every six months via the Trust Governance Committee, but each work stream has its own regular forum and reporting mechanisms.

Indicators & Thresholds for 2015/2016

The following table shows the ten metrics that were monitored during 2015/16. These are the indicators and thresholds from Monitor and follow the standard Department of Health national definitions. Note that some are also the Trust Quality targets, and some may have more stretching targets than Monitor require as a threshold.

		2013-2014 Actual	2014-2015 Actual	National Threshold	2015-2016 Actual
1	Clostridium Difficile objective	1	3	0	0
2	MRSA bacteraemia objective	0	0	0	0
3	7 day CPA follow-up after discharge	99.1%	97.73%	95%	95.63%
4	CPA formal review within 12 months	96.4%	97.1%	95%	99.35%
5	Delayed transfer of care	0.12%	0.06%	≤7.5%	1.02%
6	Admissions gate kept by Crisis resolution/home treatment services	99.1%	99.57%	95%	99.74%
7	Serving new psychosis cases by early intervention teams	100%	100%	50	63.56%
8	MHMDS data completeness: identifiers	99.7%	99.71%	97%	99.57%
9	MHMDS data completeness: CPA outcomes	80.6%	97.06%	50%	97.42%
10	Learning Disability – six criteria	6	6	6	6

Mandated Quality Indicators 2014-2015

There are a number of mandated Quality Indicators which organisations providing mental health services are required to report on, and these are detailed below. The comparisons with the national average and both the lowest and highest performing trusts are benchmarked against other mental health service providers.

1. Percentage of patients on CPA who were followed up within 7 days after discharge from psychiatric inpatient care

	Quarter 4 2014-15	Quarter 1 2015-16	Quarter 2 2015-16	Quarter 3 2015-16	Quarter 4* 2015-16
²gether NHS Foundation Trust	97.3%	98.4%	97%	99.3%	95.20%
National Average	97.2%	97%	96.8%	97.3%	97.2%
Lowest Trust	93.1%	88.8%	83.4%	90%	93.1%
Highest Trust	100%	100%	100%	100%	100%

²gether NHS Foundation Trust considers that this data is as described for the following reasons:

• During 2015/16 we have taken the opportunity to review our practices and policies associated with both our seven day and 48 hour follow up of patients discharged from our inpatient services. Whilst the adjustments we have undertaken have strengthened the patient safety aspects of our follow up contacts, introducing these changes have led to an impact on our in year performance, in comparison to our previous year's performance against these performance standards. Our seven day performance has fallen to just over 95% in Gloucestershire and just over 96% in Herefordshire which are lower than our previous year's performance, but still above the national performance requirement of 95 %. We are confident that the practice changes we have introduced have strengthened the patient safety aspects of this measure and that our future years performance in both our 7 day and 48 hour follow ups will return to being well above the national performance requirement and our local stretch target as in previous years.

²gether NHS Foundation Trust has taken the following action to improve this percentage, and so the quality of its services, by:

• Clearly documenting follow up arrangements from Day 1 post discharge in RiO;

• Ensuring that service users are followed up within 48 hours of discharge from an inpatient unit whenever possible.

2. Proportion of admissions to psychiatric inpatient care that were gate kept by Crisis Teams

	Quarter 4 2014-15	Quarter 1 2015-16	Quarter 2 2015-16	Quarter 3 2015-16	Quarter 4* 2015-16
²gether NHS Foundation Trust	100%	99.5%	98.6%	100%	100%
National Average	98.1%	96.3%	97%	97.9%	98.1%
Lowest Trust	59.5%	18.3%	48.5%	73%	59.5%
Highest Trust	100%	100%	100%	100%	100%

* Activity published on NHS England website via the NHS IC Portal is revised throughout the year following data quality checks. Activity shown for Quarter 4 2015/16 has not yet been revised and may change.

²gether NHS Foundation Trust considers that this data is as described for the following reasons:

• Staff respond to individual service user need and help to support them at home wherever possible unless admission is clearly indicated;

• During 2015/16, crisis teams also gate kept admissions to older people's services beds within Gloucestershire.

²gether NHS Foundation Trust has taken the following action to improve this percentage, and so the quality of its services, by:

• Continuing to remind clinicians who input information into the clinical system (RiO) to complete the 'Method of Admission' field with the appropriate option when admissions are made via the Crisis Team;

• Continuing to remind clinicians who input information into RiO to ensure that all clinical interventions are recorded appropriately in RiO within the client diary.

3. The percentage of patients aged 0-15 & 16 and over, readmitted to hospital, which forms part of the Trust, within 28 days of being discharged from a hospital which forms part of the trust, during the reporting period

	Quarter 1 2015-16	Quarter 2 2015-16	Quarter 3 2015-16	Quarter 4 2015-16
²gether NHS Foundation Trust 0-15	0%	0%	0%	0%
²gether NHS Foundation Trust 16 +	10%	7%	10%	6%
National Average	Not available	Not available	Not available	Not available
Lowest Trust	Not available	Not available	Not available	Not available
Highest Trust	Not available	Not available	Not available	Not available

²gether NHS Foundation Trust considers that this data is as described for the following reasons:

• The Trust does not have child and adolescent inpatient beds;
• Service users with serious mental illness are readmitted hospital to maximize their safety and promote recovery;
• Service users on Community Treatment Orders (CTOs) can recalled to hospital if there is deterioration in their presentation.

²gether NHS Foundation Trust has taken the following action to improve this percentage, and so the quality of its services, by:

• Continuing to promote a recovery model for people in contact with services;
• Supporting people at home wherever possible by the Crisis Resolution and Home Treatment Teams.

4. The percentage of staff employed by, or under contract to, the Trust during the reporting period who would recommend the Trust as a provider of care to their family or friends

	NHS Staff Survey 2012	NHS Staff Survey 2013	NHS Staff Survey 2014	NHS Staff Survey 2015
²gether NHS Foundation Trust Score	3.19	3.46	3.61	3.75
National Median Score	3.54	3.55	3.57	3.63
Lowest Trust Score	3.06	3.01	3.01	3.11
Highest Trust Score	4.06	4.04	4.15	4.04

²gether NHS Foundation Trust considers that this data is as described for the following reasons:

• The National Staff Survey does not report directly on this question but does report on 'Staff recommendation of the trust as a place to work or receive treatment'. This key finding is derived from the responses to three linked questions relating to care of patients, recommending the organization as a place to work and being happy with the standard of care provided by the organisation. The response to the component questions was more positive in 2015 than in the previous three surveys indicating increasing satisfaction with the trust as a place to receive treatment and to work as perceived by staff. The 2015 survey also shows the trust score continues to move ahead of the median score for other like-type trusts;

• The National Staff Survey results continues to be complemented by the introduction of the Staff Friends and Family Test that has now been in operation since April 2014 giving staff the opportunity to voice their opinion on the trust as an employer and provider of care, confidentially in three questionnaires during the year. In the most recent survey held in March 2016, 85% of respondents said they would be likely or extremely likely to recommend the trust to friends and family as a place to receive care or treatment;

• The staff survey showed an increase in the percentage of staff feeling satisfied with the quality of work and patient care they are able to deliver;

• Staff have reported an increase in the level of motivation at work. Whilst the improved level of staff satisfaction is encouraging, the trust is very careful to also take note of feedback from colleagues who are less satisfied and where possible to address these concerns.

²gether NHS Foundation Trust has taken the following actions to improve this score and so the quality of its services, by:

• Administering the National Staff Survey entirely online in 2015 in response to staff feedback;

• Publicising the Staff Friends and Family Test results widely in each quarter (excluding Quarter 3 which corresponds with the National Staff Survey). This has continued to prove to be a popular medium for staff to feedback how they perceive the trust as an employer and provider of care. Close monitoring of feedback from these regular surveys highlight areas where not only improvements can be made but also to celebrate success;

- Using the Trust's intranet, known as [2]getherNet to provide a more accessible resource for staff. This is the main method of communication throughout the Trust and development continues with feedback from staff. Work is continuing to ensure easy access to information relating to support available for the health and wellbeing of staff and of a range of benefits available locally for colleagues;

- Increasing the visibility of senior managers including a regular programme of site visits by Executive and Non-Executive Directors.

5. "Patient experience of community mental health services" indicator score with regard to a patient's experience of contact with a health or social care worker during the reporting period.

	NHS Community Mental Health Survey 2012	NHS Community Mental Health Survey 2013	NHS Community Mental Health Survey 2014	NHS Community Mental Health Survey 2015
[2]gether NHS Foundation Trust Score	8.4	8.7	8.2	7.9
National Average Score	Not available	Not available	Not available	Not available
Lowest Score	8.2	8.0	7.3	6.8
Highest Score	9.1	9.0	8.4	8.2

[2]gether NHS Foundation Trust considers that this data is as described for the following reasons:

- The survey results for this set of questions are broadly similar to the previous three years when compared with the national scores. In fact, in relation to previous years, [2]gether's scores are nearer the higher scores nationally. There is still work to do to enhance service experience and some of the actions being taken are reflected in the points below.

[2]gether NHS Foundation Trust has taken the following actions to improve this score and so the quality of its services, by:

- Ensuring that people are involved in the development and review of their plan of care including decisions about their medication

- Understanding people's individual interests and circumstances beyond health care

- Signposting and supporting individuals to other agencies for social engagement

- Ensuring that service users are provided with information about who can be contacted out of office hours should they need support in a crisis

- Providing information about getting support from people who have experience of similar mental health needs

6. The number and rate* of patient safety incidents reported within the Trust during the reporting period and the number and percentage of such patient safety incidents that resulted in severe harm or death.

	1 October 2014 – 31 March 2015				1 April 2015 – 30 September 2015			
	Number	Rate	Severe	Death	Number	Rate*	Severe	Death
[2]gether NHS Foundation Trust	1,309	34.58	0	8	1,464	39.61	1	6
National	135,995	-	500	941	144,850	-	492	992
Lowest Trust	4	4.83	0	0	8	6.46	0	0
Highest Trust	5,852	92.53	122	74	6,723	83.72	74	95

* Rate is the number of incidents reported per 1000 bed days.

²gether NHS Foundation Trust considers that this data is as described for the following reasons:

• NRLS data is published six months in arrears; therefore data below for severe harm and death will not correspond with the serious incident information shown in the Quality Report;

• The Trust is in the highest 25% of reporters and it is believed that organisations that report more incidents usually have a better and more effective safety culture.

²gether NHS Foundation Trust has taken the following action to improve this rate, and so the quality of its services, by:

• Re-auditing its Incident Reporting Systems (DATIX) to improve the processes in place for the timely review, approval of, and response to reported patient safety incidents.

• Appointing a Datix Systems Manager, upgrading the Trust's DATIX system and making the Incident Reporting Form more "user friendly";

• Setting up a DATIX User Group.

Community Survey 2015

The CQC published results of an independent survey taken in 2015 that tested the experience of service users who use ²gether's community services. The published results compare ratings about ²gether's services with the results of other mental health trusts.

²gether NHS Foundation Trust received one of the highest percentage response rate in the country to the questionnaire at 38% returned. Full details of this survey questions and results can be found on the CQC website:

www.cqc.org.uk/provider/RTQ/survey/6

No significant differences were noted between the results for Herefordshire and Gloucestershire. Across most of the ten domains in the survey our scores were reported as 'About the Same' as other trusts. The results are tabulated below together with the scores out of 10 for ²gether calculated by the CQC.

²gether's scores compared with scores of other trusts

Score (out of 10)	Domain of questions	How the score relates to other trusts
7.9	Health and Social Care workers	Same as others
8.6	Organising Care	Same as ot hers
7.1	Planning care	Same as others
7.7	Reviewing Care	Same as others
6.7	Changes in who people see	Same as others
6.4	Crisis care	Same as others
7.6	Treatment	Same as others
5.6	Other aspects of life	Same as others
7.6	Overall view of care and services	Same as others
7.1	Overall	Same as others

In one out of the **33** evaluative questions, ²gether received particularly favourable results *compared with* other Trusts rated in the CQC Survey. This was Q5: Did the person or people that you saw listen carefully to you?

The results have been considered further for areas where improvements could be made. These include:

1. Increased emphasis to involve people in care planning meetings and decisions about their medications

2. Understanding people's individual interests and circumstances

3. Signposting and supporting individuals to other agencies for social engagement

4. Further work to ensure that service users are provided with information about contact points and out of office hours if they need support in a crisis.

5. Providing information and support from people with lived experience through the Recovery College Model

The Trust has also produced an infographic summarising the key messages from the CQC Survey:

National Mental Health Community Patient Survey Results 2015
Gloucestershire and Herefordshire

2gether NHS Foundation Trust — NHS

55 NHS trusts in England

850 people sent the survey

323 people returned the survey

18 years plus

29% National response rate

39% Trust response rate — The highest nationally

33 questions → **10** domains → **2gether's results:**
10 domains 'About the Same'
1 of 33 question areas 'Better than other Trusts'

Results of 10 domains

Each domain compared to other trusts
😊 Better 🙂 About the same ☹ Below

Domain	Score	
Health and social care workers	7.9/10	🙂
Organising care	8.6/10	🙂
Planning care	7.1/10	🙂
Reviewing Care	7.7/10	🙂
Changes in who people see	6.7/10	🙂
Crisis care	6.4/10	🙂
Treatments	7.6/10	🙂
Other areas of life	5.6/10	🙂
Overall views of care and services	7.6/10	🙂
Overall experience	7.1/10	🙂

Highlighted nationally as amongst the highest trusts rated:
• Listening carefully to our service users
• Knowing how to contact a care worker if concerned about care
• Checking if service users were getting along with their medication
• Providing help or advice in finding or keeping work
• Involving family as much as a service user would like
• Treating service users with respect and dignity

Areas for further focus:
• Involving service users in care planning meetings and decisions about medicines
• Understanding an individual's interests and circumstances
• Signposting and supporting individuals to other agencies for social engagement
• Supporting care in a crisis situation
• Providing information and support from people with lived experience through the Recovery College model

Results of 33 questions

Each domain includes a number of questions. These are each compared to other trusts using this key:
😊 Better 🙂 About the same ☹ Below

Question	Score	
Health and social care workers	7.9/10	🙂
Listen carefully	8.5/10	😊
Enough time to discuss needs	7.8/10	🙂
Understand how mental health affects life	7.4/10	🙂
Organising Care	8.6/10	🙂
Kept informed of who organises care	7.7/10	🙂
Able to contact Care Co-ordinator	9.7/10	🙂
Care organised well	8.3/10	🙂
Planning care	7.1/10	🙂
Agreeing the care received	8.2/10	🙂
Involvement in care planning	7.2/10	🙂
Personal circumstances considered	7.7/10	🙂

Question	Score	
Reviewing care	7.7/10	🙂
Discussed how care is working	7.7/10	🙂
Involvement in care review	7.7/10	🙂
Decisions made together	7.7/10	🙂
Changes in who people see	6.7/10	🙂
Continuity of care	7.2/10	🙂
Knowing who was in charge of care	6.3/10	🙂
Crisis care	6.4/10	🙂
Know who to contact out of hours	7.0/10	🙂
Support during a crisis	5.7/10	🙂
Treatment	7.6/10	🙂
Involved in decisions	6.6/10	🙂
Understandable medicines information	7.1/10	🙂
Medicines reviewed	8.5/10	🙂
Involved in deciding therapies to use	7.8/10	🙂

Question	Score	
Other areas of life	5.6/10	🙂
Help finding physical health needs support	5.4/10	🙂
Help finding financial advice/benefits support	5.3/10	🙂
Help finding or keeping work	5.3/10	🙂
Help finding or keeping accommodation	5.2/10	🙂
Support to take part in local activities	4.1/10	🙂
Involving family or friends	7.2/10	🙂
Information about support from others with similar experiences	3.7/10	🙂
Understanding what is important to them	6.6/10	🙂
Help to achieve what is important to the service user	6.6/10	🙂
Helping them feel hopeful about what is important to the service user	6.3/10	🙂
Overall view and experience of services	7.6/10	🙂
Enough contact with services	6.7/10	🙂
Overall good experience of services	7.1/10	🙂
Treated with respect and dignity	8.5/10	🙂

Staff Survey 2015

Each year the Trust participates in the National NHS Staff Survey. This important survey provides an opportunity to understand in some depth how staff view the Trust as an employer, based on the staff pledges outlined in the NHS Constitution.

