NHS
Gloucestershire
Care Services
NHS Trust

Annual Report and Accounts 2017/18

Gloucestershire Care Services NHS Trust

Annual Report and Accounts 2017/18

Presented in accordance with the DH Group Manual for Accounts 2017/18

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Annual Report and Accounts 2017/18

About this document

This document fulfils the Annual Reporting requirements for NHS trusts.

Copies of this document are available from our website www.glos-care.nhs.uk, by email from TrustSecretary@glos-care.nhs.uk or by writing to Trust Secretary, Gloucestershire Care Services NHS Trust, Edward Jenner Court, 1010 Pioneer Avenue, Gloucestershire Business Park Brockworth, Gloucester, GL3 4AW.

If you would like this report in a different format, such as large print, or need it in a different language, please contact the Trust Secretary

Foreword

Welcome from the Chair

I am delighted to welcome you to this Annual Report and to introduce to you the achievements of Gloucestershire Care Services NHS Trust in a year that has been marked by some significant milestones.

Colleagues across the Trust are absolutely delighted that the Care Quality Commission confirmed our overall rating as Good, following inspections in January and February 2018. At our last inspection in 2015 we received a 'Requires Improvement' rating, so it is heartening that the efforts of my colleagues to make improvements and deliver safe, effective care have been acknowledged. Of course, we are restless for excellence, so our sights are now set on working towards Outstanding!

I am particularly pleased that the CQC recognised improvements to our Minor Injury and Illness Units. They also acknowledged areas of outstanding practice. Colleagues have shown unstinting commitment and worked incredibly hard at a time of substantial pressure on our services. They are dedicated to improving the experience and outcomes for our patients and our CQC inspection results reflect their success in doing so. Inspectors highlighted the dignity and respect with which patients are treated, co-ordination of care between teams and effective communication with patients, as well as praising the leadership of the Trust from a strong team of executive and non-executive directors.

I would like to acknowledge the contribution of Katie Norton, our Chief Executive until April 2018, in achieving this assessment, reflecting her patient-centred approach to care and focus on achieving the best possible performance for our community. Her predecessor, Paul Jennings, also played a very significant role in leading us on this journey of improvement.

I would also like to formally record my thanks to Tina Ricketts Director of HR, who left to take up the role of Director of People and Culture with Worcestershire Acute Hospitals Trust in January 2018. Tina had been with the Trust since its inception following eight years with the Primary Care Trust. Her contribution to both the Trust and the wider Gloucestershire Health system is widely recognised

Our Trust vision is about "Understanding You' and this means understanding the whole person. In pursuit of this vision, we took a hugely important and exciting step this year in announcing plans to develop integrated services with ^{2}gether NHS Foundation Trust, with the intention of merging as a single Trust.

There is clear evidence of the interplay between mental and physical health. Life expectancy for people with long term mental health problems is 15 to 20 years shorter than for the general population and these early deaths are mostly due to physical health problems. People with long-term physical health conditions are three times as likely to have mental health problems and these in turn impact negatively on their physical health outcomes. People with two or more long-term physical health conditions are seven times more likely to experience depression.

Colleagues see and experience this reality every day in delivering care in people's homes and communities; so aligning community health and mental health services is a natural fit. It offers the prospect of more holistic care, improved co-ordination between clinicians, better pro-active care and simplified access to services – all of which will benefit the people we serve.

Foreword

In an organisation as large and complex as the NHS there is a huge amount of work to get through in order to realise these benefits. I took up the post of Joint Chair of both Trusts on 1st January to oversee the process, which involves not just merging the two organisations, but ensuring that we retain our focus on the needs of our service users and communities throughout. Accomplishing this will take more than work – it will require skill, insight, imagination, diplomacy, and courage.

To that end I am delighted to welcome Paul Roberts, who took up the position as Joint Chief Executive of both Gloucestershire Care Services NHS Trust and 2gether NHS Foundation Trust on 16th April. Paul's track record as a chief executive is exemplary and his passion for, and understanding of, the inter-relationships between the acute, community and mental health sectors will be invaluable as we move into this new chapter for our organisations.

Throughout the year our Trust has continued to build strong partnerships with those around us. This has included active participation in the Gloucestershire Strategic Partnership, the Health and Care Overview and Scrutiny Committee, The Health and Wellbeing Board and good partnerships with Healthwatch and the Police.

We have also worked hard to build our wider community networks and I am particularly proud of our partnership work with BAME communities in the county. This year saw the development of an Equalities App for our colleagues, co-produced by our diverse community partners, to help ensure the services we provide meet the needs of all our community members. It is a great resource which we have made available across the wider health and social care community.

I am usually reluctant to single out individuals for praise when we are so reliant on each other to achieve our goals. However, on this occasion I would like to mention Gayle Clay, who leads the homeless healthcare team. She was awarded a British Empire Medal in the New Year's Honours List for her championing of the care and rights of this disadvantaged – often invisible – group throughout her long NHS career. Gayle really exemplifies our Trust values in her caring approach and values-based leadership.

However, I know that every colleague, including our many volunteers and supporters from the Leagues of Friends, has a daily role to play in ensuring we meet the standards of the NHS Constitution on which our Trust is built. I would like to thank you all for your support.

Ingrid Barker, Chair

Performance Report

Chief Executive's Introduction

As the recently appointed Chief Executive of both Gloucestershire Care Services NHS Trust and 2gether NHS Foundation Trust I'm in the unique position of being able to objectively review the Trust's achievements over the last 12 months, while setting out my main priorities for 2018/19.

Since taking up my position, my overriding impression has been that high quality services and support are being provided in Gloucestershire Care Services, and in both Gloucestershire and Herefordshire by 2gether.

Both Trusts have a very strong track record, which is borne out in the case of Gloucestershire Care Services by the wide range of information, data and performance measures contained within this report.

But data only provides part of the story. I have made it my aim to meet as many colleagues and stakeholders as I possibly can in order to gain their impressions of the Trusts. By and large, what I have heard backs up my initial impression that these are organisations doing a very good job in sometimes challenging circumstances. They can only continue to do so due to the significant contribution of our colleagues, as well as our Board, service users, carers, volunteers, commissioners, partners and communities.

That isn't to say that we cannot do better – there will always be more we can and should do to support our communities more effectively. I know everyone within the organisations is committed to doing so.

This brings me to our plans to more formally join 2gether and Gloucestershire Care Services as a combined Trust. This will be a major focus of 2018/19, with the ultimate aim of providing a seamless service to support people of all ages with their health needs, whether that is physical health, mental health or a learning disability. Integrating our services will improve lives and health outcomes across our communities.

While integration is a priority, we will also be maintaining our attention to Gloucestershire Care Services' five strategic objectives:

- We will be recognised locally and nationally as an outstanding provider of community services, caring for people in their homes and local communities
- We will make sure the needs and views of service users, carers and families shape the way we plan and deliver care

Performance Report

- We will provide services in partnership with other providers so that people experience seamless care and support
- We will have an energised and enthusiastic workforce and each individual will feel valued and supported
- We will manage public resources effectively so that the services we provide are sustainable

Within our Quality Account we set out the Trust's achievements over the last year in patient quality and care, as well as the developments we have made in enhancing the services and support we provide. This includes:

- major work to reorganise Integrated Community Teams around GP clusters
- transforming services in public health for Children and Young People and Sexual Health
- implementing the new MSK Service Model with system partners
- progressing plans to modify facilities in the Forest of Dean
- enhancing our rapid response service to decrease admissions to acute services

This report also provides a full breakdown of financial performance, including:

- in 2017/18 the Trust ended the year meeting its financial plan and control total
- achieved an NHS basis adjusted surplus of £5.6million
- received income of just over £114.5million
- received Sustainability and Transformation Funding of £3.6million

Sustaining this strong financial position will be challenging in the year ahead, but we are focused on doing so in order to invest further in services.

I have already outlined our work to join Gloucestershire Care Service NHS Trust and ^{2}gether, but in the year ahead we will continue to work closely with others. This includes our voluntary and third sector partners, but also our partners within the Sustainability and Transformation Partnership in Gloucestershire and the local authority.

These are key networks, enabling health and social care organisations to plan services and delivery in the coming years, when we know demand will be ever increasing. We have a duty not only to meet that demand but to effectively improve the health and wellbeing of our communities.

