



# **2gether NHS Foundation Trust** **Annual Report and Accounts** **2018/19**



<sup>2</sup>gether NHS Foundation Trust  
Annual Report and Accounts 2018/19

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



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## We're 2gether

Welcome to our Annual Report, where you will find information about who we are and what we have done throughout 2018/19.

2gether NHS Foundation Trust

**A statement of our intent: 2015-2019**



|  |  |                         |            |  |                            |        |  |
|--|--|-------------------------|------------|--|----------------------------|--------|--|
| <b>PURPOSE</b><br>Why we exist                                   | <b>Making Life Better</b>  |                         |            |  |                            |        |  |
| <b>VISION</b><br>What we want to achieve                         | <i>To be the Provider and Employer of choice delivering sustainable high quality, cost effective, inclusive services.</i>  |                         |            |  |                            |        |  |
| <b>STRATEGIC PRIORITIES</b><br>Headline targets we will focus on | <ul style="list-style-type: none"> <li>• Continuous <b>Quality</b> Improvement</li> <li>• <b>Engagement</b> to support the delivery of a challenging agenda</li> <li>• Ensure <b>Sustainability</b> of services</li> </ul>   |                         |            |  |                            |        |  |
| <b>VALUES</b><br>How we do things                                | Seeing from a service user and carer perspective   | Excelling and Improving | Responsive | Valuing and respectful   | Inclusive, open and honest | Can do | Efficient, effective, economic and equitable |
| <b>PILLARS</b><br>Enabling Strategies                            | <ul style="list-style-type: none"> <li>• Organisational development</li> <li>• Practice development in professions e.g. nursing, AHP, medical, social care, psychological services</li> <li>• Service delivery</li> <li>• Technology</li> <li>• Finance</li> </ul> |                         |            | <ul style="list-style-type: none"> <li>• Engagement and communication</li> <li>• Research</li> <li>• Quality</li> <li>• Commerce</li> <li>• Corporate</li> </ul> |                            |        |  |

DRAFT  
13 July 2015

## Get involved

Find out more about our Trust at: [www.2gether.nhs.uk](http://www.2gether.nhs.uk)

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

[www.twitter.com/2getherTrust](https://www.twitter.com/2getherTrust)

[www.facebook.com/2getherNHS](https://www.facebook.com/2getherNHS)

[www.instagram.com/2getherNHS](https://www.instagram.com/2getherNHS)

[www.linkedin.com/company/2gethernhs](https://www.linkedin.com/company/2gethernhs)

## 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/members/](http://2gether.nhs.uk/members/) or call 0300 421 7146.

Our registered address is: 2gether NHS Foundation Trust, Edward Jenner Court, 1010 Pioneer Avenue, Brockworth, GL3 4AW. You can also contact us by telephone on **0300 421 8100**.



## Welcome from Trust Chair, Ingrid Barker

I am delighted to welcome you to 2gether's Annual Report. We are at a crossroads as we look back on a successful year and look ahead to a year in which we plan for a new organisation and more joined up ways of delivering health services for our communities.



Plans are now well advanced for the merger of 2gether and Gloucestershire Care Services NHS Trust. The reason for this merger has always been, and continues to be, the conviction that we can better provide integrated physical and mental health services as a single organisation than as separate ones. This is supported by stark evidence of health inequalities, poorer outcomes and shorter life expectancy for people with mental health issues or learning disabilities.

Life expectancy for people with long term mental health conditions is 15 to 20 years shorter than for the general population, while people with long-term physical health conditions are three times as likely to have mental health difficulties. Therefore, there are compelling reasons to bring the organisations together so we can meet the needs of the whole person – physical and mental - and better support people with learning disabilities, jointly.

The possibilities are really exciting, whether it's improved physical health outcomes for children and young people with learning disabilities, or improved dementia care in our community hospitals. I firmly believe that pooling our expertise and resources gives us an opportunity to plan and deliver significant improvements for the people we serve over the coming years.

Happily, we appear to be in tune with opinion across the NHS as a whole, and with the Government, with the NHS Long Term Plan highlighting the importance of investment in both community health and mental health services. That plan also puts the spotlight on key clinical priorities and highlights the need for greater partnerships between professionals and people who use services, and a commitment to increasing support for people to manage their own health.

All of these developments require the support and co-operation of our wider system partners, and we continue to develop and strengthen links as a member of the Gloucestershire Integrated Care System and the Herefordshire and Worcestershire Sustainability and Transformation Partnership. We are seeing some fantastic results from closer working with GPs, our colleagues in the local 'acute' Trusts, other partners and indeed Third Sector providers and charities, who provide so much for our local communities.

I am very conscious of the demands that maintaining high quality care – and developing new and improved services – while conducting a merger of two large and complex Trusts, is placing on my colleagues. We are going through change which always brings with it uncertainty. We ask a lot, so I'd like to take this opportunity to place on record my gratitude and admiration for the professionalism, dedication and resilience I see from so many people across the Trust every day. I am immensely proud of the way in which colleagues, almost without exception, put their own interests into the background whilst keeping their main focus

on delivering services. Our colleagues always have our service users and carers as their priority, whatever challenges they are facing in their professional or personal lives.

I hope this report provides an interesting and informative overview of what we are doing to support communities across Gloucestershire and Herefordshire. Thank you for taking an interest in the work of our Trust.

A handwritten signature in black ink, appearing to read 'Ingrid', with a stylized flourish at the end.

**Ingrid Barker, Trust Chair**

**24 May 2019**



# Performance Report

## An overview of our purpose, objectives, and performance during 2018/19

### Chief Executive's Statement

As Chief Executive of 2gether NHS Foundation Trust and Gloucestershire Care Services NHS Trust, it is my pleasure to present 2gether's Annual Report for 2018/19. It has, as always, been a busy year. Demand for our services is ever growing and, as is the case with our colleagues across the country, we are faced with more and more stringent savings targets and increased expectations. I am, however, proud to say that my colleagues, working with our partners, have risen to these challenges. I remain consistently impressed by the way in which we have continued to support, treat and care for people across our Gloucestershire and Herefordshire communities with exceptional compassion and dedication.

2gether has a strong track record of delivering high quality care, and 2018/19 has been no different, as you will see from the wide range of information, data and performance measures contained within this report. Facts and figures, however, only provide part of the story. What also matters is how people feel about us – our service users, carers, partners and also the people who work for the Trust. As you will find from this report, we have had a huge amount of positive feedback about the services we provide. The fact that the Trust continues to attract such positive commentary and achieve such high standards is testimony to the significant contribution of our staff, as well as our Board, Governors, service users, carers, members, volunteers, commissioners, partners and communities.

There is, of course, always more we can and will do. We are a constantly improving and evolving organisation. This year a large part of our focus has been on maintaining and improving the quality of our services, while also focussing on our proposed merger with Gloucestershire Care Services NHS Trust. The overwhelming purpose of our proposed merger is to provide better, more responsive and more joined-up services for people with physical health, mental health and learning disability needs. This will continue to be a major focus over the next 12 months.

This document includes our Quality Report, within which we set out the Trust's achievements in service user quality and care, as well as the many developments we have made in enhancing the services and support we provide, often in partnership with others. This includes our work as part of the Gloucestershire Integrated Care System (ICS) and the Herefordshire and Worcestershire Sustainability and Transformation Partnership (STP), as well as our work with national and local statutory, voluntary and third sector partners.

Our Annual Report also provides a full breakdown of our financial performance. Sustaining our robust financial position has been challenging, but we have a

responsibility to maintain financial balance in order to invest further in services and will continue to do so over the coming 12 months.

This year is set to be one of the most momentous in the Trust's recent history. While we are planning many changes I know I can guarantee one thing, which is that the dedicated colleagues I work with still have one priority in mind - providing the best service we can with and for our communities. I am delighted to present this report to you and thank you for reading.



**Colin Merker**  
**Deputy Chief Executive**

**24 May 2019**

On behalf of Paul Roberts, Chief Executive



Service users rated the care we provide in the top **20%** of mental health services in England and **2<sup>nd</sup>** in the country

**329,376**

contacts either face-to-face or by telephone



The number of Staff Friends and Family Test respondents who would recommend our services to their friends and family has ranged from **84 to 88%**



**50,164**  
service users supported

**90%**



We were above average or average in **90%** of key findings from the national NHS Staff Survey



**8,116** members



**52,205**  
referrals into our services

**£126m**



**£126m** income to deliver and enhance local service provision

**77%**



We vaccinated **77%** of our frontline healthcare workers against the flu



**2,579**  
dedicated members of staff

**27,447**  
contacts, on average, per month

**27,447**



We delivered our target financial position and are in underlying financial balance



## About Us

**<sup>2</sup>gether NHS Foundation Trust (<sup>2</sup>gether) provides mental health, learning disability and social healthcare services across Gloucestershire and Herefordshire.**

NHS commissioning organisations manage local and specialist budgets. They determine and pay for the services we provide.

In July 2007, we were one of the first 10 mental health trusts in England to be authorised as a foundation trust by Monitor, which was, at that time, the independent sector regulator for health services in England.

As a foundation trust, we are a not-for-profit, public benefit corporation. Our initial application was as Gloucestershire Partnership NHS Trust, which 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 <sup>2</sup>gether 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 our 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 commissioned us to provide a learning disability health team until 31 December 2017, when commissioning responsibility passed to Herefordshire Clinical Commissioning Group. 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 approximately 2,500 members of staff (including bank staff) and serve a combined population of more than 780,000, over nearly 1,900 square miles. Last year we delivered services to more than 50,000 individuals and support to their carers and families. We also worked in partnership with a wide range of commissioners, collaborators and our colleagues across the health and social care community to enhance the support available for people with mental health conditions and learning disabilities, as well as tackling inequality and stigma.

As an NHS foundation trust, we are accountable to the local people, who help ensure local ownership and control of their NHS and the services we provide. More than 8,100 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 organic 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 stress, 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.

Our occupational health service provides services to our staff and to public and private organisations through our Working Well identity. Our Gloucestershire-based Better 2 Work services provide 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. In 2016/17 we worked alongside our Gloucestershire Commissioners and Swindon Mind to open The Alexandra Wellbeing House, in Gloucester. One of our most recently introduced services is the Gloucestershire Perinatal Mental Health Service, which we also provide in conjunction with partners. In Herefordshire, we deliver dementia services in partnership with the Alzheimer's Society and children's services in conjunction with the Counselling, Learning and Development Trust. We also provide Criminal Justice Liaison Services in Gloucestershire alongside the Youth Support Team (PROSPECTS) and the Nelson Trust.

## Strategic priorities

The NHS landscape and the needs of our communities are constantly changing.

However, 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

The **Five Year Forward View for Mental Health and the more recent NHS Long Term Plan** set out the transformation required in health services and in their funding arrangements to effectively meet the needs of our communities and achieve parity of esteem between physical and mental health.

In line with these, our key areas of focus for 2019 to 2020 are:

- Merging with Gloucestershire Care Services NHS Trust to deliver the benefits we have identified from bringing our two successful organisations together
- Continued full engagement with our local Integrated Care System and Sustainability and Transformation Partnership (STP) processes and objectives
- Delivery of mental health specific performance targets such as for Improving Access to Psychological Therapies (IAPT), Early Intervention in Psychosis, Dementia, and access and referral targets for children's services and eating disorder services
- Delivery of learning disability specific performance targets, such as reducing the reliance on inpatient care and ensuring annual health checks are carried out
- Maintaining our CQC rating of 'Good', working toward 'Outstanding', demonstrating clear improvement in areas where it is required
- Delivery of our financial Control Totals
- Achieving a Single Governance Oversight Framework rating segment of 2 or better

### Joint work with Gloucestershire Care Services NHS Trust

In September 2017, the Boards of <sup>2</sup>gether NHS Foundation Trust and Gloucestershire Care Services NHS Trust announced plans and agreed a strategic intent to work on proposals to integrate the two Trusts into a single organisation.

Since then, the two Trusts have appointed a Joint Chair, Ingrid Barker, who took up her position in January 2018. We have also appointed Paul Roberts as Joint Chief Executive, who started in his post in April 2018, as well as a joint Shadow Board.

We have a vision that within the next five years an older person, living in Gloucestershire or Herefordshire, who is frail and has dementia, will receive care from a single team, co-ordinated by a single professional, co-designed with them and their family and based on expressed personal needs. The same will apply to a person with a learning disability, a vulnerable child or adolescent, a person with a physical disability or with a serious long-term mental illness – indeed to anyone whose life can be enhanced through joined-up care based in their home or local community.

Our merger with Gloucestershire Care Services NHS Trust (GCS), strongly supported by both Boards, will allow us to achieve this vision more quickly and with fewer barriers. Whilst the strategic case for this merger makes good business sense and will accelerate the local achievement of national policy priorities; its foundations are the benefits for people who use our services and the communities whom we serve. It will also assist us in playing a full role in the Integrated Care System (ICS) in Gloucestershire.

2gether and GCS are already effective organisations firmly rooted in their strong values. They are both financially healthy and rated “good” by the Care Quality Commission (CQC). We believe that through merger the whole can be even greater than the sum of the parts.

Our merger will also assist us to achieve progress on implementing national policy priorities, for example:

- contributing to the NHS drive towards an equal response to mental and physical health with the ambition of achieving genuine “parity of esteem” between physical and mental health by 2020
- supporting our communities with the right (mental health) care at the right time and of the right quality
- expanding proven community-based services for people of all ages with severe mental health problems who need support to live safely and as close to home as possible
- working with partners to address suicide and self-harm, local rates of which are above the national average
- working with partners to ensure those in our communities with a learning disability or autism, can live in their own homes, develop and maintain positive relationships and get the support they need to be healthy, safe and play an active part in society
- supporting our colleagues in General Practice in their national priority of reducing workload by developing community based prevention strategies, addressing co-morbidity and the challenge of those presenting with medically unexplained symptoms and by offering GPs easier referral, more effective multi-disciplinary assessment and less burdensome management of care pathways.

Whilst some benefits could be achieved by developing closer working relationships including through our Integrated Care Systems, we believe, partly based on case studies of places and organisations which have already merged, that working as one organisation can make a fundamental difference to, for instance:

- The development of single management and accountability arrangements for integrated care teams
- The deployment of joint operational budgets
- The application of common clinical, operational and human resource policies
- The assurance of quality and safety for our complex service users through one governance system
- The sharing of corporate overhead costs to ensure resources for front-line care are maximised
- The influence of our organisation through our combined size within our ICSs to advocate for our service users and philosophy of integrated, place-based care.

We believe our case demonstrates that our merger will also benefit our workforce and our partners, for instance:

- In combination we can offer better opportunities for talent management and workforce development
- We are already exploring the development of joint training facilities
- The development of integrated teams will help to mitigate some of the (national) shortfalls in recruitment which we encounter



- Our colleagues in primary care often ask for more integrated mental and physical health support within or close to practices. We will be in a better position to offer this together
- It is those admitted to hospitals with complex problems who can become “stranded” and the development of better integrated care can help both to reduce admissions and to provide better transfers of care at point of discharge

In summary we strongly believe and we can demonstrate that the creation of a £200m organisation in an NHS world of larger providers will make us more sustainable and that our own integration will support the wider integration being championed through our ICSs. But most importantly we believe that our two strong organisations joining together will enable our teams to deliver better care to and with service users and their communities.

### Herefordshire Mental Health and Learning Disabilities Services

From a Herefordshire perspective, the merger cannot have the same direct impact on service provision and delivery structures as it will in Gloucestershire, because community physical health care services in Herefordshire are delivered by Wye Valley NHS Trust. We do, however, need to play our part in the changes to be progressed through the Herefordshire and Worcestershire Strategic Transformation Partnership (H&W STP) and the 'One Herefordshire' plan.

The One Herefordshire plan is focussed on bringing GP services, community physical healthcare, mental health and learning disability services and social care together in an integrated way. This will enable us to collectively deliver more joined-up care and self-care support, so that more people can stay healthy and well outside of hospital. Our aim is that actively encouraging in this approach will deliver many of the same benefits as will be delivered in Gloucestershire through our merger.

The NHS Long Term Plan supports these proposals and this model runs throughout the Herefordshire and Worcestershire STP's aspirations, aims and objectives. To achieve these, we will need to closely align with our partners - Wye Valley Trust, GP Practices and Taurus, Herefordshire Council and the CCG, so that we can collectively transform services.

**In order to progress these proposals in Herefordshire, we have been considering a number of issues:**

#### **Board Level Representation for Herefordshire**

As our Boards reconfigure into one to support our merger with GCS, we have agreed that Herefordshire will have an identified Executive Director seat on the Board. This post will also be supported by one of our Non-Executive Directors, who will take on a specific remit for supporting the many partnership forums in Herefordshire. They will be supported by the 2gether Trust Board

This change will strengthen Herefordshire's voice both within our current organisation but also amongst partners in Herefordshire and the STP footprint.

## Future Service Delivery

The national agenda set out in the NHS Long Term Plan, and the work we have been undertaking as part of the H&W STP, drives for integration that may only be deliverable within a defined community of partners able to share resources much more closely together. Whilst we have successfully worked across Gloucestershire and Herefordshire for a number of years now, the **arrangements we now need to put in place to ensure services in Herefordshire and Gloucestershire are sustainable**, require us to establish whether cross boundary working (across STPs, Integrated Care systems etc.) can be successfully maintained in the longer term. In view of this, we have agreed with Herefordshire CCG and the H&W STP to undertake a programme of work exploring the configuration options that are open to us to support the delivery of services in the long term.

We are committed to progressing this work quickly and keeping our staff and partners informed. We want any recommendations for change to be clear, agreed and understood by October 2019.

Our aspiration is for our Herefordshire services to move from 'good' to 'outstanding' alongside our Gloucestershire services and the proposals outlined here aim to ensure that we and our partners can achieve this together.

## Sustainability and Transformation Partnerships (STPs)

We continue to work with our colleagues in the Gloucestershire Integrated Care System, and the STP for Herefordshire and Worcestershire, to develop an approach which will transform health and social care provision in the years to come. The plans involve not only NHS Trusts and local authorities, but voluntary sector organisations, communities, staff, and the public. These plans will enable our Trust and our partners to meet the increasing demands placed upon us and provide a responsive, high quality and equitable service to our communities that is sustainable for the future.

## Going concern

After making enquiries, the directors have a reasonable expectation that <sup>2</sup>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 these accounts.

## Performance Report - Analysis

As an NHS Foundation Trust our performance is measured in a variety of ways, including the ratings we are given by our regulator, NHS Improvement. As can be seen from our Regulatory Ratings (page 83), our 'score' against the single governance oversight framework at the end of 2018/19 was 1, where '1' reflects the strongest performance, and '4' reflects the lowest rating.

We are also regulated by the Care Quality Commission (CQC), which conducted a comprehensive inspection of our services in March 2018. We maintained our overall rating of 'Good' and improved a number of our measured domains and service individual ratings.

We were rated as 'Outstanding' for:

- Acute Wards for Adults of Working Age
- Psychiatric Intensive Care Units
- Mental Health Crisis Service
- Health-based Places of Safety.

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 2018/19.

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 107).

In addition to these operational performance measures, we also constantly undertake our own quality assurance reviews and audits across all services. We are also part of external inspections, such as those carried out by the Office for Standards in Education, Children's Services and Skills (OFSTED) with our local authority partners.

We constantly strive to improve and enhance our services, and during 2018/19 we have worked with our commissioners and partners to introduce a number of service delivery initiatives. These include:

- Further developments in our Gloucestershire Perinatal Mental Health Service, with greater access to psychological therapies and interventions, perinatal occupational therapists and community nursery nurses to offer support related to maternal bonding
- The introduction of a Letter of Hope, to be given to anyone attending hospitals in Gloucestershire and Herefordshire who has self-harmed or attempted suicide. This letter has been written by people who have attempted suicide, and gives a personal message of hope alongside details of local support agencies.
- Further work on helping our service users to give up smoking, which is the leading cause of premature death among people with serious mental illness. This work has included an E-Burn pilot at Wotton Lawn Hospital, in Gloucester, and participation in a national study in our Herefordshire services.

- Developments to make our Improving Access to Psychological Therapies service (Let's Talk) more accessible to more people, including introducing online, digital therapies and Skype appointments.
- Work with Hundred Families, to think about our services relate to families who have experienced a traumatic bereavement. This has led to colleagues volunteering as Family Liaison Officers' (FLOs), since receiving postvention training provided by Suicide Bereavement UK.
- Introduction of an Approved Mental Health Professionals 'hub' staffed by five full-time AMHPs. The hours covered by the AMHP service have extended to 9am to 11pm, giving greater flexibility and accessibility for formal assessments under the Mental Health Act where compulsory admission to psychiatric hospital may be indicated.
- A new Veterans Working Group, to raise awareness and improve support available to veterans and their families who need to access mental health services in Gloucestershire and Herefordshire. This will be developed during 2019/20.
- A new physical health nurse based at the Stonebow Unit, in Herefordshire, to ensure parity of esteem across physical and mental health.
- Further developments within our Recovery College, including publication of two manuals in partnership with the Health Foundation.
- The introduction of 'Well Woman Wednesdays' at Wotton Lawn Hospital, to encourage women with serious mental illness to undergo cervical screening.

## Financial performance

During 2018/19, 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 hold contracts with commissioners in our surrounding region and a contract with NHS Specialist Commissioners for low secure mental health inpatient care.

Our 2018/19 Statement of Comprehensive income can be found on page 185.

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

|                           | 2018/19 (£m) | 2017/18 (£m) |
|---------------------------|--------------|--------------|
| <b>Total income</b>       | 125.904      | 119.589      |
| <b>Operating expenses</b> | (120.725)    | (130.834)    |
| <b>Other expenses</b>     | (1.517)      | (2.288)      |
| <b>Surplus</b>            | 3.662        | (13.524)     |

As detailed above, our operating expenses in 2018/19 totalled £120,725,000 which is a decrease of 7.7% year-on-year. Staff costs accounted for £89.128m or 73.8% of our operating expenses.

NHS Improvement (NHSI), our regulator, set together a financial control total of a surplus of £834,000 for 2018/19.

We achieved a surplus of £894,000, including Provider Sustainability Funding (PSF) of £903,000, which was higher than the financial control total set. Consequently as we over-achieved our control total, we were also eligible for both PSF Incentive and Bonus monies. We received a further £115,000 Incentive PSF and a further £1,464,000 in Bonus PSF monies.

This means that for 2018/19, together NHS Foundation Trust has achieved a surplus of £2,473,000 for NHS single governance oversight segmentation purposes, and received £2,482,000 of PSF.

To reconcile to our reported financial position of a surplus of £3,662,000, impairment income of £1,168,000 needs to be added to the surplus along with a net £21,000 income from the consolidation of charitable funds. However both impairment costs and charitable funds are technical non cash financial adjustments and do not count against the achievement of our Control Total or our segmentation.

This is explained in the following table:

|                                    | 2018/19           | 2017/18             |
|------------------------------------|-------------------|---------------------|
| Financial position (excluding PSF) | -£9,000           | £292,000            |
| Standard PSF                       | £903,000          | £642,000            |
| Incentive PSF                      | £115,000          | £59,000             |
| Bonus PSF                          | £1,464,000        | £1,214,000          |
| <b>Sub total</b>                   | <b>£2,473,000</b> | <b>£2,207,000</b>   |
| Impairments                        | £1,168,000        | -£15,731,000        |
| Charitable funds                   | £21,000           | £ 0                 |
| <b>Grand total</b>                 | <b>£3,662,000</b> | <b>-£13,524,000</b> |

In 2019/20 we plan to deliver a surplus of £803,000 while we continue to deliver our existing capital programme, which includes further improvements to our buildings and our extensive improving care through technology programme.

Our full annual accounts can be found at page 183.

### Efficiency savings

During 2018/19 we were expected to deliver £2,450,000 in efficiency savings in addition to the £4,737,000 we delivered in 2017/18. This comprised a 2% national efficiency requirement and additional savings to meet cost pressures and service development requests.

Over the year, we delivered savings of £2,602,000 against a total income of £125,904,000.

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 safe and appropriate clinical care. In addition, our Governance Committee receives a quarterly report to ensure that no unforeseen, adverse quality impacts arise from our savings plans.

## Cost allocation and charging requirements

The Directors confirm that together 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 operates its 'Public Sector Payment Policy' in line with the Governments 'Prompt Payment policy' as administered by Crown Commercial Services and the Cabinet Office. This states that the target for all Government bodies is to pay all 'valid, undisputed invoices' within 30 days. It also states that 80% of all 'valid, undisputed invoices' should be paid within 5 working days. The Trust's performance against the policy has remained consistently high throughout 2018/19. The cumulative Public Sector Payment Policy (PSPP) performance for the Trust for the financial year 2018/19 was 86% of invoices paid within 10 days and 94% paid within 30 days.

The figures, including a split between NHS and Non-NHS payments, is reported to the NHSI on a monthly basis and included in the monthly board report.

The Trust paid no interest under the Late Payment of Commercial Debts (Interest) Act 1998.

This table sets out our payment record for the year, broken down by NHS and non NHS payments.

| Better payment practice code            | Expected Sign | 19ACTYTD01                            | 19ACTYTD                             |
|---|---------------|---------------------------------------|--------------------------------------|
|   |               | Actual<br>31/03/2019<br>YTD<br>Number | Actual<br>31/03/2019<br>YTD<br>£'000 |
| Non NHS                                 |               |                                       |                                      |
| Total bills paid in the year            | +             | 23,031                                | 64,788                               |
| Total bills paid within target*         | +             | 21,588                                | 62,611                               |
| Percentage of bills paid within target* | %             | 93.7%                                 | 96.6%                                |
| NHS                                     |               |                                       |                                      |
| Total bills paid in the year            | +             | 496                                   | 8,880                                |
| Total bills paid within target*         | +             | 462                                   | 8,630                                |
| Percentage of bills paid within target* | %             | 93.1%                                 | 97.2%                                |
| Total                                   |               |                                       |                                      |
| Total bills paid in the year            | +             | 23,527                                | 73,668                               |
| Total bills paid within target*         | +             | 22,050                                | 71,241                               |
| Percentage of bills paid within target* | %             | 93.7%                                 | 96.7%                                |

\* figures relate to the Better Payment Practice Code 30 day target.



## **Income disclosure**

The Directors confirm that Together 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.

It has also helped to increase liaison with other government, public and private organisations, and the national and regional offices of NHS Counter Fraud Authority to improve the impact of our counter fraud activity.

We continue to encourage the honest vast 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**

Changes in demographics, demand, awareness, national guidance and targets, the introduction of new technologies and our work with our STP partners, mean we must remain flexible and adaptable.

Delivering against our financial plan while maintaining and enhancing the care we provide will be essential, yet demanding.

Our commitment to our service users, carers, staff, partners and communities remains at the forefront of everything we do. We will continue to invest in what we need to do and what is best for the people we serve, while ensuring that we are responsible and careful with our necessary spending.

## Environmental Sustainability

The Trust Estate Strategy was updated for September 2016, and incorporated updated Carbon Reduction Objectives, and related Key Performance Indicators.

These follow the requirements of ‘**Sustainable, Resilient, Healthy People and Places**’<sup>1</sup>. The following Objective and KPI are included:

- **Strategic Objective Four** – To develop the Estate to reduce our carbon footprint year on year in line with national policy and guidance.
- **KPI 4.1** – To reduce our carbon footprint by 34% by 2020, based on our 2008 Carbon Footprint and Estate.
- **KPI 4.2** – To reduce our carbon footprint by an equivalent of 2% year on year for Hereford sites, for which there is no 2008 base data – at the 2020 assessment dates.

Recognising that the Trust did not operate services in Herefordshire in 2008/09, our Key Performance Indicator for Herefordshire is to reduce greenhouse gas emissions (CO<sub>2</sub>e) by 2% year on year, from our contract base year of 2011/12, making our 2017/18 target an overall 12% reduction.

The previous report data for waste emissions were incorrectly calculated, the figures have been amended with this year's to ensure reporting consistency.

### Trust Utility Carbon Emissions Overview

Total carbon emissions have reduced by 1,815 tonnes or 55%, between the reporting period 2008 and 2018. For 2014/15 and 2015/16 it was not possible to accurately calculate the carbon footprint of the Trust, the Trust's electricity supplier British Gas, was unable to provide the Trust with credible data. We have produced some figures, but these have been of uncertain quality.

We have since terminated the contract with British Gas, and data accuracy will improve in subsequent years.

### Gloucestershire Utility Carbon Emissions

Total carbon emissions in Gloucestershire decreased by 718 tonnes or 33% between 2016/17 and 2017/18. The Trust remains on target to deliver its total 2020 carbon emissions reduction target of 34%. All utilities show a reduction in consumption.

Electricity emissions decreased by 485 tonnes or 32%. Gas emissions decreased by 190 tonnes or 23%. Oil emissions decreased by 33 tonnes or 58%. This appears a reporting error and unrealistic, given the previous winter. Water emissions reduced by 10 tonnes or 27%.

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<sup>1</sup> NHS England, Public Health England & Sustainable Development Unit, *Sustainable Resilient, Healthy People and Places*, 2014.

| Utility      | Baseline 2008/09 Weight of CO <sub>2</sub> e (tonnes) | 2009/10 Weight of CO <sub>2</sub> e (tonnes) | 2010/11 Weight of CO <sub>2</sub> e (tonnes) | 2011/12 Weight of CO <sub>2</sub> e (tonnes) | 2012/13 Weight of CO <sub>2</sub> e (tonnes) | 2013/14 Weight of CO <sub>2</sub> e (tonnes) | 2014/15 Weight of CO <sub>2</sub> e (tonnes) | 2015/16 Weight of CO <sub>2</sub> e (tonnes) | 2016/17 Weight of CO <sub>2</sub> e (tonnes) | 2017/18 Weight of CO <sub>2</sub> e (tonnes) | % Change against 2008/09 |
|--------------|---|--|--|--|--|--|--|--|--|--|--------------------------|
| Gas          | 1597  | 1279   | 1403   | 1109   | 1156   | 1182   | 844  | 938  | 841  | 651  | -59%                     |
| Electricity  | 1633  | 1592   | 1638   | 1734   | 1437   | 1581   | 826  | 1030   | 1273   | 788  | -52%                     |
| Heating Oil  | 69  | 57   | 64   | 69   | 82   | 83   | 52   | 63   | 57   | 24   | -65%                     |
| Water        | 7   | 7  | 9  | 9  | 11   | 9  | 23   | 26   | 38   | 28   | 400%                     |
| <b>TOTAL</b> | <b>3,306</b>  | <b>2,935</b>                                 | <b>3,114</b>                                 | <b>2,921</b>                                 | <b>2,686</b>                                 | <b>2,855</b>                                 | <b>1,745</b>                                 | <b>2,057</b>                                 | <b>2,209</b>                                 | <b>1,491</b>                                 | <b>-55%</b>              |

## Herefordshire Utility Carbon Emissions

Carbon emissions in Herefordshire decreased by 70 tonnes or 14% between 2016/17 and 2017/18, the Trust remains on target to deliver its Hereford 14% carbon emissions reduction target by 2020.

Electricity emissions decreased by 95 tonnes or 36%. Gas emissions increased by 1 tonne or 1%. Oil emissions increased by 26 tonnes or 12%. Water emissions decreased by 3 tonnes or 38%.

| Utility      | 2011/12 Baseline weight of CO <sub>2</sub> e (tonnes) | 2012/13 Weight CO <sub>2</sub> e (tonnes) | 2013/14 Weight CO <sub>2</sub> e (tonnes) | 2014/15 Weight CO <sub>2</sub> e (tonnes) | 2015/16 Weight CO <sub>2</sub> e (tonnes) | 2016/17 Weight CO <sub>2</sub> e (tonnes) | 2017/18 Weight CO <sub>2</sub> e (tonnes) | Percentage Change against 2011/12 |
|--------------|---|---|---|---|---|---|---|-----------------------------------|
| Gas          | 82  | 86  | 71  | 87  | 75  | 32  | 33  | -60%                              |
| Electricity  | 70  | 167                                       | 157                                       | 208                                       | 77  | 270                                       | 175                                       | 250%                              |
| Heating Oil  | 237   | 282                                       | 221                                       | 240                                       | 174                                       | 208                                       | 234                                       | -1%                               |
| Water        | 2   | 2   | 2   | 4   | 4   | 8   | 5   | 250%                              |
| <b>TOTAL</b> | <b>391</b>  | <b>537</b>                                | <b>451</b>                                | <b>539</b>                                | <b>330</b>                                | <b>517</b>                                | <b>447</b>                                | <b>14%</b>                        |

## Gas

The Trust's primary heating source is gas, with the exception of the Stonebow Unit and Westridge which have oil-fired boilers. (Westridge is currently vacant and due to complete its developer sale on 30<sup>th</sup> April 2019). Charlton Lane Hospital is dual fuel, and can operate on gas or oil. The default is gas, with oil providing a contingent alternative fuel source.

During 2016/17 our gas utility provider, Corona upgraded gas meters to automated meter reading (AMR) units, generating more accurate consumption data, rather than previous estimated bills.

Over the reporting period, 2008 to 2018, there has been a total Trust reduction in greenhouse emissions of 1,759 tonnes or 48%. This is due to an ongoing programme of works to install or improving building insulation, replacement of older inefficient boiler plant, and improvement to heating control systems, together with the disposal and/or replacement of older building stock.

Gas emissions between 2016/17 and 2017/18 decreased by 191 tonnes or 22%. Much of this reduction will be attributed to the disposal of multiple Gloucestershire properties, and their replacement with Pullman Place, which by comparison, will be extremely energy efficient.

### Electricity

Electricity is generally used for lighting, Information Technology and to a smaller extent for air conditioning. Much of this equipment has been replaced and/or upgraded, with each subsequent model being more energy efficient than its predecessor.

There may be opportunities in the future to reduce our electricity consumption significantly if solar photovoltaics become a more financially viable option. Manufacturing costs for solar panels and solar inverters have decreased over the last five years and are set to decrease further as overall global demand for this technology increases. This will partially offset the cost benefits gained from the feed in tariff (FIT) payments, which have subsequently been reduced, and are less rewarding. Therefore, this could again become a viable option for the Trust to consider.

Over the reporting period 2008 to 2018, there has been a total Trust reduction in greenhouse emissions of 740 tonnes or 44%. This is due to an ongoing programme of works to install high efficiency LED lighting during ongoing refurbishment works, and as ad-hoc capital projects, together with the disposal and/or replacement of older building stock.

Electricity emissions decreased by 580 tonnes or 38% between 2016/17 and 2017/18. Much of this reduction will be attributed to the disposal of multiple Gloucestershire properties, and their replacement with Pullman Place, which by comparison, will be extremely energy efficient.

### Water

Trust measured water consumption has increased steadily and will continue to do so. This is primarily due to the consequence of a trend towards automated metering of water consumption instead of estimated water bills, based upon rateable values. The Trust systematically flushes its water outlets to minimise the risk of legionella population within its water systems, together with providing more en-suite facilities.

Over the reporting period 2008 to 2018, there has been a total Trust increase in greenhouse emissions of 24 tonnes or 366%. This is likely to be attributed to more accurate billing data, together with the increase in water outlet flushing.

Water emissions decreased by 13 tonnes or 29% between 2016/17 and 2017/18.

### Waste

During 2016/17 we rolled out food waste recycling to the majority of our larger inpatient sites, thus further reducing the amount of waste sent to EFW and landfill. We plan to roll out food waste recycling to all of our inpatient sites within the next three years.

In November 2016, the Trust went live with 'Warp It'. This is a national re-use portal which enables our Trust to partner with other organisations to offer good quality second hand items, such as office furniture and electrical goods. It also enables items to be re-used internally within the Trust. To date, this service has delivered:

- £60,088 savings
- 17 tonnes Co2 Kg saved
- 8.5 tonnes waste avoidance

Over the reporting period 2008 to 2018, there has been a total Gloucestershire increase in landfill emissions of 46 tonnes or 52%, this is likely to be a result of improved data reporting/capture, although the recent trend is down.

Over the reporting period 2011 to 2018, there has been a total Herefordshire increase in landfill emissions of 46 tonnes or 52%.

During 2016/17 and 2017/18 waste incineration emissions were 656 tonnes, with waste recycling amounting to 3,601 tonnes. *(1 tonne of black waste sent to EFW only produces 21kg of CO2e compared to 459kg for landfill). Our domestic waste contractor operates a zero waste to landfill policy.*

Overall waste emissions between 2016/17 and 2017/18 increased by 181 tonnes or 5%. This not unexpected, as the Trust sends more of its waste for reprocessing, rather than to landfill.

## Waste Data for Gloucestershire

### Gloucestershire Waste - tonnes of CO<sub>2</sub>e

|                         | Baseline<br>2008/09<br>Weight<br>of CO <sub>2</sub> e<br>(tonnes) | 2009/10<br>Weight<br>of CO <sub>2</sub> e<br>(tonnes) | 2010/11<br>Weight<br>of CO <sub>2</sub> e<br>(tonnes) | 2011/12<br>Weight<br>of CO <sub>2</sub> e<br>(tonnes) | 2012/13<br>Weight<br>of CO <sub>2</sub> e<br>(tonnes) | 2013/14<br>Weight<br>of CO <sub>2</sub> e<br>(tonnes) | 2014/15<br>Weight<br>of CO <sub>2</sub> e<br>(tonnes) | 2015/16<br>Weight<br>of CO <sub>2</sub> e<br>(tonnes) | 2016/17<br>Weight<br>of CO <sub>2</sub> e<br>(tonnes) | 2017/18<br>Weight<br>of<br>CO <sub>2</sub> e<br>(tonnes) | %<br>change<br>against<br>2008/09 |
|-------------------------|---|---|---|---|---|---|---|---|---|--|-----------------------------------|
| Landfill                | 88.0  | 80.3  | 66.3  | 69.1  | 66.0  | 61.7  | 0.0   | 60  | 200   | 134  | 52%                               |
| Treated and incinerated | 840   | 0.0   | 800   | 500   | 500   | 400   | 0.0   | 0.0   | 0.0   | 498  | -41%                              |
| Mixed recycled          | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 0.0   | 3000  | 3400  | 3100  | 3028   | 1%                                |
| <b>TOTAL</b>            | <b>928</b>  | <b>80.3</b>   | <b>866</b>  | <b>569</b>  | <b>566</b>  | <b>461</b>  | <b>3,000</b>  | <b>3,460</b>  | <b>3,300</b>  | <b>3,300</b>   | <b>394%</b>                       |

## Waste Data for Herefordshire

### Herefordshire Waste - tonnes of CO<sub>2</sub>e

|                         | 2011/12<br>Weight<br>of CO <sub>2</sub> e<br>(tonnes) | 2012/13<br>Weight<br>of CO <sub>2</sub> e<br>(tonnes) | 2013/14<br>Weight<br>of CO <sub>2</sub> e<br>(tonnes) | 2014/15<br>Weight<br>of CO <sub>2</sub> e<br>(tonnes) | 2015/16<br>Weight<br>of CO <sub>2</sub> e<br>(tonnes) | 2016/17<br>Weight<br>of CO <sub>2</sub> e<br>(tonnes) | 2017/18<br>Weight<br>of CO <sub>2</sub> e<br>(tonnes) | %<br>change<br>against<br>2011/12 |
|-------------------------|---|---|---|---|---|---|---|-----------------------------------|
| Landfill                | 37.4  | 37.4  | 37.4  | 7.7   | 8   | 3   | 13  | -34%                              |
| Treated and incinerated | 100   | 150   | 130   | 59  | 0.0   | 30  | 158   | 58%                               |
| Mixed recycled          | 0.0   | 0.0   | 0.0   | 630   | 630   | 530   | 573   | -10%                              |
| <b>TOTAL</b>            | <b>137</b>  | <b>187</b>  | <b>167</b>  | <b>696</b>  | <b>638</b>  | <b>563</b>  | <b>744</b>  | <b>541%</b>                       |

**CO<sub>2</sub>e** 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 Af

## Capital Projects Undertaken

During 2018/19 a number of capital projects were undertaken/completed which specifically improved the Trust plant and infrastructure, or site facilities, summarised below.

Our total capital expenditure was £1,787,000 and these improvements have enhanced patient and staff environments, and clinical delivery quality, while reducing site and Trust energy consumption. Further improvements are planned in forthcoming capital programmes.

| Capital Projects   |
|--|
| Acorn House Windows Replacement  |
| Charlton Lane 18 Space Car Park Spaces                                   |
| Charlton Lane Fencing Security Upgrade                                   |
| Charlton Lane Medical Gas Storage  |
| Charlton Lane Willow Ward Garden Improvements                            |
| Cirencester Memorial Centre Reception Improvements                       |
| Community Sites Anti-ligature Improvements                               |
| Etnam St Recovery Team project   |
| Etnam Street Boiler replacement  |
| Laurel House/Honeybourne Units Boundary Wall Repairs (Conservation area) |
| Leckhampton & Evergreen Staff Attack Alarm Upgrades                      |
| Pullman Place Refurbishment  |
| Rikenel IT Block Re-Roof replacement with Insulation                     |
| Rikenel LED Lighting Project   |
| Rose Cottage Recovery Team project                                       |
| St Owen Street Boiler Replacement  |
| Stanway DDA Lobby Improvements   |
| Stonebow Air Conditioning  |
| Stonebow DDA & Traffic Safety  |
| Stonebow ECT Suite Project   |
| Stonebow Treadmill   |
| Wotton Lawn Abbey Wall Extension   |
| Wotton Lawn DDA and Traffic Safety Improvements                          |
| Wotton Lawn ECT Improvements   |
| Wotton Lawn Gas Cage Perspex   |
| Wotton Lawn Multi Faith Room   |
| Wotton Lawn Patient Staff Attack System Upgrade                          |
| Wotton Lawn Priory Air Con Upgrade                                       |
| Wotton Lawn Specialist Beds Project                                      |



## Public and patient involvement

We launched our Engagement and Communication Strategy 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 members and our volunteers. The contribution of volunteers has continued to be of significant value and has made a real difference to individuals and local communities. In 2018/19 we provided high-level assurance that robust governance arrangements were in place for the Volunteer Programme within <sup>2</sup>gether. This year we measured the quality of experience and impact of the Volunteer Programme by introducing the Volunteer Friends and Family Test (over 78% of respondents would recommend <sup>2</sup>gether's Volunteer Programme) and through Volunteer Impact Assessment Tool reports we were able to make some improvements around training for our volunteers.

Our Stakeholder Sub-committee met quarterly throughout 2018-19 and ensures that we understands the views of key stakeholders and enable them to influence the development and direction of our services. This helps us to ensure high quality, effective services are designed alongside and provided to the satisfaction of people who use our services and those who advocate for them.

## Social inclusion

A core value of <sup>2</sup>gether NHS Foundation Trust is to undertake socially inclusive practice. The Trust is fully committed to ensuring a socially inclusive, recovery-orientated approach to the delivery of care across all areas.

We have a strong emphasis on partnership working, with co-development and co-delivery of services in collaboration with service users and carers, local communities and care delivery partners. A network of positive relationships to ensure the inclusion of such valued perspectives is essential and so continuing to develop innovative opportunities for listening, inclusion and participation remains a key priority for us, particularly as we have been exploring the possibility of a merger with Gloucestershire Care Services in 2019.

The Trust has played an active role across both counties in the strategic development and implementation of community-wide measures to support mental health and wellbeing. Activities have aimed to: promote easy access to our services for everyone; invite feedback and involvement in planning and delivery of services; combat stigma and discrimination; and to further advance multiagency working.

Socially inclusive practice development has been evidenced across all Trust services during 2018/19. Our corporate and clinical teams have been working to progress the following areas:

- Inclusion of people who use 2gether's services
- Carer inclusion
- Community involvement and development
- Tackling stigma and discrimination
- Volunteer activity
- Recovery-focused practice
- Physical wellbeing for inclusion
- Engagement activities

In 2018/19 we have continued work to improve the experience of the carers and families through the implementation of the Triangle of Care project across our services (including Young Carers). Our Carer Champion networks continue to meet to update themselves about carer support and training regarding working well with Carers is booked regularly. This year an adapted version for the children and young persons' services working with parent carers has been developed.

We have also continued to work with internal and external stakeholders in order to tackle stigma and support social inclusion across our all our communities. Some of the events that we have attended include:

- Time to Talk
- Mental Health Awareness weeks
- Gloucestershire Police open day
- Fresher's Fairs
- Carers' Rights day
- Big Health Check day
- World Mental Health day
- Crucial Crew (for 1,700 young people in Herefordshire)
- Skillzone workshop for Young People



We are at the forefront of groups set up specifically to tackle stigma, raise awareness of available support, and reduce suicide through working with employers, partners, the media and our communities in innovative ways across both Gloucestershire and Herefordshire.



During 2018/19 we have hosted a number of activities including mental health awareness workshops for the employers and schools. We have successfully engaged with local media to highlight the importance of talking about mental health and to raise awareness of how to access support.

The Stakeholder Sub-committee has maintained a particular focus on seeking feedback from seldom-heard groups and this has culminated in a joint event alongside Gloucestershire Deaf Association in order to raise awareness of mental health and physical health within the local Deaf community.

We continue to grow and develop our Expert by Experience Programme, increasing the number and range of activities in which we seek their expert view in order to continuously improve our services. In 2018/19 activities have ranged from recruitment, sharing of experiences to inspire others, steering and reference groups, project work, and co-delivery of training packages. In 2018/19 we launched the Expert by Experience Friends and Family Test in order to help us better understand and continually improve the experiences of our Experts by Experience. 70% of respondents would recommend the Expert by Experience programme and work is underway to analyse the qualitative comments and understand the results.

This year we have seen an increase in consultation, co-design and co-production projects across the Trust. These projects make significant contributions to the ongoing development of high quality services which meet the needs and expectations of the people who access them. Some of examples of co-production include:

- The Letter of Hope
- The Moving on Project
- The Recovery Team Service User Handbook
- A Crisis Service focus group
- The Recovery College manual and digital workbook

Last year The National Development Team for Inclusion (NDTi) was asked by Skills for Care to produce an evidence-based good practice guide for mental health co-production. They explored the national picture and 2gether was selected, alongside Gloucestershire County Council and NHS Gloucestershire CCG, to provide case studies of good practice, to share information about the challenges we have overcome, and to identify factors critical for successful co-production in mental health services. Our Expert by Experience Programme is highlighted in the final report and Skills for Care organised a National Conference on Co-production in Mental Health in London where we had the opportunity to share our experiences and also to learn more about co-production and co-design from other organisations.

## 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. Our Service Experience Strategy was co-designed and co-produced. It continues to drive our vision for best service experience for service users and carers. The implementation of the work to deliver our service experience vision is monitored through the Trust's Quality and Clinical Risk Sub-committee and the Trust Governance Committee. 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 service users, 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. 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.

## Partnerships

2gether's clinical services have been participating in a national anti-stigma campaign led by Time to Change. The project was aimed at tackling the stigma and discrimination reported by people using mental health services across the UK.

2gether colleagues, our service users and carers have been working with Time to Change to look at the small things that could make a big difference to both people's experience of mental health services and the experiences of our staff. We have engaged with our Inpatient clinical staff this year and run a series of facilitated workshops co-delivered by Experts by Experience.

We continue to work alongside 3<sup>rd</sup> sector organisations across Gloucestershire and Herefordshire to promote Volunteering opportunities and partnership working, including through our:

- Garden project in partnership with the Independence Trust at Weavers Croft and Park House, Gloucestershire
- The Cobalt Dementia Friendly Garden at Charlton Lane
- Pets As Therapy project within 2gether's inpatient services

Partnership working is a key element of the Severn and Wye Recovery College and being part of the local networks is vital. Adult Education, Artshape, Swindon and Gloucestershire Mind and the independence Trust are all directly involved in course delivery and we are part of the Community Learning Partnership to facilitate the connection of people with complex needs between appropriate services. The college teaches its students, who can be service users, carers or professionals, the skills and knowledge to sustain recovery and remain well.

Discovery College, for young people aged between 16 and 25, worked in partnership with the University of Gloucestershire this year to run this programme.

## Future performance and risks

The year ahead will undoubtedly challenge us, however we have historically shown our ability to meet challenges, adapt and work with our partners to ensure that we continue to meet the demands placed upon us and continue to focus on our main aim – provision of high quality services and support to our communities.

Our planned merger with Gloucestershire Care Services NHS Trust will be our main driver for innovation and transformation, enabling us to develop services to better meet the needs and improve the health of our communities.

We will also continue our work with the Sustainability and Transformation Partnership for Herefordshire and Worcestershire and the Integrated Care System in Gloucestershire but will also remain focused on our own service users, carers, staff, partners and communities. We will continue to champion the rights and needs of people with mental health conditions and learning disabilities across our two counties.

Operationally we will focus on improving and enhancing the physical health and wellbeing of our service users, carers and staff, further developing services such as Improving Access to Psychological Therapies, Perinatal Mental Health Services, Early Intervention Services, Children and Young People Services and further development of the buildings and technology we need in order to support the delivery of clinical care.

These are just examples of the service developments we will introduce and focus on this year. We are aware that we face risks in achieving our aims. We will continue to monitor and assess those risks and include them in our Risk Register and Board Assurance Framework, which is reported and discussed regularly at our Trust Board.

This Performance Report has been approved by the directors of 2gether NHS Foundation Trust.



**Colin Merker**  
**Deputy Chief Executive**

**24 May 2019**

# Accountability Report

## Directors' Report

As described in our Performance report, NHS Improvement (NHSI), our regulator, set 2gether a financial control total of a surplus of £834,000 for 2018/19.

We achieved a surplus of £894,000, including Provider Sustainability Funding (PSF) of £903,000, which was higher than the financial control total set. Consequently as we over-achieved our control total, we were also eligible for both PSF Incentive and Bonus monies. We received a further £115,000 Incentive PSF and a further £1,464,000 in Bonus PSF monies.

This means that for 2018/19 2gether NHS Foundation Trust has achieved a surplus of £2,473,000 for NHS single governance oversight segmentation purposes, and received £2,482,000 of PSF.

To reconcile to our reported financial position of a surplus of £3,662,000, impairment income of £1,168,000 needs to be added to the surplus along with a net £21,000 income from the consolidation of charitable funds. However both impairment costs and charitable funds are technical non cash financial adjustments and do not count against the achievement of our Control Total or our segmentation.

In 2019/20 we plan to deliver a surplus of £803,000 while we continue to deliver our existing capital programme, which includes further improvements to our buildings and our extensive improving care through technology programme.

Our full annual accounts can be found at page xxx.

### Charitable Funds

Charity Commission Registration Number: 1097529. Consolidated.

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 (known as '2gether NHS Foundation Trust 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/who-we-are/charitable-funds](http://www.2gether.nhs.uk/who-we-are/charitable-funds)

## **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 1.5 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 Together NHS Foundation Trust's income in 2018/19 was conditional on achieving quality improvement and innovation goals agreed between Together 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 2018/19 was £2,426,677 of which £2,426,677 was achieved.

Full details of our achievements against our CQUINs are contained within our Quality Report, which includes information about our agreed CQUINs for 2019/20.

## **Strategic partnerships**

We have entered into a strategic partnership with Swindon Mind (now Swindon and Gloucestershire Mind), through which we deliver the Alexandra Wellbeing House, in Gloucester. We also partner with Adult Education, Artshape, Swindon and Gloucestershire Mind and the independence Trust in delivering the Severn and Wye Recovery College. We are also part of the Community Learning Partnership to facilitate the connection of people with complex needs between appropriate services. Discovery College, for young people aged between 16 and 25, worked in partnership with the University of Gloucestershire this year to run this programme.



We work with Cobalt and the National Institute for Health Research within a dementia research partnership. We partner with the Nelson Trust and PROSPECTS in providing Gloucestershire's Criminal Justice and Liaison Service. In Herefordshire our Children's and Adolescent Mental Health Service works with the Counselling, Learning and Development Trust. We also work with the Alzheimer's Society to deliver dementia services in Herefordshire. We will continue to welcome other partnership opportunities throughout 2019/20 while a prime area of focus will be joining formally with Gloucestershire Care Services NHS Trust.

## **Trust membership**

As an NHS foundation trust, we seek to provide local accountability, ownership and control of local services through inviting people to become members of the Trust. 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**

Our members support us in appointing a Council of Governors into 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 or Wales, 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. In 2019 our constitution was further amended to enable residents of Wales to join our Trust.

### **Staff constituency**

Members of the staff constituency are individuals who are employed by the Trust under a contract of employment.

There are three classes:

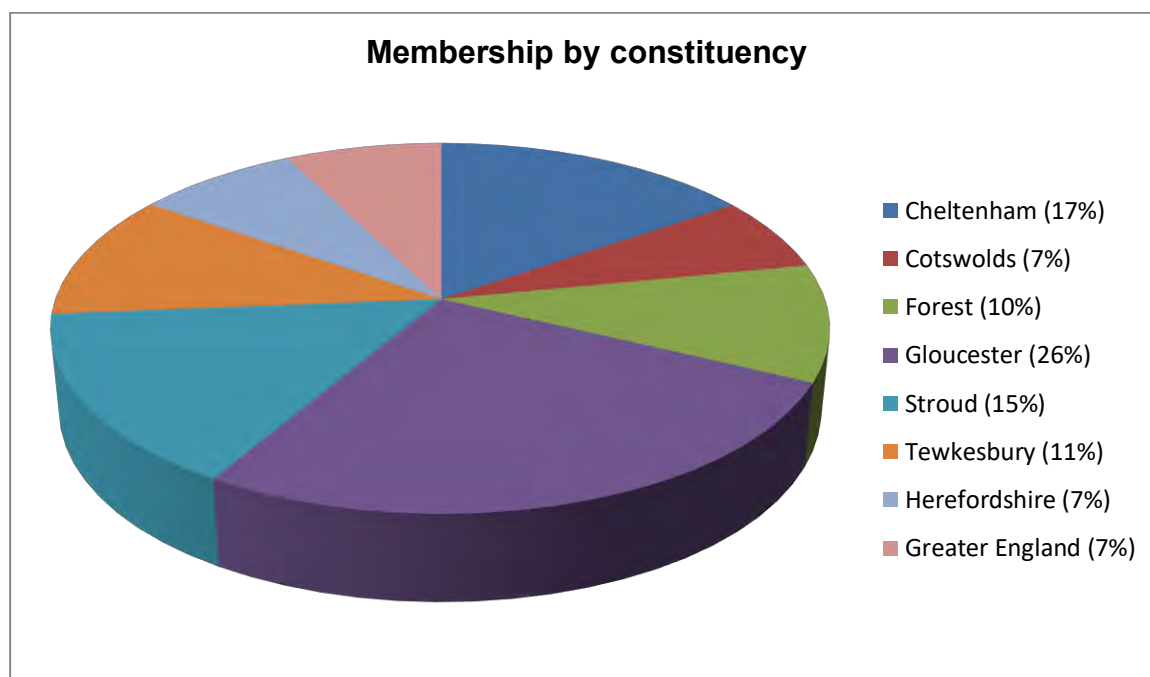
- Medical and nursing staff
- Clinical, social work and support staff
- Management, administrative and other staff

The Trust provides automatic membership of the staff constituency. Traditionally, when ineligible to remain a member of the staff constituency because a colleague is leaving or retiring, we have provided automatic membership of a public constituency. However, this has changed with the advent of the General Data Protection Regulation (GDPR) and staff leaving the organisation will be invited to join as public members, but will not automatically be enrolled.