For the 2015 survey, a number of changes were made including increasing the number of Key Findings from 29 to 32. This meant that for some findings there was no direct comparison with the previous year. In all cases however, the Trust was able to compare its findings with other Mental Health/Learning Disability Trusts.

Although the Trust's response rate was lower than anticipated at 40%, the results have been very encouraging. It is also worth noting that the 2015 survey was conducted exclusively online for the first time by the Trust in response to feedback from staff.

Overall staff engagement has increased. This result is ascertained from the results of three Key Findings (KF) that include:

• KF1 -Staff recommendation of the Trust as a place to work or receive treatment;
• KF4 - motivation at work;
• KF7- Staff ability to contribute towards improvements at work.

This is better than average when compared with other Mental Health and Learning Disability Trusts.

The 2015 survey showed that the Trust was rated as better than average in 18 of the Key Findings, average in 13 and worse than average in only one Key Finding. This compares very favourably with the previous year when the Trust was viewed as average, or better than average in 19 Key Findings and worse than average in 10.

It has also been very encouraging to see that staff have reported significant improvement in three key areas of their work experience, being:

• KF4 - Staff motivation at work;
• KF21- The percentage of staff who believe the organisation provides equal opportunities for career progression or promotion;
• KF31- Staff confidence and security in reporting unsafe clinical practice.

There was no significant deterioration in any of the Key Findings but the only area where the trust was viewed by staff as being worse than average was

the percentage of staff reporting good communications between senior management and staff. But despite this and other small setbacks such as the lower response rate, the survey shows an overall increase in job satisfaction and staff engagement.

Results from the Staff Survey are also used to measure progress against the Workforce Race Equality Standard (WRES), which was introduced into the standard NHS contract in 2015. With this in mind, a Key Finding of the survey (KF26) showed that there had been a small increase in the number of staff reporting that they had experienced harassment, bullying or abuse from staff in the last 12 months.

22% of respondents said that they had experienced this which although an increase on 20% during the previous survey, equals the national average for similar Trusts. This behaviour is very much against our values and to help and support people, we have introduced a confidential system called 'Speak in Confidence' to enable staff have a confidential dialogue should they experience inappropriate behaviour at work. We are also increasing the number of Dignity at Work Officers as a further measure of support and our 'Promoting Dignity at Work' policy has been reviewed and refreshed for clarity and ease of use.

Another Key Finding of the survey that forms part of the WRES is the percentage of staff believing the organisation provides equal opportunities for career progression or promotion. This was one of our most improved findings from the survey with a response rising from 84% in the previous year to 96% of colleagues who agree with this statement, considerably better than the national average of 84%.

The survey also enables staff to add comments to explain or clarify their responses and perhaps due to the survey being online, the number of comments received has increased when compared to those received when the survey was paper based. The comments help the Trust to better understand and respond to staff concerns which is one of the key purposes of the survey.

A new action plan has been developed, taking into account the responses and comments to explore and improve areas where staff have reported the lowest levels of satisfaction. The action plan is also designed to continue to improve and maintain momentum in areas that have shown progress as we work toward improving the work experience for all our staff.

PLACE Assessment Results 2015/16

In April 2013, Patient Led Assessments of the Care Environment (PLACE) were introduced in England.

PLACE assessments involve local people going into hospitals as part of teams to assess how the environment supports patient's privacy and dignity, food, cleanliness and general building maintenance and for the first time in 2015, Dementia Friendly Environments. It focuses entirely on the care environment. It does not cover clinical care provision or how well staff are undertaking clinical duties.

PLACE is now in its third year and 2015 assessments took place between March and June 2015 with the results being seen in the table below.

Site Name	Cleanliness	Food Overall	Organisational Food	Ward Food	Privacy, Dignity and Wellbeing	Condition Appearance and Maintenance	Dementia
Overall ²gether Trust Score	**98.16%**	**94.37%**	**88.76%**	98.16%	**95.33%**	**97.86%**	**96.09%**
Hollybrook	100.00%	83.41%	74.31%	96.87%	86.90%	96.92%	n/a
Westridge	99.90%	95.04%	91.36%	98.21%	94.59%	100.00%	n/a
Charlton Lane	95.98%	95.94%	91.56%	100.00%	98.53%	99.35%	99.36%
Wotton Lawn	98.32%	96.66%	93.62%	100.00%	99.01%	98.92%	97.04%
Honeybourne, Cheltenham	99.63%	97.70%	95.17%	100.00%	82.86%	100.00%	n/a
Laurel House (Formerley Branchlea Cross), Cheltenham	99.82%	93.40%	86.84%	100.00%	94.44%	96.32%	n/a
Stonebow Unit	99.63%	90.40%	88.49%	92.04%	93.75%	97.54%	91.87%
Oak House	93.16%	n/a	n/a	n/a	88.10%	87.29%	n/a
MH & LD National Average	98.43%	89.75%	86.25%	92.99%	89.34%	91.04%	85.28%

At or above MH/LD national average   Below England MH/LD average

The 2015 final PLACE results for the Trust demonstrate good overall compliance across all areas in comparison with the national average results apart from Cleanliness, which fell slightly below the national average.

As a result of the PLACE results, ²gether has developed a comprehensive action plan for each unit to improve compliance in the areas which are below average. There will be an increased focus on Hollybrook and Oak House as they did not score as well across a number of domains. The action plans highlight areas for improvement and resolution and are owned by the unit managers under the Matrons.

Progress against these action plans is monitored by the Patient Environment Action Groups (PEAG) and supported by the Estates and Facilities Department.

Annex 1: Statements from our partners on the Quality Report

Healthwatch Herefordshire is pleased to have been a partner of 2gether over the past year. We congratulate the trust on its achievement of a 'Good' rating by the CQC following its recent inspection, this is something to be proud of and we believe makes 2gether one of only two mental health trusts to achieve this standard. We would also like to thank 2gether for participating in our recent Mental Health Question Time event which proved very successful and highlighted particularly the mental health service needs of young people.

There were highlighted some areas of improvement required, particularly in community services for older people, learning disabilities and autism and we look forward to progress being made on these in the coming year.

We also strongly support the Triangle of Care initiative and with our partner organisation HCS are working with 2gether to ensure that this is implemented throughout the Herefordshire services as soon as possible.

One issue we have continued to focus on during the past year has been the need to bridge the gap between 2gether's internal evidence of care plans provision and service users' experience of this. We support the Trust's efforts to raise the achievement of this important element of service delivery.

The higher than expected suicide rates in the county show the need to implement prevention strategies and in a similar way to the Gloucestershire initiative we look forward to plans being rapidly developed and implemented in Herefordshire.

During the past year addiction services responsibility was passed to Addaction and we strongly encourage effective liaison with them and 2gether for integrated care planning in those cases where people with addictions also have other mental health difficulties.

Continued development of crisis care planning is also an area in which we encourage attention to implementation of service improvement. In our rural area access to crisis services is particularly difficult and this requires careful attention to integrate a number of services effectively. Healthwatch is happy to be supportive of this development.

Continued development of IAPT and similar early intervention services is also strongly supported and it is clear that this is an area which is particularly important to younger people.

Oak House in Hereford provides excellent intermediate care services in a poor physical environment and we strongly urge the speedy investment in improvements for residents receiving their care there.

Once again Healthwatch Herefordshire thanks 2gether Trust for its open and supportive culture and its continued assistance to Healthwatch in achieving our mutual aim of better mental health services for the people of Herefordshire.

Ian Stead
Board Member - Healthwatch Herefordshire

NHS Gloucestershire CCG Comments in Response to ²gether NHS Foundation Trust Quality Report 2015/16

NHS Gloucestershire Clinical Commissioning Group (CCG) welcomes the opportunity to provide comments on the Quality Report prepared by ²gether NHS Foundation Trust (²gNHSFT) for 2015/16.

The past year has presented major challenges across both Health and Social care in Gloucestershire and we are very pleased that ²gNHSFT have worked jointly with partnership organisations, including the CCG during 2015/16 to deliver a system wide approach to maintain, further develop and improve the quality of commissioned services and outcomes for service users and carers.

This year ²gNHSFT was subject to a comprehensive external inspection by the Care Quality Commission (CQC). The CCG were very pleased that the inspection report rated the Trust as Good overall which provided assurance. The Trust took immediate action to make changes where improvements were suggested or recommended. The CCG will work with the Trust to monitor the implementation of the CQC action plan developed to address areas identified for further improvement, with a focus on identified improvements in Learning Disabilities services in line with the recommendations of the Mazars report.

We were pleased to note the many examples of good practice and care provided by ²gNHSFT, as they were the first Trust in the country to be awarded an 'Outstanding' rating for crisis and place of safety services, and acute adult inpatient and psychiatric intensive care services.

The 2015-16 Quality Report is easy to read and understandable given that it has to be considered by a range of stakeholders with varying levels of understanding. The report clearly identifies how the Trust performed against the agreed quality priorities for improvement for 2015/16 and also outlines their priorities for improvement in 2016/17.

The CCG endorses the quality priorities included in the report whilst acknowledging the very difficult

financial and partnership challenges ²gNHSFT have to address in the future, and are pleased to note progress and achievement against these quality priorities.

We commend the achievement of the target for improving physical health care for people with schizophrenia and other serious mental illnesses in 2015/16, whilst recognising the commitment of staff to further improve the physical health and wellbeing outcomes for patients in 2016/17. Whilst we note that the Trust met the target to increase the number of vulnerable people who are able to access the Improving Access to Psychological Therapies (IAPT) service 'Lets Talk', ²gNHSFT recognise that further work is required to improving access to IAPT services to meet national targets. The CCG sees this as a high priority and will continue to work with the Trust in 2016/17 to improve performance and quality improvement in this area.

Whilst ²gNHSFT did not achieve the target for reducing the number of deaths relating to identified risk factors of people in contact with services when compared to data from previous years, we recognise that the number of suicides reported was in line with national reporting trends and that minimising the risk of suicide continues to be a priority for the Trust in 2016/17. The CCG note the Trust is an active member of the Gloucestershire Suicide Prevention Partnership Forum (GSPPF) and is working in partnership with other key stakeholders in Gloucestershire to reducing stigma around suicide and self-harm.

The Trust has demonstrated continued improvement in service user and carer experience of mental health services provided, and we welcome the focus on improvement of the experience of service users in transition from children and young people's mental health service to adults. The CCG are pleased to note the Trust's focus on continuing improvement in identified priorities for effectiveness, service user experience and safety in 2016/17.

We note achievement of targets in 2015/16, and whilst there are a number of areas where targets were partially or not achieved, the CCG are content that the Quality Report provides a balanced view.

The CCG also acknowledge the Trust's commitment to the 'Sign up to Safety Campaign' and all the patient safety initiatives such as the continued involvement in the NHS South of England Improving Patient Safety and Quality in Mental Health Collaborative, NHS Safety Thermometer, 'Safewards' interventions and Reducing Physical Interventions project to focus improvement on ways of working, and thereby improving the patient's experience of services provided by the Trust.

The CCG acknowledge [2]g's continued strong focus on service user and carer experience and quality of caring, which demonstrates a joint commitment to delivering high quality, compassionate care, and also dignity and respect with which service users are treated. We are pleased to note that the Trust are seeking to build upon their commitment to the Carer's Trust Triangle of Care initiative CQUIN by supporting staff to work with families, including the needs of young carers.

We are pleased to note that although the Trust's response rate to the Staff Survey 2015 was lower than anticipated, the results have been very encouraging, with an overall increase in staff engagement, which was better than average when compared to other Mental Health and Learning Disabilities Trusts. One area identified as being worse than average was staff responses in relation to good communications between senior management and staff. The Trust will need to maintain a focus on improving communication with its staff to ensure these areas continue to improve over the coming year.

We were pleased to note there continues to be a high level of clinical participation in local clinical audits, and also a positive increase in activity in relation to Clinical Research.

[2]gNHSFT need to be in a strong position to manage both present and future challenges. The CCG will continue work with the trust to deliver mental health and learning disabilities services that provide best value with a clear focus on providing quality, safe and effective care for the people of Gloucestershire.

Gloucestershire CCG wish to confirm that to the best of our knowledge we consider that the Quality Report contains accurate information in relation to the quality of services provided by [2]gNHSFT. During 2016/17 the CCG wish to work with [2]gNHSFT, all stakeholders and the people of Gloucestershire to further develop ways of receiving the most comprehensive reassurance we can regarding the quality of the mental health and learning disability services provided to the residents of Gloucestershire and beyond.

Dr Marion Andrews-Evans
Executive Nurse & Quality Lead
NHS Gloucestershire CCG

Herefordshire CCG response to ²gether NHS Foundation Trust Quality Accounts

Herefordshire Clinical Commissioning Group (CCG) welcomes the opportunity to provide comments on the Quality Report prepared by ²g NHS Foundation Trust (²gNHSFT) for 2015/16. The report is easy to read and understandable given that it has to be considered by a range of stakeholders.

Within the past year Herefordshire Health and Social Care partnerships have faced varied challenges, ²gNHSFT has worked together with partnership organisations, including the CCG to face the challenges whilst striving to deliver improved quality of care and outcomes for the residents of Herefordshire.

The 2014/15 Quality Report demonstrates some of the challenges, concerns and opportunities that the trust has faced. Herefordshire CCG continues to regularly attend the Trust Quality Committee meetings and contribute constructively at the Contract Quality Review Forum.

The CCG acknowledge ²gNHSFT's continuing focus on patient and carer experience and the delivery of high quality of care, which underpins all clinical work delivered by the Trust, the results of this focus is demonstrated in the outcomes from the Friends and Family test with over 90% of respondents reporting they would recommend ²gNHSFT. The links between poor mental health and poor physical health have been long established, The work 2gNHSFT has undertaken to improve the physical health of their patients is to be commended and also contributes to improving the patient's experience of services provided by the Trust.

The development of an adult personalised discharge care plan has enabled patients to better understand their mental health illness and take appropriate actions should a relapse occur.

²gNHSFT have demonstrated improvement in increasing the numbers of people accessing the adult IAPT service, especially from defined vulnerable service user groups and have supported the establishment of a child/young person IAPT service. The CCG would wish to see particular focus on continuing improvement in these areas for 2016/17.

The CCG was disappointed to note that the Trust did not reach its target of following up 95% of adults within 48 hours of discharge from psychiatric inpatient care, 91% of Herefordshire patients receiving follow up in the set timescales. The CCG will monitor this aspect of care to ensure that the practice changes undertaken by the Trust support improved outcomes.

We were pleased to note there continues to be a high level of ²gNHSFT engagement in both national and local clinical audits and research as well as participation in national confidential enquiries.

The CCG reviews ²gNHSFT's incident responses on a regular basis and find robust systems and processes in place with evidence of duty of candour has been undertaken in each report and evidence that learning is embedded within the wider Trust workforce.

We are aware that ²gNHSFT are actively engaged in partnership working with the Local Authority, other statutory partners and voluntary sector bodies in Herefordshire through many fora. We are confident that this engagement will continue throughout 2016/17.

The CCG endorses all ²gNHSFT's priorities for improvement as contained in this report in the expectation that they will lead to improved delivery against effectiveness, service user experience and safety, supporting improved outcomes for service users.

Following a review of the information presented within this report, coupled with commissioner led reviews of quality across all providers, the CCG is satisfied with the accuracy of the report. This recognises the Trust commitment to quality and demonstrates transparency, honest assessment and further development which mirrors the aspirations of commissioners.

Anne Owen
Interim Chief Nurse
Herefordshire CCG

Gloucestershire Health and Care Overview and Scrutiny Committee

On behalf of the Health and Care Overview and Scrutiny Committee I welcome the opportunity to comment on the ²gether NHS Foundation Trust Quality Account 2015/16.

This year has seen the Trust inspected by the Care Quality Commission and the Trust is to be congratulated on the overall Good rating achieved. The committee was pleased to note that two service areas - acute wards for adults of working age and psychiatric intensive care units (PICU's) and mental health crisis services and health based places of safety - were rated as Outstanding; and that the Trust was the only mental health Trust in the country to have achieved this rating for these services.

The committee agrees with the Trust that there must be parity of esteem between mental and physical health; and that it is time for society to let go of the stigma attached to mental health.

It is disappointing to note that the Trust did not meet the target relating to suspected suicide (target 3.1). However the committee is aware that this is a priority for the Trust and that it is an active member of the Gloucestershire Suicide Prevention Partnership Forum. The committee will be undertaking a review of the Suicide Prevention Strategy this year.