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I am delighted to have joined Gloucestershire Care Services as we embark upon an exciting year ahead. There will be many changes to come but we have a dedicated team of colleagues who all have one priority in mind – making life better for our communities.

Paul Roberts
Chief Executive

Performance Report

Joint work with 2gether NHS Foundation Trust

Last September, the Boards of 2gether NHS Foundation Trust and Gloucestershire Care Services NHS Trust announced plans to work on proposals to integrate as a single organisation.

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

Shaun Clee, who was formerly Chief Executive of 2gether, and Katie Norton, Chief Executive of Gloucestershire Care Services, have now stepped down from their posts.

Both Shaun, who was Chief Executive for 2gether for 11 years, and Katie, who was in her role for 15 months, made significant and lasting contributions to healthcare in the county of Gloucestershire. The respective Boards have thanked them for their unswerving dedication to improving services, championing the rights and needs of patients, service users and carers and their leadership through many challenges and changes.

The Boards of each Trust have agreed to work towards formally joining, with the aim of:

- Providing opportunities for more seamless care provision
- Streamlining and simplifying how services work with GPs and acute hospitals
- Making more efficient use of care records and information
- Creating integrated pathways through community health, mental health and learning disability services
- Developing innovative services for our communities
- Sharing best practice and understanding to improve care
- Ensuring a focus on a single set of priorities
- Offering greater employment and career development opportunities

While the Trusts are working towards this, both will remain separate legal entities with independent Boards until a full business case is completed and the necessary approvals are received. Engagement with service users, patients, carers and staff of both Trusts will take place throughout.

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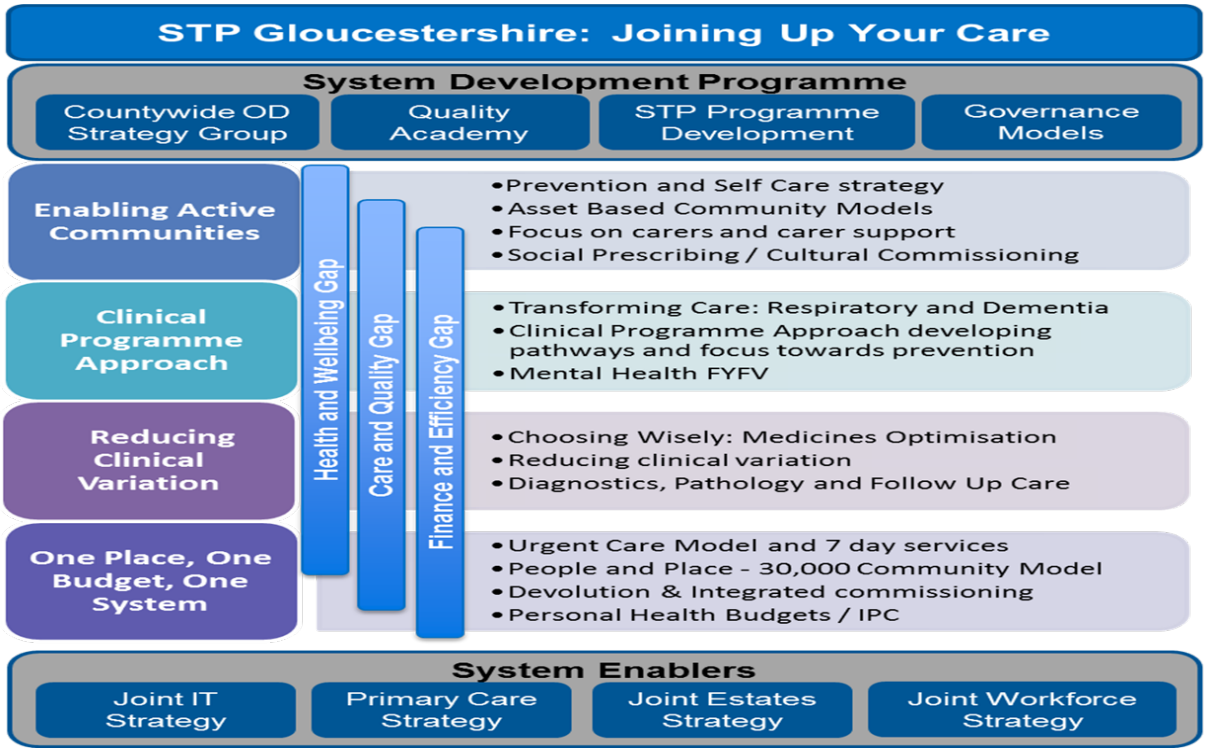
One Gloucestershire

As a Trust we are a key partner within the One Gloucestershire Sustainability and Transformation Partnership which has the following commitments at the heart of its work:

- We will invest in keeping people healthier for longer by enabling communities to support each other, and support self-care and prevention
- We will reduce variation in prescribing and services, cut waste, and fund interventions that can deliver the greatest health benefit for our population
- We will review the patients' care journey, to ensure that care is delivered efficiently and effectively, and when appropriate, closer to home
- We will join-up care around communities, creating 16 GP practice clusters delivering integrated care with community services to support physical and mental health needs
- We will have a clear joined-up approach to urgent care provision, so that people will know when and where to access urgent care, when they need it
- We will introduce urgent care centres and streamline assessment services when we are clear this will improve quality and safety, and reduce waiting times for our population
- We will have a 'one county' approach to IT, Estates, and other system enablers
- We will introduce countywide leadership, training, education and learning opportunities to support the shift to new roles and responsibilities for staff

Performance Report

We work together to achieve this through the mechanisms outlined below:



For more information on One Gloucestershire www.gloucestershirestp.net

Performance Report

Who we are and what we do

Who we are

Gloucestershire Care Services is the main provider of NHS community-based health and care services across Gloucestershire, caring for a population of around 635,000 people. We serve the entirety of Gloucestershire, made up of the large urban communities of Gloucester and Cheltenham, sitting within a largely rural community from the Forest of Dean to the Cotswolds.

To support the people of Gloucestershire, the Trust employs more than 2,700 staff including nursing, medical and dental staff, allied healthcare professionals, as well as support service, administrative and clerical workers.

The Trust's vision, which defines its overarching ambition, is "To be the service people rely on to understand them and organise their care around their lives". This is further emphasised by the Trust's strapline "Understanding You".

The Trust's CORE values are Caring, Open, Responsible and Effective.

Performance Report

What we do

Our main role is to support people's health needs in the most appropriate place in the community.

Our focus is on prevention and keeping people out of crisis so that they can receive the care and support they need at, or as close to, home as possible. To enable this to happen the Trust has made a strategic commitment to place based working. During 2017/18 the Trust helped to take this forward through the integrated locality boards which are a key element of the One Gloucestershire programme. In 2018/19 the Board is committed to further developing place based working.

Around 90% of all patient contact with the NHS happens in community or primary care settings (mostly GP services). So, whilst NHS community services may not always be as visible to the public as the larger acute hospitals, it is clear that they play a vital role in supporting many people with ongoing health problems. Community services are especially important in a county such as ours, covering diverse urban and rural areas, with increasing numbers of elderly people and others, including children and young people, with long-term health conditions.

We work in peoples' homes, community clinics, outpatient departments, community hospitals, schools and GP practices. We also provide in-reach services into acute hospitals, nursing and residential homes and social care settings.

We run the county's seven community hospitals, provide nursing, physiotherapy, reablement and adult social care in community settings, and run health visiting, school nursing and speech and language therapy services for children.

We also provide a number of specialist services including sexual health, heart failure, community dentistry, diabetes, intravenous therapy (IV), tissue viability and community equipment.

Performance Report

Our services during 2017/18 are set out below:

Adult Countywide and Specialist Services:

- Specialist Nursing
- Physiotherapy
- Occupational therapy
- Speech and language therapy
- Podiatry
- MSKCAT
- Independent Living
- Sexual Health
- Community Dental

Children and Young People's Services:

- Health visitors
- Physiotherapy
- Occupational therapy
- Speech and language therapy
- Community nurses
- Complex care team
- School nurses

Community Hospitals:

- Inpatient rehabilitation
- Semi-acute care beds
- Outpatient appointments
- X-ray facilities
- Minor Injury and Illness Units

Integrated Community Teams:

- Social workers and reablement workers from Gloucestershire County Council working with the Trust's physiotherapists, community nurses and occupational therapists
- Helping manage complex or long-term conditions at home
- Reducing unnecessary hospital admissions

These clinical and care services are supported by a range of corporate services, including finance, human resources, information and performance, IT, governance, estates, hotel services, risk management, communications, engagement and service user experience team.