## Membership data

| Constituency | As at 31 March 2019 | As at 31 March 2018 |
|--------------|---------------------|---------------------|
| Public       | 5926                | 5675                |
| Staff        | 2190                | 2130                |

## Membership data by constituency as at 31 March 2019



## Membership strategy

A new membership strategy was agreed in September 2016. It seeks to recruit more members, particularly among hard-to-reach groups, and enhance the involvement of and information provided to our existing members.

The actions presented within it also complement the Trust's Engagement and Communication Strategy 2016 -2020, which is structured to influence more people in our community to become champions of the services that we deliver to make life better.

The strategy aims to:

- Promote and increase membership among groups who are currently under-represented
- Retain our current members
- Enhance membership engagement by building opportunities for members to communicate with their Governor and the Trust
- Encourage members to get involved in Governor elections
- Support the Trust's Social Inclusion strategy
- Raise public awareness of mental health issues

In 2017/18 we formed a new Membership Advisory Group, which has continued to meet during 2019/20, comprising Trust Governors, Trust colleagues and public members,

volunteers and Experts by Experience. This group helps to guide our membership strategy and drive recruitment and engagement with members. We continue to engage with members through our quarterly newsletter 'Up2Date'. We also send e-flyers and invite members to specific engagement events.

The vast majority of members who leave the Trust do so as a result of not providing new contact details. We also had a significant loss of members in 2018 due to the introduction of new General Data Protection Regulations (GDPR). To help mitigate this, we have undertaken a more proactive membership recruitment drive in 2018/19, including social media advertising and linking with Gloucestershire Care Services NHS Trust to promote membership to people who use their services, in readiness for our proposed merger.

### **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: 0300 421 7142
- Email: [2gnft.comms@nhs.net](mailto:2gnft.comms@nhs.net)
- Web: [www.2gether.nhs.uk/membership](http://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 2018/19, the investments we made to improve the care we provide included:

- Upgrade of the Section 136 Suite in Herefordshire
- Continued investments in clinical systems, mobile technology and digital transcription
- Capital improvements aimed at enhancing patient safety, meeting national fire safety standards, improving infection control and enhancing service user experience
- Providing staff excellent facilities and equipment through which to deliver clinical services

## 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 service users and their carers we will go beyond what people expect of us to ensure that we earn their trust, confidence and create hope for the future.

## Complaints and concerns

Between the 1st April 2018 and the 31st March 2019, our Trust recorded 74 formal complaints, in the context of 109,679 individual contacts. This represents a small increase from the 65 formal complaints recorded for our Trust during 2017-18.

Where possible and appropriate we aim to resolve concerns through our Patient Advice and Liaison Service (PALS) as this is a less formal process which enables a swifter response and resolution for complainants. A total of 286 concerns were reported this year to the Service Experience Department. This is higher than the number recorded the previous year (n= 189).

During 2017-18, 273 contacts for advice or signposting were recorded. This type of contact has increased by 44% in 2018-19, with a total of 393 advice and signposting contacts recorded.

In total, an increase of 43% can be seen in 2018-19 for the total number contacts made with the Service Experience Department (SED) concerning complaints, concerns and advice and signposting (2017-18 = 527 individual contacts recorded).

As a Trust we view this positively as we actively encourage people to engage with us, share views of their experience, and seek resolution where concerns are raised, enabling us to learn and improve our services.

Our timely written acknowledgement of formal complaints slightly decreased from last year to 97% (2017/18 n=100%) of complaints acknowledged within the three day standard this year. We have continued to undertake awareness-raising activities with colleagues in clinical services to encourage the earliest possible response and resolution for complaints or concerns.

A total of 63 complaints were closed during 2018-19. The Service Experience Department record the outcome of each individual complaint issue, by combining the issue outcomes in each individual complaint an overarching complaint status is reached. Partially upheld complaints account for 52% of total complaints closed this year.

We continue to offer to meet with people who have complained with the aim of facilitating a local resolution of their concerns. Complainants are able to contact the Parliamentary Health Service Ombudsman (PHSO), LGO (Local Government Ombudsman) or CQC (Care Quality Commission), dependent on the issues raised within their complaint to ask for an independent external review if they remain dissatisfied with the Trusts conclusion of their complaint. Of those who contacted these organisations regarding their complaint investigated by our Trust, a total of twelve complaints were referred for review by external bodies. Five of these cases have been closed with no further actions for our Trust. The remainder are under review and we await the outcome from the relevant reviewing body.

The Service Experience Department continues to work closely with colleagues across our clinical services and corporate departments. Regular meetings have taken place with Service Directors, locality leads and Team Managers. Some examples of action taken as a result of liaison and feedback from colleagues include:

- The development of practice notices in order to improve cascade of learning, based on direct feedback from colleagues,
- Adapting the style and focus of PALS reports and a process to provide Locality Governance with an anonymised version for cascade
- Expanding PALS visits to incorporate community services in order to capture more feedback
- Session within the Leadership Forum to seek views on support to encourage management of issues and ownership of actions at a local level

## **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 2018/19 we recorded a total of 2,327 compliments – more than 6 and a half times the total number of complaints and concerns reported. This compares with 2,035 compliments recorded in 2017/18 so there has been an increase.

## **NHS Friends and Family Test**

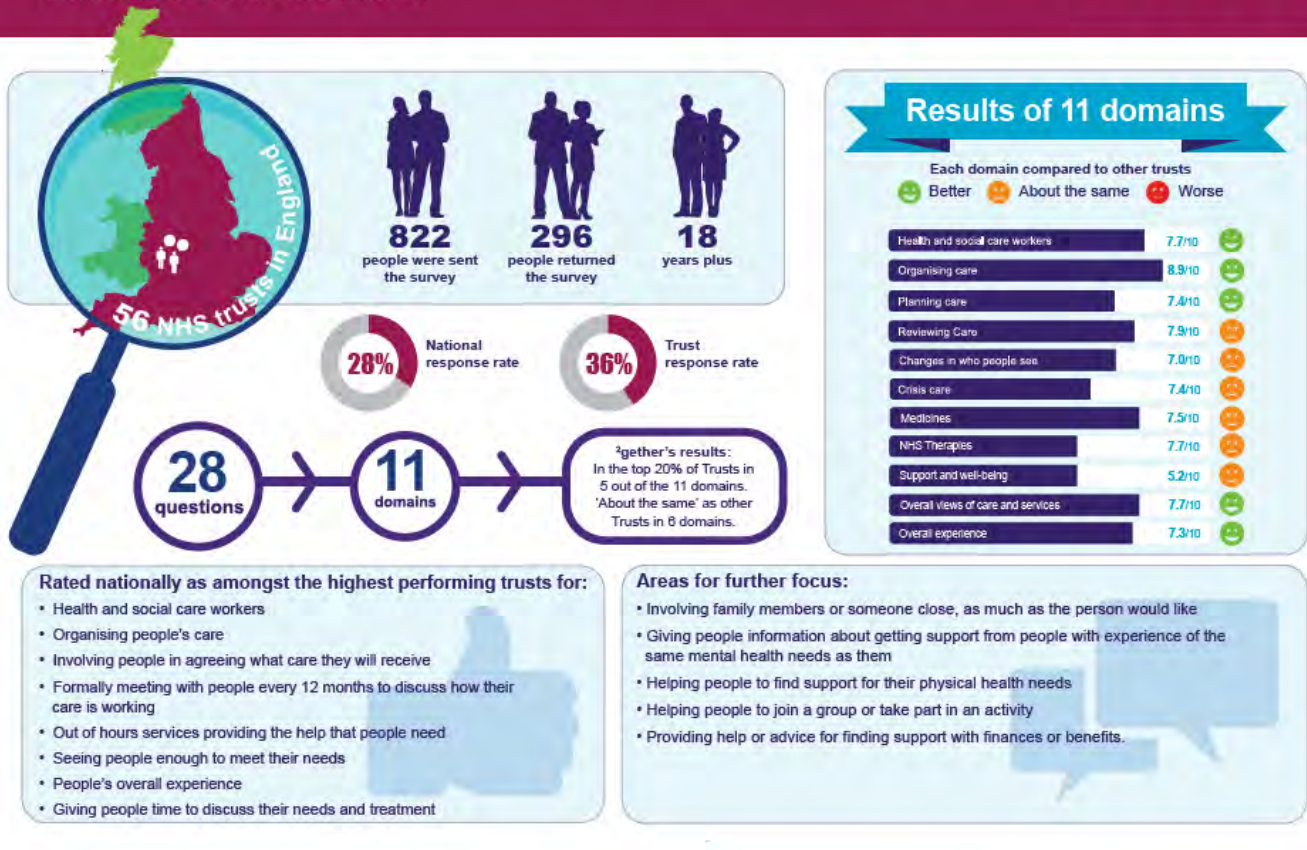
The NHS Friends and Family Test (FFT) was created to help service providers and commissioners understand whether people are happy with the service provided, or where improvements are needed. It is a quick and anonymous way to share views after receiving care or treatment across the NHS. We invite everyone who uses our services to respond to the FFT. During 2018/19, the number of respondents who would recommend our services to their friends and family has ranged from 77%-87%. Our Trust consistently receives a high percentage of recommendation although we have achieved lower scores than other Trusts in our region in recent quarters. This is a reversal from previous years and does not triangulate with our positive National Survey scores. In 2017/18, the number of respondents who would recommend our services to their friends and families ranged from 84 to 90%.

## **National Mental Health Community Patient Survey**

The 2018 Community Mental Health Survey surveyed adults who had been in contact with community mental health services in England. The results are published on the Care Quality Commission (CQC) website.

The survey results for Gloucestershire and Herefordshire are depicted here:

## 2018 CQC Survey of people who use community mental health services Gloucestershire and Herefordshire



# 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.

During the year a number of Directors were appointed to a Shadow Board, in preparation for the anticipated merger of 2gether and Gloucestershire Care Services NHS Trust in 2019.

## Members of the Board

### About our Independent Non-Executive Directors

#### Ingrid Barker – Joint Trust Chair

Ingrid Barker is Joint Chair of 2gether and Gloucestershire Care Services NHS Trust. She has been Chair of Gloucestershire Care Services NHS Trust since April 2011. She was previously a Non-Executive Director on the Board of NHS Gloucestershire for five years.

She is a Trustee and board member for NHS Providers, elected to represent the Community Trusts across the country. Ingrid has undertaken national policy and service development roles through the Centre for Mental Health Services Development. She was Deputy Chief Executive of an NHS Trust in Surrey and led Croydon Mental Health Unit as Unit General Manager, transforming institutional services to community provision.

A qualified social worker, Ingrid established a service for young homeless people in Central London and was Regional Director of MIND. She also led the creation of the first mental health Patients Councils and Advocacy projects in Britain.

#### Maria Bond – Independent Non-Executive Director

Maria, who lives in Stroud, Gloucestershire, was appointed in November 2016. Although Maria doesn't have a clinical background, she believes that her professional experience will be valuable to the Trust, alongside her previous experience as a non-executive director for Gloucestershire Hospitals NHS Foundation Trust. She says this has given her a valuable understanding of how acute services works and the challenges they, and the wider NHS, face.

Her professional experience comes in the construction and commercial development sector, where she has worked for many years as a chartered quantity surveyor. She has particular experience in integrating small businesses and change management. Maria chairs the Trust's Delivery Committee. Maria was appointed to the Shadow Board for the merged Trust



in December 2018. Maria was appointed as a Lay Member of Bath University's Council from 1st August 2019 for a 3 year term.

**Nikki Richardson – Deputy Chair; Senior Independent Non-Executive Director**

Nikki Richardson was appointed on 1 February 2015. She previously retired from an Executive role within the NHS, working for a Mental Health and Community Foundation NHS 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 Disability. 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 was a Trustee for the Royal College of Speech and Language Therapists for seven years.

Nikki is the Chair of the Trust's Governance Committee and lives in Cheltenham. Nikki took on the roles of Deputy Trust Chair and Senior Independent Director from 1 December 2016.

**Marcia Gallagher - Independent Non-Executive Director**

Marcia was appointed on 1 April 2016. Marcia Gallagher brings with her 40 years' NHS service and her experience both as a qualified accountant and the holder of a number of senior functioning roles in the NHS. Marcia chairs the Trust's Audit Committee. Marcia is also the Vice Chair of the Charitable Funds and Delivery Committees.

Marcia, who lives in the Forest of Dean, worked in both commissioner and provider organisations in Gloucestershire, Herefordshire and the West Midlands. More recently, she worked for NHS England, before her retirement in January 2016. She has had both a professional and personal involvement with mental health services, something that resulted in her decision to become involved with 2gether. Marcia is the Chair of Crossroads Care (Forest of Dean and Herefordshire) a specialist Charity that provides personal care services to support unpaid carers and individuals to enable them to continue to live independently in their own home.

Marcia Was appointed to the Shadow Board for the proposed merged Trust in December 2018.

**Duncan Sutherland – Independent Non-Executive Director**

Duncan Sutherland, who was appointed on 1 April 2016 and who lives just outside Hereford, brings with him years' of experience as a non-executive director of a number of public companies.

Duncan was non-executive director of the British Waterways Board for eight years before stepping down. He is currently a non-executive director for High Speed 2, in a role focusing on economic growth, regeneration and property. His other non-executive director post is with the South Bank Sinfonia, which works with music graduates.

He is also a director of Sigma, a specialist regeneration company, working with local authorities. Duncan chairs the Charitable Funds Committee and is Deputy Chair of the Development Committee. Duncan was appointed to the Shadow Board for the merged Trust in December 2018.

**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 last 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 a board member of British Rowing. Jonathan chairs the Trust's Development Committee and became Deputy Chair of the Audit Committee in May 2015. Jonathan was reappointed by the Council of Governors on 1 April 2016, and was re-appointed in April 2019 for a further one year term to provide resilience and continuity as the Trust's merger progresses.

**Dominique Thompson – Independent Non-Executive Director (from 1 May 2018 to 31 January 2019)**

Dominique Thompson, who lives in Bristol, was a GP for almost 20 years. She specialised in student health and specifically mental health, along with a special interest in eating disorders. She sat on the National Institute for Clinical Excellence (NICE) guidelines panel for the new eating disorder guidance published in May 2017 and created the primary care eating disorders service for the city of Bristol. Dominique was also named Bristol Healthcare Professional of the Year in 2017. Dominique left the Trust on 31 January 2019.

**Sumita Hutchison – Independent Non-Executive Director (from 14 January 2019)**

Sumita was appointed to the 2gether Board on 14<sup>th</sup> January 2019, and to the Shadow Board for the merged Trust at the same time. Sumita is a lawyer by background and a social care commissioner. She is also currently a Non- Executive Director on the Board of Bristol Community Health.

In addition, she is one of the founding members of the Mayoral Bristol Commission for Race Equality and a member of the Women's Commission (Bristol). Sumita, who lives in Bristol, is hoping to use both her personal and professional experience to support the work of the Trust.

**About our Executive Directors**

**Paul Roberts – Joint Chief Executive**

Paul is the Joint Chief Executive of 2gether and Gloucestershire Care Services NHS Trust. He was appointed on 16 April 2018. Paul has been a Chief Executive for over twenty years and spent more than five years in Wales leading a large health board responsible for community, mental health and learning disability services as well as four acute hospitals. He spent fourteen years in Plymouth as Chief Executive of community and mental health services and then the acute teaching hospital NHS Trust.

An Oxford University graduate, Paul has also held a variety of national roles across the NHS, including being a trustee of the NHS Confederation, vice-chair of the Association of UK University Hospitals and a member of the Independent Reconfiguration Panel.

**Colin Merker – Deputy Chief Executive**

Colin has over 40 years' experience in the NHS. He is a professionally qualified Chartered Engineer. For the last 23 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. Colin was appointed as Acting Chief Executive for 2gether in December 2017 and continued as the Trust's Deputy Chief Executive following the appointment of Paul Roberts on 16 April 2018.

**Neil Savage – Joint Director of HR/Organisational Development**

Neil joined 2gether in November 2016 from his previous role of Director of HR Transformation, leading on the HR integration of Birmingham Children's and Birmingham Women's NHS Foundation Trusts. Prior to this, Neil worked at Birmingham Women's NHS Foundation Trust, most recently as Chief Operating Officer. In this role, he successfully delivered local and national performance and access targets, developed and implemented a number of service improvements and people strategies, as well as implementing Business Continuity Management and Emergency Planning systems. Before this, he was Executive Director of Workforce & Organisational Development. From 2004, Neil worked for Gloucestershire Hospitals NHS Foundation Trust as Assistant HR Director and Acting Director of HR & Organisational Development. Neil has previously also worked in other HR roles for NHS trusts covering acute, mental health, learning disabilities and community services. A Chartered Fellow of the CIPD, Neil was the winner of the Health Education England West Midlands' "Inspirational Leader of the Year" award in 2015 and was shortlisted as a national finalist in 2016.

Neil took on the role of Joint Director of HR/Organisational Development for both 2gether and Gloucestershire Care Services NHS Trust from 1 July 2018.

**Andrew Lee - Director of Finance and Commerce**

Andrew has over 35 years of experience working in the NHS and is a Fellow of the Chartered Association of Certified Accountants (FCCA). For over the last 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; 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.

**Professor Jane Melton – Director of Engagement and Integration**

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 Royal 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.

**Marie Crofts – Director of Quality (to 27 September 2018)**

Marie is a mental health nurse with over 30 years' experience. She has worked in adult and children services across provider organisations as well as within specialised commissioning. Marie has been privileged to have had opportunities working at a regional and national level developing evidence based practice, including family intervention as well as service improvement work.

Marie has vast experience at both a senior managerial/ operational level as well as a senior nursing level. 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 as well as an interest in parental mental health and child welfare. She currently sits on the steering group for the national Mental Health and Nurse Directors Forum as well as being a Trustee for the charity Papyrus. Marie left the Trust on 27 September to take up a position at Birmingham Women's and Children's Hospital.

#### **John Trevains – Director of Quality (from 15 October 2018)**

John joined the Trust in October 2018. He has held a range of posts across health and social care settings over a 24-year long career and is well known both nationally and locally within the NHS. Prior to joining <sup>2</sup>gether, John was Head of Mental Health and Learning Disabilities Nursing for NHS England. He has previously held a number of senior leadership roles including Assistant Director of Nursing, Patient Experience, Safeguarding and Mental Health Homicide Investigations (NHS England South Central), Clinical Lead for the National Transformation Care Programme and Deputy Director of Nursing for <sup>2</sup>gether.

A Registered Mental Health Nursing graduate of Plymouth University, John also holds an MSc in Quality Improvement in Healthcare.

#### **Dr Amjad Uppal – Medical Director**

Amjad joined our Trust as a Senior House Officer in August 2002. He was appointed as a Consultant in January 2010 and works as a Consultant with the Gloucester and Forest of Dean Assertive Outreach Teams. He was appointed as Director of Medical Education in August 2013 and then to Medical Director in December 2017. He continues to work with the Gloucester AOT team in addition to his Medical Director role.

#### **John Campbell – Director of Service Delivery (From 19 February 2018)**

John has over 20 years senior management experience in both the NHS and the third sector, spanning mental health, learning disabilities, acute and community services. Prior to joining <sup>2</sup>gether in February 2018, John held a national role as managing director for mental health for Turning Point, one of the largest social enterprises in the country. He oversaw the attainment of 'outstanding' rating from the Care Quality Commission (CQC) for two independent hospitals, the first services in Turning Point to achieve this rating, and developed innovative models of care combining digital and therapeutic intervention for Improved Access to Psychological Therapy (IAPT) services.

John's last NHS posts before joining <sup>2</sup>gether were as Chief Operating Officer and then Deputy Chief Executive for Black Country Partnership NHS Foundation Trust. During his eight years with the Trust, he led the programme to attain foundation trust status, oversaw a range of large scale service developments and improvements and managed integration and transformation of services as a result of acquisitions.

John has an MSc in Healthcare Policy and Management from the University of Birmingham and holds qualifications in marketing (Chartered Institute of Marketing), coaching and project and programme management (APM). He is passionate about leadership development and co-production of service solutions, working alongside people that use services, carers and wider stakeholders. He is particularly keen to promote the employment of 'Experts by Experience' in the delivery of services.

#### **Attendance by Non-Executive Directors and 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, 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 | Audit    | Governance | Delivery  | Mental Health Legislation Scrutiny |
| <b>Total Meetings</b>   | <b>7</b>              | <b>8</b> | <b>6</b>    | <b>5</b> | <b>6</b>   | <b>11</b> | <b>3</b>                           |
| Ingrid Barker, Joint Trust Chair <sup>2</sup>   | 7/7                   | 8/8      |             | 1        |            |           |                                    |
| Maria Bond, Non-Executive Director  | 1                     | 7/8      |             | 5/5      | 5/6        | 11/11     |                                    |
| Marcia Gallagher, Non-Executive Director  | 4                     | 8/8      | 1           | 5/5      | 1          | 10/11     | 1                                  |
| Dominique Thompson, Non-Executive Director <sup>3</sup>                               | 2                     | 3/6      |             | 2/4      | 2          | 4         |                                    |
| Nikki Richardson, Non-Executive Director  | 6                     | 7/8      |             | 3/5      | 6/6        |           | 3/3                                |
| Duncan Sutherland, Non-Executive Director   |                       | 5/8      | 3/6         | 2/5      |            |           | 3/3                                |
| Jonathan Vickers, Non-Executive Director  | 2                     | 6/8      | 5/6         | 2/5      |            | 1         |                                    |
| Sumita Hutchison, Non-Executive Director <sup>4</sup>                                 |                       | 1/2      |             | 0/1      |            | 1         |                                    |
|   |                       |          |             |          |            |           |                                    |
| Paul Roberts, Chief Executive <sup>1</sup>  | 5                     | 8/8      |             | 1        |            |           |                                    |
| Marie Crofts, Director of Quality <sup>5</sup>  | 2                     | 5/5      |             | 3        | 3/3        |           |                                    |
| John Trevains, Director of Quality <sup>6</sup>                                       | 3                     | 3/3      |             |          | 3/3        |           |                                    |
| Dr Amjad Uppal, Medical Director <sup>7</sup>   |                       | 7/8      |             |          | 4/6        |           | 0/1                                |
| Andrew Lee, Director of Finance and Commerce  | 2                     | 8/8      | 4/6         | 5        |            | 1         |                                    |
| Professor Jane Melton, Director of Engagement and Integration                         | 4                     | 7/8      | 6/6         | 2        | 3/6        |           |                                    |
| Colin Merker, Deputy Chief Executive  | 5                     | 7/8      |             |          |            |           |                                    |
| Neil Savage, Director of Organisational Development <sup>8</sup>                      | 7                     | 8/8      | 1           | 1        |            | 1         | 0/2                                |
| John Campbell, Director of Service Delivery   | 1                     | 6/8      |             |          |            | 10/11     | 3/3                                |

|  |   |
|--|---|
|  | 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<br>* One Council of Governors meeting was a special meeting to appoint Shadow Non-Executives. Non-Executives were not invited to attend this meeting. |
|--|---|

<sup>2</sup> Ex officio member of all Committees, other than Audit

<sup>3</sup> 1 May 2018 to 31 January 2019

<sup>4</sup> From 14 January 2019

<sup>5</sup> To 27 September 2018

<sup>6</sup> From 15 October 2018

<sup>7</sup> Formally a member of the Mental Health Legislation Scrutiny Committee from January 2019

<sup>8</sup> Formally a member of the Mental Health Legislation Scrutiny Committee until January 2019

## Board Committees

### Audit Committee

All Non-Executive Directors, except the Trust Chair, are members of the Audit Committee. Marcia Gallagher chairs the Audit Committee. 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 significant issues throughout the year. Standing agenda items include:

**Internal Audit:** PwC is the Trust's Internal Audit provider. 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.

The Council of Governors appointed KPMG as the Trust's External Auditor from 1 April 2017, following a competitive procurement process overseen by an Audit Committee working group on which Governors were in the majority.

**Financial Reporting:** The Committee receives a number of reports through 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 on 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 5 times and considered:

- The performance of each Executive Director and the Chief Executive
- Executive Director and Chief Executive pay
- Shadow Executive appointments
- The allocation of clinical excellence awards for consultants, discretionary points to associate specialists and optional points to staff grades in line with Trust's policies and procedures and as necessary

Two meetings were held as 'Committees in Common' with the Remuneration Committee of Gloucestershire Care Services NHS Trust, to consider appointments to the Shadow Board.

## **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 of both Executive and Non-Executive Directors is subject to candidates satisfying the requirements for Fit and Proper Persons; Directors, as set out in the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014. Directors must continue to satisfy these requirements during 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 reappointment of Non-Executive Directors are made by the Council of Governors.

In reaching a decision, in addition to having 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 normally six years. Transitional arrangements have been put in place by the Board and the Council of Governors to allow Non-Executive Directors to serve an additional term over and above the usual maximum term, in order to provide resilience and continuity during the operating period of the Shadow Board and to allow experienced Directors to sit on the Board of the new Trust following completion of the merger of <sup>2</sup>gether and Gloucestershire Care Services NHS Trust.

## **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 continue 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 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 1.5 of the accounts.

Details of senior employees' remuneration can be found in page 61 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 17 of the accounts.

### **Directors' Statement as to Disclosure to the Auditors**

The Directors confirm that so far as they are aware, there is no relevant audit information of which the auditors are 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 auditors are aware of that information.

Accounting policies for pensions and other retirement benefits are set out in note 1.5 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 <sup>2</sup>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.

### **Council of Governors**

Our Council of Governors consists of public, staff, and appointed Governors from the local authority and clinical commissioning groups.

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 2018/19 for public and staff governor positions.

| Constituency                                | Vacant Posts | Candidates  | Total Votes Cast                              | Turnout |
|---|--------------|---|---|---------|
| <b>April 2018</b>                           |              |   |   |         |
| Staff: Clinical and Social Care and Support | 2            | Nic Matthews*<br>Alison Feher*<br>Susan Steer                 | Eligible voters: 729<br>Valid votes cast: 95  | 13.0%   |
| <b>August 2018</b>                          |              |   |   |         |
| Public: Forest of Dean                      | 1            | Graham Adams*<br>Simon Smith                                  | Eligible voters: 573<br>Valid votes cast: 66  | 11.5%   |
| Public: Herefordshire                       | 2            | Cherry Newton*<br>Miles Goodwin*<br>Chris Shellam             | Eligible voters: 425<br>Valid votes cast: 69  | 16.2%   |
| Public: Tewkesbury                          | 1            | Josephine Smith**<br>Pierre Weinzwieg                         | Eligible voters: 624<br>Valid votes cast: 86  | 13.8%   |
| Staff: Medical and Nursing                  | 1            | Anneka Rose*<br>Sarah Batten<br>Lusy Chirwa                   | Eligible voters: 730<br>Valid votes cast: 142 | 19.5%   |
| <b>December 2018</b>                        |              |   |   |         |
| Staff: Management and Administration        | 1            | Katie Clark**<br>Gary Brown<br>Alison Hartless<br>Jane Hadler | Eligible voters: 516<br>Valid votes cast: 178 | 34.5%%  |

\* Elected    \*\* Re-elected

The appointment term of all Governors is three years unless they are nominated Governors. Local authority Governors may hold office for as long as they remain a local authority councillor. Other nominated Governors may hold office for as long as their sponsoring organisation supports their tenure.

| <b>Council of Governors by constituency and current vacancies</b> |                           |                               |
|---|---------------------------|-------------------------------|
| Category of Governor  | Total number of Governors | Vacancies as of 31 March 2019 |
| <b>Public constituencies</b>                                      |                           |                               |
| Cheltenham  | 2                         | 0                             |
| Cotswold  | 2                         | 1                             |
| Forest  | 2                         | 0                             |
| Gloucester  | 2                         | 1                             |
| Stroud  | 2                         | 0                             |
| Tewkesbury  | 2                         | 0                             |
| Herefordshire   | 2                         | 0                             |
| Greater England   | 1                         | 0                             |
| <b>Staff constituencies</b>                                       |                           |                               |
| Medical and Nursing   | 3                         | 0                             |
| Clinical and social care and support staff class                  | 2                         | 0                             |
| Management, administrative and other staff class                  | 2                         | 0                             |
| <b>Appointed Governors</b>  |                           |                               |
| Gloucestershire Clinical Commissioning Group                      | 1                         | 0                             |
| Gloucestershire County Council                                    | 1                         | 0                             |
| Herefordshire Clinical Commissioning Group                        | 1                         | 0                             |
| Herefordshire Council   | 1                         | 0                             |
| <b>Total</b>  | <b>26</b>                 | <b>2</b>                      |

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, and was revised further in November 2015 and August 2017. Further changes agreed by the Council of Governors and the Board in January 2019 expanded the Greater England constituency to include Wales, and also put in a preparatory provision for the recruitment of additional staff Governors from Gloucestershire Care Services following completion of the merger of the two Trusts, expected in late 2019. A final change to the Constitution was put in place in March 2019 to incorporate the name of the new Trust, once agreed.

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

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/<br>Nomination (Date of reappointment)<br>(resignation date) |
|---|----------------------------------|-----------------------------|--|
| <b>Elected Public Governors</b>                     |                                  |                             |  |
| Cheltenham Borough Council                          | 2                                | Vic Godding                 | August 2014 (Aug 2017)   |
|   |                                  | Stephen McDonnell           | August 2017  |
| Cotswold District Council                           | 2                                | Kate Atkinson               | July 2017  |
|   |                                  | Vacant                      |  |
| Forest District Council                             | 2                                | <b>Jennifer Thomson</b>     | Aug 2015 ( <b>July 2018</b> )  |
|   |                                  | Hilary Bowen                | July 2016  |
|   |                                  | Graham Adams                | August 2018 ( <b>Feb 2019</b> )  |
|   |                                  | Simon Smith***              | March 2019   |
| Gloucester City Council                             | 2                                | Said Hansdot                | July 2016  |
|   |                                  | <b>Xin Zhao</b>             | July 2017 ( <b>Jan 2019</b> )  |
| Stroud District Council                             | 2                                | Ann Elias                   | July 2016  |
|   |                                  | Mervyn Dawe                 | July 2016  |
| Tewkesbury Borough Council                          | 2                                | Josephine Smith             | July 2015 (July 2018)  |
|   |                                  | Bren McInerney              | Nov 2017   |
| Herefordshire                                       | 2                                | Miles Goodwin               | August 2018  |
|   |                                  | Cherry Newton               | Sept 2015 (Sept 2018)  |
|   |                                  | <b>Euan McPherson</b>       | July 2017 ( <b>June 2018</b> )   |
| Greater England                                     | 1                                | Mike Scott                  | July 2017  |
| <b>Elected Staff Governors</b>                      |                                  |                             |  |
| Medical and Nursing                                 | 3                                | Dr Anneka Rose              | August 2018  |
|   |                                  | <b>Dr Svetlin Vrabtchev</b> | June 2015 ( <b>June 2018</b> )   |
|   |                                  | Jan Furniaux                | Jan 2018   |
|   |                                  | Dr Faisal Khan              | Jan 2018   |
| Clinical and Social Care and Support Staff          | 2                                | Nic Matthews                | June 2018  |
|   |                                  | Alison Feher                | June 2018  |
| Management, Administrative and Other Staff          | 2                                | Rob Blagden                 | July 2014 (July 2017)  |
|   |                                  | Katie Clark                 | Dec 2015 (Dec 2018)  |
| <b>Governors nominated by partner organisations</b> |                                  |                             |  |
| Gloucestershire Clinical Commissioning Group        | 1                                | Dr Lawrence Fielder         | August 2017  |
| Gloucestershire County Council                      | 1                                | Cllr Carole Allaway-Martin  | June 2018  |
| Herefordshire Clinical Commissioning Group          | 1                                | <b>Hazel Braund</b>         | November 2016 ( <b>November 2018</b> )   |
|   |                                  | Jade Brooks                 | January 2019   |
| Herefordshire County Council                        | 1                                | Cllr Jenny Bartlett         | July 2015  |

\*\*\* Simon Smith assumed the role in March 2019 in accordance with provisions set out in the Trust Constitution, following the resignation of Graham Adams.

## 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 and strategic planning processes. Individual Non-Executive Directors provide 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 attend Committee meetings as observers, in order to inform the holding to account process.

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.

Governors have also been kept fully informed about progress with the merger with Gloucestershire Care Services NHS Trust (GCS), expected to take effect late in 2019. Governors have received briefings on merger preparations from the Chief Executive and from GCS Executive Directors overseeing the transaction governance programme. Governors have also received a briefing from the Trust's legal advisers on the legal role and responsibilities of the Council in approving the merger application. Governors have also reviewed the Strategic Case submitted to NHS Improvement.

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 |
|--|-----------------------------|---------------------|
| <b>Elected Public Governors</b>              |                             |                     |
| Cheltenham Borough Council                   | Vic Godding                 | 7/7                 |
|  | Stephen McDonnell           | 4/7                 |
| Cotswold District Council                    | Kate Atkinson               | 4/7                 |
|  | Vacant                      |                     |
| Forest District Council                      | <b>Jennifer Thomson</b>     | <b>2/2</b>          |
|  | Hilary Bowen                | 3/7                 |
|  | <b>Graham Adams</b>         | <b>3/4</b>          |
|  | Simon Smith                 | 1/1                 |
| Gloucester City Council                      | Said Hansdot                | 4/7                 |
|  | <b>Xin Zhao</b>             | <b>1/5</b>          |
| Stroud District Council                      | Ann Elias                   | 3/7                 |
|  | Mervyn Dawe                 | 4/7                 |
| Tewkesbury Borough Council                   | Josephine Smith             | 5/7                 |
|  | Bren McInerney              | 4/7                 |
| Herefordshire                                | Cherry Newton               | 5/7                 |
|  | <b>Euan McPherson</b>       | <b>0/1</b>          |
|  | Miles Goodwin               | 5/5                 |
| Greater England                              | Mike Scott                  | 5/7                 |
| <b>Elected Staff Governors</b>               |                             |                     |
| Medical and Nursing                          | <b>Dr Svetlin Vrabtchev</b> | <b>1/1</b>          |
|  | Jan Furniaux                | 6/7                 |
|  | Dr Faisal Khan              | 4/7                 |
|  | Dr Anneka Rose              | 4/5                 |
| Clinical and Social Care and Support Staff   | Nic Matthews                | 6/6                 |
|  | Alison Feher                | 2/5                 |
| Management, Administrative and Other Staff   | Rob Blagden                 | 7/7                 |
|  | Katie Clark                 | 4/7                 |
| <b>Appointed Governors</b>                   |                             |                     |
| Gloucestershire Clinical Commissioning Group | Dr Lawrence Fielder         | 2/7                 |
| Gloucestershire County Council               | Cllr Carole Allaway-Martin  | 4/6                 |
| Herefordshire Clinical Commissioning Group   | <b>Hazel Braund</b>         | <b>2/2</b>          |
|  | Jade Brooks                 | 0/2                 |
| Herefordshire County Council                 | Cllr Jenny Bartlett         | 3/7                 |

## Nomination and Remuneration Committee

The Nomination 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, 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 2018/19 the Committee oversaw the recruitment of two new Non-Executive Directors, the reappointment of three Non-Executive Directors, and the appointment of Non-Executive Directors to the Shadow Board. The Committee reviewed the remuneration for Non-Executives, and agreed a combined appraisal process for the Joint Trust Chair which met the requirements both of <sup>2</sup>gether (in Ingrid Barker's role as Chair of <sup>2</sup>gether NHS Foundation

Trust), and of NHS Improvement (in her role as Chair of Gloucestershire Care Services NHS Trust. 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 three times during the reporting period.

| Name                                       | August 2018 | December 2018 | March 2019 |
|--|-------------|---------------|------------|
| Ingrid Barker (Chair)                      | ✓           | ✓             | ✓          |
| Rob Blagden (Lead Governor/Staff Governor) | ✓           | ✓             | -          |
| Mervyn Dawe (Public Governor)              | ✓           | ✓             | ✓          |
| Vic Godding (Public Governor)              | ✓           | ✓             | ✓          |
| Mike Scott (Public Governor)               | ✓           | -             | ✓          |
| Nikki Richardson (Deputy Chair)            | -           | -             | ✓          |
| Neil Savage (Director of OD)               | ✓           | ✓             | ✓          |

### Governor expenses

Governors do not receive remuneration but are paid reasonable expenses in order to perform their role. During the reporting period, 7 Governors received expenses payments. The aggregate sum of expenses paid to Governors during the reporting period was £1,659.30.

### 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 0300 421 7111 or by emailing [j.mcilveen@nhs.net](mailto:j.mcilveen@nhs.net)



**Colin Merker**  
Deputy Chief Executive

**24 May 2019**



# Remuneration Report

## Annual Statement on Remuneration

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, or, in the case of medical managers, Consultant 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 leads the meeting.

The Committee has adopted a policy of developing a simple reward package. Salary ranges for Executive Directors have been agreed through an established job evaluation process. Appointments are made through a spot salary within one of 4 salary ranges. The remuneration package does not include a Performance Related Pay scheme and 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.

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 reviews that take into account the wider labour market, the scope of responsibilities, performance, best practice, NHS Executive remuneration benchmarking and, where appropriate, national guidance. The Committee also takes into account the awards for other staff groups through, for example, the NHS Pay Review Body (NHSPRB).

For all other senior managers, performance is managed in accordance with our appraisal and pay progression policies, both of which are consistent with 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 ensures that objectives for each individual are aligned to the Trust strategy and business needs.

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 for each financial year.

The Chief Executive and Executive Directors are employed on substantive contracts of employment. The current Chief Executive's contract and those of our Executive Team are

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. Executive Director contracts are subject to a notice period of six months to minimise the risk from loss of management capacity at this level, while recruitment processes take place. None of the contracts for the Chief Executive or Board Directors contains clauses specifying termination payments which are in excess of contractual obligations. Contractual redundancy terms are as per Section 16 of the Agenda for Change NHS Terms and Conditions of Service Handbook.

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. 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 1.5 of our annual accounts.

## Salary and pension entitlement of senior managers: Remuneration

| Name and Title | Year | a                                    | b  | c   | d  | e  | Total                      |
|----------------|------|--------------------------------------|--|---|--|--|----------------------------|
|                |      | Salary<br>(bands of<br>£5,000)<br>£0 | Expense<br>payments<br>(taxable)<br>(Rounded to<br>nearest £100)<br>£0 | Performance<br>pay and<br>bonuses<br>(bands of<br>£5,000)<br>£0 | Long-term<br>performance<br>pay and<br>bonuses<br>(bands of<br>£5,000)<br>£0 | Pension<br>related<br>benefits<br>(bands of<br>£2,500)<br>£0 | (bands of<br>£5,000)<br>£0 |

### Non Executive Directors

|   |         |       |   |   |   |   |        |
|---|---------|-------|---|---|---|---|--------|
| Ingrid Barker <sup>(2)</sup><br>Joint Chair       | 2018/19 | 25-30 | 0 | 0 | 0 | 0 | 25-30. |
|   | 2017/18 | 05-10 | 0 | 0 | 0 | 0 | 05-10  |
| Jonathan<br>Vickers                               | 2018/19 | 10-15 | 0 | 0 | 0 | 0 | 10-15  |
|   | 2017/18 | 10-15 | 0 | 0 | 0 | 0 | 10-15  |
| Nikki Richardson                                  | 2018/19 | 20-25 | 0 | 0 | 0 | 0 | 20-25  |
|   | 2017/18 | 15-20 | 0 | 0 | 0 | 0 | 15-20  |
| Marcia Gallagher                                  | 2018/19 | 15-20 | 0 | 0 | 0 | 0 | 15-20  |
|   | 2017/18 | 10-15 | 0 | 0 | 0 | 0 | 10-15  |
| Duncan<br>Sutherland                              | 2018/19 | 10-15 | 0 | 0 | 0 | 0 | 10-15  |
|   | 2017/18 | 10-15 | 0 | 0 | 0 | 0 | 10-15  |
| Maria Bond  | 2018/19 | 15-20 | 0 | 0 | 0 | 0 | 15-20  |
|   | 2017/18 | 10-15 | 0 | 0 | 0 | 0 | 10-15  |
| Dominique<br>Thompson<br>(01/05/18 -<br>31/01/19) | 2018/19 | 05-10 | 0 | 0 | 0 | 0 | 05-10  |
|   | 2017/18 | 0     | 0 | 0 | 0 | 0 | 0      |
| Sumita<br>Hutchison<br>(from 14/01/19)            | 2018/19 | 00-05 | 0 | 0 | 0 | 0 | 00-05  |
|   | 2017/18 | 0     | 0 | 0 | 0 | 0 | 0      |

### Executive Directors

|  |         |         |   |   |   |           |         |
|--|---------|---------|---|---|---|-----------|---------|
| Paul Roberts <sup>(3)</sup><br>Joint Chief<br>Executive (from<br>16/04/18)       | 2018/19 | 80-85   | 0 | 0 | 0 | 0         | 80-85   |
|  | 2017/18 | 0       | 0 | 0 | 0 | 0         | 0       |
| Amjad Uppal <sup>(1)</sup><br><sup>(4)</sup><br>Joint Medical<br>Director        | 2018/19 | 170-175 | 0 | 0 | 0 | 237.5-240 | 410-415 |
|  | 2017/18 | 60-65   | 0 | 0 | 0 | 77.5-80   | 140-145 |
| Neil Savage <sup>(5)</sup><br>Joint Director of<br>Organisational<br>Development | 2018/19 | 65-70   | 0 | 0 | 0 | 55-57.5   | 120-125 |
|  | 2017/18 | 100-105 | 0 | 0 | 0 | 10 - 12.5 | 115-120 |
| Andrew Lee<br>Director of<br>Finance &<br>Commerce                               | 2018/19 | 130-135 | 0 | 0 | 0 | 0         | 130-135 |
|  | 2017/18 | 125-130 | 0 | 0 | 0 | 0         | 125-130 |
| John Trevains  | 2018/19 | 45-50   | 0 | 0 | 0 | 110-112.5 | 155-160 |

|                                      |         |         |   |   |   |           |         |
|--------------------------------------|---------|---------|---|---|---|-----------|---------|
| Director of Quality (from 22/10/18)  | 2017/18 | 0       | 0 | 0 | 0 | 0         | 0       |
|                                      |         |         |   |   |   |           |         |
| Marie Crofts                         | 2018/19 | 50-55   | 0 | 0 | 0 | 77.5-80   | 130-135 |
| Director of Quality (to 30/09/18)    | 2017/18 | 100-105 | 0 | 0 | 0 | 145-147.5 | 250-255 |
| Colin Merker                         | 2018/19 | 130-135 | 0 | 0 | 0 | 0         | 130-135 |
| Deputy Chief Executive               | 2017/18 | 135-140 | 0 | 0 | 0 | 60-62.5   | 200-205 |
| John Campbell                        | 2018/19 | 105-110 | 0 | 0 | 0 | 0-2.5     | 105-110 |
| Director of Service Delivery         | 2017/18 | 00-05   | 0 | 0 | 0 | 7.5-10    | 10-15   |
| Jane Melton                          | 2018/19 | 95-100  | 0 | 0 | 0 | 97.5-100  | 195-200 |
| Director of Engagement & Integration | 2017/18 | 90-95   | 0 | 0 | 0 | 132.5-135 | 225-230 |

#### Locality/Service Directors

|  |         |       |   |   |   |         |         |
|--|---------|-------|---|---|---|---------|---------|
| Les Trewin – Locality Director                 | 2018/19 | 70-75 | 0 | 0 | 0 | 42.5-45 | 115-120 |
|  | 2017/18 | 65-70 | 0 | 0 | 0 | 15-17.5 | 80-85   |
| Jan Furniaux - Locality Director               | 2018/19 | 70-75 | 0 | 0 | 0 | 17.5-20 | 90-95   |
|  | 2017/18 | 70-75 | 0 | 0 | 0 | 25-27.5 | 95-100  |
| Mark Hemming – Locality Director (to 31/03/19) | 2018/19 | 70-75 | 0 | 0 | 0 | 22.5-25 | 90-95   |
|  | 2017/18 | 65-70 | 0 | 0 | 0 | 05-7.5  | 75-80   |
| Sarah Batten – Service Director                | 2018/19 | 65-70 | 0 | 0 | 0 | 25-27.5 | 90-95   |
|  | 2017/18 | 60-65 | 0 | 0 | 0 | 22.5-25 | 85-90   |
| Alison James – Service Director                | 2018/19 | 50-55 | 0 | 0 | 0 | 17.5-20 | 70-75   |
|  | 2017/18 | 50-55 | 0 | 0 | 0 | 15-17.5 | 65-70   |

(1) The post of Medical Director is a part time role. From 2gether NHSFT NHSFT Dr Uppal received remuneration of £105-110k for his Medical Director role, and remuneration of £65-70k for his Clinical work.

(2) The Joint Chair (50% 2gether), Ingrid Barker, also worked for Gloucestershire Care Services NHS Trust but only her remuneration that relates to 2gether NHSFT is shown above. Her total remuneration for 2018/19 was £45-50k.

(3) The Joint Chief Executive (50% 2gether), Paul Roberts, also worked for Gloucestershire Care Services NHS Trust since 16/04/18, but only his remuneration that relates to 2gether NHSFT is shown above. His total remuneration for 2018/19 was £165-170k.

(4) The Joint Medical Director (50% 2gether), Dr Amjad Uppal, also worked for Gloucestershire Care Services NHS Trust since 01/02/19, but only his remuneration that relates to 2gether NHSFT is shown above. His total remuneration for 2018/19 was £175-180k.

(5) The Joint Director of Organisational Development (50% 2gether), Neil Savage, also worked for Gloucestershire Care Services NHS Trust since 01/07/18, but only his remuneration that relates to 2gether NHSFT is shown above. His total remuneration for 2018/19 was £110-115k.

### Pension Entitlement of Senior Managers - Pension Benefits

| Name and title                        | Real increase in pension at pension age | Real increase in pension lump sum at pension age | Total accrued pension at pension age at 31 March 2019 | Lump sum at pension age related to accrued pension at 31 March 2019 | Cash Equivalent Transfer Value at 1 April 2018 | Cash Equivalent Transfer Value at 31 March 2019 | Real Increase in Cash Equivalent Transfer Value | Employers Contribution to Stakeholder Pension |
|---------------------------------------|---|--|---|---|--|---|---|---|
|                                       | (bands of £2,500)                       | (bands of £2,500)                                | (bands of £5,000)                                     | (bands of £5,000)   | £'000  | £'000   | £'000   | £'000   |
| Paul Roberts - Joint Chief Executive  | 0                                       | 0  | 0   | 0   | 0  | 0   | 0   | 0   |
| Andrew Lee - Dir of Finance           | 0                                       | 0  | 0   | 0   | 0  | 0   | 0   | 0   |
| Amjad Uppal – Medical Director        | 10-12.5                                 | 25-27.5  | 35-40   | 80-85   | 402  | 667   | 253   | 0   |
| Neil Savage – Dir of OD               | 0-2.5                                   | 0-2.5  | 35-40   | 90-95   | 592  | 720   | 111   | 0   |
| Marie Crofts - Dir of Quality         | 0-2.5                                   | 2.5-5  | 55-60   | 165-170   | 989  | 1180  | 81  | 0   |
| Colin Merker – Deputy Chief Executive | 0                                       | 0  | 0   | 0   | 0  | 0   | 0   | 0   |
| Jane Melton - Director of E&I         | 2.5-5                                   | 10-12.5  | 45-50   | 135-140   | 773  | 966   | 170   | 0   |
| John Campbell – Dir of Svce Delivery  | 0-2.5                                   | 0-2.5  | 30-35   | 90-95   | 540  | 623   | 67  | 0   |
| John Trevains – Dir of Quality        | 0-2.5                                   | 0-2.5  | 25-30   | 25-30   | 241  | 351   | 45  | 0   |
| Les Trewin - Service Director         | 0-2.5                                   | 0-2.5  | 25-30   | 75-80   | 517  | 616   | 83  | 0   |
| Jan Furniaux - Locality Director      | 0-2.5                                   | 0-2.5  | 35-40   | 110-115   | 700  | 805   | 83  | 0   |
| Mark Hemming – Locality Dir           | 0-2.5                                   | 2.5-5  | 15-20   | 55-60   | 412  | 0   | 0   | 0   |
| Sarah Batten – Service Dir            | 0-2.5                                   | 0-2.5  | 10-15   | 20-25   | 167  | 212   | 40  | 0   |
| Alison James – Service Dir            | 0-2.5                                   | 0  | 5-10  | 0   | 116  | 147   | 28  | 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 2018/19 was £175,000-£180,000 (2017/18, £165,000-£170,000). This was 6.6 times (2017/18 6.3) the median remuneration of the workforce, which was £27,045 (2017/18, £26,565).

In 2018/19, 7 (2017/18, 8) employees received remuneration in excess of the highest-paid director.

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<sup>st</sup> March 2019, 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, 7 Governors received expenses payments. The aggregate sum of expenses paid to Governors during the reporting period was £1,659.30.

## Directors

In 2018/19, 17 Directors were in office during the period, including starters and leavers. During the reporting period 14 claimed expenses to a total of £22,220.

The above information has been audited.



**Colin Merker**  
**Deputy Chief Executive**

**24 May 2019**

## Staff Report

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

On March 31 2019, we employed 2,579 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                            | 2068 |
| Bank staff                                     | 420  |
| Others (fixed term temporary staff and locums) | 91   |

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) (Excludes Executives, bank staff, temporary staff and locums) | Employees | Percentage |
|---|-----------|------------|
| Female  | 46        | 48%        |
| Male  | 49        | 52%        |

| Total staff (Up to Band 8b) (Permanent staff only) | Employees | Percentage |
|--|-----------|------------|
| Female   | 1559      | 79%        |
| Male   | 414       | 21%        |

## Staff Costs

Our staffing costs for 2018/19 and a comparison with the previous financial year are detailed here:

|   | 12 Months to 31 March 2019 (£000) | 12 Months to 31 March 2018 (£000) |
|---|-----------------------------------|-----------------------------------|
| Salaries and wages  | £69,346                           | £66,361                           |
| Social security costs   | £6,664                            | £6,423                            |
| Pension costs – defined contribution plans (employers' contributions to NHS Pension Scheme) | £8,475                            | £8,217                            |
| Pension cost – other contributions  | £0                                | £0                                |
| Apprenticeship levy   | £327                              | £317                              |
| Other post-employment benefits  | £0                                | £0                                |
| Other employment benefits   | £0                                | £0                                |
| Termination benefits  | £0                                | £0                                |
| Agency/contract staff   | £4,486                            | £4,123                            |
| <b>Total staff costs</b>  | <b>£89,298</b>                    | <b>£85,441</b>                    |



## Sickness absence data

Our staff sickness absence figures are reported, as per national guidance, on a calendar year basis using data from NHS Digital. The table here shows the number of staff days lost to sickness for the period January to December 2018.

| Figures Converted by Department of Health to Best Estimates of Required Data Items |  |                           | Statistics Published by NHS Digital from ESR Data Warehouse |                                    |
|--|--|---------------------------|---|------------------------------------|
| Average FTE 2018   | Adjusted FTE days lost to Cabinet Office definitions | Average Sick Days per FTE | FTE-Days Available  | FTE-Days recorded Sickness Absence |
| 1,881  | 19,666   | 10.45                     | 686,649   | 31,903                             |

Explanatory note: The information above is supplied by NHS Digital, using data from the national NHS Electronic Staff Record (ESR) system. ESR does not hold details of the normal number of days worked by each employee. Data on days available and days recorded sick are based on a 365-day year.

The number of FTE-days available has been taken directly from ESR. This has been converted to FTE years in the first column by dividing by 365.

The number of FTE-days lost to sickness absence has been taken directly from ESR. The adjusted FTE days lost has been calculated by multiplying by 225/365 to give the Cabinet Office measure.

The average number of sick days per FTE has been estimated by dividing the FTE Days by the FTE days lost and multiplying by 225/365 to give the Cabinet Office measure. This figure is replicated on returns by dividing the adjusted FTE days lost by Average FTE.

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.

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

We continue to meet our responsibilities as part of the Public Sector Equality Duty (PSED) that is outlined in the Equality Act 2010. We are totally committed to ensuring equality of opportunity in both the provision of our services and how we support and develop our workforce.

Our Director of Organisational Development ensures that equality and diversity is represented at all levels of our organisation including at Board level. We work within the parameters of EDS2, the NHS Equality Delivery System and with our social inclusion team, we recognise the diversity of the community we serve and make every effort to engage with hard to reach communities to ensure high quality care is received by all who need it. We have implemented the Workforce Race Equality Standard (WRES), a tool to identify any perceived gaps in the work experience of colleagues from a Black and Minority Ethnic (BME) background compared with that of white colleagues.