Both this committee and the Children and Families Scrutiny Committee remain concerned about children and young people's access to mental health services, particularly those in crisis. In 2015 the committees held a joint workshop on this matter with the Trust and the Gloucestershire Clinical Commissioning Group, and will be following this up this year focusing on the implementation of the Future in Mind Transformation Plan.

Safeguarding is everyone's responsibility. The committee is aware that the Trust takes this issue seriously so would have preferred to see this reflected in this Quality Account.

I would like to thank the Trust for its willingness to work with the committee and respond to members many questions. In particular the Chair, Ruth FitzJohn, who never hesitates to remind the committee to include and think about mental health in everything that we do.

Cllr Iain Dobie
Chairman, Gloucestershire Health and Care Overview and Scrutiny Committee

Herefordshire Health and Care Overview and Scrutiny Committee

My comments would be very similar to those made by Healthwatch, but I would expect to see improvements made to the areas, i.e. Oak house, noted in the CQC report. I have particularly anxieties over the provision of mental health care to young people as I have had anecdotal evidence of difficulties in this area In Herefordshire.

I am aware that Addaction is still having some problems and I have had comments, also anecdotal I am afraid, that some families do not feel they are fully supported in coping with a family member with mental health problems. However I congratulate you on the good report from the CQC and I know that you have plans to remedy any deficiencies that they noted – I look forward to hearing the outcomes on this.

Cllr Polly Andrews
Chair, Herefordshire Health and Care Overview and Scrutiny Committee

Healthwatch Gloucestershire (HWG) comments on the ²gether FT Quality Report 2015/16

Thank you for this opportunity to discuss and comment upon the Trust's Quality Report.
This is the third year in which HWG has had the opportunity to be involved with the Trust's Quality Account process. The Quality Account comprehensively describes and analyses a very large range of activities in a complex organisation, therefore we have chosen to focus on a relatively small number of points.

In general we have found this to be a high quality and very readable document.

Inevitably, there is a great deal of complex information. Perhaps there is also scope for some personal reflections and accounts from those who have used the Trust's services?

General comments

This is one of several ways in which HWG and the Trust are able to work together and in which the Trust seeks feedback from our organisation so that what we learn from the public influences the Trust's efforts to continually improve the quality of services and patient care.

This year we have continued our series of quarterly meetings with members of the Trust's leadership team where we address the comments, concerns, problems and compliments that the public have raised with us.

Part 1: Statement on Quality from the Chief Executive

We were pleased to be able to support the CQC's recent comprehensive inspection with information provided by the public about their experience of services. We congratulate the Trust for the very positive outcome of the inspection. The introduction rightly uses the CQC report to highlight the outstanding areas reported on. However, HWG has also been assured that the Trust demonstrates no complacency in terms of the quality of its services and is determined to respond to feedback where service users' experience has not been good – even in those parts of the organisation that have been rated as outstanding.

Quality Priorities for Improvement 2016/17

We were pleased to see that user experience features so prominently in the Trust's priorities for 2016/17.

Within the Goal, Target and Drivers presentation we felt that in places it would have been valuable to set a more specific, measurable and demanding targets eg at 1.1, what would be an appropriate increase in the number of service users with a LESTER tool intervention? And how would increased access to physical health treatment be measured and evaluated? Similarly at 1.2. While the determination to improve personalised discharge care planning is welcomed, it would have been useful to see at a glance the Trust's ambitions for 2016/17 in terms of measurable change, as is the case at 1.3

For the User Experience Targets, we very much welcome the importance that will be given to how people describe their own experience in the evaluation of these targets for 2016.

Was any consideration given to stretching the objectives further, especially where current performance seems relatively low, e.g. at 2.4? It seems that the intention in each case is one of simply exceeding the previous year's performance. Perhaps for 2017 some of these objectives could be set at a more challenging level eg a target percentage improvement over 2016?

On a presentational point, we have remarked before that it might improve the readability of the Quality Account if the review of 2015/16 were to precede the sections relating to 2016/17.

Part 3: Looking Back – A Review of Quality during 2015/16

Target 1.1: The targets may have been met but the percentages seem to be relatively low. See earlier comment re possibility of more stretching targets for the future.

Target 1.3: The IAPT target may have been met but we understand that there are some difficulties with this area of the service and hope that out-comes against action plans will be shared.

Target 2.1: We are aware of the Trust's innovative approaches to seeking feedback about its care planning and hope that the input of experts by experience will support an effective evaluation of current care planning methodology so that this indicator can improve.

The Friends and Family Test scores appear to be improving towards the end of the year, which is encouraging. The comparable data showing percentages of people who would recommend services compared to other Trusts appears to have some encouraging features.

Conclusion

We have continued to have a regular and constructive dialogue with the Trust during this year. I am confident that relationships are such that, were urgent matters to come to the attention of HWG, they would be swiftly addressed by the leadership team. We have been assured that patient, carer and family feedback is examined within the Trust's Board, Quality and Patient Experience arrangements in a range of effective and innovative ways.

**Claire Feehily
Chair, Healthwatch Gloucestershire
May 2016**

The Royal College of Psychiatrists

Statement of Participation in National Quality Improvement Projects managed by The Royal College of Psychiatrists' Centre for Quality Improvement

Service Accreditation Programmes	Trust Participation	National Participation
Eating Disorder Inpatient Wards	0 Wards	32 Wards
Forensic Mental Health Services	1 Service	123 Services
Inpatient Child & Adolescent Wards	0 Wards	108 Wards
Inpatient Rehabilitation Units	2 Wards	52 Wards
Learning Disability Inpatient Wards	0 Wards	42 Wards
Mother & Baby Units	N/A	17 Units
Older Peoples' Inpatient Wards	5 Wards	68 Wards
Psychiatric Intensive Care Wards	1 Ward	39 Wards
Working Age Inpatient Wards	5 Wards	146 Wards
Child & Adolescent Community Mental Health Teams	1 Team	64 Teams
Crisis Resolution & Home Treatment Teams	4 Teams	40 Teams
Electroconvulsive Therapy Clinics	2 Clinics	99 Clinics
Memory Clinics	1 Clinic	105 Clinics
Perinatal Community Mental Health Teams	0 Teams	17 Teams
Psychiatric Liaison Teams	0 Teams	52 Teams

Annex 2: Statement of Directors' Responsibilities in respect of the Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year.

Monitor 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 2015/16 and supporting guidance;

• the content of the Quality Report is not inconsistent with internal and external sources of information including:

  o board minutes and papers for the period April 2015 to April 2016

  o papers relating to Quality reported to the Board over the period April 2015 to April 2016

  o feedback from Gloucestershire commissioners dated May 2016

  o feedback from Herefordshire commissioners dated May 2016

  o feedback Governors dated 10 March 2016

  o feedback from Herefordshire Healthwatch dated May 2016

  o feedback from Gloucestershire Healthwatch dated May 2016

  o feedback from Gloucestershire Overview and Scrutiny Committee dated May 2016

  o feedback from Herefordshire Overview and Scrutiny Committee dated May 2015

  o the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations

  2009, dated April 2016

  o the 2015 national patient survey

  o the 2015 national staff survey

  o the Head of Internal Audit's annual opinion over the trust's control environment dated May 2016

  o CQC Intelligent Monitoring Report dated February 2016

• 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 Monitor's annual reporting guidance (which incorporates the Quality Accounts regulations) (published at www.monitor.gov.uk/annualreportingmanual) as well as the standards to support data quality for the preparation of the quality report (available at www.monitor.gov.uk/annualreportingmanual).

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.

Signed:

Chair   **Date: 25 May 2016**

Signed:

Chief Executive   **Date: 25 May 2016**

Annex 3: Glossary

ADHD	Attention Deficit Hyperactivity Disorder
BMI	Body Mass Index
CAMHS	Child & Adolescent Mental Health Services
CBT	Cognitive Behavioural Therapy
CCG	Clinical Commissioning Group
CHD	Coronary Heart Disease
CPA	Care Programme Approach: a system of delivering community service to those with mental illness
CQC	Care Quality Commission – the Government body that regulates the quality of services from all providers of NHS care.
CQUIN	Commissioning for Quality & Innovation: this is a way of incentivising NHS organisations by making part of their payments dependent on achieving specific quality goals and targets
CYPS	Children and Young Peoples Service
DATIX	This is the risk management software the Trust uses to report and analyse incidents, complaints and claims as well as documenting the risk register.
GRiP	Gloucestershire Recovery in Psychosis (GriP) is 2gether's specialist early intervention team working with people aged 14-35 who have first episode psychosis.
HoNOS	Health of the Nation Outcome Scales – this is the most widely used routine Measure of clinical outcome used by English mental health services.
IAPT	Improving Access to Psychological Therapies
Information Governance (IG) Toolkit	The IG Toolkit is an online system that allows NHS organisations and partners to assess themselves against a list of 45 Department of Health Information Governance policies and standards.
MCA	Mental Capacity Act
MHMDS	The Mental Health Minimum Data Set is a series of key personal information that should be recorded on the records of every service user
Monitor	Monitor is the independent regulator of NHS foundation trusts. They are independent of central government and directly accountable to Parliament.
MRSA	Methicillin-resistant Staphylococcus aureus (MRSA) is a bacterium responsible for several difficult-to-treat infections in humans. It is also called multidrug-resistant.

NHS	The National Health Service refers to one or more of the four publicly funded healthcare systems within the United Kingdom. The systems are primarily funded through general taxation rather than requiring private insurance payments. The services provide a comprehensive range of health services, the vast majority of which are free at the point of use for residents of the United Kingdom.
NICE	The National Institute for Health and Care Excellence (previously National Institute for Health and Clinical Excellence) is an independent organisation responsible for providing national guidance on promoting good health and preventing and treating ill health.
NIHR	The National Institute for Health Research supports a health research system in which the NHS supports outstanding individuals, working in world class facilities, conducting leading edge research focused on the needs of patients and the public.
NPSA	The National Patient Safety Agency is a body that leads and contributes to improved, safe patient care by informing, supporting and influencing the health sector.
PHSO	Parliamentary Health Service Ombudsman
PICU	Psychiatric Intensive Care Unit
PLACE	Patient-Led Assessments of the Care Environment
PROM	Patient Reported Outcome Measures (PROMs) assess the quality of care delivered to NHS patients from the patient perspective.
QRP	The Quality and Risk Profile is a monthly compilation by the CQC of all the evidence about a trust they have in order to judge the level of risk that the trust carries to fulfil its obligations of care
RiO	This is the name of the electronic system for recording service user care notes and related information within 2gether NHS Foundation Trust.
ROMs	Routine Outcome Monitoring (ROMs)
SIRI	Serious Incident Requiring Investigation, previously known as a "Serious Untoward Incident". A serious incident is essentially an incident that occurred resulting in serious harm, avoidable death, abuse or serious damage to the reputation of the trust or NHS. In the context of the Quality Report, we use the standard definition of a Serious Incident given by the NPSA
SMI	Serious mental illness
VTE	Venous thromboembolism is a potentially fatal condition caused when a blood clot (thrombus) forms in a vein. In certain circumstances it is known as Deep Vein Thrombosis.

Annex 4: How to Contact Us

About this report

If you have any questions or comments concerning the contents of this report or have any other questions about the Trust and how it operates, please write to:

Mr Shaun Clee
Chief Executive Officer
2gether NHS Foundation Trust
Rikenel
Montpellier
Gloucester
GL1 1LY

Or email him at: **shaun.clee@nhs.net**

Alternatively, you may telephone on **01452 894000** or fax on **01452 894001.**

Other Comments, Concerns, Complaints and Compliments

Your views and suggestions are important us. They help us to improve the services we provide.

You can give us feedback about our services by:

• Speaking to a member of staff directly
• Telephoning us on **01452 894673**
• Completing our Online Feedback Form at **www.2gether.nhs.uk**
• Completing our Comment, Concern, Complaint, Compliment Leaflet, available from any of our Trust sites
  or from our website **www.2gether.nhs.uk**
• Using one of the feedback screens at selected Trust sites
• Contacting the Patient Advice and Liaison Service (PALS) Advisor on **01452 894072**
• Writing to the appropriate service manager or the Trust's Chief Executive

Alternative Formats

If you would like a copy of this report in large print, Braille, audio cassette tape or another language, please telephone us on **01452 894000** or fax on **01452 894001**.

Annual Accounts

Foreward to the Financial Statements

These financial statements for the period ended 31 March 2016, have been prepared by ²gether NHS Foundation Trust under Paragraphs 24 and 25 of schedule 7 to the National Health Service Act 2006.

Signed

Shaun Clee, Chief Executive
Date: 25 May 2016

STATEMENT OF COMPREHENSIVE INCOME - for the period ended 31 March 2016

	NOTE	12 Months to 31 March 2016 £000	12 Months to 31 March 2016 £000	12 Months to 31 March 2015 £000	12 Months to 31 March 2015 £000
Operating income from continuing operations	6		**105,820**		106,373
Remuneration		**(77,465)**		(77,100)	
Drugs		**(1,289)**		(1,580)	
Clinical supplies & services		**(904)**		(830)	
Non clinical supplies & services		**(956)**		(943)	
Miscellaneous other operating expenses		**(23,478)**		(23,505)	
Operating expenses of continuing operations	7		**(104,092)**		(103,958)
OPERATING SURPLUS / (DEFICIT)			**1,728**		2,415
Finance costs					
Finance income - interest receivable	9		**91**		96
Finance expense - financial liabilities	9		**(21)**		(23)
PDC dividends payable			**(2,477)**		(2,265)
Net finance costs			**(2,407)**		(2,192)
Surplus/(deficit) from continuing operations			**(679)**		223
Surplus/(deficit) of discontinued operations and gain/loss on disposal of discontinued operations	3		**(36)**		(131)
SURPLUS/(DEFICIT) FOR THE YEAR			**(715)**		92
Gain/(loss) from transfer by absorption from demising bodies			**0**		0
Impairments			**(1,221)**		(754)
Revaluations			**4,146**		1,149
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR			**2,210**		487

The notes on pages 136 to 170 form part of these financial statements.

All transactions within the Statement of Comprehensive Income are attributable to the beneficiaries of the Trust (taxpayers).

STATEMENT OF FINANCIAL POSITION - for the period ended 31 March 2016

	NOTE	At 31 March 2016 £000	At 31 March 2015 £000
NON-CURRENT ASSETS			
Intangible assets	10.3	**1,794**	980
Property, plant and equipment	10.5	**84,240**	77,735
Trade and other receivables	11	**479**	19
TOTAL NON-CURRENT ASSETS		86,513	78,734
CURRENT ASSETS			
Trade and other receivables	11	**4,115**	4,582
Non-current assets for sale and assets in disposal groups	10.2	**430**	575
Cash and cash equivalents	15	**20,617**	27,368
TOTAL CURRENT ASSETS		25,162	32,525
TOTAL ASSETS		111,675	111,259
CURRENT LIABILITIES			
Trade and other payables	13.1	**(10,283)**	(11,312)
Borrowings	13.3	**(40)**	(38)
Provisions	14	**(1,781)**	(2,540)
Other liabilities	13.2	**(100)**	(76)
TOTAL CURRENT LIABILITIES		(12,204)	(13,966)
TOTAL ASSETS LESS CURRENT LIABILITIES		99,471	97,293
NON-CURRENT LIABLILITIES			
Trade and other payables	13.1	**0**	0
Borrowings	13.3	**(318)**	(358)
Provisions	14	**(46)**	(38)
Other liabilities	13.2	**0**	0
TOTAL NON-CURRENT LIABILITIES		(364)	(396)
TOTAL ASSETS EMPLOYED		99,107	96,897
FINANCED BY TAXPAYERS' EQUITY:			
Public Dividend Capital		**46,123**	46,123
Revaluation reserve		**25,761**	23,415
Other reserves		**1,157**	1,157
Income and expenditure reserve		**26,066**	26,202
TOTAL TAXPAYERS' EQUITY		**99,107**	96,897

The financial statements on pages 132 to 135 were approved and authorised for issue by the Audit Committee on 25 May 2016 and signed on its behalf by:

Shaun Clee, Chief Executive
Date: 25 May 2016

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY For the Period 1 April 2015 to 31 March 2016

	Total £000	Public Dividend Capital £000	Revaluation Reserve £000	* Other Reserves £000	Income & Expenditure Reserve £000
Taxpayers' Equity at 1 April 2015	**96,897**	**46,123**	**23,415**	**1,157**	**26,202**
Surplus/(deficit) for the year	**(715)**	**0**	**0**	**0**	**(715)**
Transfers by modified absorption: Gains/(losses) on 1 April transfers from demising bodies.	**0**	**0**	**0**	**0**	**0**
Transfers by modified absorption: transfers between reserves	**0**	**0**	**0**	**0**	**0**
Transfers by normal absorption: transfers between reserves	**0**	**0**	**0**	**0**	**0**
Impairments	**(1,221)**	**0**	**(1,221)**	**0**	**0**
Revaluations - property, plant and equipment	**4,146**	**0**	**4,146**	**0**	**0**
Transfer to retained earnings on disposal of assets	**0**	**0**	**(579)**	**0**	**579**
Movements arising from classifying non current assets as assets for sale	**0**	**0**	**0**	**0**	**0**
Other recognised gains and losses	**0**	**0**	**0**	**0**	**0**
Actuarial gains/(losses) on defined benefit pension schemes	**0**	**0**	**0**	**0**	**0**
Public Dividend Capital received	**0**	**0**	**0**	**0**	**0**
Public Dividend Capital adjustment for cash impact of payables/receivables transferred from legacy teams	**0**	**0**	**0**	**0**	**0**
Taxpayers' Equity at 31 March 2015	**99,107**	**46,123**	**25,761**	**1,157**	**26,066**

Other Reserves. When the Trust was originally established the Statutory Instrument that confirmed the Public Dividend Capital was incorrect. As advised by the Department of Health, the element which had been missed off was classified as 'other reserves'.