Corporate Governance Report
Performance Report
Financial Performance

The Trust met all its financial targets in 2017/18, managing to maintain performance while delivering against a challenging cost improvement agenda.

Overall, in 2017/18 the Trust ended the year meeting its financial plan and control total, with an NHS basis adjusted surplus of £5.6m against an income of just over £114.5m. This incorporated a £2million NHS adjusted operational surplus as forecast*. This was enhanced by Sustainability and Transformation Funding of £3.6m from the Department of Health in respect of the Trust's active engagement in the Sustainability and Transformation Partnership activity. At the end of the financial year the Trust's cash balance was £12.3m.

The table below shows our sources of income and key areas of expenditure:

Source	2017/18	2017/18	2016/17	2016/17
	Income £m	%	Income £m	%
Gloucestershire Clinical Commissioning Group	92.8	81%	95.0	84%
NHS England	10.1	9%	5.5	5%
Gloucestershire Hospitals NHS Foundation Trust	5.8	5%	5.5	5%
Gloucestershire County Council	2.1	2%	2.2	2%
Other NHS Commissioners	1.5	1%	2.4	2%
Other	2.2	2%	1.9	2%

*Note the NHS adjusted surplus is calculated by taking the £5.8m deficit and adjusting for impairments and donated assets

Statement of Comprehensive Income

		Group		Trust	
		2017/18	2016/17	2017/18	2016/17
	Note	£000	£000	£000	£000
NHS Basis Financial Performance					
Total comprehensive income / (expense) for the period		(15,906)	6,041	(15,928)	6,074
Impairments Taken to Income and Expenditure Account		15,685	-	15,685	-
Impairments Taken to Revaluation Reserve		5,709	-	5,709	-
Revaluation Uplift Taken to Revaluation Reserve		-	(3,865)	-	(3,865)
Depreciation on donated assets		97	100	97	100
Adjusted Retained Surplus		**5,585**	**2,276**	**5,563**	**2,309**

Corporate Governance Report

Performance Report
Financial Performance

Service	**2017/18 Expenditure £m**	**2017/18 %**	2016/17 Expenditure £m	2016/17 %
Community Hospitals & MIIUs	24.4	20%	25.2	23%
ICTs	17.7	14%	18.7	17%
Countywide Services	15.1	12%	15.1	14%
Children and Young Peoples Services	12.2	10%	12.8	12%
Support Services	14.0	11%	13.1	12%
Sexual Health	6.5	5%	6.7	6%
Unscheduled Care	4.7	4%	5.0	4%
Nursing and Quality	2.7	2%	3.0	3%
Estates and Facilities	10.5	8%	10.2	9%
Other Operations	1.2	1%	0.8	1%
Total	**109.0**		**110.4**	

The Trust met its Cost Improvement Programme (CIP), achieving £6.6m efficiency savings in operational and support services of which £3.7m are recurrent savings. We have maintained our focus on Agency spending and remained within the Agency cap requirement at £2.04m.

Achievement of our financial plan has been delivered through concentration on ensuring efficiencies, delivering the Cost Improvement Plan and Capital Programme.

In 2017/18 the Trust's £3.3m capital spend was marginally below the revised plan of £3.5m agreed with NHS Improvement in January 2018. This included investment of over £1m in ward refurbishments and IT equipment alongside medical equipment purchases of almost £600k.

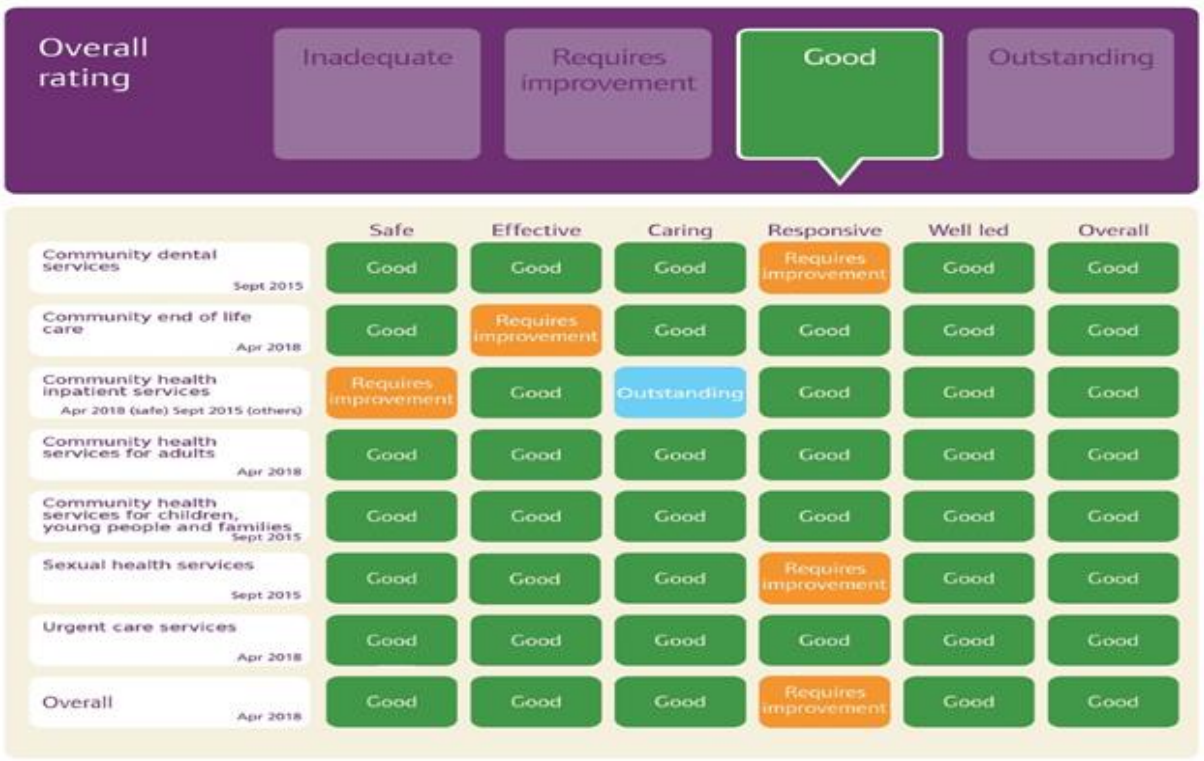
Performance Report

Care Quality Commission (CQC) Inspection – Spring 2018 Rated as GOOD.

The CQC assesses NHS organisations according to five separate criteria for its services: whether they are Safe, Effective, Caring, Responsive and Well-led. In each one it gives a rating of Outstanding, Good, Requires Improvement or Inadequate.

It also gives a Trust-wide rating for each of the five criteria as well as a single overall rating for the whole organisation, which includes an assessment of the Trust leadership.

A team of Inspectors from the Care Quality Commission, the independent regulator of health and care, undertook an inspection of the Trust in Spring 2018. They inspected many of the Trust's services, focusing on the seven Minor Injury and Illness Units, community services for adults and end of life care, as well as undertaking a review of the leadership of the Trust.
We were proud to receive an overall rating of GOOD, which demonstrated considerable improvements since our last comprehensive CQC inspection in June 2015. We believe this reflects the hard work and dedication Trust colleagues have to great quality care and to continuous service improvements. The CQC also highlighted areas of outstanding practice. Spotlights within the CQCs report included recognition of the Trusts leadership, safe reporting cultures, staff engagement and well established systems of governance that provides assurance that we have a culture of putting patients and quality care first. The table below highlights our CQC results by service and domain.