We work to address any issues relating to the lack of inclusivity arising from the Staff Survey, Staff Friends and Family Test and WRES. We are also preparing for the introduction in 2019 of the Workforce Disability Equality Standard (WDES). In advance of this standard being introduced we are proud to have achieved Disability Confident Leader status. Our values-based recruitment processes were reviewed by an external organisation that also achieved this status and were found to be of high quality and supportive of removing barriers that may prevent applicants with a disability from working for the trust and ensuring all reasonable adjustments are made to the work environment to enable colleagues to remain in work and prosper.

We also have numerous systems in place to enable anyone who may experience discriminatory or other forms of unacceptable behaviour to seek support and resolution. These include our online dialogue system called 'SpeakInConfidence', our network of 'Dignity at Work Officers' and our 'Freedom to Speak Up Guardian'. We also recognise there is always more we can do and are exploring the formation of diversity networks to develop and take forward equalities initiatives.

We have complied with the national Gender Pay Gap reporting requirements during Quarter 4. The report and associated data has been published and we are working on a number of actions to address the issues identified.

## 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.

Since 2017, the Trust has also been providing a comprehensive Self-referral Musculo-skeletal Physiotherapy service to all staff and is exploring options to provide additional psychological support to staff later in 2019.

## Engagement

All staff have access to information through a number of different communication mechanisms. Our Chief Executive publishes weekly blogs and offers an “Open Door” engagement opportunity for staff. Our weekly staff e-bulletin is called ByteSize, and we provide two-way monthly Team Talk sessions with managers and senior clinicians, which enables a flow of key information to and from their teams. We also publish comprehensive news updates, policies and other information of relevance and interest to staff on 2getherNet – our intranet. There are a number of other Trust-wide gatherings, such as our Senior Leadership Network, which is run jointly with Gloucestershire Care Services colleagues, and 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 Forum, which meets at least 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 People 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.

Trades Unions and Professional Association colleagues are encouraged to attend and participate in the One Gloucestershire Social Partnership Forum which meets quarterly to discuss workforce matters within the ICS.

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.

We have long had a trained network of Dignity at Work officers who provide support and guidance to anyone who feels they are a victim of harassment or bullying in the workplace. In 2016 we also 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.

SpeakInConfidence 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. In essence, it provides a safe and confidential cloud based platform to:

- Report bullying and improper behaviour
- Tell the Trust what it should stop doing
- Discuss ideas and improvements
- Report fraud or other wrong-doing
- Suggest more efficient ways of working

2016 also saw the introduction of our Freedom to Speak Up Guardian. Our Freedom to Speak Up Guardian – Rob Newman – has the role of supporting and encouraging colleagues to ‘speak up’ if they have concerns about safety, quality and issues that have a Trust-wide impact and may jeopardise patient or staff safety. He works closely in partnership with Gloucestershire Care Services’ Freedom to Speak Up Guardian, and has provided joint training with her for colleagues to become Freedom to Speak Up Advocates.

## Reward and recognition

Our annual Recognising Outstanding Service and Contribution Awards (ROSCAs) have operated successfully for 12 years, with just under 200 nominations being received in 2018, across 10 award categories. The winners were announced during an award ceremony held in July 2018 – part of our NHS70 celebrations. We are currently carrying out a full review of the ROSCAs and will be making recommendations for our future approach to staff recognition in early 2019/20. Our monthly Best Supporting Colleague Award is now in its sixth year and enables colleagues to nominate colleagues who have made a significant difference to their working life. The award helps to make sure that colleagues who perform above and beyond are recognised throughout the year.

## Staff Friends and Family Test

The Staff Friends and Family Test was introduced in April 2014 to complement the Annual Staff Survey. All staff can take part online but a paper copy of the questionnaire is available. The test is conducted in quarters 1, 2 and 4 of the financial year. It does not take place in quarter 3 so as not to clash with the Annual Staff Survey, but the national survey issues in this quarter also includes the same questions. The responses are not personally attributable and provide a useful snapshot into how staff feel about the Trust throughout the year. Staff are asked to respond to 2 questions based on their recent experience of working for the trust. They are asked if they would recommend the trust to friends and family as a place to receive care or treatment, or as a place to work. Results have shown a steady improvement since the test’s inception.

The latest results from quarter four of 2018/19 were as follows:

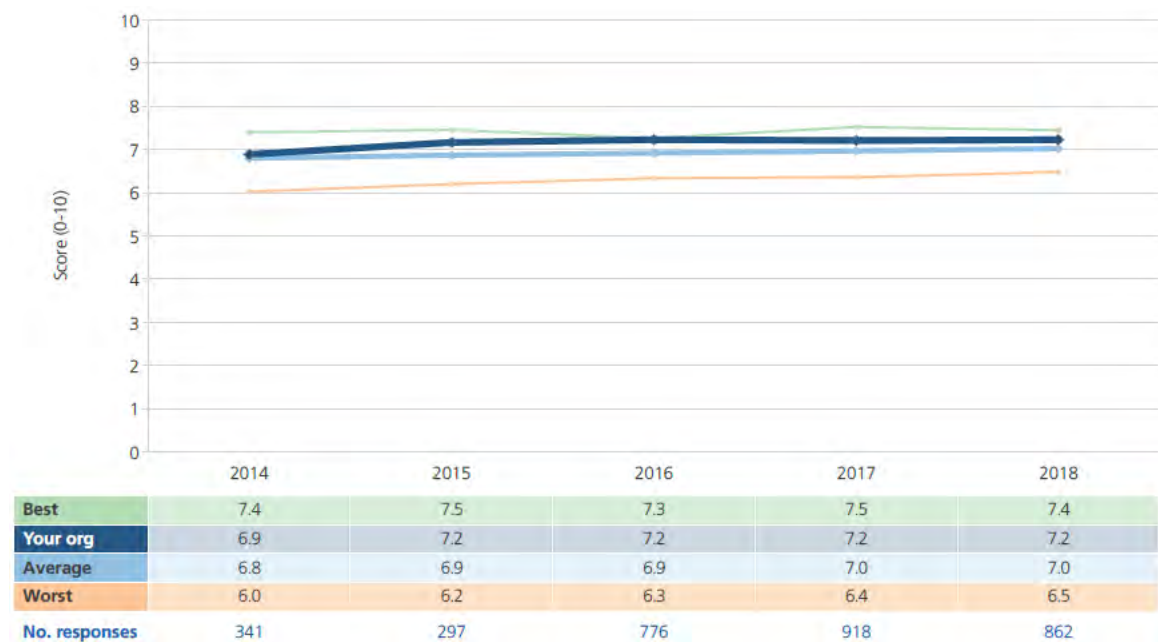
- 86.24% of staff would recommend the Trust as place to receive treatment – this compares to 75.5% for the Q3 18/19 test. This maintains our strong position well above the Q3 NHS average MH/LD benchmarking score of 61.3%.
- 71% of staff would recommend the Trust as a place to work – this compares to 71.8% for the Q3 18/19 test, maintaining our position well above the Q3 NHS average MH/LD benchmarking score of 61.1%.

This performance mirrors the high performance and longitudinal improvements shown in the Annual Staff Survey over the past five years. We continue to use these results when developing the annual action plan that follows the Staff Survey.

## Staff engagement

The Trust has an effective approach to staff engagement, with its staff rating the Trust consistently above the national average for engagement for mental health and learning disabilities trusts for the past five years.

Our vision is to continuously improve our approach to staff engagement and involvement. To this end we engage staff through a wide range of working groups, focus groups, a Staff



Forum, online questionnaires and surveys, co-design of values, policies and procedures underpinned with strong relationships with Trades Unions and Professional organisations.

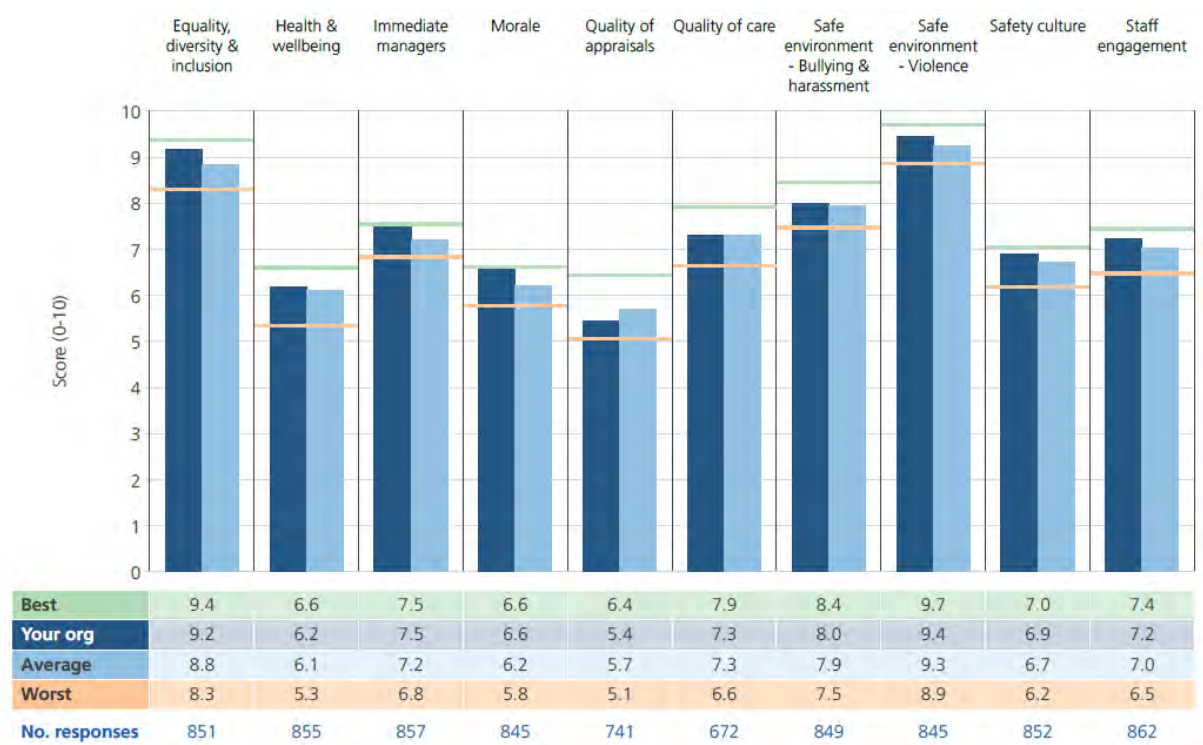
We support our engagement with a wide range of two-way communications. These include a two-way monthly Team Talk sessions with managers and senior clinicians, focussed on enabling a mutual flow of information and opinion. The CEO, supported by other Executive Directors, provides weekly blogs with the ability to comment and engage on the subject matter. The CEO also operates an on-line and in-person “Open Door” engagement opportunity for all staff. Directors participate in a programme of Board Visits and Safety Walkabouts with high levels of engagement and feedback processes. There are also a number of other Trust-wide gatherings, such as our Medical Staff Committee, and a Senior Leadership Network, which is run jointly with Gloucestershire Care Services, and which acts as an opportunity for leaders to be consulted on policy and performance issues. We also run regular staff focus groups to enable colleagues to raise issues, concerns, and develop solutions. This ensures engagement across all levels of workforce.

### NHS staff survey

The NHS staff survey is conducted annually. From 2018 onwards, the results from questions are grouped to give scores in ten indicators, known as “Themes”. The indicator scores are based on a score out of 10 for certain questions with the indicator score being the average of those. The response rate to the 2018 survey among trust staff was 40.5%, compared to 44.7% in 2017. The lower response rate was expected in light of a significant engagement process on future Trust Values and Behaviours alongside a Culture Survey completed at the same time as the Staff Survey.

Of the 10 Themes presented in the following bar chart:

- The Trust was better than average in 8 and below average in 2
- The themes where the Trust scored highest in were “Equality, Diversity & Inclusion” and “Safe Environment – Violence”
- The lowest scoring Theme for the Trust was the “Quality of Appraisals”



Staff engagement received a high score of 7.2, against a best in class score of 7.4, an average score of 7 with a worse score of 6.5 out of a possible 10.

Historic scores for each indicator together with that of the survey benchmarking group ([specify the benchmarking group]) are presented below.

|  | 2018/19 |                    | 2017/18 |                    | 2016/17 |                    |
|--|---------|--------------------|---------|--------------------|---------|--------------------|
|  | Trust   | Benchmarking Group | Trust   | Benchmarking Group | Trust   | Benchmarking Group |
| Equality, diversity and inclusion        | 9.2     | 8.8                | 9.3     | 9.0                | 9.4     | 9.0                |
| Health and wellbeing                     | 6.2     | 6.1                | 6.1     | 6.2                | 6.4     | 6.2                |
| Immediate managers                       | 7.5     | 7.2                | 7.4     | 7.2                | 7.3     | 7.1                |
| Morale                                   | 6.6     | 6.2                | n/a     | n/a                | n/a     | n/a                |
| Quality of appraisals                    | 5.4     | 5.7                | 5.4     | 5.5                | 5.2     | 5.5                |
| Quality of care                          | 7.3     | 7.3                | 7.3     | 7.3                | 7.4     | 7.4                |
| Safe environment-bullying and harassment | 8.0     | 7.9                | 8.1     | 8.0                | 7.9     | 8.0                |
| Safe environment – violence              | 9.4     | 9.3                | 9.5     | 9.2                | 9.4     | 9.2                |
| Safety culture                           | 6.9     | 6.7                | 6.8     | 6.7                | 6.9     | 6.6                |
| Staff Engagement                         | 7.2     | 7.0                | 7.2     | 7.0                | 7.2     | 6.9                |



Future Trust priorities for 2019/20 arising out of the most recent Staff Survey are summarised below:

- Response rates – we want to improve our response rate to 2017 levels or better. We will do this by increasing the volume of our communications of what we have done as a result of previous surveys and will also be offering prize incentives for colleagues to complete the next survey.
- Engagement – we want to maintain or improve our staff engagement rating. We will do this by building on our tried and tested approaches to engagement supplementing these with new engagement processes, for example, our current and planned approach on the development of our new staff values and behaviours.
- Quality of Appraisals – The Trust was disappointed with this rating and is carrying out a joint review with Gloucestershire Care Services NHS Trust on developing a new process, paperwork and training to address this issue.
- Safe Environment (Bullying and Harassment) – we are reviewing our policies, procedures and Dignity at Work Officer roles with staff side colleagues to improve how we deal with and support staff through related processes.
- Quality of Care – we are working on a number of key clinical projects internally, and across the wider ICS, engaging with staff to explore ways we can further improve the quality of care we provide.

Our success and related action planning will be overseen by Executive Directors and our Delivery Committee.

### Expenditure on consultancy

During 2018/19 our consultancy costs totalled £170,408. This consultancy covered a blend of both support on clinical services and the planned organisational merger. During 2017/18 our consultancy costs totalled £80,000.

### Off-payroll engagements/arrangements

We are required to declare highly paid and/or senior off-payroll engagements. The off-payroll engagements for more than £245 per day and that lasted for longer than six months are as follows:

|  |   |
|--|---|
| Number of existing engagements as of 31 March 2019 | 8 |
|--|---|

Of which:

|  |   |
|--|---|
| Number that have existed for less than one year at the time of reporting           | 5 |
| Number that have existed for between one and two years at the time of reporting    | 0 |
| Number that have existed for between two and three years at the time of reporting  | 2 |
| Number that have existed for between three and four years at the time of reporting | 1 |
| 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 2018 and 31 March 2019, for more than £245 per day and that last longer than six months.

|   |   |
|---|---|
| Number of new engagements, or those that reached six months in duration between 01 Apr 2018 and 31 Mar 2019 | 5 |
| <b>Of which:</b>  |   |
| Number assessed as within the scope of IR35   | 5 |
| Number assessed as not within the scope of IR35   | 0 |
| Number engaged directly (via PSC contracted to trust) and are on the Trust's payroll                        | 0 |
| Number of engagements reassessed for consistency/ assurance purposes during the year                        | 0 |
| Number of engagements that saw a change to IR35 status following the consistency review                     | 0 |



## Exit packages

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

This table details the number of exit packages used during 2018/19 and the table below gives a comparative for 2017/18.

|   | 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 |
|---|-----------------------------------|---------------------------------|-----------------------------------|---------------------------------|-------------------------------|-----------------------------|--|---|
|   | No.                               | £000                            | No.                               | £000                            | No.                           | £000                        | No.  | £000  |
| <b>Exit package cost band (including any special payment element)</b> |                                   |                                 |                                   |                                 |                               |                             |  |   |
| <£10,000  |                                   |                                 | 13                                | 120                             | 13                            | 120                         |  |   |
| £10,000 - £25,000   |                                   |                                 |                                   |                                 | 0                             | 0                           |  |   |
| £25,001 - £50,000   | 1                                 | 27                              |                                   |                                 | 1                             | 27                          |  |   |
| £50,001 - £100,000  |                                   |                                 |                                   |                                 | 0                             | 0                           |  |   |
| £100,001 - £150,000   |                                   |                                 |                                   |                                 | 0                             | 0                           |  |   |
| £150,001 - £200,000   |                                   |                                 |                                   |                                 | 0                             | 0                           |  |   |
| >£200,000   |                                   |                                 |                                   |                                 | 0                             | 0                           |  |   |
| <b>Total</b>  | <b>1</b>                          | <b>27</b>                       | <b>13</b>                         | <b>120</b>                      | <b>14</b>                     | <b>147</b>                  | <b>0</b>   | <b>0</b>  |

|   |  |  |  |  |                                      |                                    |   |  |
|---|--|--|--|--|--------------------------------------|------------------------------------|---|--|
| <b>Exit packages 2017/18</b>  | <b>Number of compulsory redundancies</b> | <b>Cost of compulsory redundancies</b> | <b>Number of other departures agreed</b> | <b>Cost of other departures agreed</b> | <b>Total number of exit packages</b> | <b>Total cost of exit packages</b> | <b>Number of departures where special payments have been made</b> | <b>Cost of special payment element included in exit packages</b> |
| <b>Exit package cost band (including any special payment element)</b> |  |  |  |  |                                      |                                    |   |  |
| <£10,000  |  |  | 21                                       | 99                                     | 21                                   | 99                                 |   |  |
| £10,000 - £25,000   | 2  | 24                                     | 2  | 32                                     | 4                                    | 56                                 |   |  |
| £25,001 - £50,000   |  |  |  |  | 0                                    | 0                                  |   |  |
| £50,001 - £100,000  |  |  |  |  | 0                                    | 0                                  |   |  |
| £100,001 - £150,000   |  |  |  |  | 0                                    | 0                                  |   |  |
| £150,001 - £200,000   | 1  | 160                                    |  |  | 1                                    | 160                                |   |  |
| >£200,000   |  |  |  |  | 0                                    | 0                                  |   |  |
| <b>Total</b>  | <b>3</b>                                 | <b>184</b>                             | <b>23</b>                                | <b>131</b>                             | <b>26</b>                            | <b>315</b>                         | <b>0</b>  | <b>0</b>   |

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

|   | <b>Payments<br/>agreed</b> | <b>Total value of<br/>agreements</b> | <b>Payments<br/>agreed</b> | <b>Total value<br/>of<br/>agreements</b> |
|---|----------------------------|--------------------------------------|----------------------------|--|
|   | <b>No.</b>                 | <b>£000</b>                          | <b>No.</b>                 | <b>£000</b>                              |
| Voluntary redundancies including early retirement contractual costs   |                            |                                      |                            |  |
| Mutually agreed resignations (MARS) contractual costs   |                            |                                      |                            |  |
| Early retirements in the efficiency of the service contractual costs  |                            |                                      |                            |  |
| Contractual payments in lieu of notice  | 14                         | 120                                  | 22                         | 121                                      |
| Exit payments following employment tribunals or court orders  |                            |                                      | 1                          | 10                                       |
| Non-contractual payments requiring HMT approval (special severance payments)*   |                            |                                      |                            |  |
| <b>Total**</b>  | <b>14</b>                  | <b>120</b>                           | <b>23</b>                  | <b>131</b>                               |
| of which:   |                            |                                      |                            |  |
| non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary |                            |                                      |                            |  |

There were no early retirements on ill health grounds during 2017/18. The table here lists early retirements on grounds of ill health for 2018/19.

|  | <b>Early retirements due to ill<br/>health 2018/19</b> |
|--|--|
| No of early retirements on the grounds of ill-health           | 2  |
| Value of early retirements on the grounds of ill-health (£000) | 143  |

### Trade Union Facility Time

The Trade Union (Facility Time Publication Requirements) Regulations require NHS foundation trusts with at least one trade union representative and at least 49 full time equivalent employees during any seven of the twelve month period of the annual report to report the amount of facility time granted. This is captured in the following table for the period in question.

|   |   |
|---|---|
| Period Covered:<br>1 April 2018 to 31 March 2019  |   |
| Number of employees who were relevant union officials during the relevant period  | 10  |
| % time spent on facility time over this period spent a) 0%, b) 1%-50%, c) 51%-99% or d) 100% of their working hours on facility time (Other than our full-time Staff Side Convenor for the period(d), all other representatives were (b)) | b) 1%-50% x 9<br>d) 100% x 1                |
| Percentage of the total pay bill spent on facility time   | 0.06%                                       |
| Total number of hours spent on paid trade union activities i.e. Joint Negotiating & Consultative Forum/ Local Negotiating Committee, Safety, Health and Environment Committee, case work, trade union training courses, conferences etc.  | Total hours for period:<br><br>2134      rs |

## 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 NHS Improvement website, at <https://www.gov.uk/government/publications/nhs-foundation-trusts-code-of-governance>

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 re-appointment, 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 reprinted in reports to the Council of Governors accompanying a resolution about the re-appointment of 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, or the Foundation Trust Annual Reporting Manual (FT ARM) 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     | The schedule of matters reserved for the Board of Directors should include a clear statement detailing the roles and responsibilities of the Council of Governors. This statement should also describe how any disagreements between the Council of Governors and the Board of Directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the Board of Directors and the Council of Governors operate, including a summary of the types of decisions to be taken by the Board and the Council of Governors and | The Trust's Scheme of Delegation sets out the roles and responsibilities of the Board of Directors, its Committees, the Council of Governors and executive management. Any disputes between the Board and the Council are resolved in accordance with the procedure set out in the Trust's constitution, whereby |

|        |  |   |
|--------|--|---|
|        | which are delegated to the executive management of the Board of Directors.   | 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.<br>Details of how the Board and the Council of Governors operate are given in pages 55 – 58 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 43 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 53 of the Annual Report  |
| 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 47 - 58 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 43 -45 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 43 - 52 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 in pages 49 - 51 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 49 - 58 of the Annual Report  |
| FT ARM | The disclosure in the annual report on the work of the Governors' Nomination & Remuneration 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 57 - 58 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 in page 43 of the Annual Report.<br>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 has had the opportunity to comment on the annual service plan on behalf of the Trust's members, public, and key stakeholders. Feedback was taken into account when compiling the final versions of each document, and 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. Committees each produce an annual report for the Board, setting out how they have performed against  |

|       |  |   |
|-------|--|---|
|       |  | <p>their terms of reference. Committee remits have been reviewed through the year to ensure appropriate focus and alignment to strategic priorities, 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° feedback process. Non-Executive Director appraisals are presented in summary form to the Governors' Nomination &amp; Remuneration Committee.</p> |
| 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.  | <p>Not relevant. No externally facilitated evaluation has taken place during the year. As part of its inspection of the Trust, the Care Quality Commission undertook a Well-Led inspection in March 2018, which is referred to in pages 128 of the Annual Report.</p>   |
| 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). | <p>This information is set out in pages 86 and 227 of the Annual Report</p>   |
| 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.  | <p>This information is set out in the Annual Governance Statement on pages 86 - 105 of the Annual Report</p>  |
| C.2.2 | A trust should disclose in the annual report:  | <p>This information is set out in pages 87 - 98 of the Annual Report</p>  |

|       |  |  |
|-------|--|--|
|       | <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(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.</p>  |  |
| 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. The Audit Committee has not made a recommendation regarding the appointment, reappointment or removal of the external auditor during the reporting year. |
| C.3.9 | <p>A separate section of the annual report should describe the work of the Audit committee in discharging its responsibilities. The report should include:</p> <ul style="list-style-type: none"> <li>• the significant issues that the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed;</li> <li>• an explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or re-appointment of the external auditor, the value of external audit services and information on the length of tenure of the current audit firm and when a tender was last conducted; and</li> <li>• 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.</li> </ul> | This information is set out in page 49 of the Annual Report  |
| D.1.3 | Where an NHS foundation trust releases an executive director, for example to serve as a non-executive director elsewhere, the remuneration disclosures of the annual report should include a statement of whether or not the director will retain such earnings.   | This information is set out in pages 59 - 64 of the Annual Report  |
| 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 in pages 47 - 48 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 37 - 38 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 in pages 237 of the Annual Report and is available on the Trust website |
| FT ARM | <p>The annual report should include:</p> <ul style="list-style-type: none"> <li>• a brief description of the eligibility requirements for joining different membership constituencies, including the boundaries for public membership;</li> <li>• information on the number of members and the number of members in each constituency; and</li> <li>• 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.</li> </ul> | This information is set out in pages 37 - 39 of the Annual Report                                   |
| FT ARM | The annual report should disclose details of company directorships or other material interests in companies held by governors and/or directors where those companies or related parties are likely to do business, or are possibly seeking to do business, with the NHS foundation trust. As each NHS foundation trust must have registers of governors' and directors' interests which are available to the public, an alternative disclosure is for the annual report to simply state how members of the public can gain access to the registers instead of listing all the interests in the annual report.             | This information is set out in page 58 of the Annual Report   |

<sup>2</sup>gether 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.



**Colin Merker,  
Deputy Chief Executive**

**24 May 2019**

# NHS Improvement's Single Oversight Framework

The Single Oversight Framework provides the basis for overseeing NHS providers and identifying potential support needs. It has five themes:

- Quality of care
- Finance and use of resources
- Operational performance
- Strategic change
- Leadership and improvement capability (well-led)

Based on information from these themes, providers are given a segmentation or grading from 1 to 4. A '4' reflects providers who receive the most support, and a '1' reflects providers who have the most independence. A Foundation Trust will only be graded '3' or '4' if it has been found to be in breach or suspected of breaching its licence. The Single Oversight Framework was introduced in Quarter 3 of 2016/17.

## 2gether's Segmentation

As at April 2019, we are currently in segment '1'. The most up-to-date segmentation information for our Trust can be found on the NHS Improvement website.

## Finance and Use of Resources

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

| Area                     | Metric                       | 2018/19 scores |    |    |    | 2017/18 scores |    |
|--------------------------|------------------------------|----------------|----|----|----|----------------|----|
|                          |                              | Q4             | Q3 | Q2 | Q1 | Q4             | Q3 |
| Financial sustainability | Capital service capacity     | 1              | 2  | 1  | 1  | 2              | 2  |
| As above                 | Liquidity                    | 1              | 1  | 1  | 1  | 1              | 1  |
| Financial efficiency     | I&E margin                   | 1              | 2  | 2  | 2  | 2              | 2  |
| Financial controls       | Distance from financial plan | 1              | 2  | 1  | 1  | 2              | 2  |
|                          |                              |                |    |    |    |                |    |
| Financial controls       | Agency spend                 | 3              | 3  | 3  | 3  | 2              | 3  |
| Overall scoring          |                              | 1              | 2  | 2  | 2  | 2              | 2  |

## 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 NHS Improvement.

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

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

- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the *NHS Foundation Trust Annual Reporting Manual* (and the *Department of Health and Social Care Group Accounting Manual*) have been followed, and disclose and explain any material departures in the financial statements
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance
- confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS foundation trust's performance, business model and strategy and
- prepare the financial statements on a going concern basis.

The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS foundation trust and to enable him/her to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS foundation trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. To the best of my knowledge and belief, I have properly discharged the responsibilities set out in the *NHS Foundation Trust Accounting Officer Memorandum*.



**Colin Merker, Deputy Chief Executive**

24 May 2019

# 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 2019 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 myself as Accounting Officer, the Board has in place:

- A Governance Committee of Executive and Non-executive Directors 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 of Executive and Non-executive Directors and supported by Service Directors, that receives assurance on operational performance management including economy, efficiency and effectiveness
- A Mental Health Legislation Scrutiny Committee of Executive and Non-executive Directors 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 of Executive and Non-executive Directors that receives assurance on engagement and business development matters and provides oversight of capital expenditure, 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 of Executive and Non-executive Directors 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, Service Delivery, 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, NHS Improvement, the Care Quality Commission and other regulatory bodies. The Trust is an active leader and participant in the South of England Mental Health Quality and Patient Safety Improvement Collaborative, a network of eleven NHS Mental Health Trusts in the South of England which is funded and supported by the West of England and the South West Academic Health Science Networks (AHSNs). The Trust's leading role enables it 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.

During the year the Trust progressed its proposed merger with Gloucestershire Care Services NHS Trust. Arrangements have been put in place to manage the risks associated with this process which is being conducted with support from NHS Improvement and in line with NHS I's transaction guidance. These risk management arrangements include a robust governance regime led by non-executive directors, the recruitment of additional programme management capacity, and a programme management approach across three work streams covering the merger transaction, the transition process, and the subsequent transformation of services. Further detail is given later in this Annual Governance Statement.

#### **4. The risk and control framework**

Through meetings, reports and correspondence the Chair, Directors and Chief Executive have regularly exchanged information about risks with NHS Improvement, 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 framework. The framework is underpinned by policies, procedures and guidance documentation that contribute to the management and control of risk. The framework 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 framework 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 framework:

- **An Assurance Framework** - The framework approved by the Board uses an assurance mapping approach to identify and monitor high-scoring risks to the Trust's principal objectives, and assess the sources and levels of assurance in respect of each risk.

The assurance map comprises all high scoring risks in the corporate risk register, and includes the Board's 'Top 5' risks regardless of their current risk score. The Executive Committee reviews these 'Top 5' risks regularly, and these are subject to change as existing risks are mitigated or closed, and other risks assume a higher profile. The assurance map highlights both sources of and gaps in assurance, and thus allows the Board, the Executive Committee and the Audit Committee to identify risk areas which may benefit from further examination and assurance. Taken together with regular reviews of the corporate risk register by the Board and its Committees, the assurance map provides a comprehensive picture of the risks to the Trust's strategic priorities, and the level of assurance in place in respect of those risks. The Audit Committee reviews the information provided by the assurance map on a quarterly basis on behalf of the Board, which itself reviews the assurance map twice each year. Further quarterly scrutiny of the assurance map is provided by me as the Accounting Officer and by the Trust's Executive Committee.

- **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 outlook. This approach ensures that corporate and operational risks are mitigated as fully as possible through regular reviews of the risk register and assurance map, while indicating how much, or little the Trust wishes to commit in terms of risk when reviewing service changes or investment.

The Trust's approach to risk management is based around the '3 lines of defence' model which is considered best practice. Directorates and Localities form the first line of defence, reviewing locality or service-based risks and escalating these to the Executive Committee for review where necessary. A Risk Co-ordinator is in place in each locality to support the process.

Board Committees form the second line of defence, with each strategic and corporate risk identified by the Trust being 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 development and engagement 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 safety and quality risks. The Audit Committee receives aggregated assurance on all corporate and strategic risks on a quarterly basis, enabling the Committee to provide robust challenge in respect of mitigation in place, and assurance to the

Board. External oversight (provided, for example, by internal and external auditors), forms the third line of defence under this model.

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, and local Friends and Family Test processes. The Board and the Governance Committee receive a quarterly Service Experience report which contains information on complaints, comments and compliments received from service users and members of the public, and thus provides insight into potential risks and learning opportunities. Non-executive Directors undertake a quarterly audit of a sample of complaints to ensure that relevant processes are being followed, and learning opportunities are captured and disseminated throughout the Trust. 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 appointed by the Trust oversees 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 measures are in place for those areas where the Trust relies on single points of expertise.

A template for Board and Committee reports is in place 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.

- **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 6 months. Committees receive updates every quarter in respect of specific risks assigned to them. Risk registers are also in place to enable the capture and review of risks 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 Executive 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 incident and risk reporting 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.

- **Conflict of Interests Policy** – A policy is in place to enable the Trust and its staff to manage conflicts of interest. The policy, designed to implement guidance issued by NHS England in 2017, replaced a previous Business Conduct policy but retained those provisions relating to interests, gifts and hospitality which are more stringent than those required by the NHS England guidance. Those elements of the policy relating to Directors and Governors have also been incorporated into the Trust's constitution to provide a sound footing for the open, honest and transparent management of potential conflicts. *The foundation trust has published an up-to-date register of interests for decision-making staff within the past twelve months, as required by the 'Managing Conflicts of Interest in the NHS' guidance.*
- **Raising staff concerns** – A policy is in place to enable staff to report any suspected malpractice, danger or wrongdoing without fear of unwarranted repercussions. To complement its 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. A Freedom to Speak Up Guardian has also been appointed and works alongside our designated dignity at work officers and trust leadership teams to support the organisation in becoming a more open and transparent place to work, where all staff are actively encouraged and enabled to speak up safely.

In addition to these more formal methods of raising concerns, the Trust has implemented Paul's Open Door, an additional and more informal way of making direct contact with the Chief Executive, Paul Roberts, to raise an issue or an idea or let him know when staff feel things are not going right. Messages are submitted via a dedicated page on the staff intranet, and can be treated in confidence if that is what the member of staff prefers. Messages are reviewed by the Chief Executive each week (or his deputy when he is on leave), and are discussed with the Executive Team as appropriate to agree any follow up actions. The staff member raising the issue receives a personal response from the Chief Executive within 14 days.

- **Performance Management** – The Trust has robust processes in place to ensure that it is able to manage performance at team, locality and corporate level, and report accurately to the Trust Board and to the Trust's commissioners. Operational performance is managed 'on the ground' by Service Directors in Localities who meet regularly with their respective teams to discuss performance. Localities' services are supported by a corporate Information Department which provides near real-time performance information that teams are able to use to identify risks to the achievement of performance targets. The Delivery Committee and the Board both receive detailed performance reports at every meeting which set out performance against local and national operational and contractual targets. These performance reports are subject to robust challenge, and are augmented by exception reports from Service Directors which flag any performance areas which are at risk of going off trajectory, and thus enable early remedial action to be taken. Performance Management and Quality Review meetings with commissioning colleagues are held on a monthly basis to provide assurance, give early warning of any potential quality or performance issues, and seek joint solutions where appropriate.

In addition to these operational performance measures, the Trust undertakes its own quality assurance reviews and audits on a frequent basis across all services. The Trust also seeks to accredit its services against national standards where relevant.

The Trust takes advantage of a number of benchmarking opportunities which allow measurement of Trust service performance against local and regional comparators.

Financial performance is closely monitored by the Trust Board at each meeting to ensure that financial plans are realistic and achievable, and that savings and expenditure plans are realised in accordance with the Trust's agreed financial strategy and its external financial obligations. A mid-year financial review has been carried out reassess cost pressures, developments, reserves, financial opportunities and delivery of savings for the financial year and to give an up-to-date, clear assessment of the likely financial outturn position.

- **Emergency Preparedness** – The Trust has systems in place to ensure that services can continue to be provided in an emergency situation. The Trust is required to demonstrate its ability to adapt to variations in demand throughout the year, with particular emphasis placed on risks to service continuity in the local health system in the winter period between November and March. Those risks include staffing availability, severe weather, service pressures, increased demand on services, and bed availability. The Trust's Operational Resilience and Capacity Plan and Pandemic Flu Action Plan represent two core aspects of the assurance process for emergency preparedness. Before being submitted to Gloucestershire and Herefordshire Clinical Commissioning Groups annually as part of the health system assurance process, both plans are subject to scrutiny both by the Executive Committee and by the Board's Delivery Committee to ensure not only that the Trust's own services are prepared, but that the Mental Health Liaison Service in particular is able to support the local health economy in maintaining patient flows within acute hospitals.

In addition to routine winter planning, the Trust's systems are subject to regular major incident testing, to ensure that the Trust has adequate capacity, systems and expertise to respond to a major incident in the area. Plans for and outcomes of these tests are reported to the Delivery Committee. Cyber security risks, particularly those relating to clinical and other IT systems, are also captured in the annual data security standards declaration submitted by the Board each year to NHS Digital.

Work on aligning emergency preparedness systems has been carried out through the year in anticipation of the acquisition by merger of Gloucestershire Care Services NHS Trust in 2019/20.

- **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 2019, with findings graded as high, medium or low risk as appropriate. No critical risks were reported. One internal audit review, regarding flaws in the process for progressing consultants and speciality doctors through pay thresholds resulting in underpayment of a number of members of staff, was rated as high risk overall. In response to this review the Trust developed a comprehensive action plan to correct the issues raised, and an improved approvals process was implemented. The Trust's Audit Committee continues to monitor progress, to provide assurance that improvements to these processes have been embedded.

- **Health and Safety** – 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. The Governance Committee pays particular attention to health and safety, security, and fire compliance training, and receives quarterly assurance reports on these issues.

- **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 statutory and mandatory training in order to monitor compliance. A training strategy and a workforce strategy were approved by the Board during 2017/18. These strategies are aimed at developing our workforce and ensuring we have in place well trained and well led staff, in the right place, at the right time and in the right numbers, to deliver the Trust's strategic priorities. An Allied Health and Psychological Professions strategy, approved by the Board last year, seeks to apply the principles of these more generic strategies in order to achieve an outstanding Allied Health and Psychological professions service delivered by skilled, energised, and compassionate people. In anticipation of the merger with Gloucestershire Care Services NHS Trust, work has been undertaken throughout the year on alignment of training systems and processes within both Trusts.
- **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 NHS Improvement's Quality Governance Framework, and to provide the Board with evidence which in turn enables the Board to make an informed declaration of compliance to NHS Improvement as and when required.

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 bi-monthly basis, is constantly challenging of what we can do to continuously improve, and reports to the Board on these issues. The Governance Committee is supported by a monthly Quality and Clinical Risk sub-committee, which undertakes detailed scrutiny of safety and quality issues and provides onward assurance to the Governance Committee. 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.

Board agendas include a number of standing items relating to quality, including reports on Patient Safety and Serious Incidents, Quality Report monitoring, Service Delivery 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 a People 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. The Governance Committee receives regular updates on safe staffing levels in inpatient wards.

The Board and Council of Governors have jointly developed a number of measures designed to improve quality by enabling both bodies to work more effectively together on an ongoing basis. These include a team charter, a revised Governor role description, a revised Governor induction process, and a method of evaluating each Council of Governor meeting.

The Medical Director and Director of Quality take the executive lead for quality, working closely with the Chief Executive and other Directors, and for (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.

In March 2017, the National Quality Board published its *National Guidance on Learning from Deaths: a Framework for NHS Trusts and NHS Foundation Trusts on Identifying, Reporting, Investigating and Learning from Deaths in Care*. This guidance set out mandatory standards for organisations in the collecting of data, review and investigation, and publication of information relating to the deaths of patients under their care.

During the year the Trust has put in place a policy of Learning from Deaths in Care, and the Trust Board receives a quarterly dashboard report at a public meeting, setting out relevant data on deaths in care and learning actions taken as a result. The Trust publishes an annual overview of this information in its Quality Accounts.

During the year the Trust participated in a number of initiatives which demonstrate the Trust's commitment to clinical continuous improvement. These included:

- West of England Academic Health Scientific Network Patient Safety Collaborative
- National Early Warning Scores system (NEWS)
- NHS Safety Thermometer
- The Q Initiative
- Patient Safety and Quality Improvement Academy
- Quality Service and Improvement Redesign
- Zero Suicide Collaborative
- South of England Patient Safety and Quality Improvement in Mental Health Collaborative

Each of these activities enables the identification of learning themes which can be implemented within the Trust and thus fits with our organisational aim to make life better for those who use the Trust's services.

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. A Stakeholder Committee (a sub-committee of the Board's Development Committee) comprising Trust staff, experts by experience, voluntary and community sector representatives, and a Trust Governor provides a further opportunity for the Trust to engage with its stakeholders and

to understand their views. 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. These surveys include a 'How did we do?' survey which combines the "Friends and Family Test" and "Quality Survey" and is used for all Trust services apart from IAPT and CYPS/CAMHS, where alternative service experience feedback systems are in place. Survey results are reported internally, locally to our Commissioners, and nationally to NHS Benchmarking. The Friends and Family Test survey provides a link for people to complete additional Trust Quality Survey questions which provide people with an opportunity to comment on key aspects of the quality of their treatment, such as the provision of information, and the opportunity to be involved in agreeing the care they receive. The CQC's national Community Mental Health Survey provides the Trust with valuable insight into the views of those people to whom it provides community services. The CQC uses this survey to make a comparison with all 56 other English mental health Trust results. 2gether was one of four Trusts to be classed as 'better than expected' across the entire 2018 survey. 2gether was the only Trust in England to achieve a 'better than expected' rating for the survey results in both 2017 and 2018.

The CQC undertook a formal inspection of the Trust's core services, together with a review against the 'Well-Led Framework' in February and March 2018. The CQC rated the Trust as 'Good'. This is the same overall rating the Trust received following its last inspection in 2015. While the 'Safe' domain remained as 'requires Improvement', inspectors found that there had been continuing improvements within a number of the services reviewed. In particular inspectors highlighted a number of areas of good practice including:

- Staff worked well to ensure that care plans were patient-centred. Within most of the teams there was a good mix of different mental health staff who worked well together and with outside agencies to ensure that patients received the best possible care.
  - Staff were caring and respectful towards patients. Patients told inspectors that they were involved in decisions about their care and that staff considered their well-being and took their experiences as a patient into account when giving treatment.
  - Inspectors found that staff were responsive to the needs of their patients – demonstrated in the time it took for patients to receive an assessment and then treatment, and in the way staff in the wards worked to help patients prepare for discharge from the hospital.
  - There was evidence of excellent leadership at all levels across the trust with many dedicated, compassionate staff who were striving to deliver the best care for their patients.
- **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 & Compliance 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 person-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 as compliant with NHS Digital's Data Security and Protection Toolkit, and is committed to maintaining full compliance 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 and other portable IT equipment 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 which capture the flows of patient-identifiable information through the Trust and provide assurance that where appropriate, information sharing agreements are in place and regularly monitored so as to provide a legal basis for the sharing of such information. The Trust has reported to the Executive, Governance and Audit Committees during the year on its work to prepare the organisation for the implementation of the General Data Protection Regulation and new data security requirements during 2018/19. An internal audit review of the Trust's GDPR processes carried out during the year was rated as low risk.

The Trust has signed up to NHS Digital's CareCERT programme which provides access to tools and resources to strengthen data security. The Trust also receives regular CareCERT Cyber Security Bulletins from NHS Digital which identify the latest cyber security threats, and ensures, through its membership of the cross-organisational Cyber Security Group that mitigating actions in respect of these threats are put in place by Countywide IT Services who provide IT network services to 2gether and other trusts in Gloucestershire. The Trust is also an active member of the Gloucestershire Information Governance Group, comprising health economy and local authority partners, which aims to promote information security and the lawful sharing of information where appropriate.

At the request of the Trust, Internal Audit repeated an exercise during the year designed to test the awareness of employees of cyber security risks, in particular those associated with phishing. The review was rated as low risk, an improvement on the previous medium risk-rated report, and demonstrates an enhanced cyber security awareness on the part of Trust staff.

The Trust is a partner in Gloucestershire's Joining Up Your Information (JUYI) initiative, which seeks to enable shared access to relevant patient information held on clinical systems across partner organisations in order to support the delivery of safe, effective and collaborative care. A similar project began in Herefordshire during the year, with the intent of sharing patient information securely and lawfully across the Herefordshire health economy to provide more effective, safer and more collaborative care. The Trust is an active partner on cross-organisational information governance groups which ensure that information sharing takes place lawfully, and that robust information security procedures and policies are in place to ensure the security of and appropriate access to this sensitive personal information.

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 incident trends and themes are reported to and reviewed by the Information Governance 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 during the year which met the criteria for reporting to the Information Commissioner, as set out in the Data Security and Protection Incident Reporting Tool.

- **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. The Trust has developed an Engagement and Communication strategy which will improve still further its communication and engagement with stakeholders. The Trust is also a member of the Gloucestershire Social Partnership Forum, which provides an established route for local health and social care employers to engage with and involve local and regional trades unions.

In line with other NHS employers, the Trust undertakes an annual staff survey. The Trust encourages participation in this survey from all staff, rather than just from a representative sample, which this has led to an increase in response rates. Results of the annual staff survey are published by NHS England in March. Action plans to address any issues raised by the survey results are prepared by the Trust, and approved and monitored through the year by the Delivery Committee, which provides onward assurance to the Trust Board. Alongside the annual staff survey, the Staff Friends and Family Test has become firmly embedded as a regular (quarterly) pulse check to determine staff attitudes on the Trust as a provider of care, and as a place to work.

The Duty of Candour is considered in all the Trust's serious incident investigations, and we include service users and their families and carers in this process to ensure that their perspective is taken into account. We provide feedback to service users, families and carers on conclusion of each investigation. The Trust is a participant in the Triangle of Care programme, a national scheme bringing carers, service users and professionals together to offer support to adult and young carers.

- **Holding Non-Executives to account** - The Council of Governors holds the Trust's Non-Executive Directors to account for the performance of the Board through sessions at each Council of Governors meeting. This is done by focussing on the activities of a Non-Executive Director in his/her role as the Chair of one of the Board's Committees in providing challenge, triangulating information, and obtaining assurances which may be passed on to the Trust Board. The Council of Governors is aided in this function by the attendance at each of these Board Committees of one or two Governors, who are present to observe proceedings and provide additional feedback and assurance to the Council about the performance of the Non-Executives in holding the Trust's managers and Executives to account. Governors also frequently attend the Trust Board as members of the public, thus enabling them to gain further assurance as to the effectiveness of Non-Executives in holding the Executive to account.
- **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 makes 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, made its annual submission of data

to the Workforce Race Equality Standard, 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 was the first mental health NHS trust in the country to sign the Armed Forces Corporate Covenant, and in doing so has committed to the Covenant's 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 scrutinising 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 takes a number of actions to mitigate this risk: The Trust's governance structures are subject to regular review to ensure that they remain fit for purpose and to maintain compliance with relevant legislation, licence conditions and good practice; Committee membership and responsibilities are regularly reviewed and revised where necessary to ensure continued oversight of performance standards; the remits of the Governance and Development Committees were reviewed in 2016/17 and changes agreed to their respective terms of reference in order to align these Committees' responsibilities more closely to the Trust's refreshed strategic priorities; the Governance Committee also established a sub-Committee which will focus on reviewing quality and clinical risk, thus providing additional assurance on these matters to the Governance Committee and thence to the Board; and the Executive Team has taken steps to add capacity in order to develop and deliver Sustainability and Transformation Plans and the Trust's internal transformation agenda, enabling 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.

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.

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 reviews and comments on the Corporate Governance Statement, enabling the Board to take account of Governors' views when considering and approving the statement.



The Council of Governors provides a further layer of governance. As part of its joint development work with the Board, the Council of Governors has developed and implemented a revised process by which Governors are able 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. This holding to account process provides a valuable additional layer of assurance to the Council of Governors, and to the Trust's members and the public about the performance of the Non-Executive Directors and the Board in general.

## **Key Risks**

The Executive Committee identifies five overarching organisational risks which the Trust faces during the year and beyond. These 'Top 5' risks, which are each included in the corporate risk register, 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 at the end of the reporting year were:

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 shift in culture to enable new models of service delivery to be developed and implemented.

The Trust is making a significant investment in organisational development and engagement with staff in order to develop change jointly wherever we can, and to do so in a transparent, open and honest way. A Leadership Forum has been established to provide a setting in which the wider Leadership Team can actively contribute to the Trust's purpose and help in identifying and achieving its key strategic objectives. A three-year 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 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 own teams 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.

Organisational development and culture is one of the key work streams within the transition programme for the anticipated merger with Gloucestershire Care Services NHS Trust. This work stream will help to develop the workforce and culture which the new Trust will need to provide safe and effective services in a changing health economy landscape.

That if Agency staffing management control is not effective then this may impact both on quality and the safety of services, as well as the Trust's overall financial control total: Nationally there is a drive to obtain better value for money for the NHS in terms of agency staffing. As a result, NHS Improvement has introduced controls to reduce agency spend across the NHS. As part of these controls Trusts are required to utilise agency staff only from organisations that have been selected as part of a nationally agreed procurement framework agreement, and financial control totals have been introduced to limit the amount spent by each Trust on agency staff.

The Trust has set up a Temporary Staffing Project Board, led by the Director of Quality, to examine all aspects of temporary staff usage in order to assist the Trust in meeting its agency

control total. Four work streams report in to the project board and are tasked with implementing a number of actions to better understand the reasons why agency staff are used, reduce the Trust's use of off-framework agencies, increase the use of the staff bank as an alternative to agency staff, improve the Trust's recruitment processes, and thus reduce the overall spend on agency staff. The Executive Committee oversees the agency staffing project as a whole, and reports regularly to the Trust Board on progress, while the Governance Committee reviews the safety and quality aspects of temporary staffing.

A number of specific measures have been put in place, including:

- A review of all agency spend, by staff group and service, including a detailed analysis of the reasons why nursing bank and agency shifts have been booked in order to find the best ways to control agency usage
- The introduction of an e-rostering system for staff working shifts to increase efficient deployment
- An upgrade to our Staff bank software to enable our bank workers to book bank shifts via mobile devices
- The establishment of a staff bank co-ordinator in Herefordshire to complement the existing arrangements in Gloucestershire and support the increase in bank workers in this locality
- A prominent campaign to increase the number of staff on the Trust staff bank to reduce the demand for agency staff
- the alignment of pay increments for substantive staff who also have bank worker contracts to ensure they are paid the same in equivalent roles.
- A change to the line management arrangements of the staff bank office to bring it under the responsibility of the Director of Organisational Development
- Attendance at national and regional recruitment fairs to help fill vacancies, and streamlining Trust recruitment processes to speed up recruitment
- Working with universities to offer new intake student nurses and Allied Health Professionals the opportunity to work bank shifts and receive a fixed rate monthly payment with a contractual arrangement to work during their holiday periods
- Providing weekly detailed agency and bank usage information to all ward managers
- Developing principles for and recruiting to peripatetic teams in Herefordshire and Gloucestershire to provide a first line response to fill last minute shift gaps to avoid use of agency staff.
- Progressing the establishment of a medical staff bank

These measures are helping the Trust to analyse, better manage, and create wider understanding and ownership of agency costs. During the year, however, the need to utilise agency staff in order to reduce waiting lists in services such as Improving Access to Psychological Therapies, or where recruitment of substantive staff has been difficult, has meant that the Trust has not been able to reduce its agency expenditure by the amount planned. Focus will continue to be applied to the reduction of agency staffing costs until the Board can be confident not only that regulatory control totals have been achieved, but that measures taken to achieve this are fully bedded in and part of "business as usual".

Our inability to recruit successfully in the Trust can lead to serious issues with service delivery during and after hours [i.e medical and non-medical staff]: Changes to the way in which Deaneries offer junior doctor placements have led to a reduction in the number of trainees taking up placements with the Trust. This has meant that there is a lack of consistency in filling junior doctor places, which in turn compromises the Trust's ability to provide medical on call rota cover in inpatient areas.

The Trust has reached an agreement with the Deanery which will reduce the risk to the Trust by enabling trainees to take up a placement with one provider in their first year, and then to transfer to another provider in their second year. The Trust is also developing a range of other measures,

for example reimbursement of travel and accommodation expenses, which will further increase the attractiveness of the Trust to new trainees.

The Trust's Director of Medical Education maintains oversight of trainee placement issues, and reports regularly to the Executive Committee on the issue and on the efficacy of mitigating measures.

There are in addition a number of qualified nursing vacancies across inpatient sites - particularly within Herefordshire. Current gaps are filled with temporary staff - bank and agency - in order to meet the fill rates.

The Trust has identified and is implementing a number of actions to address this risk. These include:

- recruitment of 3rd year students to fill vacancies once they qualify;
- working together with Health Education England to introduce innovative and alternative roles
- exploring options to recruit Allied Health Professionals to wards to increase levels of registered practitioners.
- A specific set of initiatives for Herefordshire where recruitment and retention, particularly of qualified staff, is most difficult
- Agency spend and use continues to be monitored through the Governance Committee on a bi-monthly basis and through the executive director-chaired Temporary Staffing Board monthly.
- Care Hours Per Patient Day data have been submitted to NHS Improvement throughout the year
- Both the Executive Committee and the Governance Committee maintain oversight of this risk and the actions put in place to mitigate the risk. Updates on safe staffing levels are received bi-monthly by the Governance Committee and bi-annually by the Trust Board. These updates comprise: a quality dashboard for inpatient units; national reporting requirements, latest developments and the latest data in their required format; Trust exception reporting; and confirmation of the achievement of National Quality Board expectations
- Safe staffing data are also published on the Trust website.

The potential adverse impact on business as usual service delivery activities as a result of a No Deal Brexit position: As the United Kingdom's scheduled exit from the European Union (EU) is 29th March 2019, all government departments have been making plans for the potential resulting consequences. Given the difficulties in successfully concluding a national Brexit agreement during the year, those plans have also included contingencies for a 'no deal' Brexit.

While much of this contingency planning is taking place at a national level, the Trust has also identified a number of risks which may apply locally in the event of a no deal Brexit. These include risks around the supply of goods and services, the impact of a potential reductions in workforce e availability, the impact that this might have on delayed transfers of care, and the potential impact on inpatient and community service capacity of UK nationals returning to the UK.

Mitigating actions for these risks are being put in place by Government departments. However, given that there is consensus that the risks associated with a No Deal Brexit are significant to both the UK and the EU (but more so to the UK), it is important to ensure that Together takes all steps necessary to understand these risks and the actions it can take to mitigate them. The Trust has therefore established a Brexit Operational Implementation Group, comprising senior managers from across the Trust, to manage these risks and implement mitigating actions locally. The Group is chaired by the Director of Finance who has been designated as the Trust's Executive Lead for Brexit. A named Non-Executive Director has also been designated as the non-executive lead, and will provide independent oversight and challenge to the measures being implemented by the Group.