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY For the Period 1 April 2014 to March 2015

	Total £000	Public Dividend Capital £000	Revaluation Reserve £000	* Other Reserves £000	Income & Expenditure Reserve £000
Taxpayers' Equity at 1 April 2014	**95,410**	**45,123**	**23,050**	**1,157**	**26,080**
Surplus/(deficit) for the year	**92**	**0**	**0**	**0**	**92**
Transfers by modified absorption: Gains/(losses) on 1 April transfers from demising bodies.	**0**	**0**	**0**	**0**	**0**
Transfers by modified absorption: transfers between reserves	**0**	**0**	**0**	**0**	**0**
Impairments	**(754)**	**0**	**(754)**	**0**	**0**
Revaluations - property, plant and equipment	**1,149**	**0**	**1,149**	**0**	**0**
Transfer to retained earnings on disposal of assets	**0**	**0**	**(30)**	**0**	**30**
Movements arising from classifying non current assets as assets for sale	**0**	**0**	**0**	**0**	**0**
Other recognised gains and losses	**0**	**0**	**0**	**0**	**0**
Actuarial gains/(losses) on defined benefit pension schemes	**0**	**0**	**0**	**0**	**0**
Public Dividend Capital received	**1,000**	**1000**	**0**	**0**	**0**
Public Dividend Capital adjustment for cash impact of payables/receivables transferred from legacy teams	**0**	**0**	**0**	**0**	**0**
Taxpayers' Equity at 31 March 2015	**96,897**	**46,123**	**23,415**	**1,157**	**26,202**

Other Reserves. When the Trust was originally established the Statutory Instrument that confirmed the Public Dividend Capital was incorrect. As advised by the Department of Health, the element which had been missed off was classified as 'other reserves'.

STATEMENT OF CASH FLOWS - for the period ended 31 March 2016

	NOTE	12 Months to 31 March 2016 £000	12 Months to 31 March 2015 £000
OPERATING ACTIVITIES			
Operating surplus/(deficit) from continuing operations		**1,728**	2,415
Operating surplus/(deficit) from discontinued operations		**(36)**	(131)
OPERATING SURPLUS/DEFICIT		**1,692**	2,284
NON CASH INCOME AND EXPENSE:			
Depreciation and amortisation		**2,371**	2,426
Impairments		**310**	59
Reversals of impairments		**(111)**	(59)
(Gain)/loss on disposal		**2**	0
Income recognised in respect of capital donations (cash and non-cash)		**(226)**	(15)
(Increase)/decrease in trade and other receivables		**8**	(2,055)
Increase/(decrease) in trade and other payables		**(137)**	(1,031)
Increase/(decrease) in other liabilities		**24**	(280)
Increase/(decrease) in provisions		**(751)**	844
NET CASH GENERATED FROM/(USED IN) OPERATIONS		**3,182**	5,793
CASHFLOWS FROM INVESTING ACTIVITIES			
Interest received		**90**	95
Purchases of financial assets		**(85,000)**	(91,000)
Sales of financial assets		**85,000**	91,000
Purchases of intangible assets		**(1,623)**	(23)
Purchases of property, plant and equipment		**(6,579)**	(4,085)
Sales of property, plant and equipment		**573**	0
Receipt of cash donations to purchase capital assets		**118**	15
Net cash generated from/(used in) investing activities		**(7,421)**	(3,998)
CASHFLOWS FROM FINANCING ACTIVITIES			
Public dividend capital received		**0**	1,000
Public dividend capital received (adjustment for modified absorption transfers of payables/receivables)		**0**	0
Capital element of finance lease rental payments		**(38)**	(36)
Other capital receipts		**0**	15
Interest paid		**0**	0
Interest element of finance lease		**(22)**	(24)
PDC dividend paid		**(2,452)**	(2,170)
Net cash generated from/(used in) financing activities		**(2,512)**	(1,215)
Increase/(decrease) in cash and cash equivalents	15	**(6,751)**	3,040
Cash and cash equivalents at 1 April		**27,368**	30,408
Cash and cash equivalents at 31 March		**20,617**	27,368

Notes to the Financial Statements

1. Accounting Policies

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 NHS Foundation Trust Annual Reporting Manual (FT ARM) which shall be agreed with the Secretary of State. Consequently, the financial statements have been prepared in accordance with the FT ARM 2015/16 issued by Monitor. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) and HM Treasury's Financial Reporting Manual (FReM) to the extent that they are meaningful and appropriate to NHS Foundation Trusts. The accounting policies have been applied consistently in dealing with items considered material in relation to the financial statements in the current and prior year.

1.1 Accounting convention

These financial statements have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities. Note 2 states why the Trust continues to adopt the going concern basis in preparing the financial statements.

1.2 Subsidiary undertakings

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1 April 2013, the Trust has established that as the Trust is the corporate trustee of the linked NHS Charities 2gether NHS Foundation Trust Charitable Fund and 'New Highway Charity', it effectively has the power to exercise control so as to obtain economic benefits. However the transactions are immaterial in the context of the group and transactions have not been consolidated. Details of the transactions with the charities are included in the related parties' notes.

1.3 Income

Income in respect of services provided is recognised when, and to the extent that performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the Trust is contracts with commissioners in respect of healthcare services.

Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred.

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

1.4 Expenditure on Employee Benefits

Short Term Employee Benefits

Salaries, wages and employment related payments are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2016, is based on valuation data as 31 March 2015, updated to 31 March 2016 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account their recent demographic experience),

and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012.

The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

c) Scheme provisions

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained:

The Scheme is a "final salary" scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service;

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as "pension commutation";

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) has been used and replaced the Retail Prices Index (RPI);

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC's run by the Scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

1.5 Expenditure on Other Goods and Services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

1.6 Property, Plant and Equipment

1.6.1 Recogition

Property, plant and equipment is capitalised where:

- It is held for use in delivering services or for administration 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 where they:

a.Individually have a cost of at least

£5,000; or

b. Form a group of assets which collectively have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or

c. Form part of the initial equipping and setting-up cost of a new building or refurbishment of a ward or unit, irrespective of their individual or collective cost; or

d. Form part of an IT network which collectively has a cost more than £5,000 and individually have a cost more than £250. However, small individual purchases are expensed.

Where a large asset, for example a building, includes a number of components with significantly different asset lives e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

1.6.2 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 the management.

All assets are measured subsequently at valuation. 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 IAS 40 of IFRS 5.

Asset	Treatment
Asset held for its service potential: *in use*	Current value in existing use: For non-specialised assets this means Existing Use Value (EUV) For specialised assets this usually means depreciated replacement cost on a modern equivalent asset basis.
Asset held for its service potential: *surplus but restrictions on its sale*	Current value in existing use
Asset held for its service potential: *surplus and no restrictions on its sale*	Fair value (highest and best use) (IFRS 13)
Assets not held for their service potential: *Investment property*	Fair value (highest and best use) (IAS 40 / IFRS 13)
Assets not held for their service potential: *Held for Sale*	Lower of carrying amount and fair value less costs to sell (IFRS 5)
Assets not held for their service potential: *Surplus*	Fair value (highest and best use) (IFRS 13)

Assets in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Costs includes professional fees but not borrowing costs. Assets are revalued and depreciation commences when they are brought into use.

The carrying values of property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

All land and buildings are revalued using professional valuations every five years. A three yearly interim valuation is also carried out. Valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

In March 2014 all land and buildings were revalued by the District Valuer and this was accounted for on 31 March 2014. In March 2015 and March 2016 the Trust undertook annual impairment reviews and commissioned the District Valuer to revalue all land and buildings in a desktop exercise.

Subsequent Expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Depreciation

Items of property, plant and equipment are depreciated 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 reclassification. Assets in the course of construction are not depreciated until the asset is brought into use.

Property, plant and equipment assets are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives.

Buildings, installations and fittings are depreciated on their current value over the estimated remaining life of the asset as assessed by the NHS Foundation Trust's professional valuers. Leaseholds are depreciated over the primary lease term, or useful expected life if shorter.

Equipment is depreciated on current cost evenly over the estimated life of the asset using the following lives:

	Years
Engineering plant and equipment	5-15
Furniture and fittings	5-10
Information Technology	3-8
Set-up costs in new buildings	5-10
Transport equipment	7

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 previously been 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 FT ARM, impairments that arise from a clear consumption of economic benefits or service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefits 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 reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

1.6.3 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 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 twelve months of the date of classification as 'Held for Sale'; and

- the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'Held for Sale' and instead is retained as an operational asset and the assets economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

1.6.4 Donated Assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor imposes 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 other items of property, plant and equipment.

1.7 Private Finance Initiative

The Trust does not have any Private Finance Initiative transactions.

1.8 Intangible Assets

1.8.1 Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably. They must have a useful life of more than one year and a cost of at least £5,000.

Internally Generated Intangible Assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are

not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;

the Trust intends to complete the asset and sell or use it;

the Trust has the ability to sell or use the asset;

how the intangible asset will generate probable future economic or service delivery benefits e.g. the presence of a market for its output, or where it is to be used for internal use, the usefulness of the asset;

adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset; and

the Trust can measure reliably the expenses attributable to the asset during development.

Software

Software which is integral to the operation of hardware e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware e.g. application software, is capitalised as an intangible asset.

1.8.2 Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of being operated in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

Intangible assets held for sale are measured at the lower of their carrying amount or 'fair value less costs to sell'.

Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

1.9 Government Grants

Government grants are grants from Government bodies other than income from commissioners or NHS Trusts for the provision of services. Where the Government grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. The Trust has not received any Government grants during the current or prior year.

1.10 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is measured using the First In First Out (FIFO) method or the weighted average cost method. However, the Trust does not recognise inventories as the value is immaterial.

1.11 Leases

Finance leases

Where substantially all the risks and rewards of ownership of an asset are borne by the Trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease.

"The asset and liability are recognised at the commencement 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 operating expenses on a straight-line basis over the term of the lease. Operating lease incentives are added to the lease rentals and charged to operating expenses over the life of the lease.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

1.12 Provisions

The 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 and mandated by HM Treasury.

Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the Trust

under which the 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 Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at note 14 but it is not recognised in the NHS Foundation Trust's financial statements.

Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to 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.

1.13 Contingencies

"Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 17 where an inflow of economic benefits is probable."

Contingent liabilities are not recognised, but are disclosed in note 17 unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

"Possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control;

or

Present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability."

1.14 Public Dividend Capital (PDC)

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the 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 Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for:
(i) donated assets,
(ii) average daily cash balances held with the Government Banking Services and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short- term working capital facility
(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."

1.15 Value Added Tax

Most of the activities of the Trust are outside the scope of VAT and, in eneral, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.16 Corporation Tax

"The Trust is a Health Service Body

within the meaning of s519A ICTA 1988 and accordingly is exempt from taxation in respect of income and capital gains within categories covered by this. There is a power for the Treasury to dis-apply the exemption in relation to specified activities of a Foundation Trust (s519A (3) to (8) ICTA 1988). Accordingly, the Trust is potentially within the scope of corporation tax in respect of activities which are not related to, or ancillary to, the provision of healthcare, and where the profits there from exceed £50,000 per annum."

The Trust has determined that it has no corporation tax liability as it does not carry out any applicable commercial activities.

1.17 Foreign Exchange

The functional and presentational currency of the Trust is sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

The Trust has no assets or liabilities denominated in a foreign currency at the Statement of Financial Position date.

1.18 Cash and Cash Equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.19 Third Party Assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the financial statements since the Trust has no beneficial interest in them. However, they are disclosed in a separate note to the financial statements in accordance with the requirements of the HM Treasury Financial Reporting Manual.

1.20 Financial Instruments and Liabilities

Financial assets
Investments
Long-term trade receivables
Short-term trade receivables
Cash at bank and in hand

Financial liabilities
Loans and overdrafts
Long-term trade payables
Finance lease obligations
Short-term trade payables
Provisions arising from contractual arrangements

Recognition

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs i.e. when receipt or delivery of the goods or services is made.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described in note 1.11.

All other financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification and measurement

Financial assets are categorised as loans and receivables. Financial liabilities are classified as other financial liabilities.

Loans and Receivables

Loans and receivables are non-derivative 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: cash and cash equivalents, NHS receivables, accrued income and other trade receivables.

Loans and receivables are recognised initially at fair value, net of transaction costs, and are measured subsequently at amortised cost, using the effective interest rate method. The effective interest rate is the rate that exactly discounts 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 rate method and credited to the Statement of Comprehensive Income.

Other financial liabilities

All financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts 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 long-term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to the income and expenditure account.

Determination of fair value

For financial assets and financial liabilities carried at fair value, the carrying amounts are determined from quoted market values.

Impairment of financial assets

At the Statement of Financial Position date, the Trust assesses whether any financial assets, other than those held at 'fair value through income and expenditure' are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced directly.

1.21 Losses and Special Payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the income and expenditure account on an accruals basis, including losses which would have been made good through insurance cover had NHS Foundation Trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However note 21, the losses and special payments note, is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

1.22 Reserves

Other reserves reflect differences between the value of fixed assets taken over by the Trust at inception and the corresponding figure in its originating debt.

1.23 Transfers of Functions to/from other NHS bodies/local government bodies

For functions that have been transferred to the Trust from another NHS / local government body, the assets and liabilities transferred are recognised in the accounts as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net gain/loss corresponding to the net assets/liabilities transferred is recognised within income/expenditure but not within operating activities.

For property, plant and equipment assets and intangible assets, the Cost and Accumulated Depreciation/Amortisation balances from the transferring entity's financial statements are preserved on recognition in the Trust's financial statements. Where the transferring body recognised revaluation reserve balances attributable to the assets, the Trust makes a transfer from its income and expenditure reserve to its revaluation reserve to maintain transparency within public sector financial statements.

For functions that the Trust has transferred to another NHS/local government body, the assets and liabilities transferred are de-recognised from the financial statements as at the date of transfer. The net loss/gain corresponding to the net assets/liabilities transferred is recognised within expenses/income, but not within operating activities.

Any revaluation reserve balances attributable to assets de-recognised are transferred to the income and expenditure reserve.

1.24 Accounting Standards issued but not yet adopted

Neither the Treasury FReM nor Monitor's ARM requires the following standards to be applied in 2015/16. Their application would not have a material impact on the Trust's financial statements in 2015/16 if they were applied.