	Safe	Effective	Caring	Responsive	Well led	Overall
Community dental services Sept 2015	Good	Good	Good	Requires improvement	Good	Good
Community end of life care Apr 2018	Good	Requires improvement	Good	Good	Good	Good
Community health inpatient services Apr 2018 (safe) Sept 2015 (others)	Requires improvement	Good	Outstanding	Good	Good	Good
Community health services for adults Apr 2018	Good	Good	Good	Good	Good	Good
Community health services for children, young people and families Sept 2015	Good	Good	Good	Good	Good	Good
Sexual health services Sept 2015	Good	Good	Good	Requires improvement	Good	Good
Urgent care services Apr 2018	Good	Good	Good	Good	Good	Good
Overall Apr 2018	Good	Good	Good	Requires improvement	Good	Good

Performance Report

As part of our CQC inspection report we have a number of recommendations to progress, which include:

Theme:	Must Do's
End of Life	Ensure processes are implemented that allow the Trust to monitor the effectiveness and outcomes of key end of life care indicators.
End of Life	Ensure all staff providing end of life care are suitably trained and skilled to do so.
Community Adults	Ensure all staff are up to date with all mandatory training, including all safeguarding modules.
Urgent Care	No issues
Inpatients	Ensure nursing staff consistently follow systems to ensure that clinical equipment is regularly cleaned.

CQC Assessed the Trust well-led as good for a breadth of reasons including:

- The Trust had an experienced executive and non-executive director and senior leadership team with the skills, abilities, and commitment to lead the delivery of high-quality services.
- The board and senior leadership team had set a clear vision and values that were at the heart of all the work within the organisation. They worked hard to ensure staff at all levels understood them in relation to their daily roles.
- The Trust strategy was directly linked to the vision and values of the trust, local sustainability and transformation plans and the joint work with local mental health foundation trust.
- The Trust involved clinicians, patients and groups from the local community in the development of the strategy and work with the local mental health trust.
- Non-executive directors visited all parts of the Trust on a three-monthly basis and fed back to the board to discuss issues staff faced and challenged directors appropriately.
- The Trust had a clear board assurance framework and structure for overseeing performance reports, quality and risk which enabled oversight of issues facing the service and it responded when issues in service where identified.
- The Trust was committed to improving services by learning from when things go well and when they went wrong, promoting training, research and innovation and it enabled divisions to share learning across the Trust.
- There was evidence of high levels of respect between staff and passionate and knowledgeable managers who motivated their staff and made them feel valued.
- Staff told CQC inspectors how their working lives had improved as a result of changes.

Performance Report

Areas where the CQC highlighted the Trust could improve were also identified and included:

- staff diversity and equality across the Trust and at board level
- training and development

The Trust will now put in place an action plan to share good practice and to improve areas highlighted as requiring improvement.

The full report is available on the CQC website.

Performance Report

Performance Analysis - Our Delivery Performance

Overall, in 2017/18 the Trust had over 1.2 million contacts with service users, which equates to over 3280 every day.

As an organisation we have a strong record of achievement in delivering our key objectives and targets and 2017/18 was no exception to this. We have fully achieved over 80% of national targets (5 out of 6 achieved, with the performance against the 6th target significantly improved since last year) and almost 70% of local targets were either fully achieved or significantly achieved.

	National Targets	Local Targets
Total Number of Targets	**6**	**40**
Achieved fully	5	22
Significantly achieved	0	5

Monitoring our activity and performance against a range of indicators – including national, contractual and local targets – is an important part of ensuring we deliver high quality services. Our performance in 2017/18 is set-out below, with the previous year's performance also provided. We are committed to building on this strong performance, and in particular driving improvement in those areas which are not yet achieving targeted levels. Some examples of the ongoing work and associated learning are summarised below.

CQC DOMAIN - ARE SERVICES CARING?

		Reporting Level	Threshold	2017/18	2016/17
1	Friends and Family Test Response Rate	N	15%	**8.3%**	4.3%
2	% of respondents indicating 'extremely likely' or 'likely' to recommend the service	L	95%	**94.2%**	95.2%

The Trust has put in place a revised Family and Friends Test process which has seen an improved response rate. The percentage rate response over the year has increased across the months and in the last quarter the average monthly response rate has reached 16%, above the National Target. The Trust will use the feedback provided to work to improve the percentage of respondents "extremely likely" or "likely" to recommend the service.

Performance Report

CQC DOMAIN - ARE SERVICES SAFE?

		Reporting Level	Threshold	2017/18	2016/17
3	Number of post 48 hour Clostridium Difficile Infections	L	18	**16**	13
4	Number of MRSA bacteraemia	L	0	**0**	1
		Reporting Level	**Threshold**	**2017/18**	2016/17
5	VTE Risk Assessment - % of inpatients with assessment completed	N	95%	**95.0%**	96.4%
6	Safety Thermometer - % Harm Free (New Harms only)	L	98%	**98.0%**	98.0%

The performance data demonstrates sustained good performance on national safety measures regarding Clostridium Difficile infections and MRSA bacteraemia.

The Safety Thermometer is a national safety initiative launched in 2012. It allows teams to measure harm and the proportion of patients that are “harm-free” from the four most common and preventable causes - pressure ulcers, patient falls, venous thromboembolisms (blood clots) and urinary infections associated with catheters. The audit is undertaken on a monthly basis in community and in-patient clinical areas. The “harm free” percentage includes both “old harms” (broadly harms which were present when a patient was admitted to care or were developing) and “new harms” – harms which develop when the patient is receiving care (this may be care being received in the home). The measure is used in both community trusts and acute trusts.

The Safety Thermometer % Harm Free (New Harms only) provides assurance on the Trust’s standards of safety but the Trust is committed to continuing to work to improve its Safety Thermometer - % Harm Free for 2018/19 and is in the process of launching a “turning the curve” campaign with clinical leaders to improve performance for the future. Reducing pressure ulcers, which is the highest number of new harms, will be carried forward for 2018/19 as a key quality priority.

Performance Report

CQC DOMAIN - ARE SERVICES EFFECTIVE?					
		Reporting Level	Threshold	2017/18	2016/17
Community Hospitals					
7	Bed Occupancy - Community Hospitals	L	92%	**96.7%**	98.5
8	Average of 4 discharges per day (weekends) - Inpatients	L	**4	**3.1**	3.9
9	Average of 11 discharges per day (weekdays) - Inpatients	L	**11	8.1	9.3
10	Percentage of patients waiting less than 6 weeks from referral for a diagnostic test	N	>99%	100.0%	100.0%

The bed occupancy rate has remained above target, the potential impact of this on patient care and colleagues' wellbeing is kept under ongoing review, and triangulation has indicated that these are not being compromised by over performance in this area which is supporting the wider health and social care system. Safe staffing levels reflect increased occupancy levels to support this.

Countywide the One Gloucestershire – Sustainability and Transformation Partnership is working to reduce this across the system in the longer term.

Average length of stay has reduced reflecting improved discharge planning and system working.

Average Number of Discharges from community hospitals, weekdays and weekends
The ability to discharge safely is constrained by the availability of other community based services such as reablement, independent domiciliary care and/or nursing and residential care. The Trust works with patients, families and health and social care partners to ensure effective patient discharge plans are in place before a patient is discharged to ensure their health and wellbeing in the longer term. The Trust's performance in these areas is 3.1 against target of 4 patients discharged at weekends and 8.1 against a target of 11 patients discharged per day on weekdays

The Trust continues to ensure that no patients wait more than 6 weeks from referral for a diagnostic test.

CQC DOMAIN - ARE SERVICES RESPONSIVE?					
		Reporting Level	Threshold	2017/18	2016/17
Minor Injuries and Illnesses Unit (MIIU)					
11	MIIU % seen and discharged within 4 Hours	N	95%	**99.3%**	99.6
12	Total time spent in MIIU less than 4 hours (95th percentile)	L	<4hrs	**2:53**	2:35
13	MIIU - Time to treatment in department (median)	L	<60 m	**00:26**	00:16
14	MIIU - Unplanned re-attendance rate within 7 days	L	<5%	**2.4%**	3.4%
15	MIIU - % of patients who left department without being seen	L	<5%	**2.2%**	1.6%

Performance within the Trust's Minor Injury and Illnesses Units continues to be strong against the range of targets.
The Trust continued to be well within the National Target threshold for % seen and discharged within 4 hours. A position maintained throughout the year despite the demands of winter pressures.