The process necessary to achieve authorisation for merger may impact on the Trust's financial position, its ability to deliver its commissioner responsibilities, its relationships with wider system partners, and its reputation: Following initial agreement by the Board and the Council of Governors in 2017/18, the Trust has progressed its strategic objective to combine the Trust's mental health and learning disability services with the physical health services provided by Gloucestershire Care Services NHS Trust, through a process of merger by acquisition under the terms of section 56A of the Health and Social Care Act 2012.

A number of actions have been put in place to mitigate the risks associated with this merger. The Board and the Council of Governors have been fully involved both in the decision to proceed with the proposal to merge, and in a robust system of governance for the project, including a Strategic Intent Leadership Group (SILG) and a Programme Management Executive (PME), has been put in place that will provide the appropriate forums for these risks to be documented and discussed and solutions scoped and agreed. The Programme Management Executive (PME) is responsible for maintaining the Joint Strategic Intent Programme Risk Register and the Strategic Intent Leadership Group (SILG) provides an oversight role, which is executed via the inclusions of risk management as a standing agenda item within the strategic groups' meetings. The SILG via the PME have monitored the ongoing progress of the programme against the resource plan and costs so that any deviation is identified and corrective measures can be taken at the earliest opportunity. A comprehensive communications process is in place to support internal and external briefing to staff and system partners who are able to raise via the PME any concerns that may need to be addressed. Commissioners, NHS improvement and other key stakeholders have been kept fully apprised of our intentions and progress, and the merger with Gloucestershire Care Services NHS Trust is being undertaken in accordance with the requirements of the latest transaction guidance issued by NHS Improvement. An internal audit review of these merger corporate governance and risk management arrangements, published in April 2018, produced an overall classification of low risk.

A Programme Director and an administrator were recruited to drive this process forward and to minimise the capacity impact on both Trusts. Indicative resource costs were identified and together has made an allowance within its 2018/19 financial forecasts/planning to fund these costs, and so mitigate the potential impact on the Trust's financial position. Executive leads are in place for the Transaction, Transition and Transformation elements of the merger process to provide leadership and challenge, particularly in respect of the development of the strategic case, full business case, and post-transaction implementation plan. A project team is in place to manage the transition process, through a number of work streams including governance, HR, estates and facilities, organisational development, communications, contracts, and corporate services. In line with NHS guidance, a thorough due diligence process has been undertaken, and the Audit Committee has reviewed and was satisfied with the findings of those due diligence exercises. An Internal Audit review of transaction governance produced a low risk classification.

Pending the formation of the Shadow Board, interim appointments were made to the Director of Quality and Director of Service Delivery posts to provide continued capacity and ensure that the Trust's performance levels are maintained. The Deputy Chief Executive has remained in post beyond his planned retirement date to support the Joint Chief Executive who was appointed on 1 April 2018.

The Shadow Board for the new Trust was appointed between December 2018 and January 2019, and has assumed the oversight role hitherto undertaken by SILG. The Shadow Board comprises experienced Executive and Non-Executive Directors from both Trusts who will be able to ensure that capacity, capability and organisational memory are retained, and thus to provide strong oversight and direction to the new Trust.

### **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 has a sustainable development management plan in place which takes account of UK Climate Projections 2018 (UKCP18). The Trust ensures that its 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
- Undertaking a mid-year financial review

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.

At a strategic level, the Delivery Committee receives assurance on the efficient, economic and effective use of resources and provides onward assurance on these matters to the Board through its monthly summary report. The Executive Committee receives monthly financial position reports, and the Board itself also reviews the Trust's financial position on a monthly basis.

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 robust approach to the use of resources.

The Trust knows that staff are its biggest resource and account for its highest expenditure. The Trust is committed to minimising its expenditure on agency staff and has set up a Temporary Staffing Project Board led by our Director of Quality, and supported by the Director of Special Projects. This will ensure the Trust has a comprehensive approach in aligning quality of service delivery with efficient use of resources.

The Trust ended the year with a segmentation rating of 1 (the best available) under NHS Improvement's Single Oversight Framework, and a financial risk rating of 2 (the best achievable being 1).

## **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.

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

The Trust has 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 also 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 is in place and comprises senior operational managers from each Service Directorate in the Trust who each have lead responsibility for clinical data quality in their respective services. The Group is chaired by the Trust's Deputy Head of Information, 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. Work has been undertaken through the year to align the Trust's care practice policies with those of Gloucestershire Care Services NHS Trust in anticipation of the merger of the two Trusts during 2019/20.

In the development of the annual Quality Report, the trust draws on several sources of information and data to develop a holistic 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 patient survey, staff survey and achievement of CQUINs, as well as external bodies such as the Care Quality Commission assessment of compliance. This triangulated approach provides 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 also taken account of the findings of the CQC, which undertook a formal inspection of the Trust's core services, and which assigned an overall classification of 'Good' to the Trust. The inspection included an assessment against the criteria in the 'Well-Led' domain, which also produced a classification of 'Good'.

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.

The Head of Internal Audit Opinion at the end of the year was 'Generally Satisfactory with some improvements required', which means that governance, risk management and control in relation to business critical areas is generally satisfactory. The Internal Auditor's annual report for 2018/19 noted that "The Trust has made progress in improving and strengthening its internal control environment during 2018/19".

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 Board has received reports on the revalidation of medical staff.
- The Governance Committee has received regular reports on revalidation of nursing staff, and on professional regulation for Health and Social Care staff.
- The Governance Committee has received bi-monthly reports on safe staffing levels.
- The Board has received bi-annual reports on safe staffing levels.
- 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 Audit Committee and the Executive Committee have each reviewed the assurance map four times during the year.
- The Audit Committee has received reports on various aspects of internal control, including losses, special payments and waivers, and has received regular reports from the Local Counter Fraud Specialist.
- The Audit Committee has reviewed the register of Directors' interests and declarations of gifts and hospitality.
- The Audit Committee has considered the risks of material mis-statements in the preparation of the annual accounts.
- 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 Governance Committee has received regular clinical audit reports in order to take assurance regarding compliance with national and local policies and processes, and has requested and received assurance on actions taken to address any identified areas of improvement
- The Risk Manager has reported on the management of the risk register and supporting processes.
- Non-executive and Executive Directors 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.



**Colin Merker, Deputy Chief Executive**

24 May 2019







Quality Report  
2018/19



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# Part 1: Statement on Quality from the Chief Executive

## Introduction

It is my pleasure, on behalf of 2gether NHS Foundation Trust, to present our annual Quality Report for 2018/19. Quality and continuous improvement is at the centre of everything we do. We regularly review our performance against our quality indicators – those we set for ourselves, and those nationally mandated or agreed with our commissioners.

This year our main quality standards included:

- Measures focussed on improving the physical health of our service users;
- Improving the health and wellbeing of our staff, including increasing the uptake of flu vaccinations;
- Closer working with GPs and also with our acute hospitals on supporting people who attend A&E with mental health needs;
- Improved transitions for children and young people moving into adult services;
- Improving access to psychological therapies and initial waiting times for early intervention in psychosis;
- Improving patient safety, including reducing harm through patients going 'absent without leave' and reducing suicides among patients who have used our services;
- Reducing length of stay in inpatient services, planning more effectively for discharge and providing follow up within seven days of discharge;
- Providing healthy food for staff, visitors and patients; and
- Improving the experiences of people who use our services.

Many of these targets have been achieved. We are particularly pleased with the results of our flu vaccination programme, as well as the results of our Staff Survey, which show that 75.5% of Trust colleagues would recommend the Trust as a place for friends or relatives needing treatment.

We were also proud that service users who responded to the 2018 Community Mental Health Survey once again rated the care provided through 2gether's services in the top 20% of mental health services in England. In 5 out of the 11 sections of the survey we score 'Better' than 80% of other Trusts who took part. Another source of particular pride for our Trust is our most recent PLACE assessment, which places us above the national average for Mental Health and Learning Disability settings in all six domains. Cleanliness, food, privacy, dignity, maintenance and other factors are all vitally important in helping people to get better and stay well, so we are very happy with these results.

Of course, we couldn't let this Quality Report pass without reflecting on our most recent CQC inspection. While the inspection took place in the previous financial year, the outcome was shared with us in early June. We were delighted to have retained our overall 'good' rating, with some improvements in particular areas:

- Wards for older people with mental health problems are now rated 'Outstanding' for being caring and 'Good' for safe.
- Community-based mental health services for older people are now rated 'Good' overall, 'Good' for being well-led and 'Good' for being effective.
- Wards for people with a learning disability or autism are now rated 'Good' for being responsive.

Our specialist community mental health services for children and young people retained their 'Good' rating across the board. None of the services inspected had their ratings downgraded.

We have not, however, achieved every target we set out to achieve this year - for a variety of reasons. These priorities will continue to be the focus of our attention in 2019/20.

Our main priorities will be:

- Reducing the proportion of patients in touch with our services who die by suicide;
- Increasing the use of supine restraint, as an alternative to prone restraint;
- Ensuring patients who become absent without leave do not come to serious harm;
- Ensuring the people who use our services, and their carers, will report feeling involved in their care;
- Improving the physical health of patients with a serious mental illness on Care Programme Approach;
- Ensuring services are informed by and involved in research and evaluation;
- Focus on patient involvement, crisis planning and community transitions. To be achieved through quality improvement approaches.
- To improve personalised discharge care planning in:
  - a. Adult inpatient wards and;
  - b. Older people's wards.
- To ensure that joint Care Programme Approach reviews occur for all service users who make the transition from children's to adult services.
- Focus on further development of a quality improvement led approach to robustly embed lessons learned following incidents.
- Making every contact count with approaches which prevent illness, promote health and encourage self-management; and
- Involving service users, family members and carers, and improving service user survey results.

Hand in hand with this will be our continued focus on our forthcoming merger with Gloucestershire Care Services NHS Trust – much of which is aimed at improving quality and patient outcomes.

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 58. 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.

I will work with our Board, Governors, communities and partner organisations to strive for continued quality improvements during 2019/20 and look forward to updating you further the same time next year!



**Paul Roberts Chief Executive**

## Part 2.1: Looking ahead to 2019/20

### Quality Priorities for Improvement 2019/20

This section of the report looks ahead to our priorities for quality improvement in 2019/20. 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 8 goals and **12** associated targets for 2019/20. 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:

- 2gether 2019/20 Operational Plan;
- 2gether Quality Strategy 2018;
- NHS England: Five Year Forward View;
- NHS England: Implementing the Five Year Forward View for Mental Health. Updated July 2017;
- Care Quality Commission (via CQC Comprehensive Inspection at our sites in October 2015 and March 2018);
- NHS Outcomes Framework;
- 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;
- NHS England: Commissioning for Quality & Innovation (CQUIN) Guidance for 2017-2019. November 2016; Commissioning for Quality & Innovation (CQUIN) Guidance for 2017-2019. March 2019.
- NHS Improvement. Single Oversight Framework November 2017;
- National Institute for Health & Care Excellence publications including their quality standards;
- Preventing suicide in England: Forth annual report on the cross-government outcomes strategy to save lives. Department of Health 2019;
- National Confidential Inquiry into Suicide and Safety in Mental Health: Annual Report 2018;
- Gloucestershire Sustainability Transformation Plan (STP);
- Herefordshire & Worcestershire STP;
- NHSE Long Term Plan 2019.

**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 audit reports;
- NHS South of England Mental Health Patient Safety Improvement Programme;
- Trust Governors;
- Trust clinicians and managers.

## Effectiveness

| Goal  | Target   | Drivers  |
|---|--|--|
| Improving the physical health care for people with serious mental illness.    | <p>1.1</p> <p>To improve the physical health of patients with a serious mental illness on CPA by a positive cardio metabolic health resource (Lester Tool). This will be used on all patients who meet the criteria within the inpatient setting and all community mental health teams. We aim to achieve 90% compliance for inpatients and early intervention teams and 75% compliance for all other community mental health teams.</p> | <p>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.</p> <p>We wish to continue to improve the physical health for those people in contact with our services.</p> <p>There is historical data available for year on year comparison.</p> |
| Ensure that people are discharged from hospital with personalised care plans. | <p>1.2</p> <p>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.</p>   | <p>As we did not achieve this in 2018/19 we wish to ensure effective discharge from our inpatient services and enhance communication with both service users and primary care services.</p> <p>There is historical data available for year on year comparison.</p>   |



| Goal  | Target  | Drivers   |
|---|---|---|
| Improve transition processes for child and young people who move into adult mental health services. | <p>1.3<br/>To ensure that joint Care Programme Approach (CPA) reviews occur for all service users who make the transition from children's to adult services. If a joint review does not take place, the reason must be recorded</p> | <p>We wish to continue to support this as a key quality priority during 2019/20 to further improve our transition processes.</p> <p>There is historical data available for year on year comparison.</p> |

## User Experience

| Goal   | Target  | Drivers   |
|--|---|---|
| Improving the experience of service user in key areas. This will be measured through defined survey questions for both people in the community and inpatients. | <p>2.1<br/>Was someone close to you involved in your care as much as you wanted? &gt; 72%</p> <p><b>Target :</b><br/>To achieve a response 'Yes' for more than 72% of the people surveyed.</p>                                  | Questions 2.2 – 2.4 are areas relating to patient experience where we wish to improve following the 2018 Care Quality Commission (CQC) national community mental health survey results. |
|  | <p>2.2<br/>Have you had help and advice to find support to meet your physical health needs if you have needed it? &gt; 54%</p> <p><b>Target :</b><br/>To achieve a response 'Yes' for more than 54% of the people surveyed.</p> |   |
|  | <p>2.3<br/>Have you had help to keep work or carry on with everyday activities? &gt;54%</p>   |   |

| Goal | Target  | Drivers |
|------|---|---------|
|      | <b>Target :</b><br>To achieve a response of 'Yes' for more than <b>54%</b> of the people surveyed.  |         |
|      | 2.4<br>Has information about your care been explained in a way that you can understand? > 84%<br><br><b>Target :</b><br>To achieve a response of 'Yes' for more than <b>84%</b> of the people surveyed. |         |

## Safety

| Goal  | Target   | Drivers  |
|---|--|--|
| Minimise the risk of suicide of people who use our services.      | 3.1<br>Reduce the proportion of patients in touch with services who die by suspected suicide when compared with data from previous years. This will be expressed as a rate per 1000 service users on the Trust's caseload. | Gloucestershire Suicide Prevention Strategy and Action Plan<br><br>Preventing suicide in England: Third annual report on the cross-government outcomes strategy to save lives.<br><br>National Confidential Inquiry into Suicide & Safety in Mental Health<br><br>We have historical data available for year on year comparison. |
| Ensure the safety of people detained under the Mental Health Act. | 3.2<br>Detained service users who are absent without leave (AWOL) will not come to serious harm or death.<br><br>We will report against 3 categories of AWOL as follows; harm as a consequence of:                         | NHS South of England Patient Safety Improvement Programme<br><br>It is a high risk area with historical data available   |

| Goal  | Target   | Drivers  |
|---|--|--|
|   | <ol style="list-style-type: none"> <li>1. Absconded from escort</li> <li>2. Failure to return from leave</li> <li>3. Left the hospital (escaped)</li> </ol>  | <p>for year on year comparison.</p> <p>We have historical data available for year on year comparison.</p>  |
| Minimise the risk of harm to service users within our inpatient services when we need to use physical interventions | <p>3.3</p> <p>To increase the use of supine restraint as an alternative to prone restraint. There will be a greater percentage of supine restraints compared to prone.</p>   | <p>Positive and safer reducing the need for restrictive interventions. April 2014.</p> <p>Mental Health Units (Use of Force) Act 2018: Seni's Law.</p> <p>We wish to continue to support this as a key quality priority during 2019/20 to minimise risk of harm.</p> <p>We have historical data available for year on year comparison.</p> |
|   | <p>3.4</p> <p>To ensure that 100% of service users within Berkeley House have a bespoke restrictive intervention care plan tailored to their individual need. This aims to reduce the use of restrictive practices and will include primary and secondary prevention strategies.</p> | <p>Positive and safe: reducing the need for restrictive interventions. April 2014</p> <p>We wish to continue this as a key quality priority during 2019/20 to minimise risk of harm and promote wellbeing.</p> <p>We have historical data available for year on year comparison.</p>   |
| Embedding Learning from Serious incidents   | <p>3.5</p> <p>Focus on further development of quality improvement led approach to robustly embedding lessons learned following incidents.</p>  | <p>We wish to develop, improve, and cascade learning from across the organisation in order to increase patient safety and minimise risk of harm.</p> <p>New indicator</p>  |

## Part 2.2: Statements relating to the Quality of NHS Services Provided

### Review of Services

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 2018/2019, 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 and Improving Access to Psychological Therapies);
- Specialist services including Early Intervention, Mental Health Acute Response Service, Crisis Resolution and Home Treatment, Assertive Outreach, Managing Memory, Children and Young People Services; Eating Disorders, 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;
- 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 relevant health services.

The income generated by the NHS services reviewed in 2018/19 represents 92.3 % of the total income generated from the provision of NHS services by 2gether NHS Foundation Trust for 2018/19.

## Participation in Clinical Audits and National Confidential Enquiries

During 2018/19 three national clinical audits and two national confidential enquiries covered NHS services that <sup>2</sup>gether NHS Foundation Trust provides.

During that period, <sup>2</sup>gether NHS Foundation Trust participated in 100% 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 <sup>2</sup>gether NHS Foundation Trust was eligible and participated in during 2018/19 are as follows:

### National Clinical Audits

| Clinical Audits  | Participated Yes/No | Reason for no participation |
|--|---------------------|-----------------------------|
| National Clinical Audit of Psychosis (NCAP)  | Yes                 | N/A                         |
| National Clinical Audit of Anxiety and Depression (NCAAD) – Core Audit of Practice Guidance            | Yes                 | N/A                         |
| National Clinical Audit of Anxiety and Depression (NCAAD) – Spotlight audit on psychological therapies | Yes                 | N/A                         |

### National Confidential Enquiries

| National Confidential Enquiries                                      | Participated Yes/No | Reason for no participation |
|--|---------------------|-----------------------------|
| National Confidential Inquiry into Suicide & Safety in Mental Health | Yes                 | N/A                         |
| Confidential Enquiry into Maternal Deaths                            | Yes                 | N/A                         |

The national clinical audits and national confidential enquiries that <sup>2</sup>gether NHS Foundation Trust participated in, and for which data collection was completed during 2018/19 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                |
| National Clinical Audit of Psychosis (NCAP)  | All adult community mental health teams   | Random sample of 100 service users | Information not available* | Information not available* |
| National Clinical Audit of Anxiety and Depression (NCAAD)  | All adult inpatient services  | Random sample of 83 service users  | Information not available* | Information not available* |
| National Clinical Audit of Anxiety and Depression (NCAAD) – Spotlight audit on psychological therapies | All older people's mental health service<br><br>All working age psychological services in mental health teams | Random sample of 61 service users  | Information not available* | Information not available* |

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

The report of this national clinical audit is not yet available and <sup>2</sup>gether NHS Foundation Trust intends to take action to continue to improve the quality of healthcare provided based upon the information provided.

### Participation in National Confidential Enquiries

| Confidential Enquiries   | <sup>2</sup> gether % cases submitted | National Average        |
|--|---------------------------------------|-------------------------|
| National Confidential Inquiry into Suicide & Safety in Mental Health | 98.8%                                 | 97%                     |
| Confidential Enquiry into Maternal Deaths                            | Information not published             | Information Unavailable |

### Local Clinical Audit Activity

| Clinical Audits                                     | 2017/18 audit programme | 2018/19 audit programme |
|---|-------------------------|-------------------------|
| Total number of audits on the audit programme       | 158                     | 160                     |
| Audits completed (at year end)                      | 70                      | 94                      |
| Audits that are progressing and will carry forward  | 40                      | 21                      |
| Audits taken off the programme for specific reasons | 48                      | 45                      |

The reports of 72 local clinical audits were reviewed by the provider in 2018/19 and <sup>2</sup>gether NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

- With regard to the ongoing review of key clinical policies, **Assessment and Care Management CPA**, the Trust has continued to implement and embed these principles

into policies and practice. With this in mind, there has been a review of the electronic clinical record to ensure that this both appropriately captures clinical activity and continues to reflect service user's needs. Specifically, there has been a review of the core assessment structure to ensure that it is proportionate and more reflective of clinical practice across Trust services whilst at the same time streamlining the number of forms that staff are required to complete. Audits have continued to be carried out throughout the year to provide assurance and associated actions plans were developed to support improvements in compliance. This action continues from last year and will remain an ongoing focus moving forward.

- The Trust continues to consider advanced decisions/wishes and preferences which is being taken forward to ensure that this continues to be reflected in sufficient detail within the care record of service users. Further ongoing audits will be carried out and there will remain an ongoing focus moving forward to ensure that advanced decisions, wishes and preferences are sufficiently detailed to be clear to all accessing a clinical record. The actions relating to this will be monitored and further action plans created to continue to improve the quality of entries.

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

- The national guidance for Delayed Transfer of Care (DTOC) classification was changed in October 2017 to improve reporting. The first audit was undertaken to cover Q1 (1<sup>st</sup> April 2018 – 30<sup>th</sup> June 2018) and compliance was recorded at 64%. The following actions were implemented:
  - 1) Ensure all medics and nursing staff who attend MDTs are made aware of the expected standards
  - 2) Record DTOC within inpatient management section and clinical progress notes for each individual patient who is considered a DTOC.

Following implementation of these actions, compliance increased to 95% by the end of Q2. This was a robust result but it was acknowledged that compliance should be at 100% therefore communications regarding the practice notice were re-emailed and discussed at team meetings to remind staff of the expectations. By the end of Q3, compliance had reached the desired 100%.

- Assessing fitness to drive –medical professional's guidance from the Driver and Vehicle Licensing Agency (DVLA) states that people experiencing acute psychotic disorder, hypomania or mania must not drive during acute illness and must notify the DVLA. Within the Trust, this led to a clinician wishing to audit this to see whether clinicians were advising service user to contact the DVLA (where applicable). This audit was first undertaken in June 2017 and achieved a compliance rate of 45%. A detailed action plan was devised including the following action:

- 1) Care coordinators to ensure that driving status and concerns about driving are regularly reviewed throughout the patient's care including risk assessments and care plan reviews.

Following implementation of the action plan, data was collected over a period of six months (1<sup>st</sup> May 2018 – 31<sup>st</sup> October 2018) and the final audit has shown a 47% increase in compliance and compliance was recorded at 92% - a positive change occurring through clinical audit. There is still room for improvement to achieve the desired 100% compliance therefore the current actions have been devised to complete ahead of a re-audit in 2019:

- 1) Ensure care coordinators continue to review driving with patients and document these discussions.
- 2) Ensure completed DVLA medical information forms are uploaded to the patients RiO record.
- 3) Raise awareness of the need to record driving status across the Trust – including encouraging inpatient units to document at admission and discharge.
- 4) Present the audit findings at relevant clinical forums to praise the hard work achieved so far and to ensure the momentum is continued.

## Participation in Clinical Research

### Research Activity in <sup>2</sup>gether in 2018-19

The number of patients receiving relevant health services provided or subcontracted by <sup>2</sup>gether NHS Foundation Trust in 2018/19 that were recruited during that period to participate in National Institute for Health Research Portfolio research approved by a research ethics committee was 422 against a target of 507. Not all activity undertaken in 2018/19 has been fully reported and it is expected that this target will rise further over the first few weeks of 2019/20 as reporting systems are updated.

This participation was from across **24** different studies<sup>9</sup>. This level of recruitment is slightly higher than the previous year's total of **386** participants (again from 24 studies), and reflects a fairly stable portfolio in 2018/19 compared to previous years' instability.

In 2018/19, the Trust registered and approved **29** studies. Of these studies, **21** were based in mental health services, **7** in dementia services and 1 in Learning Disabilities. Of the total number of studies **14** were Academic/Student projects, **13** were Non-Commercial Portfolio studies, **1** was a Commercially Sponsored Portfolio Study and **1** was a Non-Commercial, Non-Portfolio study. **6** of the studies were Service Evaluations.

### Growing <sup>2</sup>gether Research

Our research team continues to perform well in the national key performance indicator of recruiting to time and target (RTT) for open research studies, as well as supporting a number of activities that help to grow research across the counties of Gloucestershire and Herefordshire. In 2018/19 we were awarded a small financial bonus for performance in RTT by the Clinical Research Network West of England (CRNWoE). We continue to seek new ways to expand our service, and the Trust will be exploring opportunities to work more closely with Gloucestershire Care Services NHS Trust where the proposed merger of our respective organisations provides an opportunity for enhanced multi-disciplinary working and increased opportunities for service users to take part in research. The 2019/20 Annual Plan submitted to the CRNWoE includes a bid for additional funding to support the development of research across the new organisation.

Our partnership with Cobalt Health continues have been collaborating to carry out research with people who experience Alzheimer's disease and dementia. The pioneering programme between our Trust and the Cheltenham-based charity aims to ensure that research into the illness is undertaken in Gloucestershire and Herefordshire. The research results will contribute towards improving standards of care and treatment locally, and also to the wider research environment nationally and internationally. This year Cobalt has continued to fund two Research Nurse posts based at the Fritchie Centre, to exclusively support the development and opening of clinical trials for dementia. Further funding has been agreed to



also support the development of Principal Investigators and to secure time for clinicians to support commercially sponsored research. The expansion of the local portfolio in this way will generate income for the Trust that can be reinvested in research that supports the aims of the Trust Research Strategy and the COBALT charity vision.

Budgets for 2019/20 have recently been announced and 2gether NHS Foundation Trust is one of only 3 (out of 9) Trusts within the CRNWoE to have performed well enough to increase their budget over last year. Gloucestershire Care Services NHS Trust is one of the others and the team will explore opportunities for using these budgets to set up an infrastructure to work across both Trusts as we move towards a merged organisation.

### **Research 2gether strategy**

Our Research 2gether Strategy 2016 – 2020 enters its fourth year and continues to work towards our vision to be a 'world class centre of practice-based research and development to help make life better'.

The Strategy Implementation Plan has been updated to recognise achievements to date and to outline plans for meeting further targets over the next 2 years.

### **Research Studies**

A list of 2gether studies recruiting in 2018/19 can be seen in table 1 on page 123.

**Table 1 – Studies Recruiting in <sup>2</sup>gether – 2018/19**

| Short Name  | Managing Specialty              | Status    | Opening Date | Closure Date | Participants |
|---|---------------------------------|-----------|--------------|--------------|--------------|
| An anonymous survey of mindfulness, self-compassion, wellbeing and mental health. | Mental Health                   | Closed    | 10/02/2017   | 31/03/2018   | 80           |
| AD GENETICS   | Dementias and Neurodegeneration | Open      | 01/06/2001   | 01/02/2020   | 52           |
| VALID WPs 3/4: Pilot trial and RCT of COTiD-UK                                    | Dementias and Neurodegeneration | Closed    | 24/09/2014   | 04/07/2017   | 42           |
| FAM-Survey  | Mental Health                   | Closed    | 24/11/2017   | 25/04/2018   | 40           |
| Dementia Carers Instrument Development:DECIDE Psychometric evaluation             | Dementias and Neurodegeneration | Closed    | 05/01/2016   | 25/01/2018   | 31           |
| DPIM - bipolar disorder   | Mental Health                   | Suspended | 01/10/2010   | 31/12/2017   | 15           |
| NCISH   | Mental Health                   | Open      | 01/04/1997   | 04/01/2022   | 15           |
| Tackling chronic depression (TACK) Phase 1  | Mental Health                   | Open      | 23/05/2017   | 31/03/2019   | 15           |
| The Adult Autism Spectrum Cohort - UK   | Mental Health                   | Open      | 08/01/2015   | 01/09/2019   | 13           |
| Caregiver obligations, preparedness and willingness to care                       | Dementias and Neurodegeneration | Closed    | 26/02/2016   | 27/03/2018   | 11           |
| REACT Trial   | Mental Health                   | Closed    | 22/04/2016   | 30/09/2017   | 10           |
| The RADAR trial   | Dementias and Neurodegeneration | Closed    | 01/04/2014   | 31/05/2018   | 8            |
| Patient preferences for psychological help  | Mental Health                   | Closed    | 03/10/2017   | 12/07/2018   | 8            |
| Investigation of wellbeing interventions in NHS staff                             | Mental Health                   | Closed    | 20/02/2017   | 01/10/2018   | 8            |
| PPiP2   | Mental Health                   | Open      | 01/01/2015   | 30/08/2020   | 6            |
| Evaluation of Memory Assessment Services: Main Study (phase 2) v1                 | Dementias and Neurodegeneration | Closed    | 12/10/2015   | 31/08/2017   | 6            |
| everyBody Plus: Web-based self-help programme for BN, BED and OSFED               | Mental Health                   | Closed    | 27/06/2017   | 13/07/2018   | 5            |
| Voices Impact Scale (VIS): Evaluation   | Mental Health                   | Closed    | 01/11/2016   | 06/04/2018   | 5            |
| TRIANGLE: A novel patient and carer intervention for Anorexia Nervosa             | Mental Health                   | Open      | 30/06/2017   | 31/03/2020   | 4            |
| The effectiveness of perinatal mental health services                             | Mental Health                   | Closed    | 10/02/2015   | 06/03/2018   | 3            |
| DPIM - schizophrenia  | Mental Health                   | Suspended | 01/10/2010   | 31/12/2017   | 2            |
| Molecular Genetic Investigation   | Mental Health                   | Open      | 01/04/2006   | 31/12/2019   | 2            |
| Quality and Effectiveness of Supported Tenancies (QuEST) WP4                      | Mental Health                   | Closed    | 01/06/2015   | 30/09/2017   | 2            |
| CREAD 2   | Dementias and Neurodegeneration | Closed    | 23/06/2017   | 19/06/2018   | 1            |
| Psychological Adjustment in Progressive Multiple Sclerosis                        | Neurological Disorders          | Closed    | 12/01/2016   | 31/07/2017   | 1            |
| BN29553 (Tau PET Longitudinal Substudy)   | Dementias and Neurodegeneration | Closed    | 01/06/2017   | 02/06/2017   | 1            |

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

A proportion of 2gether NHS Foundation Trust's income in 2018/19 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 goals for 2018/19 and for the following 12 month period are available electronically at [www.2gether.nhs.uk/cquin](http://www.2gether.nhs.uk/cquin)

### 2018/19 CQUIN Goals

#### Gloucestershire

| Gloucestershire Goal Name   | Description   | Goal weighting | Expected value | Quality Domain |
|---|---|----------------|----------------|----------------|
| 1a (a) National CQUIN – Staff health and wellbeing                              | To achieve a 5 percentage point improvement in 2 of the 3 NHS annual staff survey questions on Health and Wellbeing     | 0.3            | £75133         | Effectiveness  |
| 1b National CQUIN – Staff health and wellbeing                                  | Healthy food for NHS staff, visitors and patients   |                | £75133         | Effectiveness  |
| 1c National CQUIN - Staff health and wellbeing                                  | Improving the uptake of flu vaccinations for front line staff   |                | £75133         | Safety         |
| 2 National CQUIN - Improving Physical Healthcare 3a                             | - To reduce premature mortality by demonstrating cardio metabolic assessment and treatment for patients with psychoses. | 0.3            | £180320        | Effectiveness  |
| 2 National CQUIN - Improving Physical Healthcare 3b                             | - To reduce premature mortality<br>- Improved communication with GPs  |                | £45080         | Effectiveness  |
| 3. Improving Services for people with mental health needs who present to A & E. | Care and management for frequent attenders to Accident and Emergency  | 0.3            | £225400        | Safety         |
| 4. Transitions out of Children and Young People's Mental Health Services.       | To improve the experience and outcomes for young people as they transition out of (CYPMHS)                              | 0.3            | £225400        | Effectiveness  |
| 5.Preventing ill health by risky behaviours – Alcohol and Tobacco               | To offer advice and interventions aimed at reducing risky behaviour in admitted patients                                | 0.3            | £225400        | Effectiveness  |

## Herefordshire

| Herefordshire Goal Name   | Description   | Goal weighting | Expected value | Quality Domain |
|---|---|----------------|----------------|----------------|
| 1a (a) National CQUIN – Staff health and wellbeing                              | To achieve a 5 percentage point improvement in 2 of the 3 NHS annual staff survey questions on Health and Wellbeing     | 0.3            | £19066         | Effectiveness  |
| 1b National CQUIN – Staff health and wellbeing                                  | Healthy food for NHS staff, visitors and patients   |                | £19066         | Effectiveness  |
| 1c National CQUIN - Staff health and wellbeing                                  | Improving the uptake of flu vaccinations for front line staff   |                | £19066         | Safety         |
| 2 National CQUIN - Improving Physical Healthcare 3a                             | - To reduce premature mortality by demonstrating cardio metabolic assessment and treatment for patients with psychoses. | 0.3            | £45760         | Effectiveness  |
| 2 National CQUIN - Improving Physical Healthcare 3b                             | - To reduce premature mortality<br>- Improved communication with GPs  |                | £11440         | Effectiveness  |
| 3. Improving Services for people with mental health needs who present to A & E. | Care and management for frequent attenders to Accident and Emergency  | 0.3            | £57201         | Safety         |
| 4. Transitions out of Children and Young People's Mental Health Services.       | To improve the experience and outcomes for young people as they transition out of (CYPMHS)                              | 0.3            | £57201         | Effectiveness  |
| 5.Preventing ill health by risky behaviours – Alcohol and Tobacco               | To offer advice and interventions aimed at reducing risky behaviour in admitted patients                                | 0.3            | £57201         | Effectiveness  |

## Low Secure Services

| Low Secure Goal Name        | Description  | Goal weighting | Expected value | Quality Domain |
|-----------------------------|--|----------------|----------------|----------------|
| Reduction in length of stay | Aim to reduce lengths of stay of inpatient episodes and to optimise the care pathway. Providers to plan for discharge at the point of admission and to ensure mechanisms are in place to oversee the care pathway against estimated discharge dates. | 2.5            | £45000         | Effectiveness  |

The total potential value of the income conditional on reaching the targets within the CQUINs during 2018/19 is £2,440,000. Of which £2,440,000.00 was achieved.

In 2017/18, the total potential value of the income conditional on reaching the targets within the CQUINs was £2,282,000 of which £2,282,000 was achieved.

## 2019/20 CQUIN Goals

The CQUIN goals for 2019/20 reflect the nationally agreed schemes and are intended to deliver clinical quality improvements and drive transformational change in line with the Five Year Forward View and NHS Mandate. These include:

National CQUINs applicable to Gloucestershire and Herefordshire mental health services:

- Staff Flu Vaccinations
- Alcohol and Tobacco Screening and Brief Advice
- 72 hour follow up Post Discharge: Routine Submission to MHSDS
- Mental Health Data Quality: MHSDS Data Quality Maturity Index and Mental Health Data Quality Interventions: Submission to MHSDS
- Use of Anxiety Disorder Specific Measures in IAPT: Routine submission to IAPT Data Set.

Low Secure Services

- Healthy Weight in Adult Secure Mental Health Services.

## 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 2018/19 or the previous year 2017/18.

2gether NHS Foundation Trust has not participated in any special reviews or investigations by the CQC during the reporting period.

### **CQC Inspections of our services**

The CQC have moved away from the previous Comprehensive Inspection model to one which consists of an annual Well Led review which is announced, and unannounced inspections of specific services. The CQC undertook the following inspections during the period: 12<sup>th</sup> February to 29<sup>th</sup> March 2018.

1. Unannounced inspection of community based mental health services for older people
2. Unannounced inspection of wards for older people with mental health problems
3. Unannounced inspection of wards for people with learning disabilities or autism
4. Unannounced inspection of specialist community mental health services for children and young people
5. Well Led Review

## New Ratings from latest review

The overall Trust rating remains GOOD and the CQC recognised that there have been many improvements made since the last inspection in 2015.



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. The Trust has developed an action plan in response to the 11 “must do” recommendations, and the 23 “should do” recommendations identified by the inspection and has managed the actions through to their completion.

In 2019/20 we are contributing to the CQC National review of seclusion and Long term segregation.



A full copy of the Comprehensive Inspection Report can be seen on the CQC website.

## 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. <sup>2</sup>gether NHS Foundation Trust submitted records during 2018/19 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data (Month 10 data is reported below, as this was the only available information at the date of publication).

- The patient's valid NHS number was: **99.4%** for admitted patient care (**99.4%** national); and **100%** for outpatient care (**99.6%** national);



- The patient's valid General Practitioner Registration Code was: **100%** for admitted patient care (**99.9%** national); and **100%** for outpatient care (**99.6%** national).

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

- During 2018/19 the Trust has continued to progress data quality improvement. Based on the work undertaken in previous years to provide automated reports, we have continued the early warning reports for senior managers so they are alerted to any identified gaps;
- The trust continued to monitor and review all areas of the Trust data quality within the Operational Performance Network educating managers and staff how to use the Business Intelligence tools available. This method enables effective management of data quality through awareness, training and support and moves away from the labour intensive data quality management through list generation;
- "Team Sites" a platform that brings many data sources together into one place has been rolled out to all inpatient and community teams which enables staff to manage their individual and team data quality more effectively;
- "Patient Tracking List" this tool provides an overview of all clients within the service detailing waiting times from the referral to treatment and then waiting times between appointments. There has been an intensive review of all cases throughout 2018/19 to ensure the accuracy of the clinical record.
- 'Deep Dives' have continued throughout 2018/19 and will continue throughout coming years, reviewing all aspects of service performance and data quality focusing on Service Specific Reporting" and "Demand and Capacity".

## Information Governance

2018/19 was the first year in which the Trust was required to complete the Data Security and Protection Toolkit, the Information Governance Toolkit having been withdrawn at the end of 2017/18. The Trust published its DSPT assessment in March 2019, and exceeded the required standards.

The Trust's efforts will remain focussed on maintaining the current level of compliance during 2019/20 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 Committee and Trust managers and staff.

The Trust acquired Cyber Essentials Plus accreditation in 2018/19, and is committed to retaining that accreditation in future years.

The Trust's Internal Auditor completed a review in 2018/19 of the Trust's preparations for the introduction of the General Data Protection Regulation. This review produced a classification of 'Low Risk' A further audit is planned for 2019/20 which will review the DSPT submission, and Information Governance in general.

## Clinical Coding



<sup>2</sup>gether NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during 2018/2019 by the Audit Commission.

## Learning from Deaths

During 1 April 2018 – 31 March 2019 663 patients of <sup>2</sup>gether NHS Foundation Trust died. This comprised the following number of deaths which occurred in each quarter of that reporting period:

211 in the first quarter;  
155 in the second quarter;  
169 in the third quarter;  
128 in the fourth quarter.

The terminology used to describe the stages of Mortality Review changed in December 2018 following publication of the Royal College of Psychiatrists' Structured Judgement Review documentation. <sup>2</sup>gether adopted this methodology in January 2019 following discussion and agreement at Mortality Review Committee (MoReC). Mortality Review Committees have convened regularly since November 2018. However, whilst learning from these reviews is limited, the active review of patient deaths does provide assurance that End of Life Care and the care provided to our patients is of an excellent quality which seldom results in unexpected deaths, natural or otherwise.

Following discussion at Mortality Review Committee (MoReC) in and at countywide Mortality Steering Groups in both Gloucestershire and Herefordshire, it was agreed to exclude from active review those open for ACI Monitoring only and those with a primary diagnosis of dementia who are over 70 years old. MoReC had become very aware that older people with dementia die as a natural consequence of the illness process resulting in limited learning from this cohort of patients. There will be a continued focus on those 70 years and under.

By 31 March 2019, 33 RCPsych Structured Judgement Reviews (SJRs) and 19 Serious Incident (SI) Investigations have been carried out in relation to 663 of the deaths included above.

In 0 cases a death was subjected to both a case record review and investigation

The number of deaths in each quarter for which a Structured Judgement Review, Clinical Incident Review or a Serious Incident investigation was carried out was:

16 in the first quarter  
13 in the second quarter  
18 in the third quarter  
5 in the fourth quarter

The above figures do not include current open SJRs and SI Investigations from 2018/19.

0 deaths representing 0.0% of the 663 patient deaths during the reporting period are judged to be more likely than not to have been due to problems in the care provided <sup>2</sup>gether NHS Foundation Trust to the patient. In relation to each quarter, this consisted of:

0 representing 0% for the first quarter;  
0 representing 0.0% for the second quarter;  
0 representing 0% for the third quarter;  
0 representing 0% for the fourth quarter.

These numbers have been estimated using the Structured Judgement Review Methodology developed by the RCPsych

The Trust identified that:

- In some cases there does not appear to have been early dialogue between mental health services, social services and health visiting, with regard to both child care and wider support. This could have improved the knowledge of all services involved and potentially provided a more collaborative package of care.
- There was a lack of clarity between the teams involved regarding referral pathways for families to access Local Authority Children's Services support/Social Services (other than for safeguarding purposes) and benefits to support children with disabilities.
- On occasion, informal admissions have not been achievable due to the lack of available beds in the hospital chosen.
- On occasion, the initial referral from the GP had been downgraded from 'urgent' to 'routine' without attempting to discuss this with the referrer (GP) as per policy.

In response to the above learning points the Trust has:

- Undertaken a review of the pathways by which Trust clinical teams communicate with external agencies/providers such as social care. A clear process has been established and implemented to enable early communication across all agencies involved in patient care or the care of dependents within a household.
- Undertaken a review of the system for notifying the teams of bed availability outside of office hours; and improving the system for ensuring that the Bed State is checked regularly when supporting patients who are waiting for admissions.
- The Contact Centre Manager is now actively monitoring the communication with General Practitioners when triaging referrals and for the Referrer Information sheet to clearly explain the criteria for an "Emergency", "Urgent" and "Routine" response.

The Trust believes that by implementing the above actions, patient safety and quality of care has improved.

0 SJRs and 7 investigations completed after 31 March 2018 related to deaths which took place before the start of the reporting period.

0 representing 0% of the patient deaths before the reporting period are judged to be more likely than not to have been due to problems in the care provided to the patient. This number has been estimated using the Structured Judgement Review Methodology developed by the RCPsych.

0 representing 0% of the patient deaths during 2017/18 are judged to be more likely than not to have been due to problems in the care provided to the patient. "

As a Trust we are committed to the National Quality Boards (2017) Learning from Deaths guidance. The Trust ensures that it seeks to actively learn and implement changes in practice identified from reviews of death. The Trust is an active supporter of the Learning Disabilities Premature Mortality Review programme (LeDeR) in Gloucestershire and Herefordshire

All our staff are required to notify, using the Datix system, the deaths of all Trust patients. This comprises anyone open to a Trust caseload at the time of their death and who dies within 30 days of receiving care from 2gether. Deaths recorded on Datix are collated for discussion at the monthly Mortality Review Committee Meeting chaired by the lead Clinical Directors. All deaths of patients with a learning disability will be also reported through the appropriate Learning Disabilities Mortality Review Program (LeDeR) process, and deaths of

people under the age of 18 will be reported through the current child death reporting methodology.

Learning from Deaths continues to provide vital guidance. As a Trust we are fully committed to recognising the need to improve services following learning from events both nationally and locally such as Gosport, Mid Staffordshire and the Learning Disabilities Premature Mortality Review (LeDeR), alongside our own local serious incidents.

From 1<sup>st</sup> January 2017 up until 31<sup>st</sup> March 2019 Gloucestershire. 109 LeDeR referrals had been received, 61 have had an initial review completed (56% review completed), 47 are open (26 remain unable to be allocated due to reviewer capacity). 44% of people died in their usual place of residence, with Gloucestershire Royal Hospital second place to die at 31%. 66% of the deaths were males (33% female and 1% other) compared with a national average of 58% male.

**Table 2 - Status of reviews by year:**

|                    | <b>CLOSED</b> | <b>OPEN</b> | <b>Grand Total</b> | <b>% completed</b> |
|--------------------|---------------|-------------|--------------------|--------------------|
| <b>2017</b>        | <b>41</b>     | <b>5</b>    | <b>46</b>          | <b>89%</b>         |
| <b>2018</b>        | <b>18</b>     | <b>31</b>   | <b>49</b>          | <b>37%</b>         |
| <b>2019</b>        | <b>2</b>      | <b>12</b>   | <b>14</b>          | <b>17%</b>         |
| <b>Grand Total</b> | <b>61</b>     | <b>47</b>   | <b>109</b>         | <b>56%</b>         |

**Learning Themes from LeDeR:**

- Communications and support to access primary care Learning Disability Annual Health Checks
- Reasonable adjustments made to access to mainstream healthy lifestyles preventative services e.g. smoking cessation, weight management and eating well
- Suitable reasonable adjustments being put in place in mainstream health services is inconsistent particularly around meeting communication needs.
- Utilisation and documentation of the Mental Capacity Act by mainstream health services is inconsistent
- Treatment escalation practices particularly in relation to end of life protocols for those individuals who are considered to be frail.

## Part 2.3: Mandated Core Indicators 2018/19

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 3<br>2017-18 | Quarter 4<br>2017-18 | Quarter 1<br>2018-19 | Quarter 2<br>2018-19 | Quarter 3<br>2018-19 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| <sup>2</sup> gether NHS Foundation Trust | 99.6%                | 98.4%                | 97.6%                | 98.4%                | 97.7%                |
| National Average                         | 95.4%                | 95.5%                | 95.8%                | 95.7%                | 95.5%                |
| Lowest Trust                             | 69.2%                | 87.2%                | 73.4%                | 88.3%                | 81.6%                |
| Highest Trust                            | 100%                 | 100%                 | 100%                 | 100.0%               | 100%                 |

<sup>2</sup>gether NHS Foundation Trust considers that this data is as described for the following reasons:

- During 2015/16 we reviewed our practices and policies associated with both our 7 day and 48 hour follow up of patients discharged from our inpatient services, the changes were introduced in 2016/17. This has strengthened and continues to support the patient safety aspects of our follow up contacts.

<sup>2</sup>gether 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;
- Continuing to ensure 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 3<br>2017-18 | Quarter 4<br>2017-18 | Quarter 1<br>2018-19 | Quarter 2<br>2018-19 | Quarter 3<br>2018-19 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| <sup>2</sup> gether NHS Foundation Trust | 99.5%                | 98.6%                | 99.4%                | 99.4%                | 98.9%                |
| National Average                         | 98.5%                | 98.7%                | 98.1%                | 98.4%                | 97.8%                |
| Lowest Trust                             | 84.3%                | 93.7%                | 85.1%                | 81.4%                | 78.8%                |
| Highest Trust                            | 100%                 | 100%                 | 100.00%              | 100.00%              | 100%                 |

<sup>2</sup>gether 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;

<sup>2</sup>gether 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 both complete the 'Method of Admission' field with the appropriate option when admissions are made via the Crisis Team and 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 4<br>2017-18 | Quarter 1<br>2018-19 | Quarter 2<br>2018-19 | Quarter 3<br>2018-19 | Quarter 4<br>2018-19 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| <sup>2</sup> gether NHS Foundation Trust 0-15 | 0%                   | 0%                   | 0%                   | 0%                   | 0%                   |
| <sup>2</sup> gether NHS Foundation Trust 16 + | 5.8%                 | 6.2%                 | 6.1%                 | 7.8%                 | 5.6%                 |

<sup>2</sup>gether 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 be recalled to hospital if there is deterioration in their presentation.

<sup>2</sup>gether 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 responded positively to “ if a friend or relative needed treatment I would be happy with the standard of care provided by the Organisation”**

|  | NHS Staff<br>Survey 2015 | NHS Staff<br>Survey 2016 | NHS Staff<br>Survey 2017 | NHS Staff<br>Survey 2018 |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| <sup>2</sup> gether NHS Foundation Trust Score | 65.5%                    | 72.6%                    | 74.2%                    | 74.5%                    |
| National Average Score                         | 59.4%                    | 58.9%                    | 61.2%                    | 61.3%                    |
| Worst Trust Score                              | 38.4%                    | 44.1%                    | 41.6%                    | 38.2%                    |
| Best Trust Score                               | 83.6%                    | 82.2%                    | 86.5%                    | 80.8%                    |

<sup>2</sup>gether NHS Foundation Trust considers that this data is as described for the following reasons:

- For the third year running, all staff in post were invited to take part in the survey. Previously the survey had only been sent to a random sample of staff. The overall response rate in the most recent survey was **40.55%** (reduced from 44% the previous year). This equated with **863** staff taking the time to contribute their views. The survey provides a rich and accurate picture of the staff views on the Trust's services to date.

<sup>2</sup>gether NHS Foundation Trust has taken the following actions to improve this score and so the quality of its services, by taking steps to:

- Improve response rates
- Improve further staff engagement

- Improve the quality of appraisals
- Improve our Safe Environment by reducing Bullying and Harassment
- Improving our Quality of Care

**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<br>Community<br>Mental Health<br>Survey 2015 | NHS<br>Community<br>Mental Health<br>Survey 2016 | NHS<br>Community<br>Mental Health<br>Survey 2017 | NHS<br>Community<br>Mental Health<br>Survey 2018 |
|--|--|--|--|--|
| <sup>2</sup> gether NHS Foundation Trust Score | 7.9  | 8.0  | 8.0  | 7.7  |
| National Average Score                         | Not available                                    | Not available                                    | Not available                                    | Not available                                    |
| Lowest Score                                   | 6.8  | 6.9  | 6.4  | 5.9  |
| Highest Score                                  | 8.2  | 8.1  | 8.1  | 7.6  |

<sup>2</sup>gether NHS Foundation Trust considers that this data is as described for the following reasons:

- <sup>2</sup>gether is categorised as performing ‘better’ than the majority of other mental health Trusts in 5 of the 11 domains and ‘about the same’ as the majority of other mental health Trusts in the remaining 6 domains.

<sup>2</sup>gether NHS Foundation Trust has taken the following actions to improve this score and so the quality of its services, by:

- Supporting people at times of crisis;
- Involving people in planning and reviewing their care;
- Involving family members or someone close, as much as the person would like;
- Giving people information about getting support from people with experience of the same mental health needs as them;
- Helping people with their physical health needs and to take part in an activity locally;
- Providing help and advice for finding support with finances, benefits and employment.

**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 2017-31 March 2018 |       |        |       | 1 April 2018-30 September 2018 |       |        |       |
|--|------------------------------|-------|--------|-------|--------------------------------|-------|--------|-------|
|  | Number                       | Rate* | Severe | Death | Number                         | Rate* | Severe | Death |
| <sup>2</sup> gether NHS Foundation Trust | 2901                         | 83.69 | 2      | 28    | 2385                           | 68.2  | 2      | 14    |
| National                                 | 166787                       | -     | 569    | 1331  | 3414                           | 54.17 | 10.74  | 25.21 |
| Lowest Trust                             | 1                            | 14.88 | 0      | 0     | 1747                           | 24.9  | 7      | 20    |
| Highest Trust                            | 8134                         | 96.72 | 121    | 138   | 4634                           | 114.3 | 8      | 28    |

\* 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 6 months in arrears; therefore data for severe harm and death will not correspond with the serious incident information shown in the Quality Report.

2gether NHS Foundation Trust has taken the following action to improve this rate, and so the quality of its services, by:

- Continuing to hold a Datix User Group to improve the processes in place for the timely review, approval of, response to and learning from reported patient safety incidents;
- Creating an additional part time Datix Administrator post to enhance data quality checks and further promote timeliness of reporting. This post commenced in 2017/18 and we have added some further support hours.
- Developing a suite of reports and Dashboards to aid monitoring of incidents on wards to assist staff in identifying themes and trends plus hot spots.

# Part 3: Looking Back: A Review of Quality during 2018/19

## Introduction

The 2018/19 quality priorities were agreed in May 2018.
