Change published	Published by IASB	Financial year for which the change first applies
IFRS 11 (amendment) – acquisition of an interest in a joint operation	May-14	Not yet EU adopted. Expected to be effective from 2016/17.
IAS 16 (amendment) and IAS 38 (amendment) – depreciation and amortisation	May-14	Not yet EU adopted. Expected to be effective from 2016/17.
IAS 16 (amendment) and IAS 41 (amendment) – bearer plants	Jun-14	Not yet EU adopted. Expected to be effective from 2016/17.
IAS 27 (amendment) – equity method in separate financial statements	Aug-14	Not yet EU adopted. Expected to be effective from 2016/17.
IFRS 10 (amendment) and IAS 28 (amendment) – sale or contribution of assets	Sep-14	Not yet EU adopted. Expected to be effective from 2016/17.
IFRS 10 (amendment) and IAS 28 (amendment) – investment entities applying the consolidation exception	Dec-14	Not yet EU adopted. Expected to be effective from 2016/17.
IAS 1 (amendment) – disclosure initiative	Dec-14	Not yet EU adopted. Expected to be effective from 2016/17.
IFRS 15 Revenue from contracts with customers	May-14	Not yet EU adopted. Expected to be effective from 2017/18.
Annual improvements to IFRS: 2012-15 cycle	Sep-14	Not yet EU adopted. Expected to be effective from 2017/18.
IFRS 9 Financial Instruments	Jul-14	Not yet EU adopted. Expected to be effective from 2018/19.

1.25 Prior Period Adjustments

There were no prior period adjustments.

2 Going Concern and Liquidity Risk

The Trust's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report. In addition, notes 1 to 22 to the financial statements include the Trust's policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposures to credit risk and liquidity risk.

At the Audit Committee in February 2016 the Committee received the annual assessment of the Trust's Going Concern status. The Committee concluded that the Trust has sufficient resources and the future projections indicate the Trust should break even or generate surpluses and achieve Monitor's financial risk ratings of 3 over the next five financial years. As a consequence, the Audit Committee believe that the Trust is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The Audit Committee is confident that the Trust has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

3 Discontinued Operations

	12 months to 31 March 2016	12 months to 31 March 2015
	£000	£000
Operating income of discontinued operations	1,232	1,316
Operating expenses of discontinued operations	(1,268)	(1,447)
Gain on disposal of discontinued operations	0	0
(Loss) on disposal of discontinued operations	0	0
Total	(36)	(131)

On 30 November 2015, the Trust stopped providing the Drug and Alcohol Services Herefordshire (DASH). The full year contract was £1.635m and involved 31 whole time equivalents. On 31 March 2015, the Trust stopped providing the adult social care element of the Herefordshire Section 75 contract. The full year contract was £1.47m and involved 36 staffing posts.

4 Business combinations involving the trust and another entity within the Whole of Government Accounts (WGA) boundary

There were no Business combinations involving the trust and another entity within the Whole of Government Accounts (WGA) boundary in 2015/16 or 2014/15.

5 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to

be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below) that management has made in the process of applying the Trust's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

The Trust believes the use of the Modern Equivalent Asset (MEA) basis to value land and buildings to fair value is the methodology with least risk of material uncertainty.

The Trust must ensure that the fixed asset register holds each asset separately and by components. The Trust believes that a threshold of £800,000 is reasonable, above which owned property assets will be accounted for as structures, engineering and external works components.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment within the next financial year.

With regard to valuing provisions the methodology to determine best estimate differs according to the class of provision.

An accrual for annual leave was estimated by requesting from all budget holders a list of staff with leave outstanding at the end of 31 March 2016. The remaining leave was valued at the appropriate pay band for each member of staff. Annual leave outstanding for medical staff was calculated differently as their annual leave year does not run from 1 April to 31 March but annually from their start date.

The actual date of the individual's leave year has been factored into the calculation for determining the outstanding leave and applied to their actual pay.

6 Operating Income

6.1 Income from activities

	12 Months to 31 March 2016	12 Months to 31 March 2015
	£000	£000
Cost and volume contract income	1,132	1,432
Block contract income	95,520	94,678
Clinical partnerships providing mandatory services (including S75 agreements)	1,049	2,407
Clinical income for the secondary commissioning of mandatory services	0	0
Other clinical income from mandatory services	3,465	3,871
Additional income for delivery of healthcare services	0	0
	101,166	102,388

6.2 Other Operating Income

	12 Months to 31 March 2016 £000	12 Months to 31 March 2015 £000
Research and development	232	8
Education and training	2,067	1,772
Received from NHS charities: Cash donations/grants for the purchase of capital assets	141	0
Received from NHS charities: Other charitable and other contributions to expenditure	0	70
Received from other bodies: Donation of physical assets (non-cash)	108	0
Received from other bodies: Other charitable and other contributions for the purchase of capital assets	8	15
Received from other bodies: Other charitable and other contributions to expenditure	0	5
Non-patient care services to other bodies	710	841
Other *	2,017	1,946
Gain on disposal of assets held for sale	0	0
Reversal of impairments of property, plant and equipment	111	59
Rental revenue from operating leases	0	0
Income in respect of staff costs where accounted on gross basis	492	585
	5,886	5,301
Total Operating Income	107,052	107,689
Of which:		
Related to continuing operations	105,820	106,373
Related to discontinued operations	1,232	1,316
For details of discontinued operations, see note 3		

* 'Other' includes supporting people services of £1,147,814 (£1,215,383 in 2014/15), sale of goods & services £32,397 (£31,744 in 2014/15), Local Authority non healthcare £15,162 (£17,220 in 2014/15), rental income £86,849 (£75,152 in 2014/15), insurance claim reimbursement £3,855 (£4,374 in 2014/15), Improving Patient Safety Programme monies £143,163 (£100,000 in 2014/15) and staff contributions to employee benefit schemes £218,000 (£208,000 in 2014/15).

6.3 Income from Activities (By Commissioner)

	12 Months to 31 March 2016 £000	12 Months to 31 March 2015 £000
NHS Foundation Trusts	1,666	1,376
NHS Trusts	51	87
CCGs and NHS England	95,828	96,515
Local Authorities	3,143	3,996
Department of Health - other	0	0
NHS other	464	0
Non NHS: private patients	0	0
Non-NHS: overseas patients (non-reciprocal)	0	0
NHS injury scheme	0	0
Non NHS: other	14	414
Additional income for delivery of healthcare services	0	0
	101,166	102,388

The Trust does not generate private patient income.

6.4 Overseas Visitors

Overseas visitors relates to patients charged directly by the foundation trust. The Trust does not generate income from overseas visitors income.

6.5 Operating Lease Income

The Trust does not generate operating lease income.

6.6 Commissioner Requested Income

	12 Months to 31 March 2016 £000	12 Months to 31 March 2015 £000
Commissioner Requested services	99,555	100,667
Non-Commissioner Requested services	6,265	5,706
Total operating income from continuing operations	105,820	106,373

7 Operating Expenses

7.1 Operating expenses comprise:

	12 Months to 31 March 2016 £000	12 Months to 31 March 2015 £000
Services from NHS Foundation Trusts	2,093	2,265
Services from NHS Trusts	113	164
Services from CCGs and NHS England	48	0
Services from other NHS bodies	1	0
Purchase of healthcare from non NHS bodies	5,655	3,632
Purchase of social care	4,672	4,243
Executive directors' costs	931	872
Non-executive directors' costs	135	137
Staff costs	77,350	77,562
Supplies and services - clinical (excluding drug costs)	982	938
Supplies and services - general	961	943
Establishment	966	948
Research and development (pay)	189	135
Research and development (Other)	8	5
Transport	1,129	1,157
Premises	4,695	4,556
Increase / (decrease) in bad debt provision (for impairment of receivables)	(179)	404
Increase in other provisions	(673)	494
Drug costs	1,510	1,580
Other impairment of financial assets	0	0
Rentals under operating leases	483	646
Depreciation on property, plant and equipment	2,233	2,163
Amortisation on intangible assets	138	263
Impairments of property, plant and equipment	310	9
Impairments of intangible assets	0	0
Impairments of financial assets	0	0
Impairments of investment property	0	0
Impairments of assets held for sale	0	50
Audit fees - statutory reporting	54	59
Audit fees - regulatory reporting	0	0
Other auditors remuneration * Further assurance services	62	0
Clinical negligence	106	109
Loss on disposal of intangible fixed assets	0	0
Loss on disposal of land and buildings	0	0
Loss on disposal of other property, plant and equipment	0	0
Loss on disposal of assets held for sale	2	0
Legal fees	195	206
Consultancy costs	148	328
Internal Audit	68	73
Training, courses and conferences	549	498
Patient travel	6	9
Car parking & security	55	50
Redundancy	0	0
Early retirements	0	0
Hospitality	3	4
Publishing	0	0
Insurance	115	132
Losses, ex gratia & special payments	3	3
Other	264	768
	105,360	105,405
Of which:		
Related to continuing operations	104,092	103,958
Related to discontinued operations	1,268	1,447

For details of discontinued operations see note 3

The Trust has contributed £68k to pension schemes in respect of directors in 2015/16 (£57k in 2014/15). None of the directors have benefits accruing under money purchase schemes or non NHS pension schemes. No advances or credits have been made to directors by the Trust, nor have any guarantees been entered into on their behalf.

7.2 Operating leases

7.2.1 Operating expenses include

	12 Months to 31 March 2016 £000	12 Months to 31 March 2015 £000
Minimum lease payments Buildings	116	159
Minimum lease payments Lease Cars	367	487
	483	646

7.2.2 Annual commitments containing operation leases are:

On buildings leases expiring: Future minimum lease payment due	12 Months to 31 March 2016 £000	12 Months to 31 March 2015 £000
Within 1 year	48	115
Between 2 and 5 years	0	49
After 5 years	0	0
	48	164

On other leases (Lease Cars) expiring: Future minimum lease payment due		
Within 1 year	278	238
Between 2 and 5 years	243	207
After 5 years	0	0
	521	445

7.3 Limitation on auditor's liability

	2015/16 £000	2014/15 £000
Limitation on auditor's liability	1,000	1,000

7.4 The late payment of commercial debts (interest) Act 1998

	2015/16 £000	2014/15 £000
Amounts included within other interest payable arising from claims made under this legislation	0	0
Compensation paid to cover debt recovery costs under this legislation	0	0

8 Staff costs and numbers

8.1 Staff costs

	12 Months to 31 March 2016			12 Months to 31 March 2015		
	Total	**Permanent**	**Other**	Total	Permanent	Other
	£000	£000	£000	£000	£000	£000
Salaries and wages	**61,303**	**54,067**	**7,236**	60,635	59,336	1,299
Social security costs	**4,712**	**4,239**	**473**	4,736	3,546	1,190
Pension costs - defined contribution plans (employers' contributions to NHS Pension Scheme)	**7,510**	**6,625**	**885**	7,435	7,088	347
Pension cost - other contributions	**0**	**0**	**0**	0	0	0
Other post employment benefits	**0**	**0**	**0**	0	0	0
Other employment benefits	**0**	**0**	**0**	0	0	0
Termination benefits	**0**	**0**	**0**	99	99	0
Agency/contract staff	**5,497**	**0**	**5,497**	5,823	0	5,823
Total Staff Costs	**79,022**	**64,931**	**8,659**	78,629	69,970	8,659
Costs capitalised as part of assets	**(553)**	**(369)**	**0**	0	0	0
Total employee benefit excl. capitalised costs	**78,470**	**64,562**	**13,908**	78,569	69,910	8,659

The costs associated with bank staff are included within the salaries and wages category.
The costs associated with non executive directors are excluded from staff costs.

8.2 Average number of persons employed (WTE basis)

	12 Months to 31 March 2016			12 Months to 31 March 2015		
	Total	**Permanent**	**Other**	Total	Permanent	Other
Medical and dental	**108**	**60**	**48**	105	69	36
Ambulance staff	**0**	**0**	**0**	0	0	0
Administration and estates	**411**	**360**	**51**	410	402	8
Healthcare assistants and other support staff	**330**	**312**	**18**	52	48	4
Nursing, midwifery and health visiting staff	**557**	**506**	**51**	841	831	10
Nursing, midwifery and health visiting learners	**0**	**0**	**0**	0	0	0
Scientific, therapeutic and technical staff	**331**	**300**	**31**	268	257	11
Social care staff	**0**	**0**	**0**	70	49	21
Agency and contract staff	**55**	**0**	**55**	54	0	54
Bank staff	**131**	**0**	**131**	113	0	113
Other	**7**	**2**	**5**	0	0	0
	1,930	**1,540**	**390**	1,913	1,656	257

8.3 Directors' Remuneration

	12 Months to 31 March 2016			12 Months to 31 March 2015		
	Salary	Other Remuneration	Employer contributions to a pension scheme	Salary	Other Remuneration	Employer contributions to a pension scheme
	£000	£000	£000	£000	£000	£000
Non Executive Directors	125	0	0	126	0	0
Executive Directors	769	311	68	714	147	57
Directors Remuneration	**894**	**311**	**68**	**840**	**147**	**57**

The Trust paid into The NHS Pension Scheme for the six Directors who are in the scheme (five in 2014/15). The NHS Pension Scheme is a defined benefits scheme.

[1] Salary includes £88k of invoices to a personal service company for an Interim Director of Finance & Commerce arrangement. This figure excludes VAT paid to the supplier

[2] The Medical Director is a part time role whose payment is identified under Salary. Pay associated with the Medical Director's clinical work is shown as Other Remuneration. The current Medical Director is leaving this role on 31 March 2016 and there has been a six month period of handover with the new postholder, which accounts for the increase in 'other remuneration' in 2015/16.

8.4 Retirements due to ill-health

	2015/16	2014/15
No. of early retirements on grounds of ill health	**4**	5
Cost of early retirements on grounds of ill health (£000)	**149**	287

8.5 Other compensation schemes

Exit packages 2015/ 16

Exit package cost band (including any special payment element)	Number of Compulsory Redundancies	Cost of Compulsory Redundancies	Number of Other Departures Agreed	Cost of Other Departures Agreed	Total Number of Exit Packages	Total Cost of Exit Packages	Number of Departures where Special Payments have been made	Cost of Special Payment Element included in Exit Packages
	Number	£000s	Number	£000s	Number	£000s	Number	£000s
<£10,000	0	0	12	60	12	60	0	0
£10,001 - £25,000	0	0	0	0	0	0	0	0
£25,001 - 50,000	0	0	2	51	2	51	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	**0**	**0**	**14**	**111**	**14**	**111**	**0**	**0**

Exit packages 2014/15

Exit package cost band (including any special payment element)	Number of Compulsory Redundancies Number	Cost of Compulsory Redundancies £000s	Number of Other Departures Agreed Number	Cost of Other Departures Agreed £000s	Total Number of Exit Packages Number	Total Cost of Exit Packages £000s	Number of Departures where Special Payments have been made Number	Cost of Special Payment Element included in Exit Packages £000s
<£10,000	0	0	0	0	0	0	0	0
£10,001 - £25,000	0	0	0	0	0	0	0	0
£25,001 - 50,000	0	0	0	0	0	0	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	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

8.6 Exit packages: other (non compulsory) depature payments

	2015/16 Payments Agreed Number	2015/16 Total value of Agreements £000s	2014/15 Payments Agreed Number	2014/15 Total value of Agreements £000s
Voluntary redundancies including early retirement contractual costs	0	0	0	0
Mutually agreed resignations (MARS) contractual costs	0	0	0	0
Early retirements in the efficiency of the service contractual costs	0	0	0	0
Contractual payments in lieu of notice	14	111	0	0
Exit payments following Employment Tribunals or court orders	0	0	0	0
Non-contractual payments requiring HMT approval	0	0	0	0
Total	**14**	**111**	0	0

8.7 Employee benefits

No employee benefits were paid during this period.

9 Finance income and finance expenses

9.1 Finance income - interest receivable

	12 Months to 31 March 2016 £000	12 Months to 31 March 2015 £000
Interest on bank accounts	88	96
Interest on loans and receivables	3	0
Interest receivable	91	96

9.2 Finance expenses - financial liabilities

	12 Months to 31 March 2016 £000	12 Months to 31 March 2015 £000
Finance leases	21	23

10 Intangible and tangible non-current assets

10.1 Impairment of non-current Assets (Property, Plant and Equipment and non-current assets for sale Assets):

	2015/16			2014/15		
	Net impairments £000	Impairments £000	Reversals £000	Net impairments £000	Impairments £000	Reversals £000
Impairments charged to operating surplus / deficit:						
Loss or damage from normal operations	0	0	0	0	0	0
Over specification of assets	0	0	0	0	0	0
Abandonment of assets in course of construction	0	0	0	0	0	0
Unforeseen obsolescence	0	0	0	0	0	0
Loss as a result of catastrophe	0	0	0	0	0	0
Other	0	0	0	0	0	0
Changes in market price	199	310	(111)	0	59	(59)
Total Impairments charged to operating surplus / deficit	199	310	(111)	0	59	(59)
Impairments charged to the revaluation reserve	1,221	1,221	0	754	754	0
Total Impairments	1,221	1,531	(111)	754	813	(59)

10.2 Non-current assets for sale and assets in disposal groups

	2015/16 £000	2014/15 £000
NBV of non-current assets for sale and assets in disposal groups at 1 April	575	400
Transfers by absorption	0	0
Plus assets classified as available for sale in the year	430	225
Less assets sold in year	(575)	0
Less Impairment of assets held for sale	0	(50)
Plus reversal of impairment of assets held for sale	0	0
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0
NBV of non-current assets for sale and assets in disposal groups at 31 March	430	575

During the year the Trust sold two properties and started marketing two other properties for sale, which were reclassified from property, plant and equipment to being shown as non-current assets for sale.