Performance Report

Referral to Treatment					
		Reporting Level	Threshold	2017/18	2016/17
16	Speech and Language Therapy - % treated within 8 Weeks	L	95%	**84.4%**	95.8%
17	Podiatry - % treated within 8 Weeks	L	95%	**92.8%**	94.3%
18	MSKCAT Service - % treated within 8 Weeks	L	95%	**57.1%**	85.8%
19	Adult Physiotherapy - % treated within 8 Weeks	L	95%	**89.6%**	91.8%
20	MSK Physiotherapy	L	95%	**90.7%**	93.1%
21	ICT Physiotherapy	L	95%	**85.0%**	87.7%
22	Occupational Therapy Services - % treated within 8 Weeks	L	95%	**82.8%**	91.3%
23	Diabetes Nursing - % treated within 8 Weeks	L	95%	**96.2%**	98.6%
24	Bone Health Service - % treated within 8 Weeks	L	95%	**99.5%**	99.7%
25	Contraception Service and Sexual Health- % treated within 8 Weeks	L	95%	**100.0%**	99.7%
26	HIV Service - % treated within 8 Weeks	L	95%	**100.0%**	100.0%
27	Psychosexual Service - % treated within 8 Weeks	L	95%	**100.0%**	100.0%
28	Sexual Health - % of terminations carried out within 9 weeks and 6 days of gestation	L	80%	**78.4%**	81.5%
29	Paediatric Speech and Language Therapy - % treated within 8 Weeks	L	95%	**97.7%**	97.4%
30	Paediatric Physiotherapy - % treated within 8 Weeks	L	95%	**99.0%**	95.6%
31	Paediatric Occupational Therapy - % treated within 8 Weeks	L	95%	**96.6%**	96.8%
32	MSKCAT Service - % of referrals referred on to secondary care	L	<30%	**12.4%**	12.2%
33	MSKCAT Service - Patients referred to secondary care within 2 days of decision to refer onwards	L	100%	**100.0%**	100.0%
34	MSKCAT Service - wait from referral for urgent patients to be seen not to exceed 2 weeks	L	95%	**95.9%**	98.5%
35	Stroke ESD - Proportion of new patients assessed within 2 days of notification	L	95%	**88.6%**	**96.7%**
36	Stroke ESD - Proportion of patients discharged within 6 weeks	L	95%	**98.9%**	99.5%
37	New-born Hearing Screening Coverage	N	97%	**100.0%**	100.0%
38	New-born Hearing Screens completed by 5 weeks (community sites) - Well babies	N	97%	**99.9%**	99.5%
		Reporting Level	Threshold	2017/18	2016/17
39	SPCA % of calls abandoned	L	<5%	**2.7**	5.7%
40	95% of priority 1 & 2 calls answered within 60 seconds after introductory message finishing	L	95%	**90.5%**	83.4%
41	Rapid Response - Number of referrals	L	71 per week	**3,726**	2,993
Detailed action plans with improvement trajectory have been put in place where targets have not been achieved.					

Performance Report

Performance is now within agreed trajectory in MSKCAT Service (% treated within 8 weeks) and MSK Physiotherapy (% treated within 8 weeks) and work will continue to move to target.

In Adult Speech and Language Therapy and Adult ICT Physiotherapy (% treated within 8 weeks) staff shortages are being addressed through locum cover and a revised triage system has been put in place to ensure patient safety and prioritisation.

CQC DOMAIN - ARE SERVICES WELL LED?

		Reporting Level	Threshold	2017/18	2016/17
42	Staff Friends and Family Test - Percentage of staff who would recommend the Trust as a place of work	L	61%	**53.8%**	51.8%
43	Staff Friends and Family Test - Percentage of staff who would recommend the Trust as a place to receive treatment	L	67%	**83.0%**	80.3%
44	Mandatory Training	L	**92%	**82.6%**	77.8%
45	% of Staff with completed Personal Development Reviews (Appraisal)	L	95%	**79.9%**	75.0%
46	Sickness absence average % rolling rate - 12 months	L	<4%	**4.6%**	4.4%

The performance indicators 44 and 45 whilst below the target threshold indicate an improving picture which will continue to be built on during 2018/19 (Latest data for March 2018 shows performance of 86% for both these indicators for March 2018 demonstrating the significant improvements made). Work on indicator 46 is the subject of work throughout the organisation and monitored by the Board's Workforce and Organisational Delivery Committee.

Sickness absence is a priority for the Executive who are exploring a number of initiatives to reduce sickness absence rates. This includes policy review, HR workshops and HR support.

Key to Target Categories	
N	National measure/standard with target
L	Local Target

Performance Report

Quality and Sustainability

The Trust Quality Account provides a detailed overview of the work progressed in 2017/18 to improve quality. The Trust is also mindful of its role in supporting sustainability.

Quality

During 2017/18 we set quality priorities to improve performance in:

- Meeting the needs of service users in relation to pressure ulcers, equalities, dementia, falls and end of life care;
- improving health and well-being for colleagues

Progress against these is tracked in detail in our Quality Account, published separately on our website.

Sustainability

In 2017/18 the Trust maintained activity to support environmental sustainability with ongoing work to reduce water usage, energy consumption and waste to landfill.

The Trust has completed its programme of renewable energy at its community hospitals and now has in place solar photovoltaic panels at six out of seven of its community hospitals. These benefit the Trust financially through energy savings and the Feed in Tariff and ensure that all these hospitals have some of their energy demands supplied through renewable energy.

The Trust's newest hospitals in North Cotswolds, Vale and Tewkesbury were classified as BREEAM excellent reflecting the building of sustainability into their development.

The Trust's head office is based in an open plan model building, Edward Jenner Court. The building is air conditioned and controlled by a building management system and lighting is automated. The building management system has been optimised to minimise the run time of the air handling systems to reduce electricity consumption.

The Trust is in the third year of the implementation of its new waste policy which means more waste is recycled and less is sent for incineration. Recycling awareness is promoted through waste posters which are disseminated throughput and the dissemination of recycling bins.

The Trust has smart screens available in its main meeting rooms and supports staff to use technology such as laptops and mobile devices to reduce printing, for example through setting printers to double sided and black and white copying. The Trust has in place electronic health records management systems which also reduce printing requirements and use of paper. These measures together have contributed to a reduction of stationery costs by more than 60% over the last two years.

The Trust's Community Hospitals provide in- and out-patient services to enable patients to be seen closer to home, reducing travel and carbon emissions.

Performance Report

The Trust has in place schemes to promote green travel including car sharing schemes (10% of spaces at head office reserved for car sharing), use of a shuttle bus which helps reduce carbon emissions, bicycle use schemes for staff and provision of IT equipment to support mobile working to reduce unnecessary mileage. In 2017/18 the Trust reduced the number of miles travelled by staff by over 235,000 miles, a reduction of 9% against last year.

The Trust achieved Mindful Employer status in 2017/18 and has a range of initiatives in place including mindfulness training and health and hustle activities which encourage health and well-being. Over 160 staff take part in these activities, with numbers increasing regularly.

The Trust continues to increase its number of volunteers, with almost 400 volunteers now in place across the Trust supporting service users in a wide variety of ways.

Performance Report

Patient Experience

We are constantly looking at opportunities to improve the experience of service users and carers. We are pleased that over 94% of service users who responded to the Friends and Family Test would be likely or very likely to recommend our services, at a time when we have doubled the number of respondents to our surveys following a comprehensive review of our processes. During this process we revised the style of questionnaire and increased its service specificity to improve the quality of feedback to be integrated within ongoing service improvement development and service redesign, ensuring that the views of our service users drive our services and are at the heart of how we operate.

Friends and Family Test

The NHS Friends and Family Test (FFT) was created to help service providers and commissioners understand whether their patients are happy with the service provided, or where improvements are needed. It is a quick and anonymous way to give your views after receiving care or treatment across the NHS. Our performance for 2017/18 can be seen in the tables below:

Service	2017/18	2016/17
MIIU Response "likely" or "very likely" to recommend	94.4%	95.9%
Inpatients Response "likely" or "very likely" to recommend	95.0%	96.4%
Children and Young Peoples Service "likely" or "very likely" to recommend	92.3%	96.7%
Integrated Community Teams "likely" or "very likely" to recommend	97.5%	97.4%
County Wide and Specialist Nursing "likely" or "very likely" to recommend	95.1%	94.4%
Capacity Service % "likely" or "very likely" to recommend	99.2%	96.2%
Overall Response "likely" or "very likely" to recommend	94.2%	95.2%

During the year the Trust reviewed its Family and Family Test processes to ensure consistency of use across services and to increase the number of responses. The revised processes have improved response levels and increased the ability of services to customize the surveys to the needs of service users and enable the feedback to be more swiftly feedback in to improve service.