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 2018/2019

| Effectiveness   |  | 2016 - 2017  | 2017 - 2018  | 2018- 2019   |
|-----------------|--|--------------|--------------|--------------|
| 1.1             | To improve the physical health of patients with a serious mental illness on CPA by a positive cardio metabolic health resource (Lester Tool).  | Achieved     | Achieved     | Achieved     |
| 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.   | Achieved     | Not achieved | Not Achieved |
| 1.3             | To ensure that joint Care Programme Approach reviews occur for <u>all</u> service users who make the transition from children's to adult services.   | Not achieved | Not achieved | Achieved     |
| User Experience |  |              |              |              |
| 2.1             | Were you involved as much as you wanted to be in agreeing what care you will receive? > 84%  | Achieved     | Not achieved | Achieved     |
| 2.2             | Do you know who to contact out of office hours if you have a crisis? >71%  | Achieved     | Achieved     | Achieved     |
| 2.3             | Has someone given you advice about taking part in activities that are important to you? > 64%  | Achieved     | Achieved     | Achieved     |
| 2.4             | Have you had help and advice to find support to meet your physical health needs if you needed it? > 73%  | Achieved     | Achieved     | Achieved     |
| Safety          |  |              |              |              |
| 3.1             | Reduce the proportion of patients in touch with services who die by suspected suicide when compared with data from previous years. This will be expressed as a rate per 1000 service users on the Trust's caseload.  | Not achieved | Not achieved | Achieved     |
| 3.2             | Detained service users who are absent without leave (AWOL) will not come to serious harm or death.<br><br>We will report against 3 categories of AWOL as follows; harm as a consequence of:<br><br>1. Absconded from escort<br>2. Failure to return from leave<br>3. Left the hospital (escaped) | Not measured | Achieved     | Achieved     |
| 3.3             | To increase the use of supine restraint as an alternative to prone restraint   | Not Measured | Not Measured | Not achieved |
| 3.4             | To ensure that 100% of service users within Berkeley House have a bespoke restrictive intervention care plan tailored to their individual need.  | Not measured | Not measured | Achieved     |



## Easy Read Report on Quality Measures for 2018/2019

|  |  |   |
|--|--|---|
| <b>Quality Report</b><br>       | <p>This report looks at the quality of 2gether's services.</p> <p>We agreed with our commissioners the areas that would be looked at.</p>  |   |
| <b>Physical health</b><br>      | <p>We increased physical health tests and treatment for people using our services.</p> <p>We met the target.</p>   |    |
| <b>Discharge Care Plans</b><br> | <p>Less people had all parts of their discharge care plan completed at the end of the year than previously. There is improvement being made though.</p> <p>We have not met the target.</p> |    |
| <b>Care (CPA) Review</b><br>   | <p>All people moving from children's to adult services had a care review.</p> <p>We met the target.</p>  |   |
| <b>Care Plans</b><br>         | <p>85% of people said they felt involved in their care plan.</p> <p>This is more than the target (84%).</p> <p>We met the target.</p>  |  |
| <b>Crisis</b><br>             | <p>81% of people said they know who to contact if they have a crisis.</p> <p>This is more than the target (71%).</p> <p>We met the target.</p>   |  |
| <b>Activity</b><br>           | <p>76% of people said they had advice about taking part in activities.</p> <p>This is more than the target (64%).</p> <p>We met the target.</p>  |  |
| <b>Physical Health</b><br>    | <p>82% of people said they had advice about their physical health</p> <p>This is more than the target (73%).</p> <p>We met the target.</p>   |  |

|   |  |  |
|---|--|--|
| <b>Suicide</b><br>                           | <p>There were fewer suicides compared to this time last year.</p> <p>We met the target.</p>  |   |
| <b>AWOL</b><br>                              | <p>In patients who were absent without leave did not come to serious harm or death.</p> <p>We met the target.</p>  |   |
| <b>Face down restraint</b><br>               | <p>We have reduced the number of face-down restraints this year but we are still doing more of these than face up restraints.</p> <p>We are doing lots of work to get better at this but did not quite meet the target at the end of the year.</p> |   |
| <b>Physical Intervention Care Plans</b><br> | <p>Everyone at Berkeley House has one of these.</p> <p>We met the target.</p>  |  |

## Effectiveness

In 2018/19 we remain committed to ensure that our services are as effective as possible for the people that we support. For the second consecutive year we set ourselves 3 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;
- 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**

The 2018/19 Physical Health CQUIN includes all service users with an active diagnosis of Psychosis (using the CQUIN specified ICD-10 codes) who are either an inpatient or who have access to community services including; Assertive Outreach Team (AOT), Recovery Teams, Community Learning Disability Teams (CLDTs), Older Age Services and Children and Young Persons Services (CYPS). The sample group for this year includes patients from both counties.

The Trust is awaiting the results of the national CQUIN (part a) audit across inpatient and community mental health services and the Early Intervention Service (EIP) self assessment scheme to be published. The audit specifically looked at ensuring service users have a thorough Cardio Metabolic assessment and treatment if necessary. The Trust internal audit of the data submitted nationally notes that the CQUIN targets compliance of 90% for inpatient and Early Intervention services, and 75% for community mental health services have been achieved. Results of the internal audit of the national CQUIN (part b), which looked at collaboration with primary care clinicians, proved successful again. We have achieved our CQUIN target of over 90% of patients audited during the period, GPs have been provided with an up to date copy of the patients' care plan/CPA review letter or discharge summary.

Whilst this is the final year of the 'Improving Physical Healthcare to reduce premature mortality in people with a Serious Mental Illness' CQUIN there are robust systems in place with staff trained to continue implementing this as 'business as usual'. There are plans to add further health checks for patients to include oral health, national screening awareness and sexual health. Changes will be made to the Health & Lifestyle form on the electronic patient record, and training will be rolled out to staff Trust wide.

Successful physical health clinics continue to run at Pullman Place and 27a St Owen Street, providing service users in the community access to physical health checks in an environment with staff who are familiar to them. Such is the success of the physical health clinics, it is hoped to employ a Physical Health nurse for one day a week to take a lead on developing the clinics further within Pullman Place.

The Trust has agreed to purchase ECG machines for the community hubs. This will provide the opportunity for routine ECG screening for possible cardiac anomalies for patients who are at an increased cardio metabolic risk, largely due to medication side effects and lifestyle factors. Training for staff to take ECG's will be provided by the Physical Health Facilitator,

and refresher training for medics to interpret ECG's will be held internally by the Trust own Medical team.

Alongside the CQUIN work, 2gether continues to increase access to physical health treatment for service users. Work around a Quality Improvement initiative 'Well Woman Wednesdays' at Wotton Lawn Hospital, where ladies are offered a full range of advice and success to cervical screening in house, has been recognised nationally with further work planned to expand the initiative.

2gether has continued to work with "Equally Well" which is a national collaborative to support the physical health of people with a mental illness. The Trust have been approached by the RCN to collaborate with a parity of esteem/lived experience project where experts by experience have been involved, this will be presented in London in May 2019.

**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. During 2016/17 we focused 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. Identical criteria are being used in the services across both counties as follows:

1. Has a Risk Summary been completed?
2. Has the Clustering Assessment and Allocation been completed?
3. Has the Pre-Discharge Planning Form been completed?
4. Have the inpatient care plans been closed within 7 days of discharge?
5. Has the patient been discharged from the bed?
6. Has the Nursing Discharge Summary Letter to Client/GP been sent within 24 hours of discharge?
7. Has the 48 hour follow up been completed?

Trust wide compliance for each of the individual criteria assessed is outlined in the table below. For future audits, services will focus on the criteria scoring an **AMBER** or **RED** RAG rating to promote improvement.

|    |   | <b>Year End Compliance (2017/18)</b> | <b>Year End Compliance (2018/19)</b> | <b>Direction of travel</b> |
|----|---|--------------------------------------|--------------------------------------|----------------------------|
| 1. | Has a Risk Summary been completed?                                    | 100%                                 | 100%                                 | ↔                          |
| 2. | Has the Clustering Assessment and Allocation been completed?          | 83%                                  | 92%                                  | ↑                          |
| 3. | Has HEF been completed? (LD only)                                     | 38%                                  | 83%                                  | ↑                          |
| 4. | Has the Pre-Discharge Planning Form been completed?                   | 32%                                  | 31%                                  | ↓                          |
| 5. | Have the inpatient care plans been closed within 7 days of discharge? | 29%                                  | 14%                                  | ↓                          |
| 6. | Has the patient been discharged from bed?                             | 100%                                 | 100%                                 | ↔                          |
| 7. | Has the Nursing Discharge Summary Letter to Client/GP                 | 89%                                  | 88%                                  | ↓                          |

|    |  |     |     |   |
|----|--|-----|-----|---|
|    | been sent within 24 hours of discharge?  |     |     |   |
| 8. | Has the 48 hour follow up been completed if the Community Team are not doing it? | 92% | 70% | ↓ |

For year end 2018/19, of the eight individual criteria assessed, compliance has remained the same for two criteria, increased for two criteria and decreased for 4 criteria compared to the year end data for 2017/18.

It is recommended that the focus remains on the following two criteria as these are consistently showing poor compliance:

- Has the Pre-Discharge Planning Form been completed?
- Have the inpatient care plans been closed within 7 days of discharge?

We will also be looking to ensure that discharges summaries and medication information for service users discharged from hospital are sent to their GP within 48 hours of Discharge.

We are also including discharge care planning information from within our Recovery Units, as they too discharge people back into the community.

These targets are reviewed on a quarterly basis and in year we were pleased to note that in 2018/19 there had been an overall improvement at the end of quarter 3 over quarter 2 data and this was reported as a welcome achievement. However, the year end compliance figure is lowered due to the performances in Q1 and Q2.

Year end results from the audits against these standards are seen below.

### Gloucestershire Services

| Criterion                         | Year End Compliance (2015/16) | Year End Compliance (2016/17) | Year End Compliance (2017/18) | Year End Compliance (2018/19) | Direction of Travel (comparing 2018/19 to 2017/18) |
|-----------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|--|
| <b>Overall Average Compliance</b> | <b>69%</b>                    | <b>72%</b>                    | <b>73%</b>                    | <b>69%</b>                    | ↓  |
| Chestnut Ward                     | 84%                           | 85%                           | 83%                           | 84%                           | ↑  |
| Mulberry Ward                     | 75%                           | 79%                           | 73%                           | 70%                           | ↓  |
| Willow Ward                       | 59%                           | 71%                           | 69%                           | 69%                           | ↔  |
| Abbey Ward                        | 72%                           | 75%                           | 78%                           | 70%                           | ↓  |
| Dean Ward                         | 79%                           | 73%                           | 73%                           | 71%                           | ↓  |
| Greyfriars PICU                   | 50%                           | 62%                           | 64%                           | 58%                           | ↓  |
| Kingsholm Ward                    | 75%                           | 72%                           | 72%                           | 72%                           | ↔  |
| Priory Ward                       | 80%                           | 80%                           | 80%                           | 76%                           | ↓  |
| Montpellier Unit                  | 50%                           | 57%                           | 64%                           | 61%                           | ↓  |
| Honeybourne                       | N/A                           | 70%                           | 65%                           | 64%                           | ↓  |
| Laurel House                      | N/A                           | 65%                           | 81%                           | 71%                           | ↓  |
| Berkeley House                    | N/A                           | N/A                           | N/A                           | 63%                           | N/A  |

Year-end overall average compliance in Gloucester for these standards during this year is **69%** which is a 4% decrease on the 73% achieved in 2017/18, it is noted that 9 of the 12 inpatient areas have decreased in compliance. There will be an increased focus on ensuring that these standards are met throughout next year.

### Herefordshire Services

| Criterion                         | Year End compliance (2015/16) | Year End Compliance 2016/17) | Year End Compliance (2017/18) | Year End Compliance (2018/19) | Direction of Travel (comparing 2018/19 to 2017/18) |
|-----------------------------------|-------------------------------|------------------------------|-------------------------------|-------------------------------|--|
| <b>Overall Average Compliance</b> | <b>N/A</b>                    | <b>74%</b>                   | <b>71%</b>                    | <b>71%</b>                    | ↔  |
| Cantilupe Ward                    | <b>N/A</b>                    | <b>85%</b>                   | <b>82%</b>                    | <b>78%</b>                    | ↓  |
| Jenny Lind Ward                   | <b>N/A</b>                    | <b>71%</b>                   | <b>68%</b>                    | <b>70%</b>                    | ↑  |
| Mortimer Ward                     | <b>N/A</b>                    | <b>69%</b>                   | <b>65%</b>                    | <b>66%</b>                    | ↑  |
| Oak House                         | <b>N/A</b>                    | <b>70%</b>                   | <b>68%</b>                    | <b>65%</b>                    | ↓  |

Year-end overall average compliance in Herefordshire for these standards during this year is **71%** which is consistent with the 2017/18 compliance. There will be an increased focus on ensuring that these standards are met throughout next year.

**This target has not been met for year end 2018/19.**

**Target 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.**

The period of transition from children and young people's services (CYPS) 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 by undertaking joint Care Programme Approach (CPA) reviews between children's and adult services every time a young person transitions to adult services.

Results from 2017-18 transitions are also included below so that historical comparative information is available.

## **2017-18 Results**

### **Gloucestershire Services**

| Criterion               | Compliance Quarter 1 (2017/18) | Compliance Quarter 2 (2017/18) | Compliance Quarter 3 (2017/18) | Compliance Quarter 4 (2017/18) |
|-------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>Joint CPA Review</b> | <b>100%</b>                    | <b>100%</b>                    | <b>100%</b>                    | <b>75%</b>                     |

## Herefordshire Services

| Criterion           | Compliance<br>Quarter 1<br>(2017/18) | Compliance<br>Quarter 2<br>(2017/18) | Compliance<br>Quarter 3<br>(2017/18) | Compliance<br>Quarter 4<br>(2017/18) |
|---------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Joint CPA<br>Review | 100%                                 | 100%                                 | Not applicable                       | Not applicable                       |

## 2018-19 Results

### Gloucestershire Services

| Criterion           | Compliance<br>Quarter 1<br>(2018/19) | Compliance<br>Quarter 2<br>(2018/19) | Compliance<br>Quarter 3<br>(2018/19) | Compliance<br>Quarter 4<br>(2018/19) |
|---------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Joint CPA<br>Review | 100%                                 | 100%                                 | 100%                                 | 100%                                 |

### Herefordshire Services

| Criterion           | Compliance<br>Quarter 1<br>(2018/19) | Compliance<br>Quarter 2<br>(2018/19) | Compliance<br>Quarter 3<br>(2018/19) | Compliance<br>Quarter 4<br>(2018/19) |
|---------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Joint CPA<br>Review | 100%                                 | Not applicable                       | 100%                                 | 100%                                 |

We are pleased to report that during 2018/19 all young people who transitioned into adult services had a joint CPA review. This is an improvement on our last year's performance.

To improve our practice and documentation in relation to this target, a number of measures were developed and implemented during 2018-19 as follows:

- Transition to adult services for any young person will be included as a standard agenda item for teams, to provide the opportunity to discuss transition cases;
- Transition will be included as a standard agenda item in caseload management to identify emerging cases;
- Teams are encouraged to contact adult mental health services to discuss potential referrals;
- There is a data base which identifies cases for transition;
- SharePoint report identifies those young people who are 17.5 years open to teams. Team Managers then monitor those who are coming up to transition discuss them with care coordinators in caseload management to see whether transition is clinically indicated.

These measures will continue to be used to promote good practice into 2019/20.

**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 users in key areas. This was measured through defined survey questions for both people in community and inpatient settings.

The Trust's **How did we do?** survey combines the NHS Friends and Family Test and our local Quality Survey. The Quality Survey questions encourage people to provide feedback on key aspects of their care and treatment.

The two elements of the **How did we do?** survey will continue to be reported separately as Friends and Family Test and Quality Survey responses by county. A combined total percentage for both counties is also provided to mirror the methodology used by the CQC Community Mental Health Survey.

**Data for Quality Survey (Quarter 4 2018/19 – January to March 2019) results:**

**Target 2.1** Were you involved as much as you wanted to be in agreeing the care you will receive? < 84%

| Question  | County          | Number of responses | Target Met?                         |
|---|-----------------|---------------------|-------------------------------------|
| Were you involved as much as you wanted to be in agreeing the care you receive? | Gloucestershire | 227 (191 positive)  | <b>85%</b><br><br><b>TARGET 84%</b> |
|   | Herefordshire   | 58 (50 positive)    |                                     |
|   | <b>Total</b>    | 285 (241 positive)  |                                     |

**This target has been met.**

**Target 2.2** Have you been given information about who to contact outside of office hours if you have a crisis? > 71%

| Question   | County          | Number of responses | Target Met?                         |
|--|-----------------|---------------------|-------------------------------------|
| Have you been given information about who to contact outside of office hours if you have a crisis? | Gloucestershire | 89 (74 positive)    | <b>81%</b><br><br><b>TARGET 71%</b> |
|  | Herefordshire   | 14 (9 positive)     |                                     |
|  | <b>Total</b>    | 103 (83 positive)   |                                     |

**This target has been met.**

**Target 2.3** Have you had help and advice about taking part in activities that are important to you? > 64%



| Question  | County          | Number of responses | Target Met?                     |
|---|-----------------|---------------------|---------------------------------|
| Have you had help and advice about taking part in activities that are important to you? | Gloucestershire | 81 (63 positive)    | <b>76%</b><br><b>TARGET 64%</b> |
|   | Herefordshire   | 13 (8 positive)     |                                 |
|   | <b>Total</b>    | 94 (71 positive)    |                                 |

**This target has been met.**

**Target 2.4 Have you had help and advice to find support for physical health needs if you have needed it? > 73%**

| Question  | County          | Number of responses | Target Met?                     |
|---|-----------------|---------------------|---------------------------------|
| Have you had help and advice to find support for physical health needs if you have needed it? | Gloucestershire | 79 (67 positive)    | <b>82%</b><br><b>TARGET 73%</b> |
|   | Herefordshire   | 11 (7 positive)     |                                 |
|   | <b>Total</b>    | 90 (74 positive)    |                                 |

**This target has been met.**

Feedback from the Quality survey along with the National Community Mental Health survey results helped us to identify the need to increase the involvement of people in the development of their care plans. This is the focus of our work to implement an Always Event as part of the NHS England campaign.

Although response rates for the survey have increased over time the level of response continues to be lower than we would like. During Quarter 4 we have introduced a new system to capture survey feedback with aim to increase the number of response we receive to both aspects of the How did we do? survey.

### **Friends and Family Test (FFT)**

#### **FFT responses and scores for Quarter 4, 2018/19**

The FFT involves service users being asked “*How likely are you to recommend our service to your friends and family if they needed similar care or treatment?*”

Our Trust played a key role in the development of an easy read version of the FFT. Roll out of this version ensures that everybody is supported to provide feedback.

The table below details the number of combined total responses received by the Trust each month in Quarter 4. The FFT score is the percentage of people who stated that they would be ‘extremely likely’ or ‘likely’ to recommend our services. These figures are submitted for national reporting.

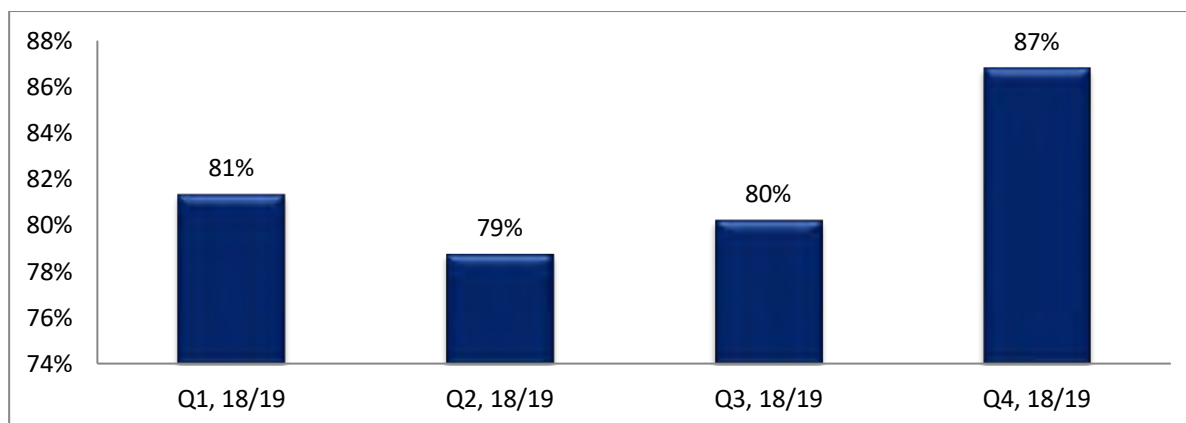
|               | Number of responses                                       | FFT Score (%)                             |
|---------------|---|---|
| January 2019  | 55 (53 positive)  | 96%                                       |
| February 2019 | 196 (168 positive)  | 86%                                       |
| March 2019    | 203 (173 positive)  | 85%                                       |
| <b>Total</b>  | <b>454 (394 positive)</b><br><b>(last quarter = 1046)</b> | <b>87%</b><br><b>(Last quarter = 80%)</b> |

The FFT score for our Trust this quarter has increased, which suggests that those who responded to our survey experienced a high level of satisfaction with the services that we provide. This is encouraging news as previous quarters of this year have shown a downward trend in levels of satisfaction. Although the number of responses is lower than we would like and it is hoped that the new system implemented during Quarter 4 to capture survey feedback will enable us reach the wider population of the people who we serve.

The Service Experience Department (SED) have undertaken further analysis of this quarter's FFT scores to review for any areas that are influencing decreased scores and are sharing with operational colleagues for further follow up and action.

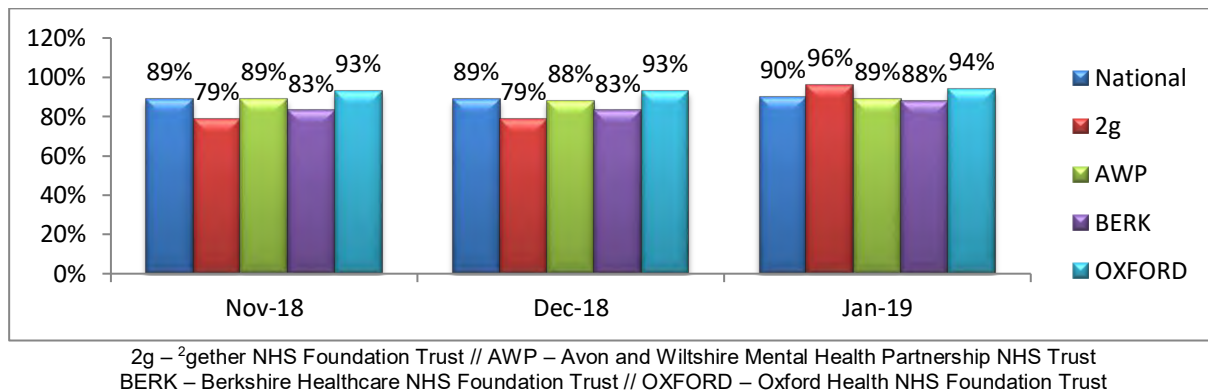
### FFT Scores for <sup>2</sup>gether NHS Foundation Trust for the past year

The following graph shows the FFT Scores for the past rolling year, including this quarter. The Trust generally receives mostly positive feedback.



### Friends and Family Test Scores – comparison between <sup>2</sup>gether Trust and other Mental Health Trusts across England

The chart below shows the FFT scores for November 2018, December 2018, and January 2019 (the most recent data available) compared to other Mental Health Trusts in our region and the national average. Our Trust consistently receives a high percentage of recommendation although we have achieved lower scores than other Trusts in our region in recent quarters. This is a reversal from previous years and does not triangulate with our positive National Survey scores. (February and March 2019 data are not yet available)



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 users in key areas. This was measured through defined survey questions for both people in community and inpatient settings.

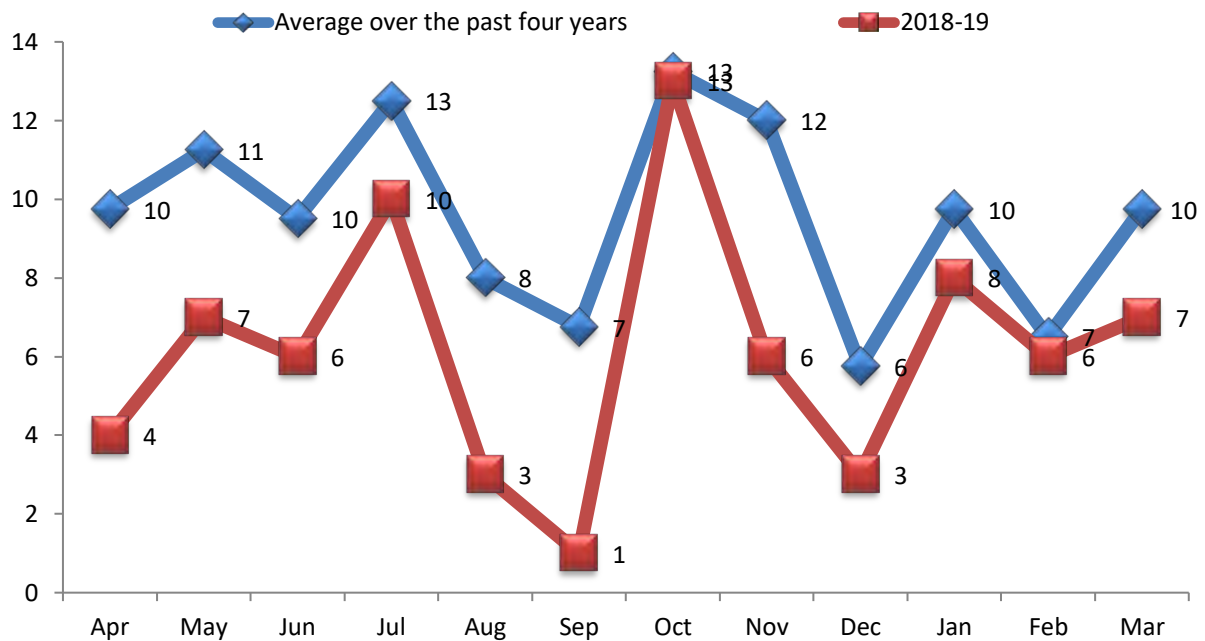
The Trust's **How did we do?** Survey combines the NHS Friends and Family Test and the Quality Survey. The Quality Survey questions encourage people to provide feedback on key aspects of their care and treatment.

The two elements of the **How did we do?** Survey will continue to be reported separately as Friends and Family Test and Quality Survey responses by county. A combined total percentage for both counties is also provided to mirror the methodology used by the CQC Community Mental Health Survey.

## Complaints

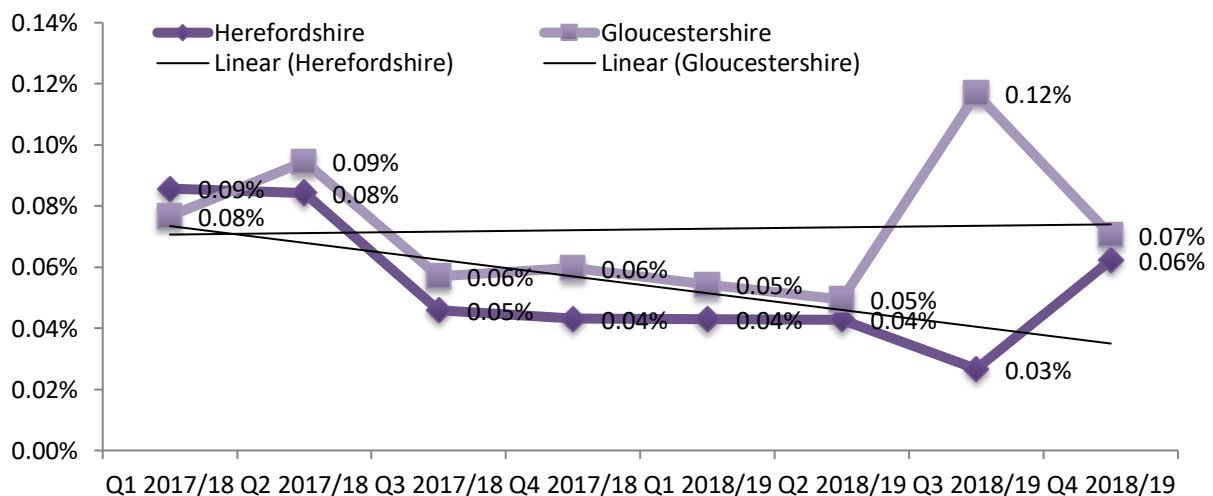
Between 1 April 2018 and 31 March 2019 the Trust received **74** formal complaints, an increase in actual number from the previous year which was 65 formal complaints. However, Figure 1 below (the numbers of complaints received by 2gether in 2018/19 by month compared to the average over preceding 4 years) 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 two years.

Figure 1



When the numbers of complaints are measured against the number of individual contacts within our services the percentage of complaints is very low (trend line shown for 2017/18 and 2018/19 in Figure 2).

Figure 2



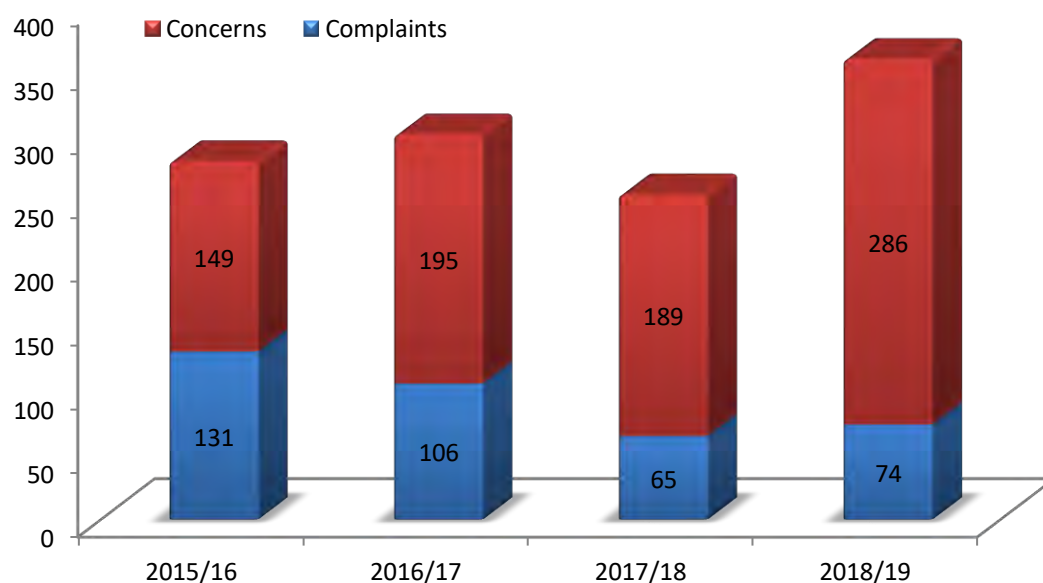
People who contact our Service Experience Department (SED) should receive a response within three working days. The SED will seek to resolve any concerns in the most timely and proportionate manner. Those who wish to pursue a formal complaint will have their complaint issues clarified and sent to them in writing for confirmation – this is known as the acknowledgement of complaint process.

A continuous high level of the written acknowledgement of complaints within the expected three day timeframe has been demonstrated throughout this year with **97% (72 of 74)** of complaints acknowledged within the three day time standard.

During 2018/19 a greater proportion of concerns raised with the Service Experience Department were supported through the management of 'concerns' process.

Analysis of this information for 2018/19 shows that there has been a 14% increase in the number of formal complaints (n=74), the number of concerns has increased by 51% (n=286) (Figure 3).

Figure 3



There has been 43% increase in the combined number of complaints and concerns reported to the Service Experience Department during 2018/19. It is important to acknowledge that the SED also record additional contacts made directly with the department and these are categorised as requiring advice or signposting and also recorded on Datix.

During 2017/18 there were 273 contacts for advice or signposting recorded. This type of contact has increased by 44% in 2018/19 with a total of 393 advice and signposting contacts recorded.

During 2017/18 there were, in total, 527 recorded direct contacts with SED, which increased by 43% to 756 contacts in 2018/19 (*These numbers do not include contacts relating to compliments as these are obtained from a variety of sources other than direct contact between individuals and the SED*).

People are encouraged to seek an independent investigation of their complaint via an external review by the Parliamentary Health Services Ombudsman (PHSO), Local Government Ombudsman (LGO) or the Care Quality Commission (CQC) if they are not satisfied with the outcome of 2gether's investigation or if they feel that their concern remains unresolved.

The table below summarises the contact that external review agencies have had with our Trust throughout 2018/19.

The data includes complaints raised and investigated by our Trust over previous years and due to this the totals do not correlate with the total number of initial requests made in 2018/19.

**Table 3**

|   | PHSO | LGO | CQC | Total |
|---|------|-----|-----|-------|
| Number of requests for initial information about individual complaints during 2018/19       | 7    | 0   | 0   | 7     |
| Number of complaints closed following initial review of information with no further action. | 1    | 0   | 0   | 1     |
| Number of complaints where intention to investigate has been confirmed                      | 3    | 1   | 0   | 4     |
| Number of complaints currently under investigation  | 2    | 1   | 0   | 3     |
| Number of complaints closed following investigation   | 3    | 0   | 0   | 3     |
| Number of complaints upheld following investigation   | 0    | 0   | 0   | 0     |

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 that 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;
- Reduce the number of prone restraints used in our adult inpatient services:

There are 3 associated targets.

**Target 3.1      Reduce the proportion of patients in touch with services who die by suspected suicide when compared with data from previous years. This will be expressed as a rate per 1000 service users on the Trust's caseload.**

We aim to minimise the risk of suicide amongst those with mental disorders through systematic implementation of sound risk management principles. In 2013/14, during which year we reported **22** suspected suicides, we set ourselves a specific quality target for there to be fewer deaths by suicide of patients in contact with teams and we have continued with this important target each year. Sadly the number increased and during 2016/17 we reported **26** suspected suicides and in 2017/18 the number of reported suspected suicides increased to **28**. We are pleased to report that by the end of 2018/19 the number had reduced and that we reported **25** suspected suicides. This is seen in Figure 4.

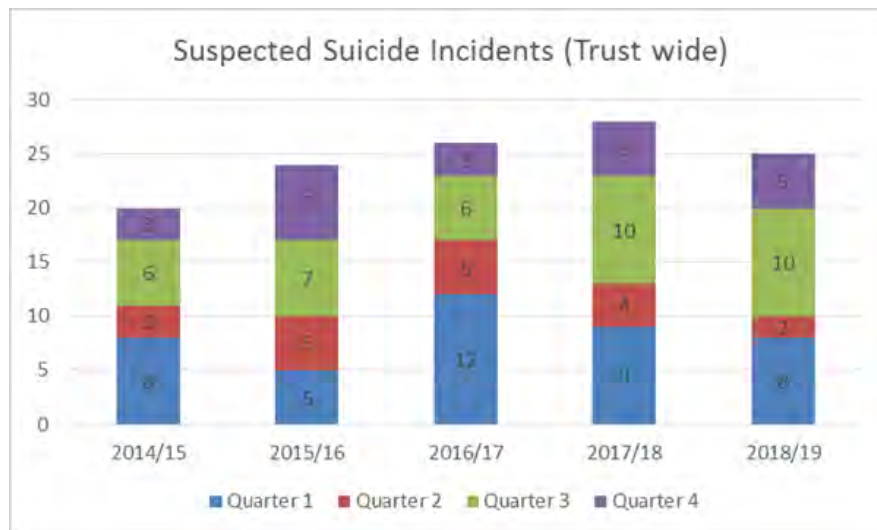


Figure 4

What we also know is that we are seeing more and more service users on our caseload year on year, so we measured this important target differently this year. This is also reported as a rate per 1000 service users on the Trust caseload. The graph in Figure 5 shows this rate from 2014/15 onwards for all Trust services covering Herefordshire and Gloucestershire, and we are aiming to see the median value (green line) get smaller. During 2015/16, 2016/17 and 2017/18 the median value was 0.09. By the end of 2018/19 the median value has fallen to 0.06.

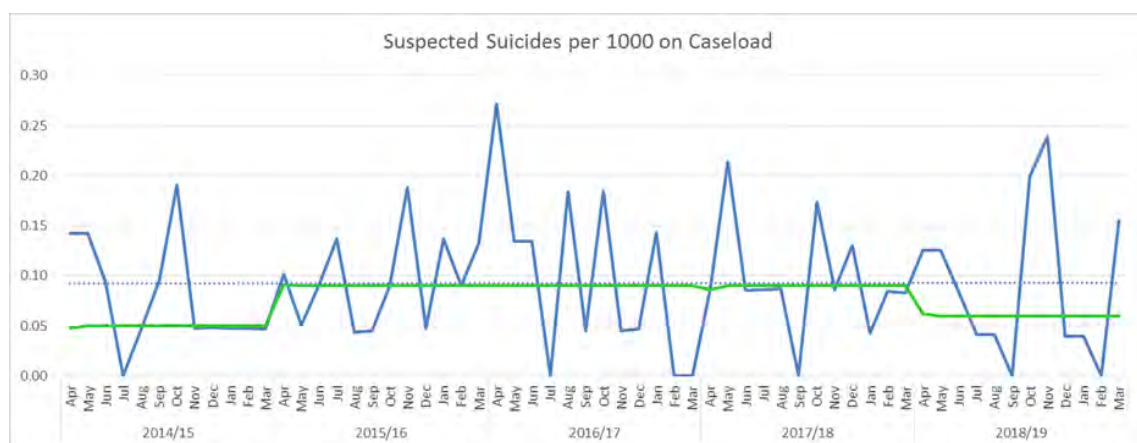
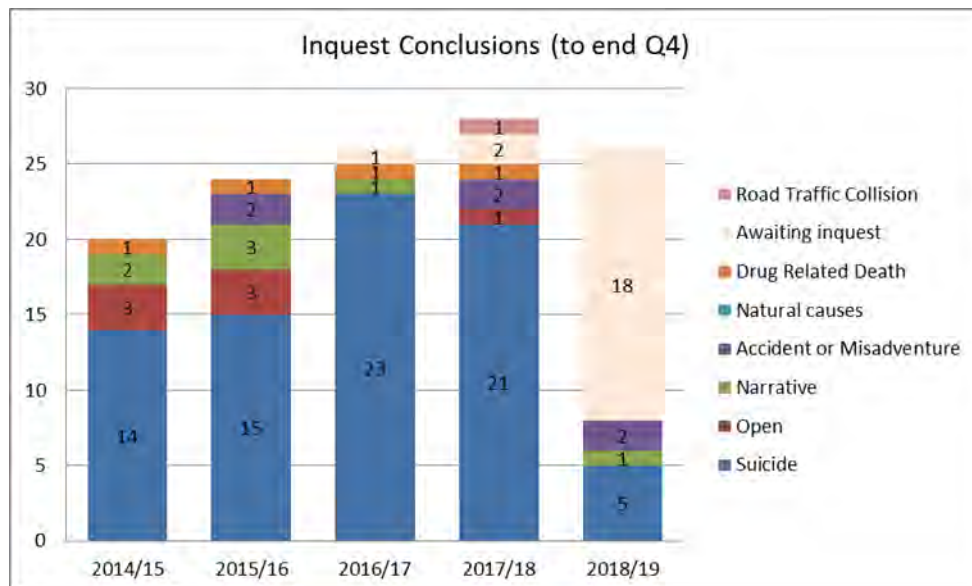


Figure 5

In terms of the inquest conclusions, these are shown in Figure 6 below. It is seen that the majority of reported suspected suicides are determined as such by the Coroner.





Information is provided below in Figures 7 & 8 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 overall population of Gloucestershire is a little over three times that of Herefordshire (based on mid -2015 population estimates).

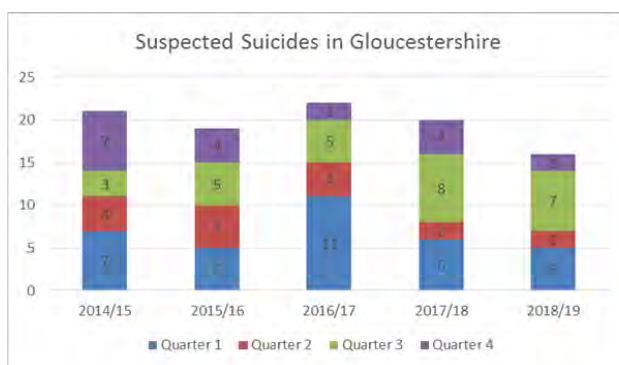


Figure 7

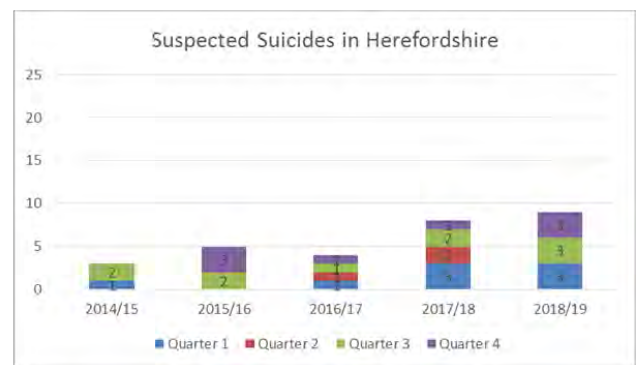


Figure 8

We will continue to work hard to identify and support those people experiencing suicidal ideation and aim to establish the interventions that will make the most impact for individuals. We launched the StayAlive App during 2017/18; this is a pocket suicide prevention resource for both people who are having thoughts of suicide and those who are concerned about someone else who may be considering suicide. This is available on AppStore and Google Play and may have had some role in reducing the suicide numbers seen this year.

In 2019/20 we are working with partners in our ICS and Public health to further improve suicide reduction approaches such as the “zero Inpatient Suicide initiative”

**We are currently meeting this target.**





**Target 3.2 Detained service users who are absent without leave (AWOL) will not come to serious harm or death.**

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 Patient Safety and Quality Improvement Mental Health Collaborative. 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.

What we want to ensure is that no detained service users who are AWOL come to serious harm or death, so this year we are measuring the level of harm that people come to when absent.

In **2016/17** we reported **211** occurrences of AWOL (162 in Gloucestershire and 49 in Herefordshire detailed in the table below). There are a number of factors which influence this, including open wards, increased numbers of detained patients in our inpatient units, increased acuity, and on occasion, service users who leave the hospital without permission multiple times. **170** occurrences were reported during **2017/18**.

|                 | Absconded from a ward | Did not return from leave | Absconded from an escort | Total      |
|-----------------|-----------------------|---------------------------|--------------------------|------------|
| Gloucestershire | 95                    | 49                        | 18                       | <b>162</b> |
| Herefordshire   | 40                    | 4                         | 5                        | <b>49</b>  |
| <b>Total</b>    | <b>135</b>            | <b>53</b>                 | <b>23</b>                | <b>211</b> |

***None of these incidents led to serious harm or death.***

At the end of **2017/18** the following occurrences of AWOL were reported.

|                 | Absconded from a ward | Did not return from leave | Absconded from an escort | Total      |
|-----------------|-----------------------|---------------------------|--------------------------|------------|
| Gloucestershire | 72                    | 59                        | 11                       | <b>142</b> |
| Herefordshire   | 20                    | 3                         | 5                        | <b>28</b>  |
| <b>Total</b>    | <b>92</b>             | <b>62</b>                 | <b>16</b>                | <b>170</b> |

***None of these incidents led to serious harm or death.***

At the end of **2018/19** the following occurrences of AWOL have been reported.

|                 | Absconded from a ward | Did not return from leave | Absconded from an escort | Total      |
|-----------------|-----------------------|---------------------------|--------------------------|------------|
| Gloucestershire | 62                    | 66                        | 16                       | <b>144</b> |
| Herefordshire   | 46                    | 0                         | 0                        | <b>46</b>  |
| <b>Total</b>    | <b>108</b>            | <b>66</b>                 | <b>16</b>                | <b>190</b> |

***None of these incidents led to serious harm or death.***

**We are meeting this target**

### **Target 3.3     To increase the use of supine restraint as an alternative to prone restraint (on all adult wards & PICU)**

The use of prone restraint (face down) is sometimes necessary to manage and contain escalating violent behaviour, however it is also a response that has potential to cause harm to an individual. As a Trust we want to minimise the use of this wherever possible through therapeutic engagement and occupation in the inpatient environment; alongside effective de-escalation techniques and alternatives to prone restraint.

During 2015/16, the Trust developed an action plan to reduce the use of prone restraint by 5% year on year. At the end of 2016/17, **211** instances of prone restraint were used which was an overall increase on the prior year. At the end of 2017/18, **229** instances of prone restraint were used so this was also an increase in the use of this type of restraint seen the following year.

The Trust promotes accurate and good quality recording of restraint procedures being utilised, so while we are disappointed that we have not seen the level of reduction required we are confident that we are accurately recording this procedure.

The Trust has a sub group focused on reducing physical restraint, in line with national guidance, reporting into our Trust Governance Committee. From reviewing our restraint data in detail over the past 3 years, we have seen a reduction in physical restraint and a positive increase in the use of supine restraint as an appropriate and safer alternative to prone restraint. This is due to active promotion of techniques used.

In 2018/19 our quality aim was to see a continued increase in the use of supine restraint as an alternative to prone restraint. In 2017/18 there were 215 (adjusted from 229 with exclusions) prone and 183 supine restraints on Working Age Adults wards, a difference of 32 more prone restraints. This compares to the 2018/19 figures where there were 124 prone restraints and 121 supine restraints, a difference of 3 more prone restraints.

It is encouraging to note that overall prone restraint was down from 215 restraints in 2017/18 to 124 restraints in 2018/19, which is a 42.3% decrease.

We missed our 2018/19 quality improvement target for prone restraints to be lower than supine restraints by a difference of 3 prone restraints over supine. However, clinical staff have made good progress in this area and our analysis of the challenge has indicated where clinical exceptions have led to the use of prone restraint over supine.

In 2019/20 we will be doing further work to address this including additional work on training staff in alternative injection sites, the development of new approaches to alternatives to prone restraint and of course ongoing work to reduce all forms of restraint in inpatient services.

### Prone vs Supine restraints by inpatient ward - 2018/19 (Inpatient Working Age Adults)

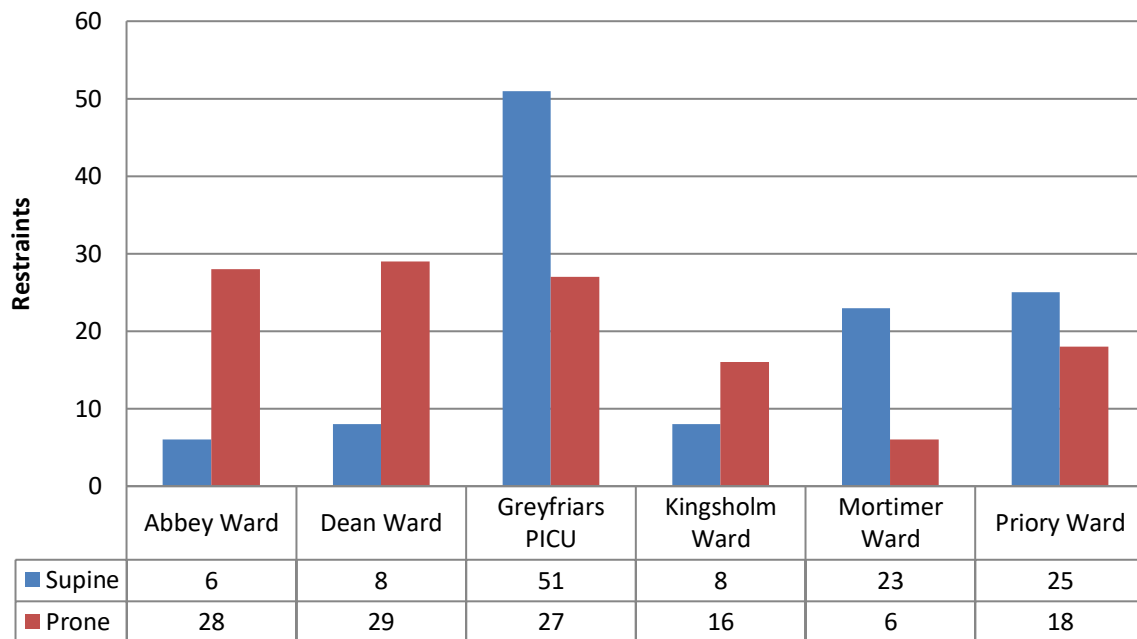
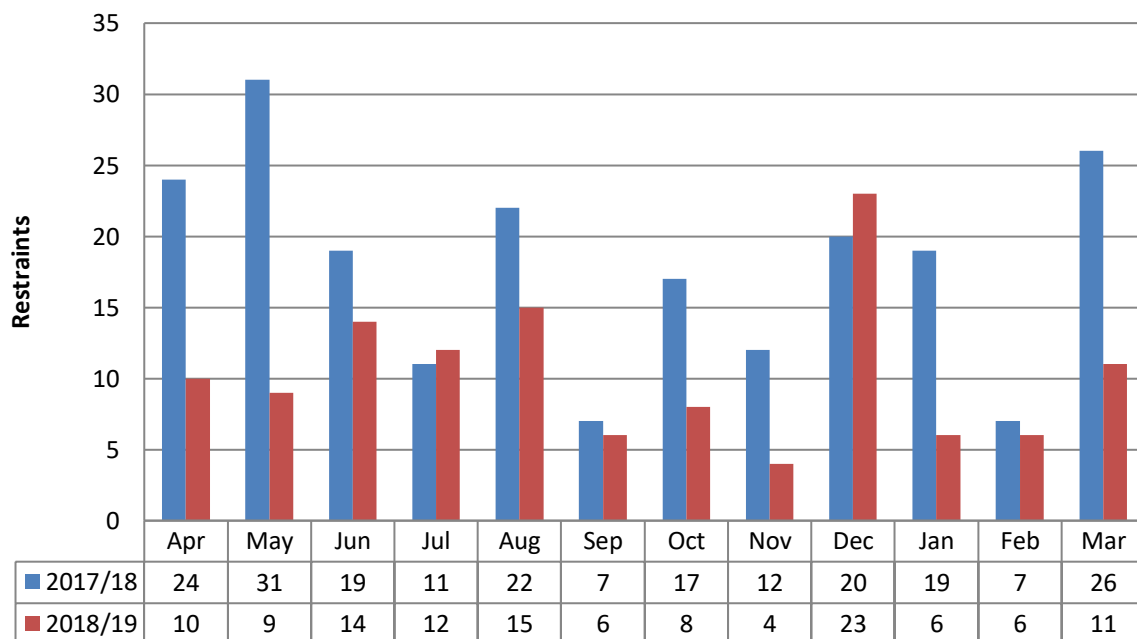


Fig 9

### Total Prone Restraints 2017/18 & 2018/19 - Inpatient Working Age Adults



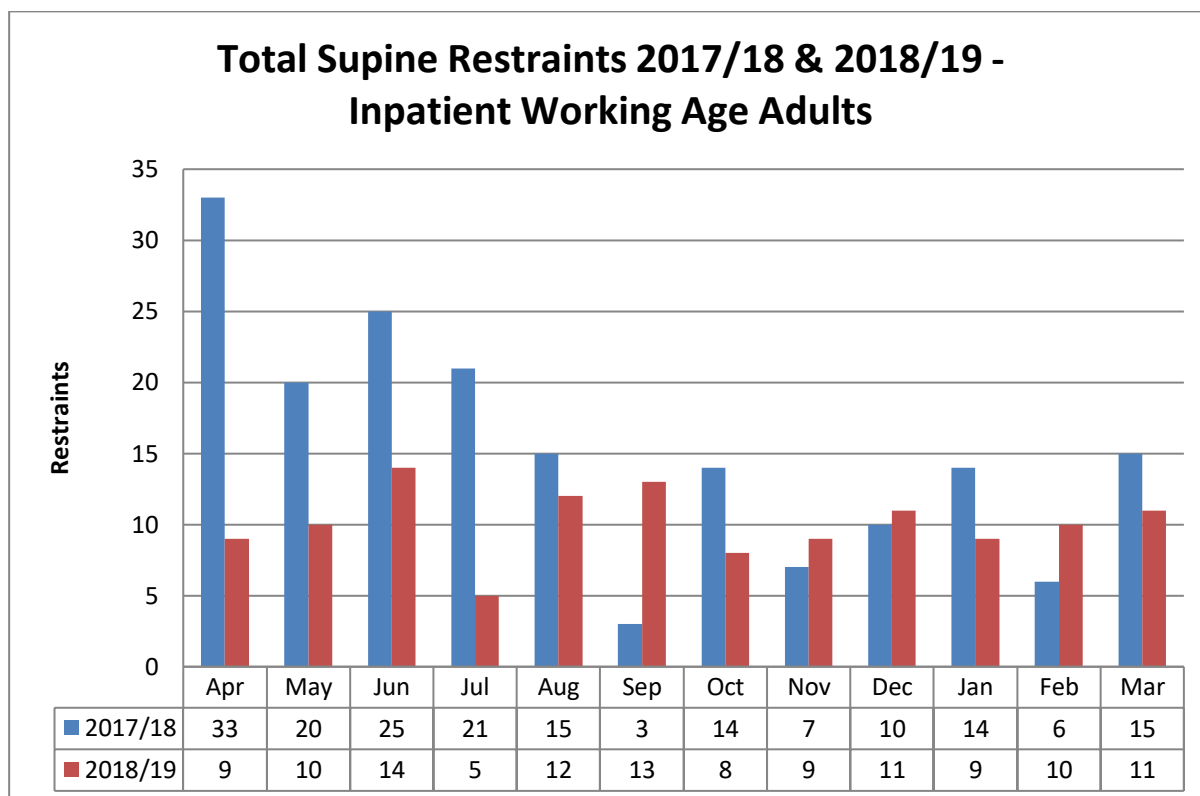


Fig 10 and 11

**We have not met this target.**

**Target 3.4 To ensure that 100% of service users within Berkeley House have a bespoke restrictive intervention care plan tailored to their individual need.**

Berkeley House currently has 7 patients all of whom have specific care plans for Positive Behaviour Management (PBM) interventions; these care plans are on RiO and a copy of an accessible care plan is available for the patient.

They also have Positive Behavioural Support (PBS) plans which contain detailed information regarding primary, secondary and tertiary strategies for each person. Within these plans are functional assessments of behaviours that individuals may display. These include what a good day looks like and individualised strategies to manage behaviours when a patient begins to show signs of distress.

**Primary prevention strategies** aim to enhance the service users' quality of life and meet their unique needs thereby reducing the likelihood of behavioural disturbances.

**Secondary prevention strategies** focus on the recognition of early warning signs of impending behavioural disturbance and how to respond in order to encourage the patient to be calm.

**Tertiary strategies** guide the responses required to manage behavioural disturbance and acknowledge that the use of proportionate restrictive interventions may be required to minimise harm.

Alongside these strategies patients have activity care plans providing information on preferred activities, likes and dislikes and implementation of these activities for each individual. All patients also have a Health Action Plan and health and wellbeing care plan that

gives information on health issues thus minimising possible influences pain may have an individual's behaviour.

All these plans are written following assessment and advice obtained from PBM trainers about any patient specific interventions (1 staff member at Berkeley House is also a PBM trainer). Also included in these plans are sensory interventions formulated by an occupational therapist which are implemented at associated primary and secondary phases appropriate for each individual.

All patients have a bespoke PBM assessment and care plan, this is written in conjunction with the Behaviour Support & Training Team, the PBM trainer we have within the staffing establishment at Berkeley House and the wider Multidisciplinary team. These plans include sensory interventions formulated by an occupational therapist. The PBM assessment (Individual Patient Physical Intervention Technique Checklist) clearly identifies techniques to be implemented for each individual as and when proportional to the risk to self and others.

Patients are physically monitored following all physical interventions to ensure that any concerns of physical harm or distress are acted upon within a timely manner. Where appropriate debriefs would be offered to patients post incident. There are staff debriefs after any incidents of intervention, during which they are able to reassess and evaluate interactions and change care plans accordingly to better meet patient needs. Incidents are logged and discussed at MDT each week and interventions reviewed.