In 2014/15 as a result of an impairment review of land and buildings by the District Valuation Office, an impairment of £50,000 was charged to operating expenses.

10.3 Intangible assets

	2015/16			
	Total	Software Licences (Purchased)	Information Technology (Internally Generated)	Assets Under Construction
	£000	£000	£000	£000
Gross cost at 1 April	**1,800**	**80**	**900**	**820**
Impairments	0	0	0	0
Reversal of impairments	0	0	0	0
Reclassifications	0	9	0	(9)
Revaluation surpluses	0	0	0	0
Additions - purchased	844	552	231	61
Additions - purchased from donations/grants	0	0	0	0
Additions - donated assets	108	108	0	0
Transferred to disposal group as asset held for sale	0	0	0	0
Disposals	0	0	0	0
Gross cost at 31 March	2,752	749	1,131	872
Amortisation at 1 April	820	50	770	0
Provided during the year	138	47	91	0
Impairments recognised in the income and expenditure account	0	0	0	0
Reversal of impairments recognised in the income and expenditure account	0	0	0	0
Reclassifications	0	0	0	0
Revaluation surpluses	0	0	0	0
Transferred to disposal group as asset held for sale	0	0	0	0
Disposals	0	0	0	0
Amortisation at 31 March	958	97	861	0
Net book value				
Purchased at 1 April	980	30	130	820
Donated at 1 April	0	0	0	0
Total as at 1 April	980	30	130	820
Net book value				
Purchased at 31 March	1,690	548	270	872
Donated at 31 March	104	104	0	0
Total as at 31 March	1,794	652	270	872

	2014/15			
	Total	Software Licences (Purchased)	Information Technology (Internally Generated)	Assets Under Construction
	£000	£000	£000	£000
Gross cost at 1 April	1,304	246	1,058	0
Impairments	0	0	0	0
Reversal of impairments	0	0	0	0
Reclassifications	24	0	24	0
Revaluation surpluses	0	0	0	0
Additions - purchased	843	0	23	820
Additions - donated	0	0	0	0
Transferred to disposal group as asset held for sale	0	0	0	0
Disposals	(371)	(166)	(205)	0
Gross cost at 31 March	1,800	80	900	820
Amortisation at 1 April	928	191	737	0
Prior period adjustments	0	0	0	0
Amortisation at 1 April	928	191	737	0
Provided during the year	263	25	238	0
Impairments recognised in the income and expenditure account	0	0	0	0
Reversal of impairments recognised in the income and expenditure account	0	0	0	0
Reclassifications	0	0	0	0
Revaluation surpluses	0	0	0	0
Transferred to disposal group as asset held for sale	0	0	0	0
Disposals	(371)	(166)	(205)	0
Amortisation at 31 March	820	50	770	0
Net book value				
Purchased at 1 April	376	55	321	0
Donated at 1 April	0	0	0	0
Total as at 1 April	376	55	321	0
Net book value				
Purchased at 31 March	980	30	130	820
Donated at 31 March	0	0	0	0
Total as at 31 March	980	30	130	820

In 2014/15 the Trust conducted an exercise to ensure any assets with zero net book value were scapped on the fixed asset register. The Trust has no commitments to purchase intangible assets.

Intangible Valuations	Software Licences (Purchased)	Information Technology (Internally Generated)	Assets Under Construction
Method of determining fair value	Management Review	Management Review	Held at Cost
Year of revaluation	2015/16	2015/16	N/A
Carrying amount of revalued assets at 31 March 2016 (£000)	652	270	872

In 2015/16 the Trust conducted an exercise to review all equipment asset values and remaining lives.
The Trust's Software Licences have a market value and an established economic life and are required in connection with the main clinical and financial systems.

Since there is not an active market value for the internally generated IT intangible assets each year the Trust's Audit Committee review them to confirm they are a fair value, and to agree the remaining life over which the assets will be amortised is reasonable.

10.4 Economic life of intangible assets

10.4.1 Intangible assets - internally generated

	Min Life Years	Max Life Years
Information technology	0	7
Development expenditure	0	0
Other	0	0

10.4.2 Intangible assets - purchased

	Min Life Years	Max Life Years
Software	5	7
Licences and trademarks	1	7
Patents	0	0
Other	0	0
Goodwill	0	0

10.5 Tangiable Property, Plant and Equipment

Tangible property, plant and equipment at the balance sheet date comprise the following elements:

	Total	Land	Buildings	Assets Under Construction	Plant and Machinery	Transport Equipment	Information Technology	Furniture & Fittings
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2015	79,032	19,175	54,940	2,510	1,113	35	1,249	10
Transfer by absorption Modified	0	0	0	0	0	0	0	0
Transfer by absorption Normal	0	0	0	0	0	0	0	0
Additions purchased / internally generated	6,323	0	3,014	2,281	386	0	642	0
Additions grants/donations of cash to purchase assets	118	0	8	110	0	0	0	0
Impairments charged to operating expenses	0	0	0	0	0	0	0	0
Impairments charged to revaluation reserve	0	0	0	0	0	0	0	0
Reversal of impairments credited to operating income	0	0	0	0	0	0	0	0
Reversal of impairments credited to the revaluation reserve	0	0	0	0	0	0	0	0
Reclassifications	0	275	(1,483)	(2,257)	107	0	499	0
Revaluations	890	408	482	0	0	0	0	0
Transferred to disposal group as asset held for sale	(430)	(430)	0	0	0	0	0	0
Disposals	(35)	0	0	0	0	(35)	0	0
Cost or valuation at 31 March 2016	85,898	19,428	59,927	2,644	1,499	0	2,390	10
Accumulated depreciation at 1 April 2015	1,297	0	274	0	491	35	494	3
Transfer by absorption Modified	0	0	0	0	0	0	0	0
Transfer by absorption Normal	0	0	0	0	0	0	0	0
Provided during the year	2,233	0	1,872	0	165	1	193	2
Impairments charged to operating expenses	310	0	310	0	0	0	0	0
Impairments charged to revaluation reserve	1,221	0	1,221	0	0	0	0	0
Reversal of impairments credited to operating income reserve	(111)	0	(111)	0	0	0	0	0
Reversal of impairments credited to operating income reserve	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0
Revaluation surpluses	(3,256)	0	(3,256)	0	0	0	0	0
Transfer to disposal group as asset held for sale	0	0	0	0	0	0	0	0
Disposals	(36)	0	0	0	0	(36)	0	0
Accumulated depreciation at 31 March 2016	1,658	0	310	0	656	0	687	5
Net book value								
Purchased at 31 March	83,560	19,428	58,937	2,644	843	0	1,703	5
Finance lease at 31 March	290	0	290	0	0	0	0	0
Donated at 31 March	390	0	390	0	0	0	0	0
Total as at 31 March	84,240	19,428	59,617	2,644	843	0	1,703	5

In 2015/16 the Trust conducted an exercise to review all equipment asset values and remaining lives.

As a result of the annual desktop review of land and buildings by the District Valuation Office, the Trust's overall land and buildings value increased by £960k;

Some properties incurred an impairment totalling £1,531k of which £1,221k was credited against revaluation reserve and an impairment of £310k was charged to operating expenses.

Other properties experienced an increase in value totalling £4,257k of which £4,146k was debited to revaluation reserves and £111k was credited to the operating income as a reversal of previous years impairments against operating expenses.

	2014/15							
	Total	Land	Buildings	Assets Under Construction	Plant and Machinery	Transport Equipment	Information Technology	Furniture & Fittings
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2014	79,819	19,255	54,908	924	1,849	35	2,838	10
Transfer by absorption Modified	0	0	0	0	0	0	0	0
Transfer by absorption Normal	0	0	0	0	0	0	0	0
Additions purchased / internally generated	4,499	0	2,019	2,379	55	0	46	0
Additions grants/donations of cash to purchase assets	15	0	15	0	0	0	0	0
Impairments charged to operating expenses	0	0	0	0	0	0	0	0
Impairments charged to revaluation reserve	(515)	0	(515)	0	0	0	0	0
Reversal of impairments credited to operating income	0	0	0	0	0	0	0	0
Reversal of impairments credited to the revaluation reserve	0	0	0	0	0	0	0	0
Reclassifications	(2,028)	0	(1,342)	(793)	107	0	0	0
Revaluations	0	0	0	0	0	0	0	0
Transferred to disposal group as asset held for sale	(225)	(80)	(145)	0	0	0	0	0
Disposals	(2,533)	0	0	0	(898)	0	(1,635)	0
Cost or valuation at 31 March 2015	79,032	19,175	54,940	2,510	1,113	35	1,249	10
Accumulated depreciation at 1 April 2014	4,631	0	1,454	0	1,226	34	1,916	1
Transfer by absorption Modified	0	0	0	0	0	0	0	0
Transfer by absorption Normal	0	0	0	0	0	0	0	0
Provided during the year	2,163	0	1,784	0	163	1	213	2
Impairments charged to operating expenses	9	0	9	0	0	0	0	0
Impairments charged to revaluation reserve	239	0	239	0	0	0	0	0
Reversal of impairments credited to operating income reserve	(59)	0	(59)	0	0	0	0	0
Reversal of impairments credited to operating income reserve	0	0	0	0	0	0	0	0
Reclassifications	(2,004)	0	(2,004)	0	0	0	0	0
Revaluation surpluses	(1,149)	0	(1,149)	0	0	0	0	0
Transfer to disposal group as asset held for sale	0	0	0	0	0	0	0	0
Disposals	(2,533)	0	0	0	(898)	0	(1,635)	0
Accumulated depreciation at 31 March 2015	1,297	0	274	0	491	35	494	3
Net book value								
Purchased at 31 March	77,009	19,175	53,940	2,510	622	0	755	7
Finance lease at 31 March	325	0	325	0	0	0	0	0
Donated at 31 March	401	0	401	0	0	0	0	0
Total as at 31 March	77,735	19,175	54,666	2,510	622	0	755	7

A 2014/15 impairment of £515k resulting from a mis-timing in capitalisation costs and a District Valuer's 2014 Revaluation has been credited against the revaluation reserve.

In 2014/15 the Trust conducted an exercise to ensure any assets with zero net book value were scrapped on the fixed asset register.

10.6 Economic life of property, plant and equipment

	Min Life Years	Max Life Years
Land	99	99
Buildings excluding dwellings	3	63
Assets under construction	0	0
Plant & machinery	1	13
Transport equipment	0	0
Information technology	1	7
Furniture & fittings	1	4

11 Trade Receivables and Other Receivables

	31 March 2016 £000	31 March 2015 £000
Current:		
NHS receivables - revenue	3,073	4,320
NHS receivables - capital	0	0
Other receivables with related parties - revenue	1,298	906
Other receivables with related parties - capital	0	0
Provision for impaired receivables	(925)	(1,171)
Deposits and advances	0	0
Prepayments (non-PFI)	92	208
Accrued income	0	1
Interest receivable	4	3
Corporation tax receivable	0	0
Finance lease receivables	0	0
Operating lease receivables	0	0
PDC dividend receivable	0	0
VAT receivable	300	128
Other receivables - revenue	273	187
Other receivables - capital	0	0
Total current trade and other receivables	4,115	4,582
Non Current:		
NHS receivables - revenue	0	0
NHS receivables - capital	0	0
Other receivables with related parties - revenue	0	0
Other receivables with related parties - capital	0	0
Provision for impaired receivables	0	0
Deposits and advances	0	0
Prepayments (non-PFI)	141	19
Accrued income	0	0
Interest receivable	0	0
Corporation tax receivable	0	0
Finance lease receivables	0	0
Operating lease receivables	0	0
VAT receivable	0	0
Other receivables - revenue	338	0
Other receivables - capital	0	0
Total non current trade and other receivables	479	19
Total trade and other receivables	4,594	4,601

The non current 'Other receivables - revenue' relates to a payment arrangement with a purchaser of a trust property, the term of which is 15 years from January 2016.

11.1 Provisions for impairment of trade receivables

	31 March 2016 £000	31 March 2015 £000
As at 1 April	1,171	899
Increase in provisions	75	409
Amounts utilised	(67)	(132)
Unused amounts reversed	(254)	(5)
As at 31 March	**925**	1,171

11.2 Analysis of impaired receivables

	31 March 2016 Trade Receivables £000	31 March 2016 Other Receivables £000	31 March 2015 Trade Receivables £000	31 March 2015 Other Receivables £000
Ageing of impaired receivables				
0 - 30 days	**0**	**0**	205	0
30 - 60 days	**0**	**0**	0	0
60 - 90 days	**0**	**0**	0	0
90 - 180 days (was "In three to six months")	**75**	**0**	46	0
180 - 360 days (was "over six months")	**734**	**116**	883	37
Total	**809**	**116**	1,134	37
Ageing of non-impaired receivables past their due date				
0 - 30 days	**2,746**	**767**	2,179	37
30 - 60 days	**199**	**12**	149	6
60 - 90 days	**130**	**5**	481	1
90 - 180 days (was "In three to six months")	**497**	**6**	727	6
180 - 360 days (was "over six months")	**(517)**	**(176)**	(178)	22
Total	**3,055**	**614**	3,358	72

No collateral is held as security against any impaired receivables. There are also no credit enhancements or changes in the fair value of any impaired receivables.

11.3 Finance lease receivables

The Trust is not a lessor on finance leases.

12 Current Asset Investments

	31 March 2016 £000	31 March 2015 £000
Cost or valuation at 1 April	**0**	0
Additions	**85,000**	91,000
Disposals	**(85,000)**	(91,000)
Revaluations	**0**	0
Cost or valuation at 31 March	**0**	0

The Trust used the Bank of England (National Loans Fund), Royal Bank of Scotland, Barclays and Santander for short term investments which were not greater than 3 months in duration.

13 Trade and Other Payables

13.1 Trade and other payables at the balance sheetb date are made up of:

	31 March 2016 £000	31 March 2015 £000
Current		
Receipts in advance	0	0
NHS payables - capital	0	0
NHS payables - revenue	563	226
NHS Payables - early retirement costs payable within one year	0	0
Amounts due to other related parties - capital	0	0
Amounts due to other related parties - revenue	2,566	1,938
Other trade payables - capital	635	1,553
Other trade payables - revenue	1,673	2,668
Social Security costs	1,352	1,335
VAT payable	0	0
Other taxes payable	13	0
Other payables	539	520
Accruals	2,891	3,047
PDC dividend payable	50	25
Total current trade and other payables	**10,283**	11,312
Non-current		
Receipts in advance	0	0
NHS payables - capital	0	0
NHS payables - revenue	0	0
Amounts due to other related parties - capital	0	0
Amounts due to other related parties - revenue	0	0
Other trade payables - capital	0	0
Other trade payables - revenue	0	0
VAT payable	0	0
Other taxes payable	0	0
Other payables	0	0
Accruals	0	0
Total non-current trade and other payables	**0**	0

An accrual for annual leave was estimated by requesting from all budget holders a list of staff with leave outstanding at the end of 31 March 2016. The remaining leave was valued at the appropriate pay band for each member of staff. Annual leave outstanding for medical staff was calculated differently as their annual leave year does not run from 1 April to 31 March but annually from their start date. The actual date of the individual's leave year has been factored into the calculation for determining the outstanding leave and applied to their actual pay.

Accruals for agency staff, staff travel, telephones and utility invoices were estimated having analysed the invoices paid and the period unpaid.