The compliments and complaints we receive are another valuable source of feedback about our services that we use to support our improvement plans. We have procedures in place to ensure we manage any complaints in line with national policy and in line with the Duty of Candour.

Feedback Categories	**2017/18**	2016/17
Compliments	**924**	512
Complaints	**44**	73
Concerns	**391**	403

The significant increase in compliments provides assurance that service users understand the feedback processes and that the fall in number of complaints is not a cause for concern.

Performance Report

Supporting Colleagues

We want the Trust to be a great place to work for all colleagues and to support them to achieve their aspirations and goals. We know that everyone is working under increasing pressures and we want to do everything we can to help people manage their work life balance. We know this is an area where we have more to do and corporate and local action plans are being developed to ensure we achieve improvement in this important area during 2018/19

Staff Engagement

The NHS Staff Survey gives our staff a chance to have their say about our working life in the NHS. It seeks views on areas such as job satisfaction and wellbeing, training and development, health and safety and health and wellbeing.

The results of the survey, which took place between October and December 2017, were published nationally on 6th March 2018 and can be found here:

http://www.nhsstaffsurveys.com/Page/1073/Latest-Results/Community-Trusts/

The key findings of engagement within the Trust for this survey reflect a reverse in the steady improvements which had been achieved over the last few years, albeit that they are subject to significant variations between professions, locations and service areas.

The overall staff engagement score for the Trust fell from 3.78 to 3.71 against a continuing average of 3.78 for trusts of a similar type.

Key scores from the survey were:

	Staff Engagement	GCS 2017	2017 National Average	GCS 2016
	Overall Staff Engagement			
KF1	Staff recommendation of the trust as a place to work or receive treatment	3.71	3.78	3.78
KF4	Staff motivation at work	3.68	3.76	3.72
KF7	Staff ability to contribute towards improvements at work	65%	71%	69%

There are a number of areas where we are doing well in comparison to colleagues nationally. There is undoubtedly an improvement in our reporting culture with colleagues being prepared to report violence, harassment, bullying or abuse. This is important and reflective of efforts to promote an open culture, whether through the 'Freedom to Speak Up Guardian' role or 'Katie's Open Door' (now morphed in to Paul's Open Door). We also compare relatively well in terms of colleagues experiencing work related stress and in terms of working extra hours. It is also pleasing to see that on the whole, staff do believe that our Trust does provide equal opportunities for career progression and promotion.

Performance Report

Turning to those areas where we do less well, the scores reflected in the raw data related to 'job' are clearly reflected in these key findings in terms of effective team working, contribution to improvements as well as support and recognition from managers. It is also concerning to see the disparity in scores between the percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public, compared to the national picture.

Clearly, it is disappointing to see the steady progress of previous years arrested in the last survey, particularly as there are and have been a number of positive indicators in the year. The CQC were fulsome in their praise for the welcome afforded by colleagues across the organisation and their professionalism and dedication to patient care. Most recently, the efforts of so many colleagues to maintain services in very challenging weather conditions, demonstrated a willingness to go 'over and above' the expected norms and this would typically be the behaviours of a highly engaged workforce.

There have been a number of contextual national issues (such as challenged workforce supply, historic pay restraint) and local issues (including the proposed merger with 2gether NHS Trust and the uncertainty generated through the early stages of such a process) which have undoubtedly contributed to these results and need to be understood. Notwithstanding these however, it is far more important to focus on the actions we can take going forward which will promote the improvements in engagement that are required. Whilst the recommendations are based around 'action plans', the emphasis has to be less on highly detailed action plans than on fewer high impact actions. Determining what is (really) important and fixing these will be key.

As ever, it is likely that our colleagues and their managers will have the bulk of the solutions and we need to listen and respond to these once received.

Localised action plans supported by corporate led priorities are now being developed to support improved engagement.

Investors in People (IIP) accreditation

Since 1991, IIP has set the standard for better people management. IIP's internationally recognised accreditation is held by 14,000 organisations across the world. The Standard defines what it takes to lead, support and manage people well for sustainable results.

The Trust was assessed against the IIP framework in February 2017. The balance of evidence from the online assessments, face-to-face interviews, documentary evidence and observation produced a final outcome which confirmed that the Trust meets all of the requirements for accreditation as an Investor in People.

The report stated "This is a very significant achievement, especially in light of the government imposed cost reduction targets, and the size and spread of the Trust and the diversity of services it provides." It was also highlighted that "The Trust continues to work in line with its values and in this aspect practice is not only Advanced but very close to High Performing."

The Trust continues to work to ensure it maintains the ambitions and aspirations achieved within the standard.

Signed

Chief Executive 23rd May 2018

Corporate Governance Report

The Directors' Report 2017/18

The Trust's Board of Executive and Non-Executive Directors is responsible for overseeing the development of strategic direction and compliance with all governance, probity and assurance requirements.

Details of the Trust's Chair, Chief Executive, Executive Directors and Non-Executive Directors are set out later in the annex to the Governance Statement, together with information on membership of the Trust's Board and its sub-committees.

Compliance Statement

A register of Directors' interests for the Trust is maintained and is available on the Trust's website or by request from the Trust Secretariat by contacting **TrustSecretary@glos-care.nhs.uk.**

The Trust has undertaken the necessary action to evidence that each Director has stated that, as far as he/she is aware, there is no relevant audit information of which the Trust's Auditors are unaware and he/she has taken all the steps that he/she ought to have taken as a Director, in order to make themselves aware of any relevant audit information, and to establish that the Trust's Auditors are aware of that information.

Corporate Governance Report

Statement of Directors' Responsibilities in Respect of the Accounts

The directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of HM Treasury, directs that these accounts give a true and fair view of the state of affairs of the Trust and of the income and expenditure, other items of comprehensive income and cash flows for the year. In preparing those accounts, the directors are required to:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- assess the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity.[1]

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. 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, and for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the accounts.

By order of the Board

23rd May 2018 Date.....Chief Executive - Paul Roberts

23rd May 2018 Date.....Finance Director – Sandra Betney

Corporate Governance Report

Statement of the Chief Executive's Responsibilities as the Accountable Officer of the Trust

The Chief Executive of NHS Improvement, in exercise of powers conferred on the NHS Trust Development Authority, has designated that the Chief Executive should be the Accountable Officer of the trust.

The relevant responsibilities of Accountable Officers are set out in the NHS Trust Accountable Officer Memorandum.

These include ensuring that:

- there are effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance;
- value for money is achieved from the resources available to the trust;
- the expenditure and income of the trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them;
- effective and sound financial management systems are in place; and
- annual statutory accounts are prepared in a format directed by the Secretary of State to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, recognised gains and losses and cash flows for the year.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an Accountable Officer.

Paul Roberts

Signed.....Chief Executive

Date....23rd May 2013

Corporate Governance Report

Annual Governance Statement

Scope of responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS 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 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 Trust Accountable Officer Memorandum.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Gloucestershire Care Services NHS 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 Gloucestershire Care Services NHS Trust for the year ended 31 March 2018 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Trust has a risk management strategy, which makes it clear that managing risk is a key responsibility for the Trust and all staff employed by it. The Trust has in place a Risk Steering Group which reports to the Audit and Assurance Committee to support the risk management process. The Board receives regular reports that detail risk, financial, quality and performance issues and, where required, the action being taken to reduce identified high-level risks.

Full details of the Trust's approach to Risk Management is contained in the Trust's risk management strategy.

Guidance and training are provided to staff through specific risk management training, wider management training, policies and procedures, information on the Trust's intranet and feedback from audits, inspections and incidents. Included within all of this is sharing of good practice and learning from incidents. Information from a variety of sources is considered in a holistic manner to provide learning and inform changes to practice that would improve patient safety, and overall experience of using the Trust's services. During 2017/18 the Trust further developed its Risk Steering Group to promote integrated working and enable cross organisational review of risks and consideration of good practice learning.