**We have met this target.**

## Serious Incidents reported during 2018/19

By the end of Quarter 4 2018/19, 38 serious incidents were reported by the Trust; the types of these incidents reported are seen below in Figure 12.

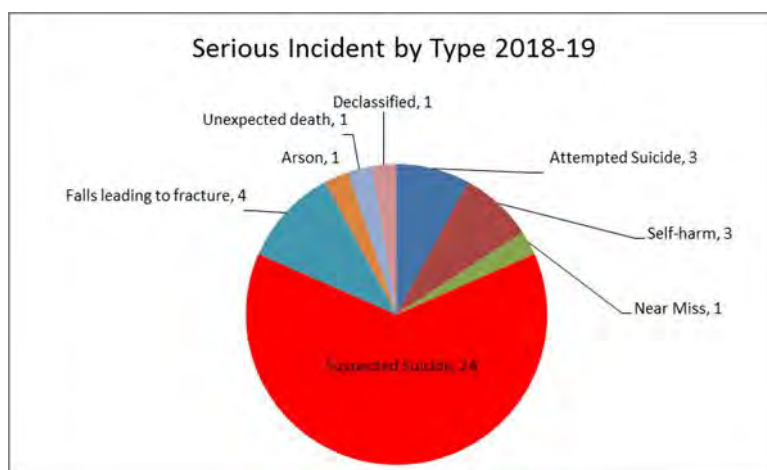


Figure 12

Figure 14 shows a 4 year comparison of reported serious incidents. The most frequently reported serious incidents are "suspected suicide" and attempted suicide which is why we continue to focus on suicide prevention activities in partnership with stakeholders. All serious incidents were investigated by senior members of staff, all of whom have been trained in root cause analysis techniques. To further improve consistency of our serious incident investigations we appointed a whole time equivalent Lead Investigator commenced this important work in May 2017, and 2 further dedicated Investigating Officers are now available via the Trust's Staff Bank.

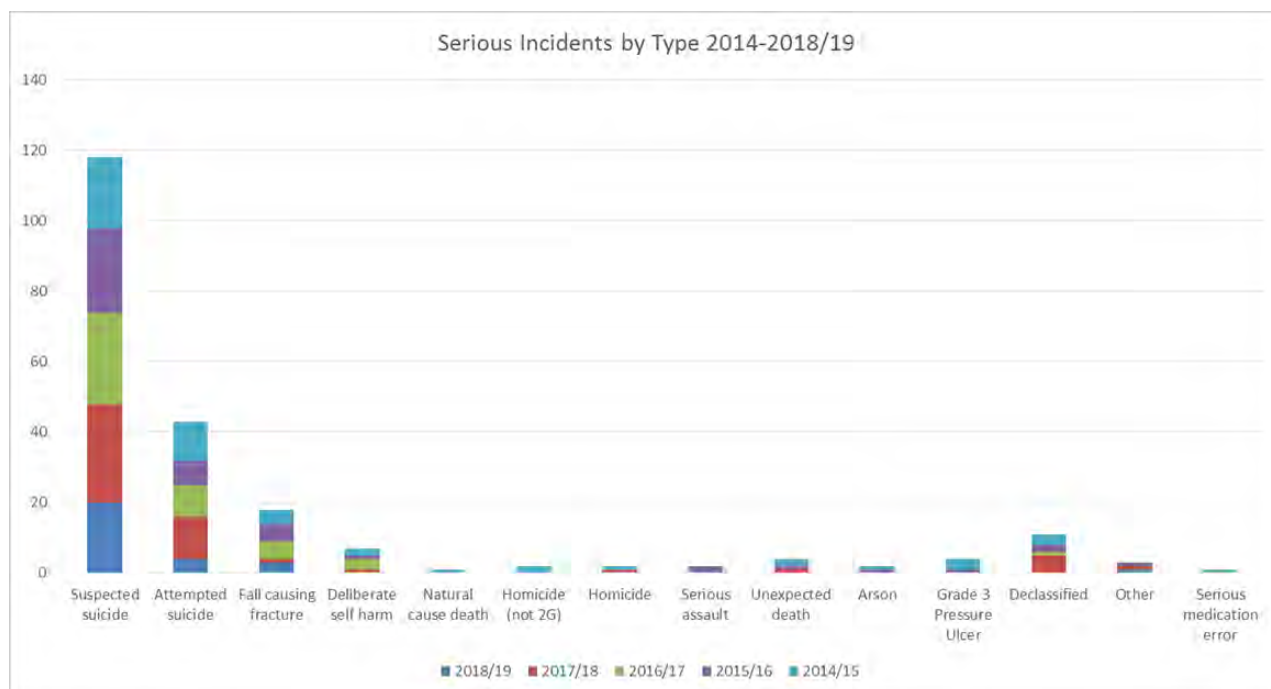


Figure 13

Wherever possible, we include service users and their families/carers to ensure that their views are central to the investigation, we then provide feedback to them on conclusion and copies of our investigation reports. During 2018/19 we continued to develop processes to provide improved support to people bereaved by suicide and in May 2018 18 staff were trained in Postvention techniques by the charity Suicide Bereavement UK. These trained staff now act voluntarily as Family Liaison Officers (FLOs) and are allocated to support families of service users on our caseload who have died by suspected suicide.

We have plans for 2019/20 to train more staff in working positively with families.

The Trust also shares copies of our investigation reports regarding “suspected suicides” with the Coroners in both Herefordshire and Gloucestershire to assist with the Coronal investigations.

There have been no Department of Health defined “Never Events” within the Trust during 2018/19. Never Events are serious, largely preventable patient safety incidents that should not occur if the available preventative measures have been implemented.

## 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 historically 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 in 2015, they reviewed how the Duty of Candour was being implemented 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.”***

Our upgraded Incident Reporting System (Datix) has been configured to ensure that any incidents graded moderate or above are flagged to the relevant senior manager/clinician, who in turn can investigate the incident and identify if the Duty of Candour has been triggered. Only the designated senior manager/clinician can “sign off” these incidents.

## Freedom To Speak Up – Quality Account Statement

2gether NHS Foundation Trust have fully integrated the need for staff to speak up in line with the recommendations from the Robert Francis report following the Mid Staffordshire enquiry and also subsequent enquiries that have highlighted the need for staff to have various pathways through which to raise concerns. These have been integrated into the Trusts ‘Speaking up at Work Policy’ which describes the various routes that staff can employ in order to raise concerns. The following information outlines the current provision within the Trust in regard to how staff can raise concerns freely and without suffering detriment from doing so.

In October 2016 2gether NHS Foundation Trust appointed a Freedom to Speak up Guardian whose role is to help:

- protect patient safety and the quality of care
- improve the experience of workers
- promote learning and improvement

The Freedom to Speak up Guardian does this by ensuring that staff are supported in speaking up and that barriers to speaking up are addressed. They also help to ensure that a positive culture of speaking up is fostered and that any issues raised are used as opportunities for learning and improvement. To enhance the role, Freedom to Speak Up advocates have also been appointed who assist individuals to consider the available options to raise concerns and to identify appropriate routes to do so.

The Trusts ‘Speaking up at Work Policy’ clearly states that staff who genuinely raise a concern will not be at risk of losing their job or suffering any form of detriment or retribution as a result. Provided that they are acting in good faith, it does not matter if they are mistaken or if there is a genuine explanation for their concerns. It goes on to describe how, should any individual subject an employee to victimisation or harassment due to making a qualified disclosure, this would be seen and treated as a serious disciplinary offence.

### **Other options available to staff within the Trust include:**

**Dignity at Work Officers** – A Dignity at Work officer is a member of staff who undertakes this role in addition to their day to day job. They have been identified as someone who has the skills, understanding and empathy that makes them approachable to other staff. They are

volunteers. Their role is to provide support and guidance to anyone who feels that they are a victim of harassment or bullying in the workplace. They will provide unbiased and confidential independent advice as to the options available and try to help you gain an insight into what can be done about a situation. During 2018, we recruited and trained additional Dignity at Work Officers.

**Speak in Confidence** – Speak In Confidence is a web-based system enabling staff to have an anonymous and confidential dialogue about issues that you may be concerned about, with a manager of your choice (there is a list of managers to choose from on the system which also includes the Trusts Freedom to Speak up Guardian to enable anonymous reporting to occur) 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. The need for an alternative method of reporting issues was highlighted by the 2014 Staff Survey. Additionally, the Trust is now working in partnership with Gloucestershire Care Service NHS Trust to train and support Freedom to Speak Up Advocates. These are staff members who are provided with training and a network to improve further how staff can access advice and be signposted appropriately.

## Rota Gaps – Safe Working

The Trust has a Consultant and Guardian of Safe Working Hours who provides the Trust Board with quarterly reports about the Trust's performance on junior doctors' rotas and rest periods. These quarterly Board reports summarise all exception reports, work schedule reviews and rota gaps, and provides assurance on compliance with safe working hours by both the Trust and doctors in approved training programmes. The purpose of the regular reports is to give assurance to the Board that doctors in training are safely rostered and their working hours are compliant with the Terms and Conditions of Service. A summary of exception reporting and rota gaps for the year 1 April 2018 to 31 March 2019 is as follows:

| Date                          | No. of reports | Resolutions  |
|-------------------------------|----------------|--|
| April 2018                    | 14             | 6 - Time in lieu agreed<br>8 - Compensation agreed   |
| May 2018 to July 2018         | 16             | 1 – No further action<br>9 - Time in lieu agreed<br>5 - Overtime payment agreed<br>1 - Meeting with Educational Supervisor<br>5 - Work schedule reviews required |
| August 2018 to October 2018   | 13             | 2 – No further action<br>8 - Time in lieu agreed<br>3 – Meeting with Educational Supervisor  |
| November 2018 to January 2019 | 11             | 4 - Compensation agreed<br>3 - Time in lieu agreed<br>3 - No further action<br>1 - Meeting with Educational Supervisor   |
| February 2019 to March 2019   | 4              | 1 - Request for further information<br>1 - Time in lieu agree<br>2 - Meeting with Educational supervisor   |



Both junior doctors and their supervisors need to be more disciplined in meeting and resolving issues highlighted through the exception reports. The Guardian of Safe Working continues to support junior doctors and supervisors in resolving these issues.

Since changing the rota in Gloucestershire to working “waking nights”, there has been a significant decline in the number of exception reports from the rota. Reports from Gloucestershire have mainly related to inpatient jobs. They are not related to night shifts but mainly due to daytime workload which resulted in doctors staying beyond their contracted hours. There is a need for improvement in medical cover arrangements in Wotton Lawn Hospital, Gloucester, and significant work has been done to address this. This is being looked at as a priority for 2019/20.

There has been significant improvement in the number of reports from Herefordshire since adjusting the time allocated to average working hours during on calls. Work schedules of Herefordshire trainees were updated twice during this time period, following data received from exception reports and discussions at Junior Doctors Forums.

Based on Guardian of Safe Working reports and recommendations, the Trust has taken constructive steps to reduce the number of locum and agency doctors. For example, specific advertising ventures have been organised to attract more trainees to occupy the training posts entirely with some positive outcome. During much of the time period of 1 April 2018 to 31 March 2019, the Trust employed two Clinical Fellows to help with the gaps on the junior doctor rota. One Clinical Fellow has been employed in Gloucester and one Clinical Fellow employed in Hereford. They supported with daytime cover, but were also included on the junior doctor on-call rota as normal. Similarly, the Trust also employed a Specialty Doctor in Hereford who participated on the junior on-call rota.

## Sign up Safety Campaign – Listen, Learn and Act (SUP2S)

Together NHS Foundation Trust has continued to build on the work previously reported under the umbrella of “Sign up to Safety”. Sign up to Safety has evolved since its launch in 2014 and over time has narrowed its mission to focus on safety culture. The Patient Safety and Quality improvement initiatives are ongoing and some embedded as part of the way we do things here, demonstrating how a safety culture is in development. Monitoring is ongoing but reported every 6 months via the Trust Governance Committee. An example of this is the Trust’s ongoing commitment to the South of England Mental Health Collaborative and the work developing around sharing the learning from deaths in mental health where an expert by experience is working in partnership with clinicians to understand ligature risks and ultimately learn together to improve safety.

## NHSI Indicators 2018/2019

The following table shows the NHSI mental health metrics that were monitored by the Trust during 2018/19.

|   |   | 2016-2017<br>Actual | National<br>Threshold | 2017-2018<br>Actual   | 2018-2019<br>Actual   |
|---|---|---------------------|-----------------------|-----------------------|-----------------------|
| 1 | Early Intervention in psychosis EIP: people experiencing a first episode of psychosis treated with a NICE-approved care package within two weeks of referral  | 71.3%               | 50%                   | 70%                   | 72%                   |
| 2 | Ensure that cardio-metabolic assessment & treatment for people with psychosis is delivered routinely in the following service areas:<br>-inpatient wards<br>-early intervention in psychosis services<br>-community mental health services (people on CPA)                                  | -<br>-<br>-         |                       | 95%<br>92%<br>90%     | 90%<br>92%<br>78%     |
| 3 | Improving access to psychological therapies (IAPT):<br>Proportion of people completing treatment who move to recovery ( from IAPT database)<br>Waiting time to begin treatment ( from IAPT minimum dataset<br>- treated within 6 weeks of referral<br>- treated within 18 weeks of referral | -<br><br>37.8%      | 50%<br><br>75%<br>95% | 50%<br><br>67%<br>85% | 52%<br><br>96%<br>96% |
| 4 | Admissions to adult facilities of patients under 16 years old.  | -                   |                       | 1                     | 0                     |
| 5 | Inappropriate out-of-area placements for adult mental health services   | -                   |                       | 24                    | 52                    |

## Community Survey 2018

The Care Quality Commission (CQC) requires that all mental health Trusts in England undertake an annual survey of patient feedback. <sup>2</sup>gether NHS Foundation Trust has, for several years, commissioned Quality Health to undertake this work.

The 2018 survey of people who use community mental health services involved 56 providers in England. The data collection was undertaken between February and June 2018 using a standard postal survey method. The sample was generated at random using the agreed national protocol for all clients on the CPA and Non-CPA Register seen between 1<sup>st</sup> September and 30<sup>th</sup> November 2017. <sup>2</sup>gether NHS Foundation Trust received one of the highest percentage response rates at 36% (national average of 28%).

Full details of this survey questions and results can be found on the following website:  
[www.nhssurveys.org/Filestore/MH18/MH18\\_RTQ.pdf](http://www.nhssurveys.org/Filestore/MH18/MH18_RTQ.pdf)

<sup>2</sup>gether was the only mental health Trust in England to achieve a 'better than expected' rating for the survey results in both 2017 and 2018. <sup>2</sup>gether is categorised as performing 'better' than the majority of other mental health Trusts in 5 of the 11 domains and 'about the same' in the remaining 6 domains. The results are tabulated below with the scores out of 10 for <sup>2</sup>gether NHS Foundation Trust calculated by the CQC.

## <sup>2</sup>gether's scores and comparison with other Trusts

| Score (out of 10) | Domain of questions               | How the score relates to other trusts |
|-------------------|-----------------------------------|---------------------------------------|
| 7.7               | Health and social care workers    | Better than others                    |
| 8.9               | Organising Care                   | Better than others                    |
| 7.4               | Planning care                     | Better than others                    |
| 7.9               | Reviewing care                    | Same as others                        |
| 7.0               | Changes in who people see         | Same as others                        |
| 7.4               | Crisis care                       | Same as others                        |
| 7.5               | Medicines                         | Same as others                        |
| 7.7               | NHS Therapies                     | Same as others                        |
| 5.2               | Support and Wellbeing             | Same as others                        |
| 7.7               | Overall view of care and services | Better than others                    |
| 7.3               | Overall experience                | Better than others                    |

<sup>2</sup>gether NHS Foundation Trust obtained the highest score achieved by **any** Trust on 3 of the 28 evaluative questions:

- *Were you given enough time to discuss your needs and treatment?*
- *In the last 12 months, did NHS mental health services give you any help or advice with finding or keeping work?*
- *In the last 12 months, do you feel you have seen NHS mental health services often enough for your needs?*

### Next Steps

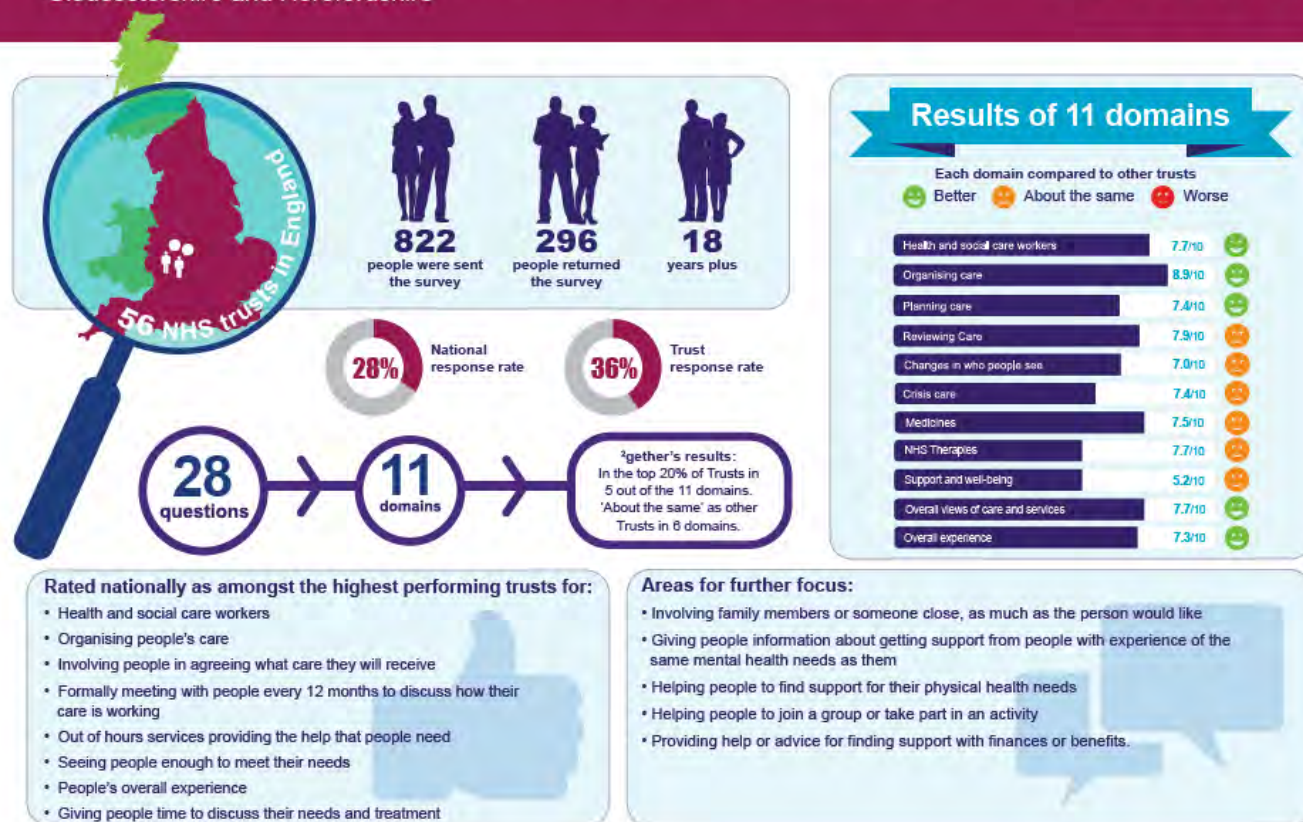
<sup>2</sup>gether scored well overall by comparison to other Trusts, being one of only four English Mental Health Trusts classed as 'better than expected'. It would appear from our CQC 2018 scores and information from a range of other service experience information (reported to Board quarterly) that actions being taken to enhance service experience over recent years are having a positive impact and that learning from feedback is being embedded into practice.

There are areas where further development and continued effort would enhance the experience of people in contact with our services. The priority areas to undertake further work have been identified by considering where the scores suggest a lower degree of satisfaction overall. As such the following areas for further practice development are proposed and an action plan has been developed alongside the relevant locality, corporate and professional leads.

- Giving people information about getting support from people with experience of the same mental health needs as them;
- Helping people to find support for their physical health needs;
- Involving family members or someone close, as much as the person would like;
- Helping people to join a group or take part in an activity;
- Providing help or advice for finding support with finances or benefits.

The 2018 results have been provided for all colleagues through a global email which celebrates our successes and thanks them for their dedication. Further cascade has been undertaken through Team Talk across Herefordshire and Gloucestershire. The results have been sent to Service Directors for sharing with teams and for generating ideas for continued practice development. An infographic, as shown on page 165, has been developed to share the local results in a more accessible format.

# 2018 CQC Survey of people who use community mental health services Gloucestershire and Herefordshire



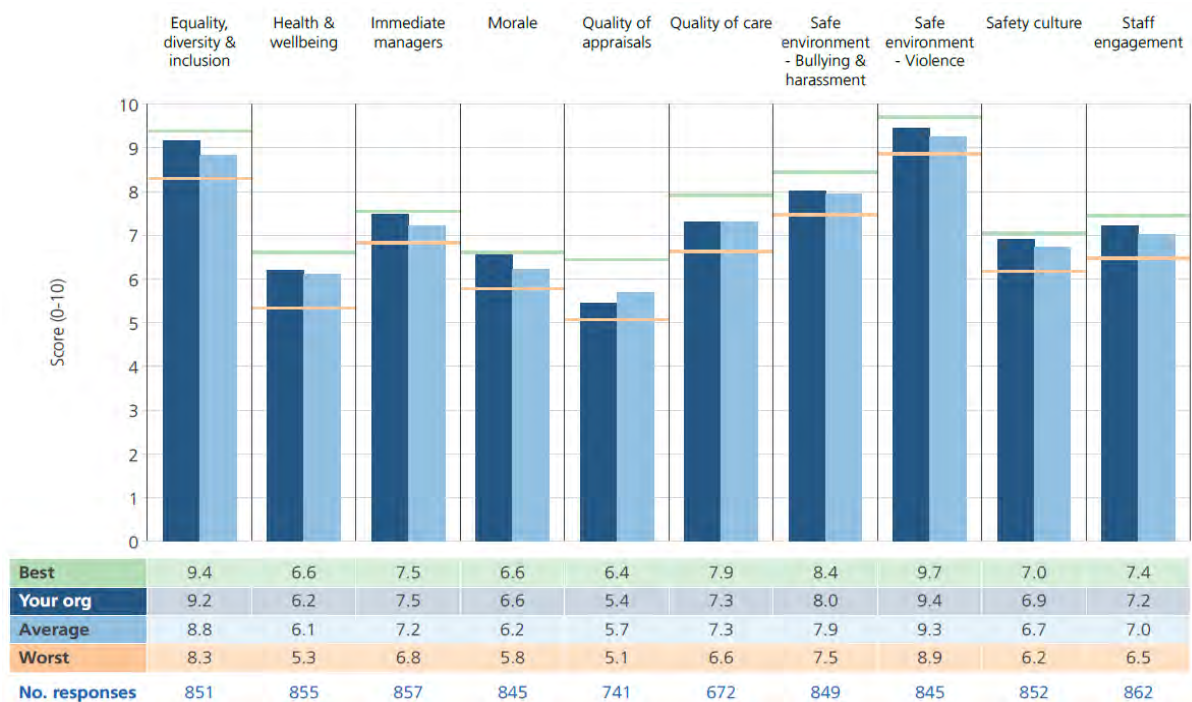
## Staff Survey 2018

The Trust participates in the annual NHS Staff Survey alongside quarterly Staff Friends and Family Tests (FFT). While staff also have a wide variety of other ways to feed back their views and experiences of work, such as focus groups, Pulse surveys, and Speak In Confidence, the Staff Survey provides the most in-depth analysis of how staff view the Trust as an employer and as a provider of mental health and learning disability services.

The responses to each of the questions asked are now grouped into 10 “Themes”, progress against which can be measured year on year. These Themes and the questions within the survey are set nationally. These ten Themes cover the following areas:

- Equality, diversity and inclusion
- Health and wellbeing
- Immediate managers
- Morale
- Quality of appraisals
- Quality of care
- Safe environment – Bullying and harassment
- Safe environment – Violence
- Safety Culture
- Staff engagement

For the 2018 survey staff rated the Trust on the following basis for each of the themes.



There were no statistically significant improvements or reductions in any of the Trust’s scores for the 10 Themes. Staff scored the Trust better than average in 8 and below average in 2 of the Themes.

“Morale” and “Support from Immediate Managers” were two themes which scored the best in the Mental Health / Learning Disabilities Trust class. Similarly, “Equality and Diversity” and “Safe Environment – Violence” also scored highly. Overall staff engagement has remained



steady with staff rating the Trust at 7.2 consistently for the past four years. This benchmarks well against the comparator Trusts' average score of 7.0.

The lowest scored theme for the Trust was the Quality of Appraisals. It is encouraging to note that the number of staff recommending the organisation as a place to work or receive treatment has again increased and was higher than the national average.

Recommending the Trust as a place to work has increased from 68.4% in 2017 to **71.8%** in 2018. (Well above the average benchmarking score of 61.1%). Recommending the Trust as a place for a friend or relative needing treatment, has increased from 74.2% in 2017 to **75.5%** in 2018.

For the third year running, all staff in post were invited to take part in the survey. Previously the survey had only been sent to a random sample of staff. The overall response rate in the most recent survey was **40.5%** (reduced by 4% over last year's response rate and the same response rate as 2016). This equated with **863** staff taking the time to contribute their views making it a rich and accurate picture of the staff views about the Trust.

The Survey results are also used to inform progress against the Workforce Race Equality Standard (WRES), introduced in 2014. Key WRES indicators are taken from the survey. Staff rated the Trust as above average for all four Equality, diversity & inclusion questions. Nationally within the NHS, levels of bullying and harassment remain high and as a Trust we continue to work to eliminate this. We continue to recruit and train Dignity at Work Officers alongside Freedom to Speak Up advocates. Similarly, we have continued to promote Speaking Up alongside the use of our confidential dialogue system known as Speak in Confidence as part of the wider suite of measures introduced to offer support to staff.

Following internal reviews and discussions of the findings, the Trust will focus on five priority areas corporately over the coming year. These include:

- Response rates
- Engagement
- Quality of Appraisals
- Safe Environment – Bullying and Harassment
- Quality of Care

Each Locality has also been asked to review their local ratings and are required to agree and report on priority areas and actions to focus on in the coming year.

More recently, in quarter 4 at the end of 2018/19, the Trust ran its 16<sup>th</sup> Staff Friends and Family Test with staff rating the Trust on the following basis:

- **86.24%** of staff would recommend the Trust as place to receive treatment – this compares to 75.5% for the Q3 18/19 test. This maintains our strong position well above the Q3 NHS average Mental Health and Learning Disabilities Trusts' benchmarking score of 61.3%
- **71%** of staff would recommend the Trust as a place to work – this compares to 71.8% for the Q3 18/19 test, maintaining our position well above the Q3 NHS average Mental Health and Learning Disabilities Trusts' benchmarking score of 61.1%.

While these scores are encouraging, the Trust will need to continue to work with staff and managers towards achieving further longer-term improvements in staff experience and engagement.

## PLACE Assessment 2018

| Site Name   | Cleanliness   | Food Overall  | Organisational Food | Ward Food     | Privacy, Dignity and Wellbeing | Condition Appearance and Maintenance | Dementia      | Disability    |
|---|---------------|---------------|---------------------|---------------|--------------------------------|--------------------------------------|---------------|---------------|
| <b>Overall 2gether Trust Score: (taken from Organisation Average)</b> | <b>99.64%</b> | <b>94.60%</b> | <b>92.43%</b>       | <b>98.37%</b> | <b>93.11%</b>                  | <b>99.20%</b>                        | <b>90.18%</b> | <b>91.19%</b> |
| BERKELEY HOUSE  | 100.00%       | 94.66%        | 90.79%              | 99.45%        | 100.00%                        | 99.45%                               | N/A           | 93.77%        |
| CHARLTON LANE   | 100.00%       | 96.55%        | 94.51%              | 100.00%       | 94.53%                         | 99.84%                               | 99.02%        | 92.69%        |
| WOTTON LAWN   | 99.94%        | 95.04%        | 92.80%              | 100.00%       | 93.75%                         | 99.88%                               | N/A           | 89.52%        |
| HONEYBOURNE   | 99.13%        | 94.89%        | 91.10%              | 100.00%       | 94.53%                         | 99.59%                               | N/A           | 92.43%        |
| LAUREL HOUSE  | 100.00%       | 94.34%        | 88.87%              | 100.00%       | 94.53%                         | 99.64%                               | N/A           | 95.92%        |
| STONEBOW UNIT   | 98.62%        | 91.93%        | 91.20%              | 92.93%        | 89.49%                         | 97.59%                               | 81.53%        | 91.77%        |
| OAK HOUSE   | 100.00%       | N/A           | N/A                 | N/A           | 90.32%                         | 96.88%                               | N/A           | 86.67%        |
| National Average MH/LD  | 98.40%        | 90.60%        | 88.80%              | 92.30%        | 91.00%                         | 95.40%                               | 88.30%        | 87.70%        |
| National Average  | 98.50%        | 90.20%        | 90.00%              | 90.50%        | 84.20%                         | 94.30%                               | 78.90%        | 84.20%        |
| lowest  | 74.80%        | 60.70%        | 49.50%              | 48.10%        | 53.90%                         | 68.80%                               | 45.60%        | 50.20%        |
| highest   | 100.00%       | 100.00%       | 100.00%             | 100.00%       | 100.00%                        | 100.00%                              | 100.00%       | 100.00%       |

### Key

|                                    |  |
|------------------------------------|--|
| At or above MH/LD National Average |  |
| Below England MH/LD average        |  |

These results are very positive and for the first time since PLACE began the Trust is above the national average for Mental Health and Learning Disability settings in all six domains. The overall results clearly demonstrate how as a Trust we are improving the quality of the non-clinical services provided to our patients.

Cleanliness performed really well this year and the Trust overall score was over 1% higher than the National average, with four of the seven sites assessed scoring 100%.

The Food assessment scored well this year and the Trust overall score was 4% higher than the National average. The ward 'food tasting' scored particularly well this year with four out of six sites scoring 100% for taste, texture, temperature and appearance.

In comparison with our local healthcare partners in Gloucestershire we achieved a higher average domain score than GCS and GHT in all domains.

In terms of individual site ranking Charlton Lane achieved the highest site average score of 97.14 followed closely by Berkeley House who achieved 96.87%

# Annex 1: Statements from our partners on the Quality Report

## NHS Gloucestershire CCG Comments in Response to <sup>2</sup>gether NHS Foundation Trust Quality Report 2018/19



NHS Gloucestershire Clinical Commissioning Group (CCG) welcomes the opportunity to provide comments on the Quality Report prepared by <sup>2</sup>gether NHS Foundation Trust (<sup>2</sup>gNHSFT) for 2018/19 in line with NHS Improvement guidance '*Detailed requirements for quality reports 2017/18*' published January 2018.

The report clearly identifies how the Trust performed against the agreed quality priorities for improvement for 2018/19 and also outlines their priorities for improvement in 2019/20. The CCG endorses the quality priorities included in the report whilst acknowledging the financial and workforce challenges <sup>2</sup>gNHSFT have to address over the coming year. We also recognise the impact of managing the current merger with Gloucestershire Care Services (GCS) whilst continuing to deliver safe, high quality and clinically effective care. We will continue to work with the Trust where targets have not been met.

<sup>2</sup>gNHSFT had a comprehensive CQC inspection during February and March 2018 and we are pleased to note that the outcome of that inspection was that the overall Trust rating remains Good and the CQC recognition that there have been many improvements made since the Trust's last inspection in 2015. The CCG note the good progress made on the implementation of identified actions within the Trust's CQC action plan, and that the action plan has now been closed and any remaining actions will be mainstreamed into the relevant areas of business as usual and included in the <sup>2</sup>gNHSFT Organisational Total Quality Improvement (OTI) Action Plan. The CCG will continue to work with the Trust to monitor the implementation of the OTI Action Plan in 2019/20.

We are pleased to note that the Trust achieved many of their targets in 2018/19 and are to be commended on the continued focus on supporting service users to improve their physical health, and reducing the number of suicides of patients in contact with their services. Once again the Trust has achieved the target for the number of frontline staff vaccinated against flu, and of being amongst the top 20% of mental health services nationally in the CQC's community mental health survey for 2018. The CCG are also pleased to note the results of the Trust Staff Survey, which demonstrates that 75.5% of Trust colleagues would recommend the Trust as a place for friends or relatives needing treatment, and their achievement in the Trust's most recent Patient Led Assessments of the Care Environment (PLACE) assessment, which places them above the national average for Mental Health and Learning Disability settings in all six domains. However, <sup>2</sup>gNHSFT did not achieve some of the national targets and the CCG will work with the Trust to ensure these priorities will continue to be a focus for achievement in 2019/20.

We wish to acknowledge the extensive work undertaken by the Trust and progress to date against the Gloucestershire Improving Access to Psychological Therapies (IAPT) recovery plans. This continues to remain a high priority for the CCG, and we will continue to work with <sup>2</sup>gNHSFT in 2019/20 to improving access to IAPT services to meet national targets.

<sup>2</sup>gNHSFT were compliant in meeting the CQUIN requirements and achieved targets in 2018/19, with the exception of Improving Services for people with mental health needs who present to A&E. However, once again this was due to circumstances outside the control of <sup>2</sup>gNHSFT and this has been acknowledged by the CCG. We will continue to work with the



Trust on the achievement of their CQUIN goals for 2019/20 and delivery of clinical improvements and transformational change as set out in the Five Year Forward View and NHS Mandate.

The CCG are pleased to note the Trust's focus on continuing improvement in identified priorities for effectiveness, service user experience and safety in 2018/19. We note achievement of some of the targets in 2018/19, 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 acknowledge the Trust's commitment to Learning from Deaths; Identification of learning and actions have been put in place to improve patient safety and the quality of care for service users. <sup>2</sup>gNHSFT has continued to engage in partnership working with other provider organisations to share this learning across the wider healthcare system in Gloucestershire. The CCG will continue to work with the Trust to monitor progress against these requirements in 2019/20.

The CCG also acknowledge the Trust's continued focus on service user and carer experience and quality of caring, and whilst not all targets were met, the Trust continues to receive a high percentage of positive responses. We note that the Trust consistently receives a high percentage of recommendation although they have achieved lower scores than other Trusts in the region in recent quarters. Whilst this is a reversal from previous years and does not triangulate with their positive National Survey scores, we recognise that the latest data was not available to the Trust at the time of developing their Quality Report and the CCG will continue to work with the Trust to monitor progress against this target in 2019/20.

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.

The CCG will continue to work with <sup>2</sup>gNHSFT during the current merger with Gloucestershire Care Services (GCS) and resulting organisational change to ensure the trust is in a strong position to manage both present and future challenges in delivering mental health and learning disabilities services that provide best value with a clear focus on providing high quality, safe and effective care for the people of Gloucestershire.

Gloucestershire CCG confirm that to the best of our knowledge we consider that the 2018/19 Quality Report contains accurate information in relation to the quality of services provided by <sup>2</sup>gNHSFT. During 2019/20 the CCG will continue to work with <sup>2</sup>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 2gether NHS Foundation Trust (2gNHSFT) for 2018/19.

The report is well written, concise and easy to understand.

The CCG acknowledge 2gNHSFT's continuing focus on patient and carer experience and the delivery of comprehensive high quality of care across a range of integrated health and social care services across the county, which underpins all clinical work delivered by the Trust.

The 2018/19 Quality Report demonstrates commitment to addressing challenges and concerns. Herefordshire CCG continues to engage with the trust and receives feedback from the Trust Quality Committee meetings and at the Contract Quality Review Forum and contracting meetings.

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.

The CCG is pleased to see that the Trust has taken action to:

- Minimise the risk of suicide of people who use our services.
- Minimise the risk of harm to service users within inpatient services when the need to use physical interventions arises.

The CCG notes the work that is being undertaken with regard to the Trusts Suicide Prevention strategy and would seek to ensure Herefordshire patients are included within any evaluation and for this to be continued focus for the year ahead.

Of the mandated Quality Indicators required for reporting, all were above the national average with the exception of two indicators where the national percentage was not available

The CCG is pleased to note that patient feedback was consistently good and the Trust scored better than average in 10 themes of the staff survey.

Of the 4 safety targets, they are being met with exception of restraint which just marginally missed the target the CCG would be pleased to see a continued focus on this in the year ahead.

The CCG note the trust did not achieve its improvement for people discharged from hospital with personalised care plans. CCG would be pleased to see a continued focus on this in the year ahead. The CCG would like to see specific improvement relation to EMI services in Herefordshire.

The CCG notes the work that is being undertaken with regard to LeDER and would seek to ensure Herefordshire patients are included within any evaluation and for this to be continued focus for the year ahead.

We were pleased to note there continues to be a high level of 2gNHSFT engagement in both national and local clinical audits and research.

The CCG endorses all <sup>2</sup>gNHSFT'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.

**Helen Richardson**  
**Chief Nursing Officer**

## 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 2<sup>nd</sup> NHS Foundation Trust Quality Account 2018/19.

This has been a significant and challenging year for the Trust which is on its journey to integration with Gloucestershire Care Services NHS Trust. The Committee support the aim of the merger to improve patient outcomes and look forward to examining the detail in future meetings.

Members were pleased to note the recent CQC inspection where the Trust retained the overall 'good' rating'. The fact that wards for older people with mental health problems are now rated 'outstanding' for being caring and 'good' for safe is particularly pleasing.

With regards to the quality measures detailed in the report, members note that less people had all parts of their discharge care plan completed at the end of the year than previously but understand improvement is being made.

With regards to User Experience, members are pleased to see the details of the Trust's 'How did we do?' survey which indicates targets are being met in this area. It is right, though, that this also allows identification of where improvement can be made such as a increased involvement of people in the development of their care plans.

This is an open and honest account of the Trust's position and it clearly has patient and staff wellbeing at its centre.

I would particularly like to thank the Trust for its work with the committee, in particular Ingrid Barker and Paul Roberts.

Cllr Carole Allaway Martin  
Chairman  
Health and Care Scrutiny Committee

Healthwatch Herefordshire  
Elgar House  
Holmer Road  
Hereford  
HR4 9SF  
Tel: 01432 277 044  
[info@healthwatchherefordshire.co.uk](mailto:info@healthwatchherefordshire.co.uk)  
[www.healthwatchherefordshire.co.uk](http://www.healthwatchherefordshire.co.uk)



8<sup>th</sup> May 2019

### **Healthwatch Herefordshire: Response to 2gether NHS Trust Quality Account 2018/19**

Healthwatch Herefordshire thanks the Trust for the opportunity to comment on this year's annual quality report.

Firstly, we congratulate the Trust on its latest positive CQC inspection report which shows improvement from the previous 'good' rating. This is not an easy achievement and demonstrates real commitment by the board and staff. We also are pleased with the high ratings in the national patient survey.

We strongly support the Trust's plans to prioritise improvements to the physical health care of service users, to improve discharge care planning and transitional arrangements from children to adult care. We have expressed concern about the two latter topics over recent years as a result of feedback from services users with whom we have contact.

We are also very supportive of the need for a stronger approach to suicide avoidance in Herefordshire. This is a worrying risk in a very rural county with a large number of agricultural workers which seems to be a particularly vulnerable group.

The need to strengthen procedures and staff compliance with procedures for acute inpatients is vital to avoid deaths amongst this extremely vulnerable group and we look forward to urgent action being taken to address this. Similarly, the minimisation of inappropriate restraint techniques is vital to avoid unnecessary harm and loss of dignity amongst inpatients.

We also look forward to improvement in the access to IAPT in the county and in the outcomes of this service. We strongly support the benefit of early intervention to prevent the development of more serious problems later. We would like to see developments of further early intervention programmes for young people. In association with this Healthwatch Herefordshire is carrying out a major project on the mental health service needs of young people and we will share the outcomes of this as soon as they are available.

On a positive note for Herefordshire we note that there seems to have been a significant improvement in the Camps provision which had been problematic in the past.

In this report the prioritisation of the merger between 2gether and the Gloucestershire community health service is a serious concern for Healthwatch Herefordshire. Herefordshire county will now be a significantly smaller proportion of the total new organisation than of 2g. We believe that this factor plus the need to concentrate on implementing the merger

could lead to the loss of focus on mental health services in Herefordshire. This is not a development which we believe is helpful.

Finally, we would like to record how helpful our links with Dr Jane Melton have been over recent years. Jane has always been extremely open and collaborative, and we have developed a very positive relationship with her. We wish her well in the next stages of her career and personal life.

Ian Stead

A handwritten signature in black ink, appearing to be 'IS' followed by a horizontal line and a small flourish.



**Healthwatch Gloucestershire's Response to 2gether NHS Foundation Trust  
Quality Statement 2018/19**

Healthwatch Gloucestershire welcomes the opportunity to comment on 2gether NHS Foundation Trust's quality account for 2018/19. The role of Healthwatch is to promote the voice of patients and the wider public in respect to health and social care services and we welcome the opportunity to comment. Over the past year we have continued to work with 2gether NHS Foundation Trust to ensure that patients and the wider community are appropriately involved in providing feedback and that this feedback is taken seriously.

We are pleased to see that the Trust continues include the involvement of service users, families and carers as a priority to help services improve. We welcome the priority which focuses on children and young people moving to adult services. This is a priority that is shared by Healthwatch Gloucestershire over 2019/20 and therefore, we would be happy to share with the Trust, any relevant, anonymous feedback that we gather during our engagement.

It is encouraging to note that the waiting times for patients who are waiting to begin IAPT treatment has improved.

We note that the Trust highlights areas of discharge care planning where targets have not been met this year, but that this will be a focus for 2019/20. Figures for this improved on a quarterly basis and Healthwatch Gloucestershire would be interested in the evaluation of this in the next year and the impact that this has on patients.

We understand that the number of prone restraints has increased slightly but welcome the new approaches to reduce this number in the year ahead.

The Trust has continued to actively engage with and build on its existing relationship with local Healthwatch in 2018/19.

We acknowledge the Trust's continued commitment to patient and public engagement and their efforts to build on relationships with local Healthwatch and look forward to working with the Trust over the coming year.

## Annex 2: Statement of Directors' Responsibilities in respect of the Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year.

NHS Improvement has issued guidance to NHS foundation trust boards on the form and content of annual Quality Reports (which incorporate the above legal requirements) and on the arrangements that 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 2018/19 and supporting guidance;
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
  - board minutes and papers for the period April 2018 to March 2019
  - papers relating to Quality reported to the Board over the period April 2018 to April 2019
  - feedback from Gloucestershire commissioners dated May 2019
  - feedback from Herefordshire commissioners dated May 2019
  - feedback Governors dated 17 March 2019
  - feedback from Herefordshire Healthwatch dated May 2019
  - feedback from Gloucestershire Healthwatch dated May 2019
  - feedback from Gloucestershire Health and Care Overview and Scrutiny Committee dated May 2019
  - feedback from Herefordshire Overview and Scrutiny Committee dated May 2019
  - the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated April 2019
  - the 2018 national patient survey
  - the 2018 national staff survey
  - the Head of Internal Audit's annual opinion over the trust's control environment dated May 2019
  - CQC inspection report dated 1 June 2018
- the Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered;
- the performance information reported in the Quality Report is reliable and accurate;
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice;
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review; and
- the quality report has been prepared in accordance with MHs Improvement's annual reporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the quality report.



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

By order of the Board.



**Nikki Richardson, Deputy Chair**

24 May 2019



**Colin Merker, Deputy Chief Executive**

24 May 2019

## 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   |
| NHSI                                | NHSI is the independent regulator of NHS foundation trusts. They are independent of central government and directly accountable to Parliament.  |

|       |  |
|-------|--|
| MRSA  | <u>Methicillin-resistant Staphylococcus aureus (MRSA)</u> is a <u>bacterium</u> responsible for several difficult-to-treat <u>infections</u> in humans. It is also called multidrug-resistant  |
| MUST  | The Malnutrition Universal Screening Tool is a five-step screening tool to identify adults, who are malnourished, at risk of malnutrition (undernutrition), or obese. It also includes management guidelines which can be used to develop a care plan.   |
| NHS   | The National Health Service refers to one or more of the four <u>publicly funded healthcare systems</u> within the <u>United Kingdom</u> . 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.   |
| PBM   | Positive Behaviour Management  |
| 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.   |
| PMVA  | Prevention and Management of Violence and Aggression   |
| RiO   | This is the name of the electronic system for recording service user care notes and related information within <sup>2</sup> gether 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:

Paul Roberts  
Chief Executive  
2gether NHS Foundation Trust  
Edward Jenner Court  
Pioneer Avenue  
Gloucester Business Park  
Brockworth  
Gloucester  
GL3 4AW

Telephone: 0300 421 8100

Email: [2gnft.comms@nhs.net](mailto:2gnft.comms@nhs.net)

### 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](http://www.2gether.nhs.uk)
- Completing our Comment, Concern, Complaint, Compliment Leaflet, available from our Trust sites our online form on our website [www.2gether.nhs.uk](http://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 0300 421 7146.

the *Journal of the American Medical Association* (JAMA) and the *New England Journal of Medicine* (NEJM) in 1999.

These two journals are the most prestigious in the field of medicine. The *JAMA* is the largest medical journal in the world, with a circulation of over 100,000 copies per week. The *NEJM* is the second largest, with a circulation of over 50,000 copies per week.

Both journals are published by the American Medical Association (AMA). The AMA is a professional association of physicians in the United States. It was founded in 1847 and has since then been the leading voice of the medical profession in the United States.

The *JAMA* and the *NEJM* are both highly respected journals. They are both indexed in the *Index Medicus*, a database of medical literature. They are also both included in the *Journal Citation Reports*, a database of journal impact factors.

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# Pullman Place



Annual Accounts  
2018/19

# Foreword to the Financial Statements

**These financial statements for the period ended 31 March 2019 have been prepared by 2gether NHS Foundation Trust under Paragraphs 24 & 25 of schedule 7 to the National Health Service Act 2006.**

2gether NHS Foundation Trust provides mental health services to the populations of Gloucestershire and Herefordshire.

NHS Improvement (NHS I), our Regulator, set 2gether NHS Foundation Trust a Control Total of a surplus of £0.834m for 2018/19. As part of this Control Total NHSI would give the Trust Provider Sustainability Funding (PSF) of £0.903m if the Financial Control Total was met.

2gether NHS Foundation Trust achieved a surplus of £0.894m and therefore met its Control Total and received the full PSF of £0.903m. However as the Trust over-achieved its Control Total, 2gether NHS Foundation Trust was also eligible for both Incentive PSF and Bonus PSF monies. We received a further £0.115m Incentive PSF and a further £1.464m Bonus PSF monies.

This means that for 2018/19 2gether NHS Foundation Trust has achieved a surplus of £2.473m for NHS segmentation purposes, and received £2.482m of PSF in total.

To reconcile to our reported financial position of a surplus of £3.662m, impairment income of £1.168m needs to be added to the surplus of £2.473m along with a net surplus of £0.021m from the consolidation of charitable funds. However both impairment costs and charitable fund consolidation are technical non cash financial adjustments and do not count against the achievement of our Control Total or our segmentation.

NHS I segments all NHS Trusts on a scale of 1 to 4 with 1 being the best achievable; 2gether NHS Foundation Trust has a segmentation of 1.

The Trust is working on a merger project with Gloucestershire Care Services NHS Trust which is being supported by NHS Improvement. This is expected to come to fruition in 2019/20 and is not expected to have any adverse impact on the operations, finance or going concern position of the Trust.

Signed



**Colin Merker,  
Deputy Chief Executive  
Date: 24 May 2019**



## STATEMENT OF COMPREHENSIVE INCOME - for the period ended 31 March 2019

|   |      | Group<br>12 Months to<br>31 March 2019 | Group<br>12 Months to<br>31 March 2018 | Trust<br>12 Months to<br>31 March 2019 | Trust<br>12 Months to<br>31 March 2018 |
|---|------|--|--|--|--|
|   | NOTE | £000                                   | £000                                   | £000                                   | £000                                   |
| Operating income from continuing operations   | 5    | 116,010                                | 110,343                                | 116,010                                | 110,343                                |
| Other operating income  | 5    | 9,718                                  | 9,250                                  | 9,670                                  | 9,246                                  |
| Remuneration  |      | (87,990)                               | (83,900)                               | (87,990)                               | (83,900)                               |
| Drugs   |      | (1,170)                                | (1,194)                                | (1,170)                                | (1,194)                                |
| Clinical supplies & services  |      | (1,877)                                | (1,628)                                | (1,877)                                | (1,628)                                |
| Non clinical supplies & services  |      | (1,134)                                | (1,302)                                | (1,134)                                | (1,302)                                |
| Miscellaneous other operating expenses  |      | (28,554)                               | (42,839)                               | (28,527)                               | (42,810)                               |
| Operating expenses of continuing operations   | 6    | (120,725)                              | (130,863)                              | (120,698)                              | (130,834)                              |
| <b>OPERATING SURPLUS / (DEFICIT)</b>  |      | <b>5,003</b>                           | <b>(11,270)</b>                        | <b>4,982</b>                           | <b>(11,245)</b>                        |
| <b>Finance costs</b>  |      |  |  |  |  |
| Finance income - interest receivable  | 8    | 103                                    | 36                                     | 103                                    | 36                                     |
| Finance expense - financial liabilities   | 8    | (14)                                   | (17)                                   | (14)                                   | (17)                                   |
| PDC dividends charge  |      | (1,606)                                | (2,307)                                | (1,606)                                | (2,307)                                |
| Net finance costs   |      | (1,517)                                | (2,288)                                | (1,517)                                | (2,288)                                |
| Gains/(losses) on disposal of assets  |      | 176                                    | 9                                      | 176                                    | 9                                      |
| Surplus/(deficit) from continuing operations  |      | 3,662                                  | (13,549)                               | 3,641                                  | (13,524)                               |
| Surplus/(deficit) of discontinued operations and gain/loss on disposal of discontinued operations | 3    | 0                                      | 0                                      | 0                                      | 0                                      |
| <b>SURPLUS/(DEFICIT) FOR THE YEAR</b>   |      | <b>3,662</b>                           | <b>(13,549)</b>                        | <b>3,641</b>                           | <b>(13,524)</b>                        |
| <b>Other comprehensive income</b>   |      |  |  |  |  |
| <b>Will not be reclassified to income and expenditure:</b>  |      |  |  |  |  |
| Impairments   |      | (653)                                  | (22,296)                               | (653)                                  | (22,296)                               |
| Revaluations  |      | 0                                      | 740                                    | 0                                      | 740                                    |
| Total other comprehensive income (expense) for the year   |      | (653)                                  | (21,556)                               | (653)                                  | (21,556)                               |
| <b>TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR</b>  |      | <b>3,009</b>                           | <b>(35,105)</b>                        | <b>2,988</b>                           | <b>(35,080)</b>                        |

The notes on pages 189 to 201 form part of these financial statements.