13.2 Other liabilities

	31 March 2016 £000	31 March 2015 £000
Current		
Deferred income grants	0	0
Deferred income goods & services	100	76
Deferred income rent of land	0	0
Other deferred income	0	0
Total other current liabilities	**100**	76
Non-current		
Deferred income grants	0	0
Deferred income goods & services	0	0
Deferred income rent of land	0	0
Other deferred income	0	0
Total other non current liabilities	**0**	0

13.3 Borrowings

	31 March 2016 £000	31 March 2015 £000
Current		
Bank overdrafts - Government Banking Service	0	0
Bank overdrafts - commercial banks	0	0
Bank overdrafts - NHS charitable funds	0	0
Drawdown in committed facility	0	0
Loans from Foundation Trust Financing Facility	0	0
Loans from Department of Health	0	0
Working capital loans from Department of Health	0	0
Other Loans	0	0
Obligations under finance leases	40	38
Obligations under PFI contracts	0	0
Other current borrowings - NHS charitable funds	0	0
Total current borrowings	**40**	38
Non-current		
Loans from Foundation Trust Financing Facility	0	0
Other loans	0	0
Obligations under finance leases	318	358
Obligations under PFI contracts	0	0
Other current borrowings - NHS charitable funds	0	0
Total other non current liabilities	**318**	358

13.4 Prudential Borrowing Limit

The prudential borrowing code requirements in section 41 of the NHS Act 2006 have been repealed with effect from 1 April 2013 by the Health and Social Care Act 2012. The financial statements disclosures that were provided previously are no longer required.

13.5 Finance lease obligations

	31 March 2016 £000	31 March 2015 £000
Gross buildings lease liabilities		
- not later than one year;	59	59
- later than one year and not later than five years;	236	236
- later than five years.	140	199
Gross buildings lease liabilities	435	494
Less finance charges allocated to future periods	(77)	(98)
Net buildings lease liabilities	358	396
Net lease liabilities payable:		
- not later than one year;	40	38
- later than one year and not later than five years;	189	178
- later than five years.	129	180
	358	396

The Trust has one finance lease arrangement, Avon House. The term of the lease is for 20 years and 6 months calculated from 24 November 2003. Any discussions on the remainder of the lease/option to buy can commence at the tenth or fifteenth anniversary of the date from which the term is calculated.

14 Provisions

	31 March 2016 Other legal claims £000	31 March 2015 Other legal claims £000
As at 1 April	2,578	1,734
Change in the discount rate	0	0
Arising during the period	255	1,595
Utilised during the period - Accurals	0	0
Utilised during the period - Cash	(58)	(103)
Reclassified to liabilities held in disposal groups in year	0	0
Reversed unused	(948)	(648)
Unwinding of discount	0	0
At 31 March	1,827	2,578
Expected timing of cash flow:		
- not later than one year;	1,781	2,540
- later than one year and not later than five years;	13	13
- later than five years.	33	25
At 31 March	1,827	2,578

The provision for other legal claims is stated subject to uncertainty about the outcome of legal proceedings.

The Trust has made provisions for some employment and supplier issues in accordance with International Accounting Standard 37. No individual provision is over £800,000. (Nil in 2014/15)

The NHS Litigation Authority held provisions of £1,431,083 at 31 March 2016 in respect of clinical negligence liabilities of the NHS Foundation Trust (£1,134,488 in 2014/15).

Since the effect of the time value of money is not significant, since April 2013 cash flows are not discounted.

15 Cash and cash equivalents

	31 March 2016 £000	31 March 2015 £000
At 1 April	27,368	30,408
Net change in year	(6,751)	(3,040)
At 31 March	20,617	27,368
Broken down into:		
Cash at commercial banks and in hand	35	36
Cash with the Government Banking Service	8,582	15,332
Deposits with the National Loan Fund	12,000	12,000
Other current investments	0	0
Cash and cash equivalents as in SoFP	20,617	27,368
Bank overdraft - GBS & commercial	0	0
Cash and cash equivalents as in SoCF	20,617	27,368

15.1 Third Party Assets

	31 March 2016 £000	31 March 2015 £000
Third party assets held by the Trust	94	84

16 Commitments

16.1 Capital Commitments

Commitments under capital expenditure contracts at 31 March were as follows:

	31 March 2016 £000	31 March 2015 £000
Property, plant and equipment	958	2,584
Intangible assets	0	0
	958	2,584

16.2 Other Financial Commitments

The Trust is not committed to any non-cancellable contracts (which are not leases, PFI contracts or other service concession arrangements) with any related party or other organisation at 31 March 2016.

17 Contingencies

	31 March 2016 £000	31 March 2015 £000
Gross value of contingent liabilities	(149)	(6)
Amounts recoverable against contingent liabilities	0	0
Net value of contingent liabilities	(149)	(6)
Net value of contingent assets	21	18

Net contingent assets relate to personal injury claims and permanent injury benefit claims.
Contingent liabilities relate to obligations arising from past events such as legal claims. They are not recognised as provisions either:
- because it is not probable that any expenditure will be incurred, or
- because the expenditure cannot be measured reliably

18 Related Party Transactions

2gether NHS Foundation Trust is a corporate body established by order of the Secretary of State for Health.

During the year none of the Board members or members of the key management staff or parties related to them has undertaken any material transactions with the Trust.

The Chief Executive, Shaun Clee, is the Senior Independent Director and a Non-Executive Director for the NHS Confederation. Shaun is the representative for Community and Mental Health Services on the Board of Health Education South West. He is also the current Chair of 'Kids Like Us', a registered charity for children, young people and families of those with juvenile arthritis.

The Medical Director, Paul Winterbottom, is married to a director of Gloucestershire Hospitals NHS Foundation Trust. The individuals concerned have not been involved in any negotiations or material transactions. Paul is also a Trustee of Gloucestershire Young Carers and a Director of Active Gloucestershire.

The Trust Chair, Ruth FitzJohn, is President of the Midcounties Cooperative (from November 2014), Director of the Midcounties Cooperative Society and a Trustee of the Gloucestershire GP Educational Trust and of the Cheltenham Town Community, Sporting and Educational Trust.

A Non Executive Director, Martin Freeman, is a Director and Trustee of Carers Gloucestershire. This role has not involved any negotiations or transactions related to the Trust.

A Non Executive Director, Charlotte Hitchings, is a self employed executive coach/consultant trading as C-Change.

The Board of Governors has five nominated roles (two of which are vacant at 31 March 2016) :

Roger Wilson is a Gloucestershire County Councillor and Vice-Chair of the Health and Care Overview and Scrutiny Committee.

Jenny Bartlett is a Herefordshire County Councillor

Dr Helen Miller is a senior partner at a Gloucestershire GP Practice, and the Clinical Chair of Gloucestershire CCG.

The Department of Health and Monitor (the independent regulator of NHS Foundation Trusts) are regarded as related parties.

During the period the Trust has had a significant number of material transactions with the Department, and with other entities for which these bodies are regarded as the parent departments. Those entities with transactions or balances totalling more than £500,000 are listed below:

Entity	Income £'000	Expenditure £'000	Receivables £'000	Payables £'000
Berkshire Healthcare NHS Foundation Trust	733			
Gloucestershire Hospitals NHS Foundation Trust	1,334	3,815	884	
Wye Valley NHS Trust		783		
NHS Gloucestershire CCG	76,044			
NHS Herefordshire CCG	17,171			
Health Education England	2,022			
NHS England	2,040			

In addition, the Trust has had a number of material transactions with other government departments and other central and local government bodies. Those entities with transactions or balances totalling more than £500,000 are listed below:

Entity	Income £'000	Expenditure £'000	Receivables £'000	Payables £'000
Gloucestershire County Council	1,571	2,902		1,326
Herefordshire Council	3,930	906	599	
NHS Pension Scheme		7,345		1,011
HM Revenue and Customs		4,723		1,335

²gether NHS Foundation Trust is the corporate trustee of the ²gether NHS Foundation Trust Charitable Fund, registered with the Charity Commission, registration number 1097529. (Further details in note 19.1).

Trustees, officers and key management staff of ²gether NHS Foundation Trust Charitable Fund are members of the Board of ²gether NHS Foundation Trust or its employees. During 2015/16 (and 2014/15) none of the trustees or members of key management staff or parties related to them undertook any material transactions with the ²gether NHS Foundation Trust Charitable Fund. During 2015/16, the ²gether NHS Foundation Trust Charitable Fund contributed £110,000 towards the building costs of a purpose built integrated Mental Health Research Facility being developed by ²gether NHS Foundation Trust (further details note 19.1).

The executive and non executive Directors of the Trust Board share the responsibility for ensuring that the NHS body fulfils its duties as a corporate trustee in managing the charitable funds.

Since 11 December 2013 ²gether NHS Foundation Trust became the corporate trustee of the New Highway Charity, registered with the Charity Commission, registration number 1063888 (further details in note 19.2).

During 2015/16 (and 2014/15) none of the trustees or members of key management staff of New Highway Charity or parties related to them undertook any material transactions with ²gether NHS Foundation Trust or ²gether NHS Foundation Trust Charitable Fund. During the year, the New Highway Charity did not use any resources to benefit the Trust.

19 Charitable funds where ²gether NHS Foundation Trust is the corporate trustee

The Treasury agreed to apply IAS 27 to NHS organisations from 1 April 2013 therefore from 2013/14,

foundation trusts must consolidate any charitable funds where it is the corporate trustee and effectively has the power to exercise control unless the impact on the accounts would not be material.

²gether NHS Foundation Trust is the corporate trustee of the ²gether NHS Foundation Trust Charitable Fund, registered with the Charity Commission, registration number 1097529.

Since 11 December 2013 ²gether NHS Foundation Trust has been the corporate trustee of the New Highway Charity, registered with the Charity Commission, registration number 1063888.

The Trust has assessed the transactions and balances of its linked charities '²gether NHS Foundation Trust Charitable Funds' and 'New Highway' Charity and has decided that these are not material, in the context of the NHS Trust accounts, and they do not require consolidation. The Trust will produce Annual Accounts and Trustee Reports for both charities in accordance with the Charity Commission Requirements. Further details of the charities are given in section 19.1 and 19.2.

19.1 ²gether NHS Foundation Trust Charitable Fund

The funds are held on trust under paragraph 16c of schedule 2 of the NHS and Community Care Act 1990.

At 31 March 2016 the funds held by the charity were £145,000. In 2015/16 £117,000 was spent on patient welfare, which includes a £110,000 building costs contribution to an integrated research facility being developed by ²gether NHS Trust Foundation Trust. This facility is expected to increase the scope and availability of research in the field of dementia, as well as other mental health conditions. The benefits include improving the availability of research studies for both Gloucestershire and Herefordshire service users and carers to participate in by forming strong partnerships with universities and other charitable organisations.

19.1.1 From Charity's Statement of Financial Activities

	12 Months to 31 March 2016 £000	12 Months to 31 March 2015 £000
Total Incoming Resources	24	23
Resources Expended with this NHS body	(111)	(8)
Resources Expended with other NHS foundation trusts	(2)	(2)
Resources Expended with NHS Trusts	0	0
Resources expended with NHS England & CCGs	0	0
Resources Expended with bodies outside the NHS	(7)	(139)
Total Resources Expended	(120)	(149)
Net (outgoing) / incoming resources before transfers	(96)	(126)
(Losses) / gains on revaluation and disposal	0	0
Other fund movements	0	0
Net movement in funds	(96)	(126)

19.1.2 From Charity's Balance Sheet

	As 31 March 2016 £000	At 30 April 2015 £000
Investments	0	0
Other fixed assets	0	0
Total fixed assets	0	0
Cash	145	241
Other Current Assets	0	0
Current Liabilities	0	0
Creditors due after one year	0	0
Net assets/liabilities	145	241
Restricted/Endowment funds	7	21
Unrestricted funds	138	220
Total Charitable Funds	145	241

19.1.3 Restricted/Non-Restricted Analysis

	12 Months to 31 March 2016 Total charitable funds £000	12 Months to 31 March 2016 Restricted/ Endowment £000	12 Months to 31 March 2016 Non-restricted £000
Opening Balance	241	21	220
Net (outgoing)/incoming resources	(96)	(14)	(82)
(Losses)/gains on revaluation and disposal	0	0	0
Transfers to FT charities (where parent trust is authorised)	0	0	0
Transfers to/from other bodies	0	0	0
Other movements	0	0	0
Closing Balance	145	7	138

19.2 New Highway Charity

The Trust became the corporate trustee of the New Highway Charity on 11 December 2013 and has no responsibility for transactions earlier than this.

In 2015/16 (and 2014/15) the Trust did not utilise the Charity's funds as no suitable opportunities arose that could make appropriate use of the Charity structure and the available funds.

19.2.1 From Charity's Statement of Financial Activities

	As 31 March 2016 £000	At 30 April 2015 £000
Total incoming resources	0	0
Resources expended with this NHS body	0	0
Resources expended with other NHS foundation trusts	0	0
Resources expended with NHS trusts	0	0
Resources expended with NHS England and CCGs	0	0
Resources expended with bodies outside the NHS	0	0
Total resources expended	0	0
Net (outgoing)/incoming resources before transfers	0	0
(Losses)/gains on revaluation and disposal	0	0
Other fund movements	0	0
Net movement in funds	0	0

19.2.2 From Charity's Balance Sheet

	As 31 March 2016 £000	At 30 April 2015 £000
Investments	0	0
Other fixed assets	0	0
Total fixed assets	0	0
Cash	93	98
Other Current Assets	0	0
Current Liabilities	0	(5)
Creditors due after one year	0	0
Net assets / liabilities	93	93
Restricted / Endowment funds	0	0
Unrestricted funds	93	93
Total Charitable Funds	93	93

19.2.3 Restricted/Non-Restricted Analysis

	12 Months to 31 March 2016 Total charitable funds £000	12 Months to 31 March 2016 Restricted / Endowment £000	12 Months to 31 March 2016 Non-restricted £000
Opening Balance	93	0	93
Net (outgoing) / incoming resources	0	0	0
(Losses)/gains on revaluation and disposal	0	0	0
Transfers to FT charities (where parent trust is Authorised)	0	0	0
Transfers to/from other bodies	0	0	0
Other movements	0	0	0
Closing Balance	93	0	93

20 Financial Instruments

Financial Reporting Standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with local Primary Care Trusts and the way those Primary Care Trusts are financed, the NHS Foundation Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies, to which the reporting standards mainly apply.

The Trust's treasury management operations are carried out by the Finance Department, within parameters formally defined within the Trust's Standing Financial Instructions and policies agreed by a committee of the Board. Trust treasury activity is subject to review by the Trust's internal auditor.

Currency risk

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency fluctuations.

Interest rate risk

The Trust invests in fixed term money market deposits with the National Loans Fund and a small number of banks and building societies with a maximum period of three months.

The Trust limits its investment in any one organisation, limits the time of the investment and regularly monitors interest rates in the market. The Trust therefore has low exposure to interest rate fluctuations.

Credit risk

The majority of the Trust's income comes from contracts with other public sector bodies. The Trust has low exposure to credit risk. The maximum exposures as at 31 March are in receivables from customers, as disclosed in the trade and other receivables note.

The Trust invests in fixed term money market deposits with a small number of banks and building societies. The Trust manages counterparty credit risks by monitoring credit ratings from three agencies and by only investing in organisations with a very strong credit rating and by investing for short periods only. At the 31 March there was £12,000,000 on short term deposit with the National Loans Fund.

Liquidity risk

The Trust's operating costs are incurred under contracts with Primary Care Trusts, which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from retained surpluses and capital disposals. The Trust is not, therefore, exposed to significant liquidity risks. The Trust keeps £8 million in cash and short term deposits to ensure the liquidity position.

20.1 Financial assets by category

	Loans and Receivables	Assets at Fair Value through the I&E	Held to Maturity	Available for Sale	Total
	£000	£000	£000	£000	£000
Financial Assets as per Statement of Financial Position:					
At 31 March 2016					
Embedded derivatives	0	0	0	0	0
Trade and other receivables excluding non financial assets	3,861	0	0	0	3,861
Other investments	0	0	0	0	0
Other financial assets	0	0	0	0	0
Non current assets held for sale and assets held in disposal group excluding non financial assets	0	0	0	0	0
Cash and cash equivalents at bank and in hand	20,617	0	0	0	20,617
NHS charitable funds: financial assets (at 31 March)	0	0	0	0	0
Total as at 31 March 2016	**24,478**	**0**	**0**	**0**	**24,478**
At 31 March 2015					
Embedded derivatives	0	0	0	0	0
Trade and other receivables excluding non financial assets	4,348	0	0	0	4,348
Other investments	0	0	0	0	0
Other financial assets	0	0	0	0	0
Non current assets held for sale and assets held in disposal group excluding non financial assets	0	0	0	0	0
Cash and cash equivalents at bank and in hand	27,368	0	0	0	27,368
NHS charitable funds: financial assets (at 31 March)	0	0	0	0	0
Total as at 31 March 2015	**31,716**	**0**	**0**	**0**	**31,716**

For all categories of the Trust's financial assets the book values are equal to the fair values.