Corporate Governance Report

The Risk and Control Framework

The risk management strategy sets out the key responsibilities for managing risk within the organisation, including the ways in which risk is identified, evaluated and controlled.

It identifies strategic and operational risk and how both should be identified, recorded and escalated and highlights the open and honest approach the Board expects with regard to risk. The Trust's risk assessment policy describes the process for standardised assessment of risk including assessment of likelihood and consequence. During 2017/18 the Trust further embedded the use of patient safety software, which was already in use for incident reporting, in its risk management processes; supporting consistency and increased timeliness of organisation wide oversight of risks.

The Board has identified the risks to the achievement of the Trust's objectives and determined the appropriate level of risk appetite. The nominated lead for each risk has identified and evaluated existing controls and sources of assurance that these controls operate effectively. Any gaps in controls have been identified and action plans put in place to strengthen controls where appropriate. The outcome of this process is articulated in the Board Assurance Framework (BAF) and this is presented to the Board for review and endorsement at each routine Board meeting. In line with the Trust's risk management strategy, risks rated 12 or above (8 where there is patient safety/clinical risk identified) are escalated to the Board through the Board's Committee structure. All corporate risks are reviewed regularly by identified Board sub-committees and an escalation process is in place, as outlined in the risk management strategy.

Risk is assessed at all levels in the organisation from individual members of staff within service areas to the Board. This ensures that both strategic and operational risks are identified and addressed.

The Trust has in place a BAF, which sets out the principal risks to delivery of the Trust's strategic objectives. Executive Directors review the risk register and enter strategic risks onto the corporate risk register. In addition, other corporate risks scoring 12 or above (8 where there is patient safety/clinical risk identified), that have been reviewed by the relevant sub-committee, are escalated in line with the Trust's escalations processes. The Executive Director with delegated responsibility for managing and monitoring each risk is clearly identified. The BAF identifies the key controls in place to manage each of the principal risks and explains how the Board is assured that those controls are in place and operating effectively. These include the monthly performance report, monthly finance report, minutes of the sub committees and assurances provided through the work of internal and external audit, the CQC and the NHS Resolution.

Specific areas of risk such as fraud, corruption and bribery are addressed through specific policies and procedures and regular reports made to the Board via the Audit and Assurance Committee.

Corporate Governance Report

At 31 March 2018 the Trust's major strategic risks and corresponding mitigations were:

Risk	Mitigation and Key Controls
There is a risk that we are not recognised locally as a key and valued provider; resulting in the Trust not having an equal voice in discussions with providers, commissioners and the community compromising our ability to deliver outstanding community services	Communication & Engagement Strategy and plan Relationships with Gloucestershire Strategic Forum, Health and Care Oversight and Scrutiny Committee, Health & Wellbeing Board, NHS Providers and Community First Network. Your care Your Opinion Engagement activities
There is a risk that we do not provide a clear vision for community based services and the case for change to promote increased investment in new models of care is not made robustly; resulting in investment continuing to be focused on acute provision	Annual Operating Plan, Quality Priorities, Contractual Agreements and relationships. Place based model developments, One Place One Budget Sustainability and Transformation Partnership work. Strategic Intent work with ^{2}gether NHS Foundation Trust.
There is a risk that we do not effectively celebrate our successes internally, locally and nationally; resulting in lack of knowledge of the range and quality of our services.	Communication & Engagement Strategy and plan Celebration Awards and Events nationally and locally. Your Care Your Opinion Engagement Activities Involvement in wider Health care system key forums.
There is a risk that we fail to maximise the use of clinical innovation, business intelligence (including demand) and research and development to maintain and improve the quality of care; resulting in possible harm to patients, poor experience, reduction in quality of care, and loss of reputation for excellence.	Clinical Governance Framework and processes. Quality Improvement Priorities and improvement plans. Staff Development commitments. Research and Development Strategy development. Continuous Professional Development plans and investment.
There is a risk that we fail to recruit and retain colleagues with right knowledge, skills, experience and values required to deliver sustainable services and support transformation; resulting in care which does not meet the needs of service users. **This is currently the highest risk on the Trust's Board Assurance Framework and is receiving Board focus**	Recruitment and Development Strategy and action plan. Continuous Professional Development plans and investment. Centralised bank and agency function Nursing Associate Programme Apprenticeship Programme Progression pathway developments Staff Engagement processes
There is a risk that we do not invest time to actively listen, learn, reflect, engage and respond to our local population; resulting in services which are not optimally designed to meet the needs of service users and carers.	Friends and Family Test Processes. Learning Assurance Action Tracker processes. Your Care Your Opinion Engagement Activities Co-production developments

Corporate Governance Report

There is a risk that we don't recognise and value the contribution of service users and carers in designing their own care; resulting in poorer outcomes and experiences.	Person focused initiatives, Positive Risk Taking, Policies to support patient focused decision making. Patient Activation Measures and Personalised Care Plans.
There is a risk that we are too internally focused and do not support system transformation; resulting in services being fragmented and disjointed thereby impacting on quality and service user experience.	Quality and Performance reporting. One Gloucestershire commitments Processes to develop Strategic Intent.
There is a risk that lack of mutual understanding of the services and assets provided by ourselves and by other system partners compromises the experience of service users; resulting in service users experiencing care and support which is not seamless.	Partnership work with One Gloucestershire Delivery Pathways Cluster working developments.
There is a risk that we do not invest time to actively listen, learn, reflect, engage and respond to colleagues; resulting in disengagement by colleagues and a culture that does not promote openness.	Manager Toolkit Investors in People Freedom to speak up Guardian and other related mechanisms to raise concerns Communication and Engagement Strategy Core Colleague and Communication processes.
There is a risk that we do not support colleagues health and wellbeing in an environment of constant change and demand management; resulting in poor morale and increased levels of sickness and absence.	Sickness absence monitoring Recruitment and Retention Strategy Working Well support Health and wellbeing initiatives
There is a risk that we under invest in leadership and management development ; resulting in a lack of capacity to nurture a highly engaged and motivated	Refresh of Leadership Development Plan Manager Toolkit Leadership Development
There is a risk that we fail to maintain and develop an infrastructure fit for future services; resulting in fragmented service delivery models and escalating costs.	Estates Strategy Business Plan Review of IT Strategy Capital Plan
There is a risk that we do not lead on, and invest in, transformation to secure long term sustainability of services; resulting in inability to sustain quality and compromising year on year cost improvement.	Business Plan Cost Improvement Plan and delivery processes Quality Equality Impact Assessments Workforce planning
There is a risk we do not maintain robust internal controls and governance systems; resulting in potential financial and organisational instability.	Governance Framework Review and Monitoring Use of Resources review Monitoring Financial and Quality metrics for assurance.

Corporate Governance Report

At the end of the financial year 2017/18, the Trust reviewed all its Trust-wide risks and has updated the Board Assurance Framework to reflect developments in the external environment.

Compliance with NHS Provider Licence

NHS Trusts are required to self-certify that they can meet the obligations set out in the NHS provider licence (which itself includes requirements to comply with the National Health Service Act 2006, the Health and Social Care Act 2008, the Health Act 2009 and the Health and Social Care Act 2012, and to have regard to the NHS Constitution) and that they have complied with governance requirements. Although NHS Trusts are exempt from needing a Provider Licence, directions from the Secretary of State require NHS Improvement (NHSI) to ensure that NHS trusts comply with conditions equivalent to the licence as it deems appropriate. Consequently, all provider NHS Trusts must self-certify the following after the financial year-end:

• Condition G6(3) - the provider has taken all precautions necessary to comply with the licence, NHS Acts and NHS Constitution

• Condition FT4(8) - the provider has complied with required governance arrangements

The Trust Board was required to approve the self-certification statements for 2016/17 before 31 May 2017 (Condition G6) and 30 June 2017 (Condition FT4).

The Trust complied with these requirements as is formally confirmed on its website and is on track to complete the required declarations for 2017/18.