## STATEMENT OF FINANCIAL POSITION - As at 31 March 2019

|  |        | Group<br>As at 31<br>March 2019 | Group<br>As at 31<br>March 2018 | Trust<br>As at 31<br>March 2019 | Trust<br>As at 31<br>March 2018 |
|--|--------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
|  | NOTE   | £000                            | £000                            | £000                            | £000                            |
| <b>NON-CURRENT ASSETS</b>                                      |        |                                 |                                 |                                 |                                 |
| Intangible assets  | 9.3    | 1,990                           | 1,972                           | 1,990                           | 1,972                           |
| Property, plant and equipment                                  | 9.5    | 51,275                          | 51,308                          | 51,275                          | 51,308                          |
| Receivables  | 10     | 372                             | 406                             | 372                             | 406                             |
| <b>TOTAL NON-CURRENT ASSETS</b>                                |        | <b>53,637</b>                   | 53,686                          | <b>53,637</b>                   | 53,686                          |
| <b>CURRENT ASSETS</b>  |        |                                 |                                 |                                 |                                 |
| Receivables  | 10     | 8,214                           | 7,687                           | 8,214                           | 7,687                           |
| Non-current assets held for sale and assets in disposal groups | 9.2    | 500                             | 1,900                           | 500                             | 1,900                           |
| Cash and cash equivalents                                      | 14     | 14,873                          | 9,259                           | 14,637                          | 9,047                           |
| <b>TOTAL CURRENT ASSETS</b>                                    |        | <b>23,587</b>                   | 18,846                          | <b>23,351</b>                   | 18,634                          |
| <b>TOTAL ASSETS</b>  |        | <b>77,224</b>                   | 72,532                          | <b>76,988</b>                   | 72,320                          |
| <b>CURRENT LIABILITIES</b>                                     |        |                                 |                                 |                                 |                                 |
| Trade and other payables                                       | 12.1   | (11,707)                        | (10,454)                        | (11,701)                        | (10,451)                        |
| Borrowings   | 12.3   | (48)                            | (46)                            | (48)                            | (46)                            |
| Provisions   | 13     | (453)                           | (283)                           | (453)                           | (283)                           |
| Other liabilities  | 12.2   | (107)                           | (39)                            | (107)                           | (39)                            |
| <b>TOTAL CURRENT LIABILITIES</b>                               |        | <b>(12,315)</b>                 | (10,822)                        | <b>(12,309)</b>                 | (10,819)                        |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |        | <b>64,909</b>                   | 61,710                          | <b>64,679</b>                   | 61,501                          |
| <b>NON-CURRENT LIABILITIES</b>                                 |        |                                 |                                 |                                 |                                 |
| Trade and other payables                                       | 12.1   | 0                               | 0                               | 0                               | 0                               |
| Borrowings   | 12.3   | (180)                           | (228)                           | (180)                           | (228)                           |
| Provisions   | 13     | (162)                           | (48)                            | (162)                           | (48)                            |
| Other liabilities  | 12.2   | 0                               | 0                               | 0                               | 0                               |
| <b>TOTAL NON-CURRENT LIABILITIES</b>                           |        | <b>(342)</b>                    | (276)                           | <b>(342)</b>                    | (276)                           |
| <b>TOTAL ASSETS EMPLOYED</b>                                   |        | <b>64,567</b>                   | 61,434                          | <b>64,337</b>                   | 61,225                          |
| <b>FINANCED BY TAXPAYERS' EQUITY:</b>                          |        |                                 |                                 |                                 |                                 |
| Public Dividend Capital  |        | 46,680                          | 46,556                          | 46,680                          | 46,556                          |
| Revaluation reserve  |        | 2,418                           | 3,162                           | 2,418                           | 3,162                           |
| Other reserves   |        | 1,157                           | 1,157                           | 1,157                           | 1,157                           |
| Income and expenditure reserve                                 |        | 14,082                          | 10,350                          | 14,082                          | 10,350                          |
| Charitable fund reserves                                       |        | 230                             | 209                             | 0                               | 0                               |
| <b>TOTAL TAXPAYERS' EQUITY</b>                                 | Page 3 | <b>64,567</b>                   | 61,434                          | <b>64,337</b>                   | 61,225                          |

The financial statements on pages 185 to 226 were approved and authorised for issue by the Audit Committee on 24 May 2019 and signed on its behalf by:



Colin Merker  
Deputy Chief Executive  
Date: 24 May 2019

## STATEMENT OF CHANGES IN EQUITY (GROUP) - For the period 1 April 2018 to 31 March 2019

|  |      | Others' equity |                          | Taxpayers' Equity       |                     |                 |                            |
|--|------|----------------|--------------------------|-------------------------|---------------------|-----------------|----------------------------|
|  |      | Total          | Charitable fund reserves | Public Dividend Capital | Revaluation Reserve | *Other Reserves | Income Expenditure Reserve |
|  | NOTE | £000           | £000                     | £000                    | £000                | £000            | £000                       |
| Taxpayers' Equity at 1 April 2018                                  |      | 61,434         | 209                      | 46,556                  | 3,162               | 1,157           | 10,350                     |
| Surplus/(deficit) for the year                                     |      | 3,662          | 48                       | 0                       | 0                   | 0               | 3,614                      |
| Impairments  |      | 9.5 (653)      | 0                        | 0                       | (653)               | 0               | 0                          |
| Revaluations - property, plant and equipment                       |      | 0              | 0                        | 0                       | 0                   | 0               | 0                          |
| Transfer to retained earnings on disposal of assets                |      | 0              | 0                        | 0                       | (91)                | 0               | 91                         |
| Other recognised gains and losses                                  |      | 0              | 0                        | 0                       | 0                   | 0               | 0                          |
| Public Dividend Capital received                                   |      | 124            | 0                        | 124                     | 0                   | 0               | 0                          |
| Other reserve movements  |      | 0              | 0                        | 0                       | 0                   | 0               | 0                          |
| Other reserve movements - charitable fund consolidation adjustment |      | 0              | (27)                     | 0                       | 0                   | 0               | 27                         |
| Taxpayers' Equity at 31 March 2019                                 |      | 64,567         | 230                      | 46,680                  | 2,418               | 1,157           | 14,082                     |

\* 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 and Social Care, the element which had been missed off was classified as 'other reserves'.

## STATEMENT OF CHANGES IN EQUITY (GROUP) - For the period 1 April 2017 to 31 March 2019

|  |      | Others' equity |                          | Taxpayers' Equity       |                     |                 |                            |
|--|------|----------------|--------------------------|-------------------------|---------------------|-----------------|----------------------------|
|  |      | Total          | Charitable fund reserves | Public Dividend Capital | Revaluation Reserve | *Other Reserves | Income Expenditure Reserve |
|  | NOTE | £000           | £000                     | £000                    | £000                | £000            | £000                       |
| Taxpayers' Equity at 1 April 2017                                  |      | 96,136         | 234                      | 46,153                  | 24,828              | 1,157           | 23,764                     |
| Surplus/(deficit) for the year                                     |      | (13,549)       | (25)                     | 0                       | 0                   | 0               | (13,524)                   |
| Impairments  | 9.5  | (22,296)       | 0                        | 0                       | (22,296)            | 0               | 0                          |
| Revaluations - property, plant and equipment                       | 9.5  | 740            | 0                        | 0                       | 740                 | 0               | 0                          |
| Transfer to retained earnings on disposal of assets                |      | 0              | 0                        | 0                       | (110)               | 0               | 110                        |
| Other recognised gains and losses                                  |      | 0              | 0                        | 0                       | 0                   | 0               | 0                          |
| Public Dividend Capital received                                   |      | 403            | 0                        | 403                     | 0                   | 0               | 0                          |
| Other reserve movements  |      | 0              | 0                        | 0                       | 0                   | 0               | 0                          |
| Other reserve movements - charitable fund consolidation adjustment |      | 0              | 0                        | 0                       | 0                   | 0               | 0                          |
| Taxpayers' Equity at 31 March 2018                                 |      | 61,434         | 209                      | 46,556                  | 3,162               | 1,157           | 10,350                     |

\* 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 and Social Care, the element which had been missed off was classified as 'other reserves'.

# STATEMENT OF COMPREHENSIVE INCOME - for the period ended 31 March 2019

|   |      | Group<br>12 Months to<br>31 March 2019 | Group<br>12 Months to<br>31 March 2018 | Trust<br>12 Months to<br>31 March 2019 | Trust<br>12 Months to<br>31 March 2018 |
|---|------|--|--|--|--|
|   | NOTE | £000                                   | £000                                   | £000                                   | £000                                   |
| <b>OPERATING ACTIVITIES</b>   |      |  |  |  |  |
| Operating surplus/(deficit) from continuing operations                |      | 5,003                                  | (11,270)                               | 4,982                                  | (11,245)                               |
| Operating surplus/(deficit) from discontinued operations              |      | 0                                      | 0                                      | 0                                      | 0                                      |
| <b>OPERATING SURPLUS/DEFICIT</b>                                      |      | <b>5,003</b>                           | <b>(11,270)</b>                        | <b>4,982</b>                           | <b>(11,245)</b>                        |
| NON CASH INCOME AND EXPENSE:  |      |  |  |  |  |
| Depreciation and amortisation   | 6.1  | 2,298                                  | 1,805                                  | 2,298                                  | 1,805                                  |
| Impairments and reversals   | 6.1  | (1,168)                                | 15,731                                 | (1,168)                                | 15,731                                 |
| Income recognised in respect of capital donations (cash and non-cash) |      | 0                                      | (24)                                   | 0                                      | (24)                                   |
| (Increase)/decrease in receivables                                    |      | (656)                                  | (545)                                  | (656)                                  | (545)                                  |
| Increase/(decrease) in trade and other payables                       |      | 1,684                                  | 545                                    | 1,684                                  | 545                                    |
| Increase/(decrease) in other liabilities                              |      | 68                                     | (78)                                   | 68                                     | (78)                                   |
| Increase/(decrease) in provisions                                     |      | 284                                    | (211)                                  | 284                                    | (211)                                  |
| Movements in charitable fund working capital                          |      | 3                                      | 3                                      | 0                                      | 0                                      |
| <b>NET CASH GENERATED FROM/(USED IN) OPERATIONS</b>                   |      | <b>7,516</b>                           | <b>5,956</b>                           | <b>7,492</b>                           | <b>5,978</b>                           |
| <b>CASHFLOWS FROM INVESTING ACTIVITIES</b>                            |      |  |  |  |  |
| Interest received   |      | 103                                    | 36                                     | 103                                    | 36                                     |
| Purchases of financial assets   |      | 0                                      | 0                                      | 0                                      | 0                                      |
| Proceeds from sales of financial assets/investments                   |      | 0                                      | 0                                      | 0                                      | 0                                      |
| Purchases of intangible assets  |      | (354)                                  | (32)                                   | (354)                                  | (32)                                   |
| Purchases of property, plant and equipment                            |      | (1,867)                                | (5,710)                                | (1,867)                                | (5,710)                                |
| Sales of property, plant and equipment                                |      | 1,595                                  | 146                                    | 1,595                                  | 146                                    |
| Receipt of cash donations to purchase capital assets                  |      | 0                                      | 24                                     | 0                                      | 24                                     |
| Net cash generated from/(used in) investing activities                |      | (523)                                  | (5,536)                                | (523)                                  | (5,536)                                |
| <b>CASHFLOWS FROM FINANCING ACTIVITIES</b>                            |      |  |  |  |  |
| Public dividend capital received                                      |      | 124                                    | 403                                    | 124                                    | 403                                    |
| Capital element of finance lease rental payments                      |      | (46)                                   | (43)                                   | (46)                                   | (43)                                   |
| Other capital receipts  |      | 0                                      | 0                                      | 0                                      | 0                                      |
| Interest element of finance lease                                     |      | (14)                                   | (17)                                   | (14)                                   | (17)                                   |
| PDC dividend paid   |      | (1,443)                                | (2,772)                                | (1,443)                                | (2,772)                                |
| Net cash generated from/(used in) financing activities                |      | (1,379)                                | (2,429)                                | (1,379)                                | (2,429)                                |
| Increase/(decrease) in cash and cash equivalents                      | 14   | 5,614                                  | (2,009)                                | 5,590                                  | (1,987)                                |
| Cash and cash equivalents at 1 April                                  | 14   | 9,259                                  | 11,268                                 | 9,047                                  | 11,034                                 |
| Cash and cash equivalents at 31 March                                 | 14   | 14,873                                 | 9,259                                  | 14,637                                 | 9,047                                  |
| <b>Increase/(decrease) in cash and cash equivalents</b>               |      | <b>5,614</b>                           | <b>(2,009)</b>                         | <b>5,590</b>                           | <b>(1,987)</b>                         |

# NOTES TO THE FINANCIAL STATEMENTS - for the period ended 31 March 2019

## 1 Accounting policies and other information

### 1.1 Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (DHCS GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2018/19 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

#### 1.1.1 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.

### 1.2 Going Concern

These accounts have been prepared on a going concern basis. Note 2 discloses the basis of management's going concern assessment and material uncertainties.

### 1.3 Consolidation

The Trust is the Corporate Trustee to<sup>2</sup>gether NHS Foundation Trust Charitable Fund, registration number 1097529 and the New Highway Charity, registration number 1063888. The Trust has assessed its relationship to both charitable funds and determined them to be a subsidiary because the Trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with both charitable funds and has the ability to affect those returns and other benefits through its power over the fund.

Both charitable fund's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard (FRS) 102. On consolidation, necessary adjustments are made to the charity's assets, liabilities and transactions to:

- recognise and measure them in accordance with the Trust's accounting policies and
- eliminate intra-group transactions, balances, gains and losses.

### 1.4.1 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS). As directed by the GAM, the transition to IFRS 15 in 2018/19 has been completed in accordance with paragraph C3 (b) of the Standard: applying the Standard retrospectively but recognising the cumulative effects at the date of initial application (1 April 2018).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received, or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

The majority of <sup>2</sup>gether NHS Foundation Trust service contracts measure the delivery of service on a monthly basis so the Trust can receive regular income and cash flows across the financial year.

### Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for healthcare services. A performance obligation relating to delivery of a spell of healthcare is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer. At the year end, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete.

The Trust receives income from commissioners under Commissioning for Quality and Innovation (CQUIN) schemes. The Trust agrees schemes with its commissioner but they affect how care is provided to patients. That is, the CQUIN payments are not considered distinct performance obligations in their own right; instead they form part of the

transaction price for performance obligations under the contract.

### 1.4.2 Revenue grants and other contributions to expenditure

Government grants are grants from government bodies other than income from commissioners or Trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider, the corresponding notional expense is also recognised at the point of recognition for the benefit.

### 1.4.3 Other income

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

## 1.5 Expenditure on Employee Benefits

### Short Term Employee Benefits

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy 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](http://www.nhsbsa.nhs.uk/pensions). Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities.

Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

#### a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2019, is based on valuation data as 31 March 2018, updated to 31 March 2019 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

#### b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019. The Department of Health and Social Care have recently laid Scheme Regulations confirming that the employer contribution rate will increase to 20.6% of pensionable pay from this date.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

## 1.6 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.

## 1.7 Property, Plant and Equipment

### 1.7.1 Recognition

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. the item has cost of at least £5,000, or
- b. collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives.



## 1.7.2 Measurement

### 1.7.2.1 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. Assets which are held for their service potential and are in use (ie operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

Assets held at depreciated replacement cost have been valued on an alternative site basis where this would meet the location requirements of the services being provided.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

The valuation has been undertaken having regard to IFRS as applied to the UK public sector and in accordance with HM Treasury guidance. The Trust has valued its land and buildings at fair value - non-specialised assets at existing use value and specialised operation assets at depreciated replacement cost.

All land and buildings are restated to fair value using professional valuations in accordance with IAS16 every five years. A three-year interim revaluation is also carried out. The last asset valuations were undertaken in 2017/18 as at the prospective valuation date of 1 April 2017. In March 2019 the Trust undertook an annual impairment review and commissioned the District Valuer to revalue all land and buildings in a desktop exercise.

Valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

The property valuations are carried out primarily on the basis of Depreciated Replacement Cost (DRC) for specialised operational property (e.g. NHS patient treatment facilities) and Existing Use Value (EUV) for non-specialised operational property. The value of land for existing use purposes is assessed at EVU. For non-operational land including surplus land, the valuations are carried out at Market Value.

The MEA approach incorporates the Building Cost Information Service Index to determine an increase or decrease in building costs which impact on the asset valuation.

It is impracticable to disclose the extent of the possible effects of an assumption or another source of estimation uncertainty at the end of the reporting period. On the basis of existing knowledge, outcomes within the next financial year that are different from the assumption around the valuation of our land, property, plant and equipment could require a material adjustment to the carrying amount of the asset or liability recorded in note 9.5.

Additional alternative Open Market Value figures have only been supplied for operational assets scheduled for imminent closure and subsequent disposal.

The carrying values of PPE are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

The costs arising from financing the construction of PPE are not capitalised but are charged to the Statement of Comprehensive Income (SOCl) in the year to which they relate.

All impairments resulting from price changes are charged to the SOCI. If the balance on the revaluation reserve is less than the impairment the difference is taken to SOCI.

“The Trust’s land and building valuation was carried out by the Trust’s current valuer DVS, on a MEA “Optimised Alternative Site” method valuation, and applied on 1 April 2017.”

## 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.

### 1.7.2.2 Depreciation

Items of property, plant and equipment are depreciated over their remaining useful 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" cease 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 & Fittings            | 5-10  |
| Information Technology          | 3-8   |
| Set-up costs in new buildings   | 5-10  |
| Transport Equipment             | 7     |

Finance-leased assets (including land) are depreciated over the shorter of the useful life or the lease term, unless the trust expects to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

## 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 GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.



### 1.7.3 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 abandoned or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

### 1.7.4 Donated and grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor 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.

### 1.7.5 Private Finance Initiative (PFI)

The Trust does not have any Private Finance Initiative transactions.

### 1.7.6 Useful lives of property, plant and equipment

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives is shown in the table below:

|                        | Min Life<br>Years                           | Max Life<br>Years |
|------------------------|---|-------------------|
| Land                   | N/a   |                   |
| Buildings              | Individually assessed by<br>External Valuer |                   |
| Plant & machinery      | 5   | 15                |
| Transport equipment    | 5   | 7                 |
| Information technology | 3   | 8                 |
| Furniture & fittings   | 5   | 10                |

Finance-leased assets (including land) are depreciated over the shorter of the useful economic life or the lease term, unless the Trust expects to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

## 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 or 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 lives in a manner consistent with the consumption of economic or service delivery benefits.

## 1.8.3 Useful lives of intangible assets

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives is shown in the table below:

|   | Min Life<br>Years | Max Life<br>Years |
|---|-------------------|-------------------|
| <b>Intangible assets - internally generated</b> |                   |                   |
| Information technology                          | 3                 | 8                 |
| Development expenditure                         | 3                 | 8                 |
| Websites  | 3                 | 8                 |
| <b>Intangible assets - purchased</b>            |                   |                   |
| Software  | 3                 | 8                 |
| Licences & trademarks                           | 3                 | 8                 |
| Websites  | 3                 | 8                 |
| Patents   | 3                 | 8                 |
| Other   | 3                 | 8                 |
| Goodwill  | 3                 | 8                 |

## 1.9 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.

## 1.10 Cash and Cash Equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of <sup>2</sup>gether NHS Foundation Trust 's cash management. Cash, bank and overdraft balances are recorded at current values.

## 1.11 Financial instruments assets and financial liabilities

### 1.11.1 Recognition

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by ONS.

This includes 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 and, are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

### 1.11.2 Classification and measurement

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below.

Financial assets are classified as subsequently measured at amortised cost.

Financial liabilities classified as subsequently measured at amortised cost.

#### Financial assets and financial liabilities at amortised cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts

through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

#### Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through other comprehensive income, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

Expected credit losses have been determined for <sup>2</sup>gether NHS Foundation Trust by calculating an historical losses rate based upon the payment profile over the period April 2018 to February 2019. Applied to this is a forward looking loss rate which is calculated after reviewing the following classes of financial assets, Territorial, Local Authority, Salary Overpayments, Non NHS and NHS debt. Although we acknowledge that DH GAM states that it is expected that NHS bodies do not recognise any impairments against other Department of Health and Social Care group organisations we do recognise these balances as such bodies represent more than a low risk as regards to our bad debt.

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

### 1.11.3 Classification and measurement

Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

## 1.12 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

### 1.12.1 The Trust as lessee

#### 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 charge 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

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term. Contingent rentals are recognised as an expense in the period in which they are incurred.

#### 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.

### 1.12.2 The Trust as lessor

#### Finance Leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Trust's net investment outstanding in respect of the leases.

#### Operating Leases

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

## 1.13 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

NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the trust is disclosed at note 14 but is not recognised in the trust's accounts.

#### 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 Resolution and, in return, receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses when the liability arises.

## 1.14 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 16 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 16 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.

## 1.15 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.

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

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

- donated assets,
- average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and
- any PDC dividend balance receivable or payable.

In accordance with the requirements laid down by the Department of Health and Social Care (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

## 1.16 Value Added Tax

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

## 1.17 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.

## 1.18 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.

## 1.19 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 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.

## 1.21 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.

## 1.22 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

## 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 Critical judgements in applying accounting policies

The following are the 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 adopted MEA Alternative Site approach in 2017/18. The underlying principle is that the valuation of land and buildings should reflect the extent of estate required for the provision of the same service as already provided by the existing estate. With service delivery requirements evolving, this requires the Trust to consider whether the existing buildings and sites are optimal in terms of number and size.

The fundamental principle is that the hypothetical buyer of a Modern Equivalent Asset would purchase the least expensive site that would be suitable and appropriate for its proposed use. If the Trust were starting with a "clean sheet", the Modern Equivalent Asset aligned to service delivery could be different to the current layout in terms of buildings configuration and the number of sites. The Trust is responsible for providing the requirements of the optimised site to the Trust's Valuer.

### 1.24.1 Sources of estimation uncertainty

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year: With regard to valuing provisions the methodology to determine best estimate differs according to the class of provision.

Annual leave carry forwards are only approved under exceptional circumstances whereby staff are unable to take the full annual leave allowance, for example those on maternity or long term sick leave. This principle applies equally to medical staff and outstanding annual leave was only calculated for those on maternity or long term sick leave as at 31 March 2019. The remaining leave was valued at the appropriate pay band for each member of staff.

### 1.25 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2018/19.

### 1.26 Accounting standards, amendments and interpretations in issue but not yet effective or adopted

The DHSC GAM does not require the following Standards and Interpretations to be applied in 2018/19. These standards are still subject to HM Treasury FReM adoption.

IFRS 16 Leases – Application required for accounting periods beginning on or after 1 January 2019, but not yet adopted by the FReM: early adoption is not therefore permitted.

IFRS 17 Insurance Contracts – Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM: early adoption is not therefore permitted.

IFRIC 23 Uncertainty over Income Tax Treatments – Application required for accounting periods beginning on or after 1 January 2019.

With the exception of IFRS 16 adoption of the accounting standards listed above is not expected to have a material effect on the Trust's accounts. Once adopted by the Department of Health and Social Care Group Accounting Manual IFRS 16 is likely to have a material effect on the Trust's accounts.

IFRS 16 will involve the recognition of the "right to use" asset which will affect the lessee's right to use a leased asset over the lease term and a lease liability reflecting

the obligation to make payments. This treatment will apply to all leased assets removing the previous concept of the operating lease. In the Income and Expenditure account operating lease charges will be replaced by depreciation on the lease asset and an interest expense on the lease liability.

### 1.27 Prior Period Adjustments

The decision to consolidate the 2gether Foundation Trust NHS Charitable Fund and the New Highway Charity accounts in 2018/19 requires the comparative figures for 2017/18 to be shown as an opening 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 2019 the Committee received the annual assessment of the Trust's Going Concern status. The Committee concluded that the Trust has sufficient resources to continue to provide services for the foreseeable future. The Trust has signed new contracts with its leading commissioners indicating the Trust has resources secured to provide clinical services for a period of greater than 12 months.

The Trust's plans and future financial projections indicate the Trust should generate surpluses of £803k in a surplus of 2019/20, and projected surpluses in each of the subsequent four years. They also forecast cash balances in excess of £13.5m across the next five years, a cost improvement programme of approximately 2% of contract income in order to manage cost pressures, and achievement of

NHS Improvement's Use of Resources financial risk rating of 1 over the next three financial years. As a consequence, the Audit Committee believe that the Trust is well placed to manage its business risks successfully despite the current financial pressures in the NHS.

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

There were no discontinued services or operations in 2018/19 or 2017/18.

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 2018/19 or 2017/18.

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 2018/19 or 2017/18.



## 5 Operating Income (Group)

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4.1

### 5.1 Income from patient care (by nature)

|   | 12 Months to<br>31 March 2019<br>£000 | 12 Months to<br>31 March 2018<br>£000 |
|---|---------------------------------------|---------------------------------------|
| <b>Mental health services</b>   |                                       |                                       |
| Cost and volume contract income   | 2,267                                 | 3,081                                 |
| Block contract income   | 109,369                               | 103,683                               |
| Clinical partnerships providing mandatory services (including S75 agreements) | 0                                     | 1,012                                 |
| Clinical income for the secondary commissioning of mandatory services         | 0                                     | 0                                     |
| Other clinical income from mandatory services                                 | 3,117                                 | 2,554                                 |
| <b>All Trusts</b>   |                                       |                                       |
| AfC pay award central funding   | 1,266                                 | 0                                     |
| Other clinical income   | (9)                                   | 13                                    |
|   | <b>116,010</b>                        | <b>110,343</b>                        |

### 5.2 Other Operating Income

|  | 12 Months to<br>31 March 2019<br>£000 | 12 Months to<br>31 March 2018<br>£000 |
|--|---------------------------------------|---------------------------------------|
| <b>Other operating income recognised in accordance with IFRS 15</b>                  |                                       |                                       |
| Research and development (IFRS 15)   | 330                                   | 354                                   |
| Education and training (excluding notional apprenticeship levy income)               | 3,165                                 | 3,537                                 |
| Non-patient care services to other bodies  | 932                                   | 905                                   |
| Provider sustainability fund/Sustainability and transformation fund income (PSF/STF) | 2,482                                 | 1,915                                 |
| Income in respect of employee benefits accounted on a gross basis                    | 667                                   | 744                                   |
| Other recognised in accordance with IFRS 15**  | 1,879                                 | 1,767                                 |
| Cash donations for the purchase of capital assets - received from NHS charities      | 0                                     | 0                                     |
| <b>Other operating income recognised in accordance with other standards</b>          |                                       |                                       |
| Education and training - notional income from apprenticeship fund                    | 142                                   | 0                                     |
| Donations/grants of physical assets (non-cash) - received from NHS charities         | 0                                     | 0                                     |
| Donations/grants of physical assets (non-cash) - received from other bodies          | 0                                     | 0                                     |
| Cash donations for the purchase of capital assets - received from NHS charities      | 0                                     | 0                                     |
| Cash donations for the purchase of capital assets - received from other bodies       | 0                                     | 24                                    |
| Cash grants for the purchase of capital assets - received from other bodies          | 0                                     | 0                                     |
| Charitable and other contributions to expenditure - received from NHS charities      | 0                                     | 0                                     |
| Charitable and other contributions to expenditure - received from other bodies       | 46                                    | 0                                     |
| Support from DHSC for mergers  | 0                                     | 0                                     |
| Non-patient care services to other bodies  | 0                                     | 0                                     |
| Support from DHSC for mergers  | 0                                     | 0                                     |
| Charitable fund incoming resources   | 75                                    | 4                                     |
| Other (recognised in accordance with standards other than IFRS 15)                   | 0                                     | 0                                     |
|  | <b>9,718</b>                          | <b>9,250</b>                          |
| <b>Total Operating Income</b>  | <b>125,728</b>                        | <b>119,593</b>                        |
| Of which:  |                                       |                                       |
| Related to continuing operations   | 125,728                               | 119,593                               |
| Related to discontinued operations   | 0                                     | 0                                     |

For details of discontinued operations see note 3

There was £39k revenue recognised in 2018/19 that was previously included in the 2017/18 contract liability balance following the release of 2017/18 deferred IFRS 15 income.

There are no partially completed contracts where the Trust does not recognise the revenue until the completion of the full performance obligation. Instead the Trust only has contracts that recognise revenue as work is undertaken.

\* NHS Improvement (NHSI), our Regulator, set together NHS Foundation Trust a Control Total of a surplus of £0.834m for 2018/19. Provided this Control Total was met NHS I would give Provider Sustainability Funding (PSF) of £0.903m if the Financial Control Total was met. Together NHS Foundation Trust achieved a surplus of £0.894m and therefore met its Control Total and received the full PSF of £0.903m. However as the Trust over-achieved its Control Total, together NHS Foundation Trust was also eligible for both Incentive and Bonus PSF monies. We received a further £0.115m Incentive PSF and a further £1.464m Bonus PSF monies. This means that for 2018/19 together NHS Foundation Trust has achieved a surplus of £2.473m for NHS segmentation purposes, and received £2.482m of PSF in total.

\*\* 'Other' includes supporting people services of £1,367,164 (£1,214,216 in 2017/18), sale of goods and services £1,929 (£1,689 in 2017/18), rental income £81,825 (£82,007 in 2017/18), improving patient safety programme monies £155,000 (£180,000 in 2017/18), staff contributions to employee benefit schemes £140,124 (£171,783 in 2017/18) and catering income £17,255 (£21,965 in 2017/18)

### 5.3 Income from patient care (by source)

|   | 12 Months to<br>31 March 2019<br>£000 | 12 Months to<br>31 March 2018<br>£000 |
|---|---------------------------------------|---------------------------------------|
| NHS England                                 | 2,563                                 | 2,683                                 |
| Clinical commissioning groups               | 108,398                               | 103,349                               |
| NHS Foundation Trusts                       | 939                                   | 1,313                                 |
| NHS Trusts                                  | 4                                     | 11                                    |
| Local Authorities                           | 2,421                                 | 2,622                                 |
| Department of Health and Social Care        | 1,266                                 | 0                                     |
| NHS other (including Public Health England) | 428                                   | 350                                   |
| Non NHS: private patients                   | 0                                     | 0                                     |
| Non-NHS: overseas patients (non-reciprocal) | (9)                                   | 13                                    |
| Injury cost recovery scheme                 | 0                                     | 0                                     |
| Non NHS: other                              | 0                                     | 2                                     |
|   | <b>116,010</b>                        | <b>110,343</b>                        |

The Trust does not generate private patient income.

### 5.4 Overseas Visitors

Overseas Visitors relates to patients charged directly by the foundation trust.

|   | 12 Months to<br>31 March 2019<br>£000 | 12 Months to<br>31 March 2019<br>£000 |
|---|---------------------------------------|---------------------------------------|
| Income recognised this year   | (9)                                   | 13                                    |
| Cash payments received in-year (relating to invoices raised in current and previous years)                        | 0                                     | 0                                     |
| Amounts added to provision for impairment of receivables (relating to invoices raised in current and prior years) | 0                                     | 0                                     |
| Amounts written off in-year (relating to invoices raised in current and previous years)                           |                                       |                                       |

### 5.5 Operational lease income

|  |          |          |
|--|----------|----------|
| <b>The Trust does not generate operating lease income.</b> | <b>0</b> | <b>0</b> |
|--|----------|----------|

## 5.6 Commissioner Requested Income

Under the terms of its provider licence, the trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

|   | <b>12 Months to<br/>31 March 2018<br/>£000</b> | <b>12 Months to<br/>31 March 2019<br/>£000</b> |
|---|--|--|
| Commissioner Requested services                   | <b>108,389</b>                                 | 109,985  |
| Non Commissioner Requested services               | <b>17,339</b>                                  | 9,608  |
| Total operating income from continuing operations | <b>125,728</b>                                 | 119,593  |

## 5.7 Other gains and (losses)

No land and buildings assets used in the provision of commissioner requested services have been disposed of during the year

|   | <b>12 Months to<br/>31 March 2018<br/>£000</b> | <b>12 Months to<br/>31 March 2019<br/>£000</b> |
|---|--|--|
| Gains on disposal of property, plant and equipment  | <b>0</b>                                       | 1  |
| Gains on disposal of intangible assets              | <b>0</b>                                       | 0  |
| Gains on disposal of assets held for sale           | <b>176</b>                                     | 8  |
| Losses on disposal of property, plant and equipment | <b>0</b>                                       | 0  |
| Losses on disposal of intangible assets             | <b>0</b>                                       | 0  |
| Losses on disposal of assets held for sale          | <b>0</b>                                       | 0  |
| Gains/losses on disposal of charitable fund assets  | <b>0</b>                                       | 0  |
| Total gains/(losses) on disposal of assets          | <b>176</b>                                     | 9  |

## 6 Operating Expenses (Group)

### 6.1 Operating expenses comprise:

|  | 12 Months to<br>31 March 2019<br>£000 | 12 Months to<br>31 March 2018<br>£000 |
|--|---------------------------------------|---------------------------------------|
| Purchase of healthcare from NHS and DHSC bodies                        | 34                                    | 35                                    |
| Purchase of healthcare from non NHS and Non DHSC bodies                | 6,259                                 | 6,749                                 |
| Purchase of social care  | 6,376                                 | 5,656                                 |
| Staff and executive directors' costs                                   | 87,702                                | 83,474                                |
| Non-executive directors' costs   | 150                                   | 143                                   |
| Supplies and services - clinical (excluding drug costs)                | 1,877                                 | 1,628                                 |
| Supplies and services - general  | 1,134                                 | 1,302                                 |
| Drug costs   | 1,170                                 | 1,194                                 |
| Consultancy costs  | 65                                    | 80                                    |
| Establishment  | 1,009                                 | 1,092                                 |
| Premises (including business rates)                                    | 5,892                                 | 5,964                                 |
| Transport  | 1,498                                 | 1,334                                 |
| Depreciation on property, plant and equipment                          | 1,906                                 | 1,544                                 |
| Amortisation on intangible assets                                      | 392                                   | 261                                   |
| Impairments (net of reversals)   | (1,168)                               | 15,731                                |
| Movement in credit loss allowance: contract receivables/assets         | 449                                   | 0                                     |
| Movement in credit loss allowance: all other receivables & investments | 0                                     | 138                                   |
| Provisions arising/released in year                                    | 178                                   | (169)                                 |
| External Auditor fees - statutory reporting                            | 56                                    | 65                                    |
| External Auditor fees - Other auditors remuneration                    | 0                                     | 0                                     |
| Charitable fund audit  | 3                                     | 0                                     |
| Internal Auditor fees  | 104                                   | 52                                    |
| Clinical negligence  | 225                                   | 180                                   |
| Legal fees   | 171                                   | 170                                   |
| Insurance  | 107                                   | 92                                    |
| Research and development (staff costs)                                 | 261                                   | 242                                   |
| Research and development (non staff costs)                             | 45                                    | 35                                    |
| Education and training (staff costs)                                   | 1,138                                 | 1,256                                 |
| Education and training (non staff costs)                               | 850                                   | 605                                   |
| Education and training -funded from apprenticeship fund                | 142                                   | 0                                     |
| Operating lease expenditure (net)                                      | 324                                   | 444                                   |
| Early retirements - staff costs  | 0                                     | 0                                     |
| Early retirements - non-staff  | 0                                     | 0                                     |
| Redundancy costs - staff costs   | 27                                    | 184                                   |
| Redundancy costs - non-staff   | 0                                     | 0                                     |
| Car parking and security   | 42                                    | 49                                    |
| Hospitality  | 11                                    | 10                                    |
| Other losses and special payments (staff costs)                        | 0                                     | 0                                     |
| Other losses and special payments (non-staff)                          | 28                                    | 12                                    |
| Other services (e.g. external payroll)                                 | 0                                     | 0                                     |
| Other NHS charitable fund resources expended                           | 24                                    | 29                                    |
| Other  | 2,244                                 | 1,282                                 |
|  | <b>120,725</b>                        | <b>130,863</b>                        |

Of which:

|                                    |         |         |
|------------------------------------|---------|---------|
| Related to continuing operations   | 120,725 | 130,863 |
| Related to discontinued operations | 0       | 0       |

**For details of discontinued operations see note 3**

The Trust has contributed £75k to pension schemes in respect of directors in 2018/19 (£84k in 2017/18). 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.

## 6.2 Operating leases

### 6.2.1 Lease payments recognised as an expense in year:

|                        | 12 Months to<br>31 March 2019<br>£000 | 12 Months to<br>31 March 2018<br>£000 |
|------------------------|---------------------------------------|---------------------------------------|
| Minimum lease payments | 324                                   | 444                                   |
| Contingent rents       | 0                                     | 0                                     |
| Sub-lease receipts     | 0                                     | 0                                     |
|                        | <u>324</u>                            | <u>444</u>                            |

### 6.2.2 Annual commitments containing operating leases are:

|                                  | 12 Months to<br>31 March 2019<br>£000 | 12 Months to<br>31 March 2018<br>£000 |
|----------------------------------|---------------------------------------|---------------------------------------|
| On buildings leases expiring:    |                                       |                                       |
| Future minimum lease payment due |                                       |                                       |
| Within 1 year                    | 71                                    | 66                                    |
| Between 2 and 5 years            | 7                                     | 0                                     |
| After 5 years                    | 0                                     | 0                                     |
|                                  | <u>78</u>                             | <u>66</u>                             |

#### On other leases (Lease Cars) expiring:

|                                  |            |            |
|----------------------------------|------------|------------|
| Future minimum lease payment due |            |            |
| Within 1 year                    | 167        | 192        |
| Between 2 and 5 years            | 136        | 125        |
| After 5 years                    | 0          | 0          |
|                                  | <u>303</u> | <u>317</u> |

#### On all leases expiring:

|                                  |            |            |
|----------------------------------|------------|------------|
| Future minimum lease payment due |            |            |
| Within 1 year                    | 238        | 258        |
| Between 2 and 5 years            | 143        | 125        |
| After 5 years                    | 0          | 0          |
|                                  | <u>381</u> | <u>383</u> |

## 6.3 Limitation on auditor's liability

|                                   | 2018/19<br>£000 | 2017/18<br>£000 |
|-----------------------------------|-----------------|-----------------|
| Limitation on auditor's liability | 2,000           | 2,000           |

## 6.4 The late payment of commercial debts (interest) Act 1998/Public Contract Regulations 2015

|  | 2018/19<br>£000 | 2017/18<br>£000 |
|--|-----------------|-----------------|
| Total liability accruing in year under this legislation as a result of late payments                     | 0               | 0               |
| Amounts actually paid and included within other interest arising from claims made under this legislation | 0               | 0               |
| Compensation paid to cover debt recovery costs under this legislation                                    | 0               | 0               |

## 7 Staff costs and numbers

Details of Staff Costs and numbers are now shown in the Annual Report

## 8 Finance revenue and finance expenses (Group)

### 8.1 Finance revenue - interest receivable

|                                       | 12 Months to<br>31 March 2019<br>£000 | 12 Months to<br>31 March 2018<br>£000 |
|---------------------------------------|---------------------------------------|---------------------------------------|
| Interest on bank accounts             | 83                                    | 24                                    |
| Interest on loans and receivables     | 20                                    | 12                                    |
| NHS charitable fund investment income | 0                                     | 0                                     |
| Interest receivable                   | <u>103</u>                            | <u>36</u>                             |

### 8.2 Finance expense - financial liabilities

|                | 12 Months to<br>31 March 2019<br>£000 | 12 Months to<br>31 March 2018<br>£000 |
|----------------|---------------------------------------|---------------------------------------|
| Finance leases | <u>14</u>                             | <u>17</u>                             |

## 9 Intangible and tangible non-current assets (Group)

### 9.1 Impairment of non-current Assets (Property, Plant and Equipment and non-current assets for sale Assets):

|   | 2018/19                    |                     |                   | 2017/18                 |                     |                   |
|---|----------------------------|---------------------|-------------------|-------------------------|---------------------|-------------------|
|   | Net<br>impairments<br>£000 | Impairments<br>£000 | Reversals<br>£000 | Net impairments<br>£000 | Impairments<br>£000 | Reversals<br>£000 |
| <b>Impairments charged to operating surplus/deficit:</b>      |                            |                     |                   |                         |                     |                   |
| 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                                       | (1,168)                    | 279                 | (1,447)           | 15,731                  | 16,818              | (1,087)           |
| <b>Total Impairments charged to operating surplus/deficit</b> | <b>(1,168)</b>             | <b>279</b>          | <b>(1,447)</b>    | <b>15,731</b>           | <b>16,818</b>       | <b>(1,087)</b>    |
| Impairments charged to the revaluation reserve                | 653                        | 653                 | 0                 | 22,296                  | 22,296              | 0                 |
| <b>Total Impairments</b>                                      | <b>(515)</b>               | <b>932</b>          | <b>(1,447)</b>    | <b>38,027</b>           | <b>39,114</b>       | <b>(1,087)</b>    |

Further details of the 2018/19 and 2017/18 impairments are given in note 10.5 Tangible Property, Plant and Equipment

### 9.2 Non-current assets for sale and assets in disposal groups

|  | 2018/19<br>£000 | 2017/18<br>£000 |
|--|-----------------|-----------------|
| NBV of non-current assets for sale and assets in disposal groups at 1 April                | 1,900           | 430             |
| Plus assets classified as available for sale in the year                                   | 0               | 1,600           |
| Less assets sold in year   | (1,400)         | (130)           |
| Less Impairment of assets held for sale  | 0               | 0               |
| 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               |
| <b>NBV of non-current assets for sale and assets in disposal groups at 31 March</b>        | <b>500</b>      | <b>1,900</b>    |

During the year the Trust sold three properties, and still has one property being actively marketed and shown as non-current assets for sale at March 2019.

### 9.3 Intangible assets

|  | 2018/19      |                                     |   |                              |
|--|--------------|-------------------------------------|---|------------------------------|
|  | Total        | Software<br>Licences<br>(Purchased) | Information<br>Technology<br>(Internally Generated) | Assets Under<br>Construction |
|  | £000         | £000                                | £000  | £000                         |
| <b>Valuation/gross cost at 1 April</b>                               | <b>3,369</b> | <b>2,116</b>                        | <b>1,253</b>  | <b>0</b>                     |
| Additions - purchased/internally generated                           | 354          | 105                                 | 0   | 249                          |
| Additions - leased   | 0            | 0                                   | 0   | 0                            |
| Additions - donations of physical assets (non-cash)                  | 0            | 0                                   | 0   | 0                            |
| Additions - assets purchased from cash donations/grants              | 0            | 0                                   | 0   | 0                            |
| Impairments charged to operating expenses                            | 0            | 0                                   | 0   | 0                            |
| Impairments charged to the revaluation reserve                       | 0            | 0                                   | 0   | 0                            |
| Reversal of impairments credited to operating expenses               | 0            | 0                                   | 0   | 0                            |
| Reversal of impairments credited to the revaluation reserve          | 0            | 0                                   | 0   | 0                            |
| Revaluations   | 0            | 0                                   | 0   | 0                            |
| Reclassifications  | 56           | 56                                  | 0   | 0                            |
| Transfers to/from assets held for sale and assets in disposal groups | 0            | 0                                   | 0   | 0                            |
| Disposals/derecognition  | 0            | 0                                   | 0   | 0                            |
| <b>Valuation/gross cost at 31 March</b>                              | <b>3,779</b> | <b>2,277</b>                        | <b>1,253</b>  | <b>249</b>                   |
| <b>Accumulated amortisation at 1 April</b>                           | <b>1,397</b> | <b>434</b>                          | <b>963</b>  | <b>0</b>                     |
| Provided during the year   | 392          | 327                                 | 65  | 0                            |
| Impairments charged to operating expenses                            | 0            | 0                                   | 0   | 0                            |
| Impairments charged to the revaluation reserve                       | 0            | 0                                   | 0   | 0                            |
| Reversal of impairments credited to operating expenses               | 0            | 0                                   | 0   | 0                            |
| Reversal of impairments credited to the revaluation reserve          | 0            | 0                                   | 0   | 0                            |
| Revaluations   | 0            | 0                                   | 0   | 0                            |
| Reclassifications  | 0            | 0                                   | 0   | 0                            |
| Transfers to/from assets held for sale and assets in disposal groups | 0            | 0                                   | 0   | 0                            |
| Disposals/derecognition  | 0            | 0                                   | 0   | 0                            |
| <b>Accumulated amortisation at 31 March</b>                          | <b>1,789</b> | <b>761</b>                          | <b>1,028</b>  | <b>0</b>                     |
| <b>Net book value</b>  |              |                                     |   |                              |
| Purchased at 1 April   | 1,899        | 1,609                               | 290   | 0                            |
| Donated at 1 April   | 73           | 73                                  | 0   | 0                            |
| Total as at 1 April  | 1,972        | 1,682                               | 290   | 0                            |
| <b>Net book value</b>  |              |                                     |   |                              |
| Purchased at 31 March  | 1,932        | 1,458                               | 225   | 249                          |
| Donated at 31 March  | 58           | 58                                  | 0   | 0                            |
| Total as at 31 March   | 1,990        | 1,516                               | 225   | 249                          |



### 9.3 Intangible assets (continued)

|  | 2017/18      |                                  |  |                           |
|--|--------------|----------------------------------|--|---------------------------|
|  | Total        | Software Licences<br>(Purchased) | Information Technology<br>(Internally Generated) | Assets Under Construction |
|  | £000         | £000                             | £000   | £000                      |
| <b>Valuation/gross cost at 1 April</b>                               | 3,757        | 924                              | 1,130  | 1,703                     |
| Additions - purchased/internally generated                           | 32           | 32                               | 0  | 0                         |
| Additions - leased   | 0            | 0                                | 0  | 0                         |
| Additions - donations of physical assets (non-cash)                  | 0            | 0                                | 0  | 0                         |
| Additions - assets purchased from cash donations/grants              | 0            | 0                                | 0  | 0                         |
| Impairments charged to operating expenses                            | 0            | 0                                | 0  | 0                         |
| Impairments charged to the revaluation reserve                       | 0            | 0                                | 0  | 0                         |
| Reversal of impairments credited to operating expenses               | 0            | 0                                | 0  | 0                         |
| Reversal of impairments credited to the revaluation reserve          | 0            | 0                                | 0  | 0                         |
| Revaluations   | 0            | 0                                | 0  | 0                         |
| Reclassifications  | (420)        | 1,160                            | 123  | (1,703)                   |
| Transfers to/from assets held for sale and assets in disposal groups | 0            | 0                                | 0  | 0                         |
| Disposals/derecognition  | 0            | 0                                | 0  | 0                         |
| <b>Valuation/gross cost at 31 March</b>                              | <b>3,369</b> | <b>2,116</b>                     | <b>1,253</b>                                     | <b>0</b>                  |
| <b>Accumulated amortisation at 1 April</b>                           | 1,136        | 229                              | 907  | 0                         |
| Provided during the year   | 261          | 198                              | 63   | 0                         |
| Impairments charged to operating expenses                            | 0            | 0                                | 0  | 0                         |
| Impairments charged to the revaluation reserve                       | 0            | 0                                | 0  | 0                         |
| Reversal of impairments credited to operating expenses               | 0            | 0                                | 0  | 0                         |
| Reversal of impairments credited to the revaluation reserve          | 0            | 0                                | 0  | 0                         |
| Revaluations   | 0            | 0                                | 0  | 0                         |
| Reclassifications  | 0            | 7                                | (7)  | 0                         |
| Transfers to/from assets held for sale and assets in disposal groups | 0            | 0                                | 0  | 0                         |
| Disposals/derecognition  | 0            | 0                                | 0  | 0                         |
| <b>Amortisation at 31 March</b>                                      | <b>1,397</b> | <b>434</b>                       | <b>963</b>                                       | <b>0</b>                  |
| <b>Net book value</b>  |              |                                  |  |                           |
| Purchased at 1 April   | 4,805        | 1,065                            | 2,037  | 1,703                     |
| Donated at 1 April   | 88           | 88                               | 0  | 0                         |
| Total as at 1 April  | 4,893        | 1,153                            | 2,037  | 1,703                     |
| <b>Net book value</b>  |              |                                  |  |                           |
| Purchased at 31 March  | 1,899        | 1,609                            | 290  | 0                         |
| Donated at 31 March  | 73           | 73                               | 0  | 0                         |
| Total as at 31 March   | 1,972        | 1,682                            | 290  | 0                         |

In 2015/16 the Trust received £108,500 RIO software licence transfers as a donated addition from the Department of Health and Social Care.

The Trust has no commitments to purchase intangible assets.

| Intangible Valuations                                      | Software Licences<br>(Purchased) | Information Technology<br>(Internally Generated) | Assets Under Construction |
|--|----------------------------------|--|---------------------------|
| Method of determining fair value                           | Management Review                | Management Review                                | Held at Cost              |
| Year of revaluation  | 2015/16                          | 2016/17  | N/A                       |
| Carrying amount of revalued assets at 31 March 2019 (£000) | 1,516                            | 225  | 249                       |

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.

#### 9.4 Range of lives of intangible assets

##### 9.4.1 Intangible assets - internally generated

|                         | <b>Min Life<br/>Years</b> | <b>Max Life<br/>Years</b> |
|-------------------------|---------------------------|---------------------------|
| Information technology  | <b>3</b>                  | <b>5</b>                  |
| Development expenditure | <b>3</b>                  | <b>5</b>                  |
| Other                   | <b>3</b>                  | <b>5</b>                  |

##### 9.4.2 Intangible assets - purchased

|                       |          |          |
|-----------------------|----------|----------|
| Software              | <b>3</b> | <b>8</b> |
| Licences & trademarks | <b>3</b> | <b>8</b> |
| Patents               | <b>3</b> | <b>8</b> |
| Other                 | <b>3</b> | <b>8</b> |
| Goodwill              | <b>3</b> | <b>8</b> |

## 9.5 Tangible Property, Plant and Equipment (Group)

Tangible property, plant and equipment at the balance sheet date comprise the following elements:

|   | 2018/19       |              |               |                                 |                        |                        |                           |                         |
|---|---------------|--------------|---------------|---------------------------------|------------------------|------------------------|---------------------------|-------------------------|
|   | Total         | Land         | Buildings     | Assets<br>Under<br>Construction | Plant and<br>Machinery | Transport<br>Equipment | Information<br>Technology | Furniture<br>& Fittings |
|   | £000          | £000         | £000          | £000                            | £000                   | £000                   | £000                      | £000                    |
| Cost or valuation at 1 April 2018                           | 54,465        | 7,402        | 37,786        | 1,220                           | 1,972                  | 0                      | 6,075                     | 10                      |
| Transfer by absorption Normal                               | 0             | 0            | 0             | 0                               | 0                      | 0                      | 0                         | 0                       |
| Additions purchased/internally generated                    | 1,414         | 0            | 787           | 143                             | 101                    | 0                      | 383                       | 0                       |
| Additions - leased  | 0             | 0            | 0             | 0                               | 0                      | 0                      | 0                         | 0                       |
| Additions grants/donations of cash to purchase assets       | 0             | 0            | 0             | 0                               | 0                      | 0                      | 0                         | 0                       |
| Additions - assets purchased from cash donations/grants     | 0             | 0            | 0             | 0                               | 0                      | 0                      | 0                         | 0                       |
| Impairments charged to operating expenses                   | (279)         | 0            | (279)         | 0                               | 0                      | 0                      | 0                         | 0                       |
| Impairments charged to revaluation reserve                  | (653)         | 0            | (653)         | 0                               | 0                      | 0                      | 0                         | 0                       |
| Reversal of impairments credited to operating income        | 808           | 0            | 808           | 0                               | 0                      | 0                      | 0                         | 0                       |
| Reversal of impairments credited to the revaluation reserve | 0             | 0            | 0             | 0                               | 0                      | 0                      | 0                         | 0                       |
| Revaluations  | 0             | 0            | 0             | 0                               | 0                      | 0                      | 0                         | 0                       |
| Reclassifications   | (78)          | 0            | 238           | (1,219)                         | 0                      | 0                      | 903                       | 0                       |
| Transferred to disposal group as asset held for sale        | 0             | 0            | 0             | 0                               | 0                      | 0                      | 0                         | 0                       |
| Disposals   | 0             | 0            | 0             | 0                               | 0                      | 0                      | 0                         | 0                       |
| <b>Cost or valuation at 31 March 2019</b>                   | <b>55,677</b> | <b>7,402</b> | <b>38,687</b> | <b>144</b>                      | <b>2,073</b>           | <b>0</b>               | <b>7,361</b>              | <b>10</b>               |
| Accumulated depreciation at 1 April 2018                    | 3,157         | 0            | 381           | 0                               | 997                    | 0                      | 1,771                     | 8                       |
| Transfer by absorption Normal                               | 0             | 0            | 0             | 0                               | 0                      | 0                      | 0                         | 0                       |
| Provided during the year                                    | 1,906         | 0            | 698           | 0                               | 186                    | 0                      | 1,021                     | 1                       |
| 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        | (639)         | 0            | (639)         | 0                               | 0                      | 0                      | 0                         | 0                       |
| Reversal of impairments credited to the revaluation reserve | 0             | 0            | 0             | 0                               | 0                      | 0                      | 0                         | 0                       |
| Revaluations  | 0             | 0            | 0             | 0                               | 0                      | 0                      | 0                         | 0                       |
| Reclassifications   | (22)          | 0            | (22)          | 0                               | 0                      | 0                      | 0                         | 0                       |
| Transfer to disposal group as asset held for sale           | 0             | 0            | 0             | 0                               | 0                      | 0                      | 0                         | 0                       |
| Disposals   | 0             | 0            | 0             | 0                               | 0                      | 0                      | 0                         | 0                       |
| <b>Accumulated depreciation at 31 March 2019</b>            | <b>4,402</b>  | <b>0</b>     | <b>418</b>    | <b>0</b>                        | <b>1,183</b>           | <b>0</b>               | <b>2,792</b>              | <b>9</b>                |
| <b>Net book value</b>                                       |               |              |               |                                 |                        |                        |                           |                         |
| Purchased at 31 March                                       | 50,800        | 7,402        | 37,794        | 144                             | 890                    | 0                      | 4,569                     | 1                       |
| Finance lease at 31 March                                   | 183           | 0            | 183           | 0                               | 0                      | 0                      | 0                         | 0                       |
| Donated at 31 March   | 292           | 0            | 292           | 0                               | 0                      | 0                      | 0                         | 0                       |
| <b>Total as at 31 March</b>                                 | <b>51,275</b> | <b>7,402</b> | <b>38,269</b> | <b>144</b>                      | <b>890</b>             | <b>0</b>               | <b>4,569</b>              | <b>1</b>                |

In 2015/16 the Trust conducted an exercise to review all equipment asset values and remaining lives.

As a result of the annual 31 March 2019 desktop review of land and buildings by the District Valuation Office, the Trust's overall land and buildings value increased by £515k ;

Some properties incurred an impairment totalling £931k of which £652k was credited against revaluation reserve and an impairment of £279k was charged to operating expenses.

Other properties experienced an increase in value totalling £1,447k of which £Nil k was debited to revaluation reserves and £1,447k was credited to the operating income as a reversal of previous years impairments against operating expenses.