20.2 Financial liabilities by category

	Other Financial Liabilities	Liabilities at Fair Value through the I&E	Total
	£000	£000	£000
Liabilities as per Statement of Financial Position:			
At 31 March 2016			
Embedded derivatives	**0**	**0**	**0**
Borrowings excluding finance lease and PFI liabilities	**0**	**0**	**0**
Obligations under finance leases	**358**	**0**	**358**
Obligations under PFI contracts	**0**	**0**	**0**
Trade and other payables excluding non financial assets	**8,948**	**0**	**8,948**
Other financial liabilities	**0**	**0**	**0**
Provisions under contract	**1,827**	**0**	**1,827**
NHS charitable funds: financial assets (at 31 March)	**0**	**0**	**0**
Total as at March 2016	**11,133**	**0**	**11,133**
At 31 March 2015			
Embedded derivatives	0	0	0
Borrowings excluding finance lease and PFI liabilities	0	0	0
Obligations under finance leases	396	0	396
Obligations under PFI contracts	0	0	0
Trade and other payables excluding non-financial assets	9,990	0	9,990
Other financial liabilities	0	0	0
Provisions under contract	2,578	0	2,578
NHS charitable funds: financial assets (at 31 March)	0	0	0
Total as at March 2015	**12,964**	**0**	**12,964**

21 Losses and Special Payments

	2015/16		2014/15	
	Numbers	Value	Numbers	Value
Losses:				
1. Losses of cash due to:				
a. theft, fraud etc.	0	0	0	0
b. overpayment of salaries etc.	4	13	9	3
c. other causes	0	0	3	0
2. Fruitless payments and constructive losses	0	0	0	0
3. Bad debts and claims abandoned in relation to:				
a. private patients	0	0	0	0
b. overseas visitors	0	0	0	0
c. other	1	0	61	3
4. Damage to buildings, property etc. due to:				
a. theft, fraud etc.	1	0	0	0
b. stores losses	0	0	0	0
c. other	1	1	0	0
Total losses	7	14	73	6
Special payments:				
5. Compensation under legal obligation	0	0	0	0
6. Extra contractual to contractors	0	0	0	0
7. Ex gratia payments in respect of:				
a. loss of personal effects	10	3	9	1
b. clinical negligence with advice	0	0	0	0
c. personal injury with advice	1	0	2	20
d. other negligence and injury	0	0	0	0
e. Other employment payments	0	0	0	0
f. Patient referrals outside the UK and EEA guidelines	0	0	0	0
g. other	0	0	0	0
h. maladministration, no financial loss	0	0	0	0
8. Special Severance payments	0	0	0	0
9. Extra statutory and regulatory	0	0	0	0
Total special payments	11	3	11	21
Total losses and special payments	18	17	84	27

These amounts are reported on an accruals basis but excluding provisions for future losses.

22 Post Balance Sheet Events

There are no Events after the Balance Sheet Date that need reporting.

Independent Auditor's Report to the Council of Governors and Board of Directors of ²gether NHS Foundation Trust

Opinion on financial statements of ²gether NHS Foundation Trust

In our opinion the financial statements:

- **give a true and fair view of the state of the Trust's affairs as at 31 March 2016 and of its income and expenditure for the year then ended;**
- **have been properly prepared in accordance with the accounting policies directed by Monitor – Independent Regulator of NHS Foundation Trusts; and**
- **have been prepared in accordance with the requirements of the National Health Service Act 2006.**

The financial statements comprise the Income Statement, the Statement of Comprehensive Income, the Balance Sheet, the Cash Flow Statement, the Statement of Changes in Taxpayers' Equity and the related notes 1 to 22. The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies directed by Monitor – Independent Regulator of NHS Foundation Trusts.

Certificate

We certify that we have completed the audit of the accounts in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and Code of Audit Practice.

Going concern

We have reviewed the Accounting Officer's statement that the Trust is a going concern. We confirm that:
- we have concluded that the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified any material uncertainties that may cast significant doubt on the Trust's ability to continue as a going concern.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Trust's ability to continue as a going concern.

Independence

We are required to comply with the Financial Reporting Council's Ethical Standards for Auditors and we confirm that we are independent of the Trust and we have fulfilled our other ethical responsibilities in accordance with those standards. We also confirm we have not provided any of the prohibited non-audit services referred to in those standards.

Our assessment of risks of material misstatement

The assessed risks of material misstatement described below are those that had the greatest effect on our audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team. The risks identified below are the same risks as identified in the prior year.

Risk	How the scope of our audit responded to the risk
NHS revenue recognition There are significant judgements in recognition of revenue from care of NHS patients and in provisioning for disputes with commissioners due to the judgements taken in evaluating Commissioning for Quality and Innovation ("CQUIN") income. The majority of the Trust's income comes from two key commissioners, increasing the significance of associated judgements. As detailed in note 6.1 of the accounts the Trust received £101.2m of income from healthcare activities during the year.	We evaluated the design and implementation of controls over recognition of revenue. We tested the recognition of income through the year, including year-end cut-off, and evaluated the results of the agreement of balances exercise. We assessed the assumptions made in respect of achievement of CQUIN targets. We challenged key judgements around specific areas of dispute and actual or potential challenge from commissioners and the rationale for the accounting treatments adopted. In doing so, we considered the historical accuracy of provisions for disputes and reviewed correspondence with commissioners.

Risk	How the scope of our audit responded to the risk
Capital programme and valuation The Trust holds land and buildings at a modern equivalent use valuation of £59.6m. The valuations are by nature significant estimates which are based on specialist and management assumptions which can be subject to material changes in value. These estimates are referred to by the Trust in note 5 Critical accounting judgements and key sources of estimation and uncertainty. The Trust appointed an independent valuer to complete a valuation of land and buildings carried out for the purposes of the 31 March 2016 accounts. This has led to an overall upwards revaluation to the accounts of land and buildings of £2.7m as detailed in note 10.5. In addition, the Trust has capitalised £7.4m in fixed asset additions during the year. With significant capital projects there is a risk that costs are not accounted for correctly within the accounts.	We evaluated the design and implementation of controls over capital additions and property valuations, and tested the accuracy and completeness of data provided by the Trust to the valuer. We have challenged all valuation movements greater than £107k to determine whether year-end valuations are materially misstated or not. With regards to the remainder of the population we challenged whether the assumptions applied were appropriate. This has been completed through direct correspondence with the valuer and assessment of explanations to other benchmark data at 31 March 2016. We have reviewed the disclosures in notes 1.6 and 5 and evaluated whether these provide sufficient explanation of the basis of the valuation and the judgements made in preparing the valuation. We assessed whether the revaluation and the respective accounting treatment were compliant with the relevant accounting standards. We obtained an understanding of key capital projects and challenged management's assessment of whether any impairment arises in respect of newly capitalised expenditure.

The description of risks above should be read in conjunction with the significant issues considered by the Audit Committee discussed on page 28.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

We determined materiality for the Trust to be £2.1m (2014/15: £1.2m), which is 2% of revenue and below 2.2% of equity (2014/15: 1.1% of revenue and 1.2% of equity). Revenue was chosen as a benchmark as the Trust is a non-profit organisation, and revenue is a key measure of financial performance for users of the financial statements. We reassessed the percentage used from 1.1% of revenue in 2014/15 in the context of our cumulative knowledge and understanding of the audit risks at the Trust and our assessment of those risks for this year.

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £107,000 (2014/15: £60,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the

Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the entity and its environment, including internal control, and assessing the risks of material misstatement. Audit work was performed at the Trust's head offices in Gloucester directly by the audit engagement team, led by the audit partner.

The Trust utilises the services of Gloucestershire Shared Services to provide day to day accounting services to the Trust. We included the relevant services provided by Gloucester Shared Services whilst understanding the relevant control environment. As part of the audit process we visited the shared service provider to access the audit documentation that provided the necessary audit evidence.

Opinion on other matters prescribed by the National Health Service Act 2006

In our opinion:

• the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the National Health Service Act 2006 and

• the information given in the Performance Report and the Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Annual Governance Statement, use of resources, and compilation of financial statements

Under the Code of Audit Practice, we are required to report to you if, in our opinion:

• the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual, is misleading, or is inconsistent with information of which we are aware from our audit;

• the NHS foundation trust has not made proper arrangements for securing economy, efficiency and effectiveness in its use of resources; or

• proper practices have not been observed in the compilation of the financial statements.

We have nothing to report in respect of these matters.

We are not required to consider, nor have we considered, whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

Our duty to read other information in the Annual Report

Under International Standards on Auditing (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

• materially inconsistent with the information in the audited financial statements;
• apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Trust acquired in the course of performing our audit; or
• otherwise misleading.

In particular, we are required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the annual report is fair, balanced and understandable and whether the annual report appropriately discloses those matters that we communicated to the Audit Committee which we consider should have been disclosed. We confirm that we have not identified any such inconsistencies or misleading statements.

Respective responsibilities of the accounting officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law, the Code of Audit Practice and International Standards on Auditing (UK and Ireland). We also comply with International Standard on Quality

Control 1 (UK and Ireland). Our audit methodology and tools aim to ensure that our quality control procedures are effective, understood and applied. Our quality controls and systems include our dedicated professional standards review team.

This report is made solely to the Board of Governors and Board of Directors ("the Boards") of ²gether NHS Foundation Trust, as a body, in accordance with paragraph 4 of Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Boards those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the trust and the Boards as a body, for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Accounting Officer; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Ian Howse, CIPFA (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Cardiff, United Kingdom
24 May 2016

Independent auditor's report to the council of governors of ²gether NHS Foundation Trust on the quality report

We have been engaged by the council of governors of ²gether NHS Foundation Trust to perform an independent assurance engagement in respect of ²gether NHS Foundation Trust's quality report for the year ended 31 March 2016 (the 'Quality Report') and certain performance indicators contained therein.

This report, including the conclusion, has been prepared solely for the council of governors of ²gether NHS Foundation Trust as a body, to assist the council of governors in reporting ²gether 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 2016, 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 ²gether NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Scope and subject matter

The indicators for the year ended 31 March 2016 subject to limited assurance consist of the national priority indicators as mandated by Monitor:

- Admissions to inpatient services had access to crisis resolution home treatment teams
- 100% enhanced Care Programme Approach (CPA) patients receive follow-up contact within seven days of discharge from hospital

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

Respective responsibilities of the directors and auditors

The directors are responsible for the content and the preparation of the quality report in accordance with the criteria set out in the 'NHS foundation trust annual reporting manual' issued by Monitor.

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

- the quality report is not prepared in all material respects in line with the criteria set out in the 'NHS foundation trust annual reporting manual';

- the quality report is not consistent in all material respects with the sources specified in section 2.1 of the Monitor 2015/16 Detailed guidance for external

assurance on quality reports; and

- the indicators in the quality report identified as having been the subject of limited assurance in the quality report are not reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual' and the six dimensions of data quality set out in the 'Detailed guidance for external assurance on quality reports'.

We read the quality report and consider whether it addresses the content requirements of the 'NHS foundation trust annual reporting manual', and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the quality report and consider whether it is materially inconsistent with

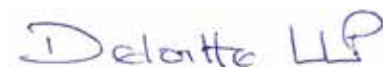- board minutes for the period April 2015 to May 2016;

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'.
The scope of our assurance work has not included testing of indicators other than the two selected mandated indicators, or consideration of quality governance.

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 2016:

- the quality report is not prepared in all material respects in line with the criteria set out in the 'NHS foundation trust annual reporting manual';

- the quality report is not consistent in all material respects with the sources specified in 2.1 of the Monitor 2015/16 Detailed guidance for external assurance on quality reports; and

- the indicators in the quality report subject to limited assurance have not been reasonably stated in all material respects in accordance with the 'NHS foundation trust annual reporting manual'.

Deloitte LLP
Chartered Accountants Cardiff
26 May 2016

Contact us

If you would like to contact the Trust you can:

Write to: Trust Secretary, Rikenel, Montpellier, Gloucester GL1 1LY
Email: j.mcilveen@nhs.net
Telephone: 01452 894000

Communicating with Governors

Members of the Trust may contact Governors via:

Email: anna.hilditch@nhs.net

Writing to: Freepost RLYA-XAKR-HABZ, 2gether NHS Foundation Trust, Rikenel, Montpellier, Gloucester GL1 1LY

Telephone: the Assistant Trust Secretary on 01452 894165

There is also a feedback form on the Trust website at www.2gether.nhs.uk.

Information in other languages/formats

The 2gether NHS Foundation Trust Annual Report and Accounts 2015/16 describe the activities of the Trust during the 2015/16 financial year.

If you would like the Annual Report in large print, Braille, audio cassette tape or another language please telephone 01452 894000 or email us at 2gnft.comms@nhs.net

Chinese

2gether 國家健康服務信託社的週年報告和 2015-16

年度的帳目說明信託社在該財政年度的事務。如果你希望得到週年報

告的大型字體版本、凸字本、音帶或其他語言的譯本，請致電01452

894007 或者電郵 2gnft.comms@nhs.net

Polish

Roczny Raport i Rachunkowość Funduszu Powierniczego Narodowej Służby Zdrowia 2gether na rok 2015 - 16 opisuje działalność funduszu w czasie roku finansowego 2015 - 16 . Po kopię Raportu Rocznego w dużym druku, w języku Braille's, na kasecie audio lub w innym języku proszę dzwonić pod numer **01452 894007** lub email: 2gnft.comms@nhs.net

Czech

Výročni zpráva a účetni knihy 2015 - 16 nadace 2gether svěřenecké společnosti NHS popisují činnosti společnosti během finančního roku 2015 - 16. Pokud budete chtít výročni zprávu ve velkém tisku, Braillovu písmu, na audio kazete nebo v jiném jazyce, volejte prosím na **01452 894007** nebo napište na email: 2gnft.comms@nhs.net

Gujarati

ટુગેધર એનએચએસ ફાઉન્ડેશન ટ્રસ્ટનો 2015-16 વાર્ષિક અહેવાલ અને હિસાબ ટ્રસ્ટની ૨૦૦૮ - ૦૯નાં વર્ષ દરમ્યાનની કામગીરીઓ બતાવે છે. તમોને જો એ અહેવાલ મોટા અક્ષરોમાં, બ્રેઈલ (અંધલિપિ), ઓડિઓ કસેટ કે બીજી કોઈ ભાષામાં જોઈતો હોય તો, મહેરબાની કરીને ૦૧૪૫૨ ૮૯૧૧૬૫ નંબર પર ફોન કરશો અથવા આ જગ્યા પર ઈમેઈલ કરશો : 2gnft.comms@nhs.net

Bengali

টুগেদার এনএইচএস্ ফাউন্ডেশন ট্রাস্টের (²gether NHS Foundation Trust) 2015-16 সালের বাৎসরিক রিপোর্ট ও এ্যাকাউন্টে, ২০০৮-২০০৯ আর্থিক বছরে এই ট্রাস্টের কাজকর্মের কথা বলা হয়েছে। আপনি যদি এই রিপোর্টটি বড় ছাপায়, ব্রেইল-এ, কানে শোনার ক্যাসেট টেপ-এ বা অন্য কোন ভাষায় চান, তাহলে দয়া করে **০১৪৫২ ৮৯১১৬৫** নম্বরে টেলিফোন করবেন অথবা 2gnft.comms@nhs.net ঠিকানায় ইমেইল করবেন।

Urdu

تو گیدر این ایچ ایس فاؤنڈیشن ٹرسٹ کی سالانہ رپورٹ اورسن 2015-16 کے اکاؤنٹس میں ٹرسٹ کی اُن سرگرمیوں کا ذکر کیا گیا ہے جو مالی سال 2015-16 کے دوران انجام دی گئیں ۔ سالانہ رپورٹ اگر آپ کو بڑے حروف کی چھپائی، آڈیو کسٹ یا کسی دیگر زبان میں درکار ہو تو برائے مہربانی نمبر **01452 894007** پر فون کریں یا اس پتے پر ای میل بھیجیں : 2gnft.comms@nhs.net