## 9.5 Tangible Property, Plant and Equipment (Group) (continued)

|   | 2018/19       |              |               |                                 |                        |                        |                           |                         |
|---|---------------|--------------|---------------|---------------------------------|------------------------|------------------------|---------------------------|-------------------------|
|   | Total         | Land         | Buildings     | Assets<br>Under<br>Construction | Plant and<br>Machinery | Transport<br>Equipment | Information<br>Technology | Furniture<br>& Fittings |
|   | £000          | £000         | £000          | £000                            | £000                   | £000                   | £000                      | £000                    |
| Cost or valuation at 1 April 2017                           | 88,127        | 18,898       | 57,762        | 6,003                           | 1,626                  | 0                      | 3,828                     | 10                      |
| Additions - purchased                                       | 5,428         | 0            | 3,853         | 1,220                           | 346                    | 0                      | 9                         | 0                       |
| Additions grants/donations of cash to purchase assets       | 0             | 0            | 0             | 0                               | 0                      | 0                      | 0                         | 0                       |
| Additions - assets purchased from cash donations/grants     | 24            | 0            | 24            | 0                               | 0                      | 0                      | 0                         | 0                       |
| Impairments charged to operating expenses                   | (16,818)      | (6,098)      | (10,720)      | 0                               | 0                      | 0                      | 0                         | 0                       |
| Impairments charged to revaluation reserve                  | (22,296)      | (5,502)      | (16,794)      | 0                               | 0                      | 0                      | 0                         | 0                       |
| Reversal of impairments credited to operating income        | 549           | 105          | 444           | 0                               | 0                      | 0                      | 0                         | 0                       |
| Reversal of impairments credited to the revaluation reserve | 0             | 0            | 0             | 0                               | 0                      | 0                      | 0                         | 0                       |
| Revaluations  | 740           | 152          | 588           | 0                               | 0                      | 0                      | 0                         | 0                       |
| Reclassifications   | 311           | 216          | 3,860         | (6,003)                         | 0                      | 0                      | 2,238                     | 0                       |
| Transferred to disposal group as asset held for sale        | (1,600)       | (369)        | (1,231)       | 0                               | 0                      | 0                      | 0                         | 0                       |
| Disposals   | 0             | 0            | 0             | 0                               | 0                      | 0                      | 0                         | 0                       |
| <b>Cost or valuation at 31 March 2018</b>                   | <b>54,465</b> | <b>7,402</b> | <b>37,786</b> | <b>1,220</b>                    | <b>1,972</b>           | <b>0</b>               | <b>6,075</b>              | <b>10</b>               |
| Accumulated depreciation at 1 April 2017                    | 2,260         | 0            | 346           | 0                               | 843                    | 0                      | 1,064                     | 7                       |
| Provided during the year                                    | 1,544         | 0            | 682           | 0                               | 154                    | 0                      | 707                       | 1                       |
| 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        | (538)         | 0            | (538)         | 0                               | 0                      | 0                      | 0                         | 0                       |
| Reversal of impairments credited to the revaluation reserve | 0             | 0            | 0             | 0                               | 0                      | 0                      | 0                         | 0                       |
| Revaluations  | 0             | 0            | 0             | 0                               | 0                      | 0                      | 0                         | 0                       |
| Reclassifications   | (109)         | 0            | (109)         | 0                               | 0                      | 0                      | 0                         | 0                       |
| Transfer to disposal group as asset held for sale           | 0             | 0            | 0             | 0                               | 0                      | 0                      | 0                         | 0                       |
| Disposals   | 0             | 0            | 0             | 0                               | 0                      | 0                      | 0                         | 0                       |
| <b>Accumulated depreciation at 31 March 2018</b>            | <b>3,157</b>  | <b>0</b>     | <b>381</b>    | <b>0</b>                        | <b>997</b>             | <b>0</b>               | <b>1,771</b>              | <b>8</b>                |
| <b>Net book value</b>                                       |               |              |               |                                 |                        |                        |                           |                         |
| Purchased at 31 March                                       | 50,774        | 7,402        | 36,871        | 1,220                           | 975                    | 0                      | 4,304                     | 2                       |
| Finance lease at 31 March                                   | 219           | 0            | 219           | 0                               | 0                      | 0                      | 0                         | 0                       |
| Donated at 31 March   | 315           | 0            | 315           | 0                               | 0                      | 0                      | 0                         | 0                       |
| <b>Total as at 31st March</b>                               | <b>51,308</b> | <b>7,402</b> | <b>37,405</b> | <b>1,220</b>                    | <b>975</b>             | <b>0</b>               | <b>4,304</b>              | <b>2</b>                |

In 2015/16 the Trust conducted an exercise to review all equipment asset values and remaining lives.

As a result of a 1 April 2017 Modern Equivalent Assets (MEA) Alternative Site review of land and buildings by the District Valuation Office, the Trust's overall land and buildings value decreased by £36,197k;

Some properties incurred an impairment totalling £36,439k of which £22,265k was credited against revaluation reserve and an impairment of £14,174k was charged to operating expenses. Other properties experienced an increase in value totalling £242k of which £134k was debited to revaluation reserves and £108k was credited to the operating income as a reversal of previous years impairments against operating expenses.

## 9.5 Tangible Property, Plant and Equipment (Group) (continued)

During the year the Trust sought a valuation review by the District Valuation Office, of three properties which were to be reclassified from property, plant and equipment to being shown as non-current assets for sale. This resulted in an increase in value totalling £526k of which £66k was debited to revaluation reserves and £460k was credited to the operating income as a reversal of previous years impairments against operating expenses.

As a result of the annual 31 March 2018 desktop review of land and buildings by the District Valuation Office, the Trust's overall land and buildings value decreased by £1,616k;

Some properties incurred an impairment totalling £2,675k of which £30k was credited against revaluation reserve and an impairment of £2,645k was charged to operating expenses.

Other properties experienced an increase in value totalling £1,059k of which £540k was debited to revaluation reserves and £519k was credited to the operating income as a reversal of previous years impairments against operating expenses.

## 9.6 Range of lives of property, plant and equipment

|                               | Min Life<br>Years | Max Life<br>Years |
|-------------------------------|-------------------|-------------------|
| Land                          | 0                 | 0                 |
| Buildings excluding dwellings | 40                | 100               |
| Plant & machinery             | 0                 | 0                 |
| Transport equipment           | 5                 | 7                 |
| Information technology        | 3                 | 8                 |
| Furniture & fittings          | 5                 | 10                |

## 10 Trade Receivables and Other Receivables (Group)

|  | 31 March 2019<br>£000 | 31 March 2018<br>£000 |
|--|-----------------------|-----------------------|
| <b>Current:</b>  |                       |                       |
| Contract receivables (IFRS 15): invoiced                       | 4,254                 | 0                     |
| Contract receivables (IFRS 15): not yet invoiced/non-invoiced  | 3,318                 | 0                     |
| Contract assets (IFRS 15)                                      | 0                     | 0                     |
| Trade receivables (comparative only)                           | 0                     | 6,435                 |
| Capital receivables (including accrued capital related income) | 460                   | 460                   |
| Accrued income (comparative only)                              | 0                     | 0                     |
| Allowance for impaired contract receivables/assets             | (686)                 | 0                     |
| Allowance for impaired other receivables                       | 0                     | (520)                 |
| Deposits and advances  | 0                     | 0                     |
| Prepayments (non-PFI)  | 264                   | 120                   |
| Interest receivable  | 0                     | 0                     |
| Finance lease receivables                                      | 0                     | 0                     |
| PDC dividend receivable  | 340                   | 503                   |
| VAT receivable   | 198                   | 219                   |
| Corporation and other taxes receivable                         | 0                     | 0                     |
| Other receivables  | 66                    | 470                   |
| NHS charitable funds: receivables                              | 0                     | 0                     |
| Total current trade and other receivables                      | <u>8,214</u>          | <u>7,687</u>          |
| <b>Non Current:</b>  |                       |                       |
| Contract receivables (IFRS 15): invoiced                       | 283                   | 0                     |
| Contract receivables (IFRS 15): not yet invoiced/non-invoiced  | 0                     | 0                     |
| Contract assets (IFRS 15)                                      | 0                     | 0                     |
| Prepayments (non-PFI)  | 89                    | 107                   |
| Other receivables - revenue                                    | 0                     | 299                   |
| Total non current trade and other receivables                  | <u>372</u>            | <u>406</u>            |
| <b>Total trade and other receivables</b>                       | <u><u>8,586</u></u>   | <u><u>8,093</u></u>   |

## 10.1 Allowances for credit losses (doubtful debts)

|   | 31 March 2019<br>£000 |
|---|-----------------------|
| As at 1 April   | 520                   |
| Impact of IFRS 9 (and IFRS 15) implementation on 1 April 2018 balance | 0                     |
| New allowances arising  | 452                   |
| Changes in the calculation of existing allowances                     | 0                     |
| Reversals of allowances (where receivable is collected in-year)       | (3)                   |
| Utilisation of allowances (where receivable is written off)           | (283)                 |
| Changes arising following modification of contractual cash flows      | 0                     |
| <b>As at 31 March</b>   | <b>686</b>            |
| Loss/(gain) recognised in expenditure                                 | 449                   |

Provisions for impairment of trade receivables includes £64k in respect of bodies considered related parties (£64k at 31 March 2018)

## 10.2 Finance lease receivables (Group)

The Trust is not a lessor on any finance leases.

## 11 Current Asset Investments (Group)

|                                      | 31 March 2019<br>£000 | 31 March 2018<br>£000 |
|--------------------------------------|-----------------------|-----------------------|
| Cost or valuation at 1 April         | 0                     | 0                     |
| Additions                            | 0                     | 0                     |
| Disposals                            | 0                     | 0                     |
| Revaluations                         | 0                     | 0                     |
| <b>Cost or valuation at 31 March</b> | <b>0</b>              | <b>0</b>              |

The Trust used the Bank of England for short term investments which were not greater than 3 months in duration.

## 12 Trade and Other Payables (Group)

### 12.1 Trade and other payables at the balance sheet date are made up of:

|   | 31 March 2019<br>£000 | 31 March 2018<br>£000 |
|---|-----------------------|-----------------------|
| <b>Current</b>                                      |                       |                       |
| Trade payables                                      | 2,878                 | 4,588                 |
| Capital payables (including capital accruals)       | 326                   | 760                   |
| Accruals (revenue costs only)                       | 5,996                 | 2,642                 |
| Receipts in advance (including payments on account) | 0                     | 0                     |
| Social security costs                               | 1,694                 | 1,678                 |
| VAT payables  | 0                     | 0                     |
| Other taxes payable                                 | 0                     | 0                     |
| PDC dividend payable                                | 0                     | 0                     |
| Other payables                                      | 807                   | 783                   |
| NHS charitable funds: trade and other payables      | 6                     | 3                     |
| <b>Total current trade and other payables</b>       | <b>11,707</b>         | <b>10,454</b>         |
| <b>Non-current</b>                                  |                       |                       |
| Trade payables                                      | 0                     | 0                     |
| Capital payables (including capital accruals)       | 0                     | 0                     |
| Accruals (revenue costs only)                       | 0                     | 0                     |
| Receipts in advance (including payments on account) | 0                     | 0                     |
| <b>Total non-current trade and other payables</b>   | <b>0</b>              | <b>0</b>              |

Annual leave carry forwards are only approved under exceptional circumstances whereby staff are unable to take the full annual leave allowance, for example those on maternity or long term sick leave. This principle applies equally to medical staff and outstanding annual leave was only calculated for those on maternity or long term sick leave as at 31 March 2019.

Accruals for bank/agency staff and staff travel were estimated using details from the Trust's staff booking and expenses systems respectively.

Accruals for telephones and utility invoices were estimated having analysed the invoices paid and the period unpaid.

### 12.2 Other liabilities (Group)

|   | 31 March 2019<br>£000 | 31 March 2018<br>£000 |
|---|-----------------------|-----------------------|
| <b>Current</b>                                |                       |                       |
| Deferred income: contract liability (IFRS 15) | 107                   | 39                    |
| Deferred grants                               | 0                     | 0                     |
| <b>Total other current liabilities</b>        | <b>107</b>            | <b>39</b>             |
| <b>Non-current</b>                            |                       |                       |
| Deferred income                               | 0                     | 0                     |
| Deferred grants                               | 0                     | 0                     |
| <b>Total other non current liabilities</b>    | <b>0</b>              | <b>0</b>              |
| <b>Total other liabilities</b>                | <b>107</b>            | <b>39</b>             |

## 12.3 Borrowings

|  | 31 March 2019<br>£000 | 31 March 2018<br>£000 |
|--|-----------------------|-----------------------|
| <b>Current</b>                               |                       |                       |
| Bank overdrafts - Government Banking Service | 0                     | 0                     |
| Other Loans                                  | 0                     | 0                     |
| Obligations under finance leases             | 48                    | 46                    |
| Total current borrowings                     | 48                    | 46                    |
| <b>Non-current</b>                           |                       |                       |
| Obligations under finance leases             | 180                   | 228                   |
| Total non-current borrowings                 | 180                   | 228                   |
| <b>Total borrowings</b>                      | <b>228</b>            | <b>274</b>            |

## 12.4 Finance lease obligations (Group)

|  | 31 March 2019<br>£000 | 31 March 2018<br>£000 |
|--|-----------------------|-----------------------|
| <b>Gross buildings lease liabilities</b>             | <b>258</b>            | <b>317</b>            |
| <b>of which liabilities are due:</b>                 |                       |                       |
| - not later than one year;                           | 59                    | 59                    |
| - later than one year and not later than five years; | 199                   | 236                   |
| - later than five years.                             | 0                     | 22                    |
| Less finance charges allocated to future periods     | (30)                  | (43)                  |
| Net buildings lease liabilities                      | 228                   | 274                   |
| <b>Net lease liabilities payable:</b>                |                       |                       |
| - not later than one year;                           | 48                    | 46                    |
| - later than one year and not later than five years; | 180                   | 209                   |
| - later than five years.                             | 0                     | 19                    |
|  | 228                   | 274                   |

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.

## 12.5 Reconciliation of liabilities arising from financing activities

|  | Total liabilities from<br>financing activities<br>2018/19<br>£000 | Finance leases<br>2018/19<br>£000 |
|--|---|-----------------------------------|
| <b>Carrying value at 1 April 2018 brought forward</b>                        | <b>274</b>  | <b>274</b>                        |
| Impact of applying IFRS 9 as at 1 April 2018                                 | 0   | 0                                 |
| <b>Cash movements:</b>   |   |                                   |
| Financing cash flows - principal   | (46)  | (46)                              |
| Financing cash flows - interest (for liabilities measured at amortised cost) | (14)  | (14)                              |
| <b>Non-cash movements:</b>   |   |                                   |
| Additions  | 0   | 0                                 |
| Business combinations (not absorption transfers)                             | 0   | 0                                 |
| Interest charge arising in year (application of effective interest rate)     | 14  | 14                                |
| Other changes  | 0   | 0                                 |
| <b>Carrying value at 31 March 2019</b>                                       | <b>228</b>  | <b>228</b>                        |



## 13 Provisions (Group)

### 13.1 Provisions for liabilities and charges

|                            | 31 March<br>2019<br>Current<br>£000 | 31 March<br>2018<br>Current<br>£000 | 31 March<br>2019<br>Non-current<br>£000 | 31 March<br>2018<br>Non-current<br>£000 |
|----------------------------|-------------------------------------|-------------------------------------|---|---|
| Pensions - Injury benefits | 12                                  | 12                                  | 126                                     | 9                                       |
| Legal claims               | 441                                 | 271                                 | 36                                      | 39                                      |
| <b>Total</b>               | <b>453</b>                          | <b>283</b>                          | <b>162</b>                              | <b>48</b>                               |

### 13.2 Movements in provisions for liabilities and charges

|   | 31 March<br>2019<br>Total<br>£000 | 31 March<br>2019<br>Pensions -<br>Injury benefits<br>£000 | 31 March<br>2019<br>Other legal<br>claims<br>£000 | 31 March<br>2018<br>Total<br>£000 | 31 March<br>2018<br>Pensions<br>Injury benefits<br>£000 | 31 March<br>2018<br>Other legal<br>claims<br>£000 |
|---|-----------------------------------|---|---|-----------------------------------|---|---|
| As at 1 April   | 331                               | 21  | 310   | 542                               | 36  | 506   |
| Arising during the period                                   | 369                               | 127   | 242   | 272                               | 0   | 272   |
| Utilised during the period - Accruals                       | 0                                 | 0   | 0   | 0                                 | 0   | 0   |
| Utilised during the period - Cash                           | (30)                              | (10)  | (20)  | (42)                              | (15)  | (27)  |
| Reclassified to liabilities held in disposal groups in year | 0                                 | 0   | 0   | 0                                 | 0   | 0   |
| Reversed unused   | (55)                              | 0   | (55)  | (441)                             | 0   | (441)   |
| <b>At 31 March</b>  | <b>615</b>                        | <b>138</b>  | <b>477</b>  | <b>331</b>                        | <b>21</b>   | <b>310</b>  |

#### Expected timing of cash flow:

|  |            |            |            |            |           |            |
|--|------------|------------|------------|------------|-----------|------------|
| - not later than one year;                           | 453        | 12         | 441        | 283        | 12        | 271        |
| - later than one year and not later than five years; | 64         | 51         | 13         | 22         | 9         | 13         |
| - later than five years.                             | 98         | 75         | 23         | 26         | 0         | 26         |
| <b>At 31 March</b>                                   | <b>615</b> | <b>138</b> | <b>477</b> | <b>331</b> | <b>21</b> | <b>310</b> |

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 2017/18)

Since the effect of the time value of money is not significant, since April 2013 cash flows are not discounted.

### 13.3 Clinical negligence liabilities Movements in provisions for liabilities and charges

|  | <b>31 March<br/>2019<br/>£000</b> | <b>31 March<br/>2018<br/>£000</b> |
|--|-----------------------------------|-----------------------------------|
|--|-----------------------------------|-----------------------------------|

Amount included in provisions  
of the NHS Resolution in respect  
of clinical negligence liabilities  
of 2gether NHS Foundation Trust

16,706      20,718

### 14 Cash and cash equivalents

|                    | <b>Group<br/>31 March<br/>2018<br/>£000</b> | <b>Trust<br/>31 March<br/>2019<br/>£000</b> | <b>Charities<br/>31 March<br/>2019<br/>£000</b> | <b>Group<br/>31 March<br/>2019<br/>£000</b> | <b>Trust<br/>31 March<br/>2018<br/>£000</b> | <b>Charities<br/>31 March<br/>2018<br/>£000</b> |
|--------------------|---|---|---|---|---|---|
| At 1 April         | <b>9,259</b>                                | <b>9,047</b>                                | <b>212</b>                                      | 11,268                                      | 11,034                                      | 234   |
| Net change in year | <b>5,614</b>                                | <b>5,590</b>                                | <b>24</b>                                       | (2,009)                                     | (1,987)                                     | (22)  |
| At 31 March        | 14,873                                      | 14,637                                      | 236   | 9,259                                       | 9,047                                       | 212   |

Broken down into:

Cash at commercial banks and  
in hand

**273      37      236      249      37      212**

Cash with the Government  
Banking Service

**14,600      14,600      0      9,010      9,010      0**

Deposits with the National  
Loan Fund

**0      0      0      0      0      0**

Other current investments

**0      0      0      0      0      0**

Cash and cash equivalents as  
in SoFP

**14,873      14,637      236      9,259      9,047      212**

Bank overdraft - Government  
Banking Service

Bank overdraft - GBS &  
commercial

**0      0      0      0      0      0**

Cash and cash equivalents as  
in SoCF

**14,873      14,637      236      9,259      9,047      212**

## 14.1 Third Party Assets

|                                      | 31 March 2019<br>£000 | 31 March 2018<br>£000 |
|--------------------------------------|-----------------------|-----------------------|
| Third party assets held by the Trust | 120                   | 112                   |

Third party assets held by the Trust relate to cash at bank and in hand held by the Trust on behalf of patients. This has been excluded from the cash at bank and in hand figure reported in the financial statements above.

## 15 Commitments (Group)

### 15.1 Capital Commitments

Commitments under capital expenditure contracts at 31 March were as follows:

|                               | 31 March 2019<br>£000 | 31 March 2018<br>£000 |
|-------------------------------|-----------------------|-----------------------|
| Property, plant and equipment | 0                     | 0                     |
| Intangible assets             | 0                     | 0                     |
|                               | <u>0</u>              | <u>0</u>              |

At 31 March 2019 the Trust had no significant capital contracts which are only partially completed. (£Nil in 2017/18).

### 15.2 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 2019.

## 16 Contingent (liabilities)/assets (Group)

|   | 31 March 2019<br>£000 | 31 March 2018<br>£000 |
|---|-----------------------|-----------------------|
| NHS Resolution legal claims                               | (24)                  | (23)                  |
| Employment tribunal and other employee related litigation | 0                     | (203)                 |
| Redundancy  | 0                     | 0                     |
| Other   | 0                     | 0                     |
| Gross value of contingent liabilities                     | <u>(24)</u>           | <u>(226)</u>          |
| Amounts recoverable against liabilities                   | 0                     | 0                     |
| Net value of contingent liabilities                       | <u>(24)</u>           | <u>(226)</u>          |
| <b>Net value of contingent assets</b>                     | <u>22</u>             | <u>25</u>             |

Net contingent assets and liabilities relate to personal injury claims (NHS Resolution Scheme) and permanent injury benefit claims (NHS Pensions scheme).

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

## 17 Related Party Transactions

2gether NHS Foundation Trust is a corporate body established by order of the Secretary of State for Health.

2gether NHS Foundation Trust is under the government control of the Department of Health and Social Care. The Trust has had a number of material transactions with other government departments and other central and local government bodies within the public sector such as Gloucestershire County Council, Herefordshire Council, NHS Pension Scheme and HM Revenue and Customs.

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.

A Non Executive Director, Marcia Gallagher, is the Chair of Crossroads Care - Forest of Dean and Herefordshire. Crossroads Care - Forest of Dean and Herefordshire is a charity that provides care and in 2018/19 received £6,800 from 2gether NHS Foundation Trust to provide support to service users.

The Board of Governors has five nominated roles (one of which is vacant at 31 March 2019):

Carole Allaway-Martin is a Gloucestershire County Councillor.

Jenny Bartlett is a Herefordshire County Councillor.

Dr Lawrence Fielder is a senior partner at a Forest of Dean GP Practice, and the Clinical Commissioning Lead for the Forest of Dean.

Jade Brooks is the Acting Director of Operations at Herefordshire CCG.

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 18.1 and 18.3).

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 2017/18 (and 2016/17) 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. 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 18.2 and 18.3).

During 2018/19 (and 2017/18) 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.

## 18 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 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

### 18.1 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 2019 the funds held by the charity were £169,000. In 2018/19 £24,000 was spent on patient welfare, £6,000 spent on Staff Welfare and £6,000 on Management and Administration. The Charity received a £15k donation from the New Highway Charity to benefit Herefordshire patient recreational activities.

### 18.2 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.

At 31 March 2019 the funds held by the charity were £61,000. In 2018/19 £28,000 was spent on patient welfare, (£15,000 donated to 2gether NHS Foundation Trust Charitable Fund to benefit Herefordshire inpatient recreational activities and £13,000 donated to the Trust towards a Community Mental Health Link Practitioner.) It has spent £5,000 on Management and Administration.

In 2017/18 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.

### 18.3 Charity Group Schedules

#### 18.3.1 From Charity's Statement of Financial Activities

|   | 12 Months to<br>31 March 2019 | 12 Months to<br>31 March 2019<br>2gether NHS<br>Foundation<br>Trust<br>Charitable Fund | 12 Months to<br>31 March 2019<br>New Highway<br>Charity | 12 Months to<br>31 March 2018 | 12 Months to<br>31 March 2018<br>2gether NHS<br>Foundation<br>Trust<br>Charitable Fund | 12 Months to<br>31 March 2018<br>New Highway<br>Charity |
|---|-------------------------------|--|---|-------------------------------|--|---|
|   | £000                          | £000   | £000  | £000                          | £000   | £000  |
| Operating income (incoming resources excluding investment income) | 90                            | 90   | 0   | 4                             | 4  | 0   |
| Cash donations and other cash expenditure                         | (66)                          | (33)   | (33)  | (29)                          | (29)   | 0   |
| Audit fee (payable to external auditor)                           | (3)                           | (3)  | 0   | 0                             | 0  | 0   |
| Total operating expenditure                                       | (69)                          | (36)   | (33)  | (29)                          | (29)   | 0   |
| Net movement in funds   | 21                            | 54   | (33)  | (25)                          | (25)   | 0   |

### 18.3.2 From charity's balance sheet/statement of financial position

|   | As at 31<br>March<br>2019 | As at 31<br>March<br>2019                                | As at 31<br>March<br>2019 | As at 31<br>March<br>2018 | As at 31<br>March<br>2018                                | As at 31<br>March<br>2018 | As at 1<br>April<br>2017 | As at 1<br>April<br>2017                                 | As at 1<br>April<br>2017  |
|---|---------------------------|--|---------------------------|---------------------------|--|---------------------------|--------------------------|--|---------------------------|
|   | Total                     | 2gether NHS<br>Foundation<br>Trust<br>Charitable<br>Fund | New<br>Highway<br>Charity | Total                     | 2gether NHS<br>Foundation<br>Trust<br>Charitable<br>Fund | New<br>Highway<br>Charity | Total                    | 2gether NHS<br>Foundation<br>Trust<br>Charitable<br>Fund | New<br>Highway<br>Charity |
|   | £000                      | £000   | £000                      | £000                      | £000   | £000                      | £000                     | £000   | £000                      |
| Receivables                                 | 0                         | 0  | 0                         | 0                         | 0  | 0                         | 0                        | 0  | 0                         |
| Cash and cash equivalents                   | 235                       | 172  | 63                        | 212                       | 118  | 94                        | 234                      | 140  | 94                        |
| Trade and other payables due under one year | (6)                       | (3)  | (3)                       | (3)                       | (3)  | 0                         | 0                        | 0  | 0                         |
| Trade and other payables due after one year | 0                         | 0  | 0                         | 0                         | 0  | 0                         | 0                        | 0  | 0                         |
| Net assets                                  | 229                       | 169  | 60                        | 209                       | 115  | 94                        | 234                      | 140  | 94                        |
| Other restricted income funds               | 0                         | 0  | 0                         | 1                         | 1  | 0                         | 4                        | 4  | 0                         |
| Unrestricted income funds                   | 230                       | 169  | 61                        | 208                       | 114  | 94                        | 230                      | 136  | 94                        |
| Total Charitable Funds                      | 230                       | 169  | 61                        | 209                       | 115  | 94                        | 234                      | 140  | 94                        |

18.3.3

### Movements in charitable fund reserves

|                                   | 12 Months<br>31 March<br>2019        | 12 Months<br>31 March<br>2019 | 12 Months<br>31 March<br>2019 | 12 Months<br>31 March<br>2019 | 12 Months<br>31 March<br>2019    | 12 Months<br>31 March<br>2019 | 12 Months<br>31 March<br>2019 |
|-----------------------------------|--------------------------------------|-------------------------------|-------------------------------|-------------------------------|----------------------------------|-------------------------------|-------------------------------|
|                                   | Total<br>charitable<br>funds<br>£000 |                               |                               |                               | Restricted/<br>Endowment<br>£000 |                               |                               |
| Opening Balance                   | 209                                  | 115                           | 94                            |                               | 234                              | 140                           | 94                            |
| Net incoming/(outgoing) resources | 21                                   | 54                            | (33)                          |                               | (25)                             | (25)                          | 0                             |
| Gains/(losses) on revaluations    | 0                                    | 0                             | 0                             |                               | 0                                | 0                             | 0                             |
| Other movements                   | 0                                    | 0                             | 0                             |                               | 0                                | 0                             | 0                             |
| Closing Balance                   | 230                                  | 169                           | 61                            |                               | 209                              | 115                           | 94                            |

## 19 New standards

### 19.1 Initial application of IFRS 9

IFRS 9 Financial Instruments as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to reserves on 1 April 2018.

IFRS 9 replaces IAS 39 and introduces a revised approach to classification and measurement of financial assets and financial liabilities, a new forward-looking 'expected loss' impairment model and a revised approach to hedge accounting.

### 19.2 Initial application of IFRS 15

IFRS 15 Revenue from Contracts with Customers as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to the income and expenditure reserve on 1 April 2018.

IFRS 15 introduces a new model for the recognition of revenue from contracts with customers replacing the previous standards IAS 11, IAS 18 and related Interpretations. The core principle of IFRS 15 is that an entity recognises revenue when it satisfies performance obligations through the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services.

As directed by the GAM, the Trust has applied the practical expedient offered in C7A of the standard removing the need to retrospectively restate any contract modifications that occurred before the date of implementation (1 April 2018).

## 20 Financial Instruments

### 20.1 Financial risk management

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 Clinical Commissioning Groups and the way those Clinical Commissioning Groups 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 only as all other banking institutions are now not part of the Government Banking Scheme as such penalties arise on such investments. Investments are for a period of three months only. 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.

#### Liquidity risk

The Trust's operating costs are incurred under contracts with Clinical Commissioning Groups, 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 Financial Instruments (continued)

### 20.2 Carrying values of financial assets

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analyses.

Carrying value and fair value of financial assets

|   | Total<br>carrying<br>value<br><br>£000 | Financial<br>assets at<br>amortised<br>cost<br><br>£000 | Financial<br>assets at fair<br>value through<br>I&E - mandated<br><br>£000 | Financial<br>assets at fair<br>value through<br>I&E - designated<br><br>£000 | Financial<br>assets at fair<br>value through<br>OCI - mandated<br><br>£000 |
|---|--|---|--|--|--|
| <b>Financial Assets as per Statement of Financial Position:</b>         |  |   |  |  |  |
| <b>As at 31 March 2019</b>  |  |   |  |  |  |
| Receivables (excluding non financial assets) - with NHS and DHSC bodies | 4,023                                  | 4,023   | 0  | 0  | 0  |
| Receivables (excluding non financial assets) - with other bodies        | 3,672                                  | 3,672   | 0  | 0  | 0  |
| Other investments/financial assets                                      | 0                                      | 0   | 0  | 0  | 0  |
| Cash and cash equivalents   | 14,637                                 | 14,637  | 0  | 0  | 0  |
| Consolidated NHS Charitable fund financial assets                       | 236                                    | 236   | 0  | 0  | 0  |
| <b>Total as at 31 March 2019</b>  | <b>22,568</b>                          | <b>22,568</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>   |

For all categories of the Trust's financial assets the book values are equal to the fair values.

### 20.3 Carrying value and fair value of financial liabilities

|   | Total<br><br>£000 | Financial<br>liabilities at<br>amortised<br><br>£000 | Financial<br>liabilities at<br>fair value<br>I&E - mandated<br><br>£000 | Financial<br>liabilities at<br>fair value<br>I&E - designated<br><br>£000 |
|---|-------------------|--|---|---|
| <b>Liabilities as per Statement of Financial Position:</b>                                |                   |  |   |   |
| <b>As at 31 March 2019</b>  |                   |  |   |   |
| DHSC loans  | 0                 | 0  | 0   | 0   |
| Other borrowings excluding finance lease and PFI liabilities                              | 0                 | 0  | 0   | 0   |
| Obligations under finance leases  | 228               | 228  | 0   | 0   |
| Obligations under PFI, LIFT and other service concession contracts                        | 0                 | 0  | 0   | 0   |
| Trade and other payables (excluding non financial liabilities) - with NHS and DHSC bodies | 1,348             | 1,348  | 0   | 0   |
| Trade and other payables (excluding non financial liabilities) - with other bodies        | 8,658             | 8,658  | 0   | 0   |
| Other financial liabilities   | 0                 | 0  | 0   | 0   |
| IAS 37 provisions which are financial liabilities   | 0                 | 0  | 0   | 0   |
| Consolidated NHS charitable fund financial liabilities                                    | 6                 | 6  | 0   | 0   |
| <b>Total as at 31 March 2019</b>  | <b>10,240</b>     | <b>10,240</b>  | <b>0</b>  | <b>0</b>  |

For all categories of the Trust's financial liabilities the book values are equal to the fair values.



## 20.4 Maturity of financial liabilities

|   | As at 31<br>March 2019 | As at 31<br>March 2019  | As at 31<br>March 2019 | As at 31<br>March 2018 |
|---|------------------------|-------------------------|------------------------|------------------------|
|   | Total                  | With DH group<br>bodies | With other<br>bodies   | Total                  |
|   | £000                   | £000                    | £000                   | £000                   |
| <b>Financial liabilities fall due in:</b>           |                        |                         |                        |                        |
| In one year or less                                 | 10,072                 | 1,348                   | 8,724                  | 8,831                  |
| In more than one year but not more than two years   | 60                     | 0                       | 60                     | 59                     |
| In more than two years but not more than five years | 108                    | 0                       | 108                    | 156                    |
| In more than five years                             | 0                      | 0                       | 0                      | 0                      |
| <b>Total financial liabilities</b>                  | <b>10,240</b>          | <b>1,348</b>            | <b>8,892</b>           | <b>9,046</b>           |

## 21 Losses and Special Payments

|  | 2018/19<br>Numbers<br>£'000 | Value     | 2017/18<br>Numbers<br>£'000 | Value     |
|--|-----------------------------|-----------|-----------------------------|-----------|
| <b>Losses:</b>   |                             |           |                             |           |
| 1. Losses of cash due to:                              |                             |           |                             |           |
| a. theft, fraud etc.                                   | 0                           | 0         | 0                           | 0         |
| b. overpayment of salaries etc.                        | 3                           | 0         | 3                           | 0         |
| c. other causes  | 0                           | 0         | 0                           | 0         |
| 2. Fruitless payments and constructive losses          | 0                           | 0         | 0                           | 0         |
| 3. Bad debts and claims abandoned in relation to:      | 0                           | 0         | 0                           | 0         |
| a. private patients                                    | 0                           | 0         | 0                           | 0         |
| b. overseas visitors                                   | 0                           | 0         | 0                           | 0         |
| c. other   | 42                          | 26        | 5                           | 15        |
| 4. Damage to buildings, property etc. due to:          | 0                           | 0         | 0                           | 0         |
| a. theft, fraud etc.                                   | 0                           | 0         | 0                           | 0         |
| b. stores losses                                       | 0                           | 0         | 0                           | 0         |
| c. other   | 0                           | 0         | 0                           | 0         |
| <b>Total losses</b>                                    | <b>45</b>                   | <b>26</b> | <b>8</b>                    | <b>15</b> |
| <b>Special payments:</b>                               |                             |           |                             |           |
| 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                            | 12                          | 3         | 11                          | 2         |
| b. clinical negligence with advice                     | 0                           | 0         | 0                           | 0         |
| c. personal injury with advice                         | 4                           | 16        | 3                           | 24        |
| d. other negligence and injury                         | 0                           | 0         | 0                           | 0         |
| e. Other employment payments                           | 0                           | 0         | 1                           | 10        |
| f. Patient referrals outside the UK and EEA guidelines | 0                           | 0         | 0                           | 0         |
| g. other   | 0                           | 0         | 0                           | 0         |
| h. maladministration, no financial loss                | 3                           | 2         | 0                           | 0         |
| 8. Special Severance payments                          | 0                           | 0         | 0                           | 0         |
| 9. Extra statutory and regulatory                      | 0                           | 0         | 0                           | 0         |
| Total special payments                                 | 19                          | 21        | 15                          | 36        |
| <b>Total losses and special payments</b>               | <b>64</b>                   | <b>47</b> | <b>23</b>                   | <b>51</b> |

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 of 2gether NHS Foundation Trust

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### 1. Our opinion is unmodified

We have audited the financial statements of 2gether NHS Foundation Trust ("the Trust") for the year ended 31 March 2019 which comprise the Group and Trust Statements of Comprehensive Income, Group and Trust Statements of Financial Position, Group and Trust Statements of Changes in Equity and Group and Trust Statements of Cash Flows, and the related notes, including the accounting policies in note 1. .

#### In our opinion:

- the financial statements give a true and fair view of the state of the Group and the Trust's affairs as at 31 March 2019 and of the Group and Trust's income and expenditure for the year then ended; and
- the Group and the Trust's financial statements have been properly prepared in accordance with the Accounts Direction issued under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006, the NHS Foundation Trust Annual Reporting Manual 2018/19 and the Department of Health and Social Care Group Accounting Manual 2018/19.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group and Trust in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

#### Overview

**Materiality:** £2.4m (2018:£2.0m)  
Group financial statements as a whole 2% (2018: 1.7%) of total revenues

**Coverage** 2% (2018:1.7%) of group income

#### Risks of material misstatement 2019 vs 2018

| Recurring risks | Valuation of land and buildings         | ▼  |
|-----------------|---|----|
|                 | Recognition of NHS and non-NHS income   | ◀▶ |
|                 | New: Recognition of Non Pay Expenditure | ◀▶ |

#### Key

- ◀▶ Risk level unchanged from prior year
- ▼ Decreased risk in the year
- ▲ Increased risk in the year

## 2. Key audit matters: our assessment of risks of material misstatement

"We summarise below, the key audit matters [(unchanged from 2018)], in decreasing order of audit significance, in arriving at our audit opinion above together with our key audit procedures to address those matters and our findings from those procedures in order that the Trust's governors as a body may better understand the process by which we arrived at our audit opinion. These matters were addressed, and our findings are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters."

|  | The risk   | Our response   |
|--|--|--|
| <b>Land and buildings</b><br>(£45.6 million; 2018: £44.8 million)<br><br><i>Refer to the Audit Committee Report within the annual report, and note 1 (accounting policy) and note 9.5 (financial disclosures) of the financial statements.</i> | <b>Subjective Valuation</b><br><br>Land and buildings are initially recognised at cost. Non-specialised property assets in operational use are subsequently recognised at current value in existing use (EUV). Specialised assets (such as hospitals) where a market value is not readily ascertainable, are subsequently recognised at the depreciated replacement cost of a modern equivalent asset that has the same service potential as the existing property DRC.<br><br>Valuation is completed by an external expert, engaged by the Trust using construction indices and so accurate records of the current estate are required. Full valuations are completed every five years, with interim desktop valuations completed in interim periods.<br><br>There is significant judgment involved in determining the appropriate basis (EUV or DRC) for each asset according to the degree of specialisation, as well as over the assumptions made in arriving at the valuation of the asset. In particular the DRC basis of valuation requires an assumption as to whether the replacement asset would be situated on the existing site or, if more appropriate, on an alternative site.<br><br>The effect of these matters is that, as part of our risk assessment, we determined that the valuation of land and buildings has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole. | <b>Our procedures included:</b><br><br>— <b>Assessing valuer's credentials:</b> We considered the scope, qualifications and experience of the Trust's valuer to identify whether the valuer was appropriately experienced and qualified to undertake the valuation;<br><br>— <b>Tests of details:</b> We undertook the following tests of details: <ul style="list-style-type: none"> <li>▪ We agreed the information provided to the valuer by the Trust to underlying records including additions to land and buildings in the year;</li> <li>▪ We considered the overall methodology of the external valuation performed to identify whether the approach was in line with industry practice;</li> <li>▪ We critically assessed the market value indices movements used by the Trust, including a re-performance of this calculation to confirm that no material movements in the value of the land and buildings assets are indicated; and</li> <li>▪ We critically assessed the Trust's formal consideration of indications of impairment and surplus assets within its estate, including the process undertaken and the adequacy of the decision outcomes as a result of the process.</li> </ul> |
|  |  | <b>Our findings</b><br><br>— We found the resulting valuation of Land and buildings to be balanced.  |

## 2. Key audit matters: our assessment of risks of material misstatement

|  | The risk  | Our response   |
|--|---|--|
| <p><b>Recognition of NHS and non-NHS income</b></p> <p>(£125.7 million; 2018: £119.6 million)</p> <p><i>Refer to the Audit Committee Report within the annual report, and note 1 (accounting policy) and note 5 (financial disclosures) of the financial statements.</i></p> | <p><b>Effect of irregularities</b></p> <p>Of the Trust's reported income, £116.0 million (2017/18, £110.3 million) came from commissioners, Clinical Commissioning Groups (CCG) and NHS England). Income from CCGs and NHS England make up 92% of the Trust's income. The majority of this income is contracted on an annual basis, however actual achievement is based on completing the planned level of activity and achieving key performance indicators (KPIs). If the Trust does not meet its contracted KPIs then commissioners are able to impose penalties, reducing the level of income.</p> <p>The Trust participates in the national Agreement of Balances (AoB) exercise for the purpose of ensuring that intra-NHS balances are eliminated on the consolidation of the Department of Health's resource accounts. The AoB exercise identifies mismatches between receivable and payable balances recognised by the Trust and its commissioners, which will be resolved after the date of approval of these financial statements. For these financial statements the Trust identifies the specific cause, and accounts for the expected future resolution, of each individual difference</p> <p>The Trust reported total income of £9.7 million (2017/18: £9.2 million) from other activities principally, Supporting people services income, Education and Training and non patient care to other bodies. Much of this income is generated by contracts with other NHS and non-NHS bodies which are based on varied payment terms, including payment on delivery, milestone payments and periodic payments. The Trust may face challenge in the timely collection of the income.</p> <p>Incentives in the NHS differ significantly to those in the private sector which have driven the requirement to make a rebuttable presumption that this is a significant risk. These incentives in the NHS include the requirement to meet regulatory and financial covenants, rather than broader share based management concerns.</p> | <p>Our procedures included the following tests of details:</p> <ul style="list-style-type: none"> <li>— <b>Control Observations:</b> We tested the design and operation of process level controls over revenue recognition;</li> <li>— <b>Test of Detail:</b> We undertook the following test of detail: <ul style="list-style-type: none"> <li>▪ We agreed commissioner income and income received under the subcontract agreement to the signed contracts and selected a sample of the largest balances (comprising 98% of income from patient care activities) to agree that they had been invoiced in line with the contract agreements and payment had been received;</li> <li>▪ We inspected invoices for material income, in the month prior to 31 March 2019 to determine if the income was recognised in the correct accounting period;</li> <li>▪ We assessed the outcome of the agreement of balances exercise with CCGs and other NHS providers and compared the values recorded within their financial statements to the value of income captured in the Trust's financial statements. We sought explanations for any variances over £0.3 million, and all balances in dispute, and challenged the Trust's estimates of the level of income it was entitled to;</li> <li>▪ We assessed the provider sustainability funding recorded in the financial statements and the Trust's performance against the required targets to confirm eligibility for the income and agreed bonus amounts to the correspondence from NHSI; and</li> <li>▪ We tested material other income balances by agreeing a sample of transactions through to supporting documentation and cash receipts.</li> </ul> </li> </ul> <p><b>Our findings</b></p> <ul style="list-style-type: none"> <li>— We found the resulting recognition of NHS and non-NHS income to be balanced.</li> </ul> |

## 2. Key audit matters: our assessment of risks of material misstatement

|  | The risk   | Our response   |
|--|--|--|
| <p><b>Recognition of expenditure</b></p> <p>Accruals (£6.3 million;2018: £3.4 million)</p> <p><i>Refer to the Audit Committee Report within the annual report, and note 1 (accounting policy) and note 12 (financial disclosures) of the financial statements.</i></p> | <p><b>Effects of Irregularities:</b></p> <p>In the public sector, auditors also consider the risk that material misstatements due to fraudulent financial reporting may arise from the manipulation of expenditure recognition (for instance by deferring expenditure to a later period). This may arise due to the audited body manipulating expenditure to meet externally set targets. As most public bodies are net spending bodies, then the risk of material misstatement due to fraud related to expenditure recognition may in some cases be greater than the risk of material misstatements due to fraud related to revenue recognition and so we had regard to this when planning and performing our audit procedures.</p> <p>This risk relates to the completeness and accuracy of accruals recognised at year end.</p> | <p>Our procedures included:</p> <ul style="list-style-type: none"> <li>— <b>Control observation:</b> We tested the design and operation of process level controls over expenditure approval;</li> <li>— <b>Test of Details:</b> We undertook the following tests of details: <ul style="list-style-type: none"> <li>▪ We agreed a sample of non pay expenditure transactions to supporting evidence and cash;</li> <li>▪ We inspected invoices for material expenditure in the month prior to and following 31 March 2019 to determine whether expenditure was recognised in the correct accounting period relevant to when services were delivered;</li> <li>▪ We assessed the completeness and judgements made within the expenditure balance, specifically accrued expenditure; and</li> <li>▪ We assessed the outcome of the agreement of balances exercise with CCGs and other NHS providers and compared the values they are disclosing within their financial statements to the value of expenditure captured in the financial statements. We sought explanations for any variances over £0.3million, and all balances in dispute, and challenged the Trust's assessment of the level of expenditure they recognised when they prepared the year end accruals.</li> </ul> </li> </ul> <p><b>Our findings</b></p> <ul style="list-style-type: none"> <li>— We found the resulting recognition of accruals to be balanced.</li> </ul> |

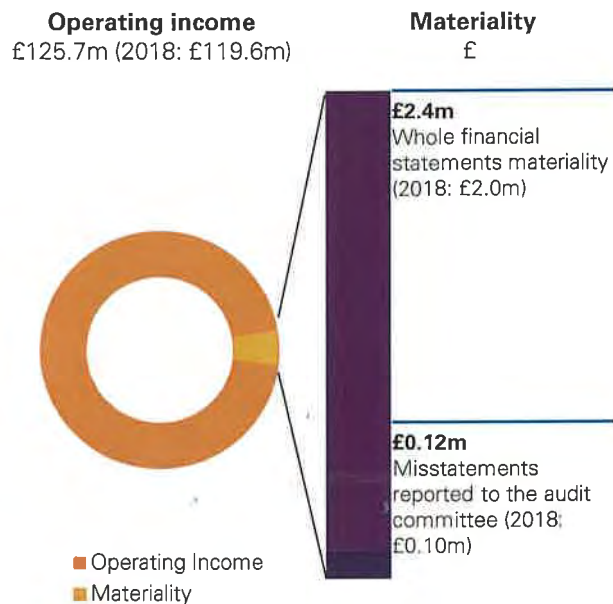


3. Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at £2.4 million (2018: £2.0 million), determined with reference to a benchmark of operating income (of which it represents approximately 2% 2018:1.7%). We consider operating income to be more stable than a surplus- or deficit-related benchmark.

We agreed to report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £0.12 million (2018:£0.1 million), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Trust was undertaken to the materiality level specified above and was all performed at the Trust's headquarters in Gloucester.



4. We have nothing to report on going concern

The Accounting Officer has prepared the financial statements on the going concern basis as they have not been informed by the relevant national body of the intention to dissolve the Group or the Trust without the transfer of its services to another public sector entity. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

Our responsibility is to conclude on the appropriateness of the Accounting Officer's conclusions and, had there been a material uncertainty related to going concern, to make reference to that in this audit report. However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Group or the Trust will continue in operation.

In our evaluation of the Accounting Officer's conclusions, we considered the inherent risks to the Group's and Trust's business model, including the impact of Brexit, and analysed how those risks might affect the Group's and Trust's financial resources or ability to continue operations over the going concern period.

We evaluated those risks and concluded that they were not significant enough to require us to perform additional audit procedures.

Based on this work, we are required to report to you if we have anything material to add or draw attention to in relation to the Accounting Officers statement in Note X to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and Trust's use of that basis for a period of at least twelve months from the date of approval of the financial statements.

We have nothing to report in these respects, and we did not identify going concern as a key audit matter.

5. We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

In our opinion the other information included in the Annual Report for the financial year is consistent with the financial statements

Remuneration report

In our opinion the part of the remuneration report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2018/19.

Corporate governance disclosures

We are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our financial statements audit and the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for stakeholders to assess the Trust's position and performance, business model and strategy; or
- the section of the annual report describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee; or
- the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2018/19, is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements.

We have nothing to report in these respects.

## Accounting Officer's responsibilities

As explained more fully in the Statement of Accounting Officer's Responsibilities within the annual report, the Accounting Officer is responsible for the preparation of financial statements that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Group and parent Trust without the transfer of their services to another public sector entity

## Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities)

## REPORT ON OTHER LEGAL AND REGULATORY MATTERS

### We have nothing to report on the statutory reporting matters

We are required by Schedule 2 to the Code of Audit Practice issued by the Comptroller and Auditor General ('the Code of Audit Practice') to report to you if:

- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006.
- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit.

We have nothing to report in these respects.

### We have nothing to report in respect of our work on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

Under the Code of Audit Practice we are required to report to you if the Trust has not made proper arrangement for securing economy, efficiency and effectiveness in the use of resources..

We have nothing to report in this respect.

### Respective responsibilities in respect of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources

The Trust is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of resources..

Under Section 62(1) and Schedule 10 paragraph 1(d), of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in the use of resources. We have nothing to report in this respect.

## arrangements for securing economy, efficiency and effectiveness in the use of resources

The Trust is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of resources..

Under Section 62(1) and Schedule 10 paragraph 1(d), of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in the use of resources.

We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the specified criterion issued by the Comptroller and Auditor General (C&AG) in November 2017, as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice and related guidance. Based on our risk assessment, we undertook such work as we considered necessary.

### Report on our review of the adequacy of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required by guidance issued by the C&AG under Paragraph 9 of Schedule 6 to the Local Audit and Accountability Act 2014 to report on how our work addressed any identified significant risks to our conclusion on the adequacy of the Trust's arrangements to secure economy, efficiency and effectiveness in the use of resources. The 'risk' in this case is the risk that we could come to an incorrect conclusion in respect of the Trust's arrangements, rather than the risk of the arrangements themselves being inadequate.

We carry out a risk assessment to determine the nature and extent of further work that may be required. Our risk assessment includes consideration of the significance of business and operational risks facing the Trust, insofar as they relate to 'proper arrangements'. This includes sector and organisation level risks and draws on relevant cost and performance information as appropriate, as well as the results of reviews by inspectorates, review agencies and other relevant bodies.



## **THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES**

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006 and the terms of our engagement by the Trust. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report, and the further matters we are required to state to them in accordance with the terms agreed with the Trust, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust, as a body, for our audit work, for this report, or for the opinions we have formed.

## **CERTIFICATE OF COMPLETION OF THE AUDIT**

We certify that we have completed the audit of the accounts of 2gether NHS Foundation Trust in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office.



**Jonathan Brown**

**for and on behalf of KPMG LLP (Statutory Auditor)**

*Chartered Accountants and Statutory Auditor*  
*66 Queen Square, Bristol, BS1 4BE*  
24 May 2019

## **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 2019 (the 'Quality Report') and certain performance indicators contained therein.

### **Scope and subject matter**

The indicators for the year ended 31 March 2019 subject to limited assurance consist of the following two national priority indicators:

- early interment in psychosis (EIP): people experiencing a first episode of psychosis treated with a National Institute for Health and Care Excellence (NICE)-approved care package within two weeks of referral
- inappropriate out-of-area placements for adult mental health services

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 NHS Improvement.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in the *Detailed requirements for quality reports for foundation trusts 2018/19* ('the Guidance'); 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 Requirements for external assurance for quality reports for foundation trusts 2018/19*.

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 and papers for the period April 2018 to May 2019;

- papers relating to quality reported to the board over the period April 2018 to May 2019;
- feedback from commissioners;
- feedback from governors, dated 17 March 2019;
- feedback from local Healthwatch organisations;
- feedback from Overview and Scrutiny Committee;
- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009;
- the 2008 national patient survey;
- the 2008 national staff survey;
- Care Quality Commission Inspection, dated 1 June 2018;
- the 2018/19 Head of Internal Audit's annual opinion over the trust's control environment; and
- any other information included in our review.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively, the 'documents'). Our responsibilities do not extend to any other information.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for the Council of Governors of <sup>2</sup>gether NHS Foundation Trust as a body, to assist the Council of Governors in reporting the 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 2019, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicator. 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 <sup>2</sup>gether NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

### **Assurance work performed**

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – 'Assurance Engagements other than Audit or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicator;
- making enquiries of management;
- testing key management controls;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the NHS Foundation Trust Annual Reporting Manual to the categories reported in the Quality Report; and
- reading the documents.

A limited assurance engagement is smaller in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

## Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the Quality Report in the context of the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* and supporting guidance.

The scope of our assurance work has not included governance over quality or the non-mandated indicator, which was determined locally by <sup>2</sup>gether NHS Foundation Trust.

## Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2019:

- 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 and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in the Guidance; and
- the indicator in the Quality Report subject to limited assurance has not been 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 Guidance

KPMG LLP

**KPMG LLP**  
**Chartered Accountants**  
**66 Queen Square, Bristol, BS1 4BE**

**24 May 2019**

# Contact Us

If you would like to contact the Trust you can:

**Write to:** Trust Secretary, Edward Jenner Court, 1010 Pioneer Avenue, Gloucester Business Park, Brockworth, Gloucester GL3 4AW  
**Email:** j.mcilveen@nhs.net  
**Tel:** 0300 421 7111

## Communicating with Governors

Members of the Trust may contact Governors via:

**Email:** anna.hilditch@nhs.net

**Writing to:** Freepost RLYA-XAKR-HABZ, Edward Jenner Court, 1010 Pioneer Avenue, Gloucester Business Park, Brockworth, Gloucester GL3 4AW

**Telephone:** the Assistant Trust Secretary on 0300 421 7111

There is also a feedback form on the Trust website at [www.2gether.nhs.uk](http://www.2gether.nhs.uk).

## Information in other languages/formats

The 2gether NHS Foundation Trust Annual Report and Accounts 2018/19 describe the activities of the Trust during the 2018/19 financial year. If you would like the Annual Report in large print, Braille, audio cassette tape or another language please telephone 0300 421 7146 or email us at [2gnft.comms@nhs.net](mailto:2gnft.comms@nhs.net)

### Chinese

2gether 國家健康服務信託社的週年報告和 2018-19

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](mailto:2gnft.comms@nhs.net)

### Polish

Roczny Raport i Rachunkowość Funduszu Powierniczego Narodowej Służby Zdrowia 2gether na rok 2018-19 opisuje działalność funduszu w czasie roku finansowego 2017 - 18. Po kopię Raportu Roczego 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](mailto:2gnft.comms@nhs.net)

### Czech

Výroční zpráva a účetní knihy 2018-19 nadace 2gether svěřenecké společnosti NHS popisují činnosti společnosti během finančního roku 2017 - 18. Pokud budete chtít výroční 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](mailto:2gnft.comms@nhs.net)

### Gujarati

ટ્રુગેધર એનએચએસ ફાઉન્ડેશન ટ્રસ્ટનો 2018-19 વાર્ષિક અહેવાલ અને હિસાબ ટ્રસ્ટની 2007 - 08નાં વર્ષ દરમિયાનની કામગીરીઓ બતાવે છે. તમોને જો એ અહેવાલ મોટા અક્ષરોમાં, બ્રેઈલ (અંધલિપિ), ઓડિઓ કસેટ કે બીજી કોઈ ભાષામાં જોઈતો હોય તો, મહેરબાની કરીને **01452 894007** નંબર પર ફોન કરશો અથવા આ જગ્યા પર ઈમેઈલ કરશો : [2gnft.comms@nhs.net](mailto:2gnft.comms@nhs.net)

## Bengali

টুগেদার এন‌এইচ‌এস ফাউন্ডেশন ট্রাস্ট (Together NHS Foundation Trust) 2018-19 সালের বাৎসরিক রিপোর্ট ও অ্যাকাউন্ট, ২০০৮-২০০৯ আর্থিক বছরে এই ট্রাস্টের কাজকর্মের কথা বলা হয়েছে। আপনি যদি এই রিপোর্টটি বড় ছাপায়, ব্রাইল-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

ٹو گیدر این ایچ ایس فاؤنڈیشن ٹرسٹ کی سالانہ رپورٹ اور سن 2018-19 کے اکاؤنٹس میں ٹرسٹ کی ان سرگرمیوں کا ذکر کیا گیا ہے جو مالی سال 2017-18 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