Care Quality Commission (CQC)

The Trust is fully compliant with the registration requirements of the CQC and was rated as Good during the inspection in Spring 2018. The well-led review of the Trust's leadership confirmed the Trust's well-led rating as Good. The Trust ensures compliance with CQC registration requirements through its clinical governance processes which report to the Board's Quality and Performance Committee. Assurance in relation to CQC regulation requirements is led by the Executive Lead, Director of Nursing. Our new internal approach to review against the regulatory framework using the DATIX CQC module has enabled a much greater level of local understanding of regulatory requirements and compliance. This revised approach has greatly supported clinical areas in preparing for the full CQC inspection which took place in Spring 2018 and has given local teams an ongoing systematic method of measuring and testing their compliance with the regulatory framework. This included local assessment in relation to the well led framework which was confirmed by the CQC outcome.

The Trust learns from good practice through a range of mechanisms including national guidance / alerts, benchmarking, clinical supervision and reflective practice, individual and peer reviews, performance management, continuing professional development programmes, clinical audit and application of evidence-based practice and meeting risk management standards. Significant this year has been our work in developing a Mortality Review Group to take forward the requirements of the National Framework for Mortality

Corporate Governance Report

Data security risks: The Trust actively monitors and manages its information governance (IG) compliance through the IG assurance framework as stipulated in policy, reporting up to the Information Governance Steering Group (IGSG), which is chaired by the Senior Information Risk Owner (SIRO) and attended by key IG staff including the Caldicott Guardian and Head of IG. The IGSG monitors the Trust's compliance with the HSCIC IG Toolkit, approves the IG work plan that is developed year on year, reviews incidents where they occur and looks to recommend improvements to increase compliance.

The Trust has implemented a full range of technical and organisational measures in line with national best practice, has a suite of information governance (IG) related policies,procedures and guidance documents which are made available to all staff in a variety of ways and ensure staff are appropriately trained in IG. Communicating IG to Trust staff is an on-going and extremely important process in ensuring staff are aware of their responsibilities, as detailed in these documents. Where failings are found to occur investigations are carried out, lessons learnt and recommendations made and implemented where appropriate.

Risks have also been identified and mitigation put in place in respect of IT failures or IT risk, none are currently reported at 12 or above on our risk register or BAF, they include:

- Risk of Trust network failure.
- Unplanned disruption to services due to underinvestment in replacing/maintaining the virtual server infrastructure.
- Unauthorised access to network user account.

All risks continue to be managed and monitored as set out above.

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.

Equality, Diversity and Human Rights Legislation

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with. This includes compliance with our duties under the Equality Act 2010 by the annual publication of information relating to people who are our employees and those who are affected by our policies and practices, and by the publication of our equality objectives. In addition, this includes compliance with the annual publication of both our NHS Equality Delivery System 2 report and our NHS Workforce Race Equality Standard report.

Corporate Governance Report

Emergency Preparedness and Carbon Reduction Plans

The trust has undertaken risk assessments and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

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

I acknowledge the Accountable Officer's responsibilities as set out in the Accountable Officer Memorandum and my responsibilities contained therein for the propriety and regularity of public finances in the Trust, for the keeping of proper accounts, for prudent and economical administration, for the avoidance of waste and extravagance, and for the efficient and effective use of all the resources in my charge.

The Board has established arrangements to ensure it achieves economy, efficiency and effectiveness (or value for money) from the use of resources. The Trust manages its financial resources in accordance with an annual financial plan or budget and has developed a medium term financial plan in order to make informed strategic decisions about resource control and areas of investment and disinvestment.

The Director of Finance reports to the Board on actual performance against the financial plan and is accountable for variances in performance. The Board has also established a Finance Committee to review financial performance and scrutinise specific areas, with the objective of ensuring value for money and effectiveness.

The Board's Audit and Assurance Committee is responsible for reviewing the adequacy of the Trust's arrangements for achieving value for money from the use of resources. The committee receives reports from both internal and external auditors in this regard, and highlights areas of concern and proposed actions to the Board. The External Auditor's conclusions on the Board's arrangements for achieving value for money are referred to in their audit report on the Trust's 2017/18 financial statements.

For 2017/18, the Trust ended the year with a Single Oversight Framework segment of 1. We achieved this rating in a year where the cash releasing efficiency savings were set at a particularly challenging level and still invested in our estate, where we have completed considerable work on statutory standards and backlog maintenance and minor schemes to improve the service user environment and our IT infrastructure including mobile working equipment which will support our staff to deliver services and to generate future efficiencies. During 2017/18, we have used a range of methods to identify and deliver efficiency savings, including new business development, redesign of service user pathways and process improvements.

Corporate Governance Report

Information Governance Performance

There were 7 information personal data related incidents which required reporting to the Information Commissioner's office. The Trust co-operated fully in reporting and providing follow up information. In all 7 incidents the information commissioner has confirmed that no regulatory action will be taken, confirming the processes the Trust has in place to respond to an information personal data related incident.

The Trust has in place an Information Governance Steering Group which oversees compliance with the Information Governance Toolkit and implements improvement plans where required.

Fraud and Security Management

The Trust has in place arrangements to manage fraud and security. This includes the provision of Local Counter Fraud and Security Specialists. Annual work plans are formulated which are reported to the Audit and Assurance Committee. The NHS Protect standards, which are contained within the NHS Standard Contract, are used as benchmarks for performance. These are reported to the Audit and Assurance Committee and Commissioners as required.

Cyber Security

The Trust has in place processes, as required under the NHS Standard Contract, to comply with the 10 data security standards recommended by the National Data Guardian for Health & Care. This compliance is monitored at both management and Board level. The Trust treat Cyber Security as an issue requiring the highest vigilance.

Review of the effectiveness of risk management and internal control

As Accountable 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 trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the information provided in 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 quality and performance committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Governance Framework of the Organisation

The Department of Health 2006 defined integrated governance as: "Systems, processes and behaviours by which Trusts lead, direct and control their functions in order to achieve organisational objectives, safety and quality of service and in which they relate to patients and carers, the wider community and partner organisations."

Corporate Governance Report

The structures, systems, processes and behaviours NHS bodies are expected to have for ensuring good governance include:

- Standing Orders, Standing Financial Instructions, Reservation of Powers to the Board and Scheme of Delegation.
- Requirement for a statutory board, and requirements on the committees that support the board.
- How line managers operate, including codes of conduct and accountability.
- Business planning.
- Procedural guidance for staff.
- Risk register and assurance framework.
- Internal audit.
- Scrutiny by external assessors including the Care Quality Commission, external audit and NHS Improvement.

As Accountable Officer I can confirm that these structures, systems, processes and behaviours are reflected in the Trust's Governance Framework.

The Board Structure and Remit

Gloucestershire Care Services NHS Trust (GCS) is run by a unitary Board of Directors, with clear division of responsibilities between the Chair of the Board and the Chief Executive of the Trust, Non-Executive Directors and the Executive, including appropriate challenge on strategic development. The Board consists of the Chair, 6 Non-Executive Directors, and 5 voting Executive Directors. There is also one non-voting Directors (Interim Director of Human Resources and Organisational Development). Non-Executive Directors use the skills and experience gained from the private, public and voluntary sectors to help run the Trust, but do not have day-to-day managerial responsibilities within the Trust. Executive Directors are paid employees with clear areas of work responsibility within the Trust.

The Board regularly meets in public, and details of the board meetings, including the public papers are available at: www.glos-care.nhs.uk

The Board held 6 formal board meetings in 2017/18 and has met a further 12 times in private.

The Board is responsible for the leadership, management and governance of the organisation and setting the strategic direction and supporting the development of organisational culture. Its meetings cover comprehensive items on quality, finance and strategy. At each routine Board meeting held in public it considers the Board Assurance Framework, Quality and Finance.

The Board continually self-assesses its performance, evaluating its meetings and those of its committees at the conclusion of business. Further Board discussions have led to a board development programme supported by an external governance advisor. This has helped support effective integration of new Board members into Board working and supported a review of Committee roles and responsibilities to maintain focus. Internal Audit provided assurance on the governance processes in place.

Corporate Governance Report

Changes in Board Composition

There were the following changes in the composition of the board in the year:

Nick Relph joined the Board as a Non-Executive Director in June (replacing Robert Graves who left the Board in January 2017).

Katie Norton, Chief Executive, led the management team through the year, stepping down in April 2018 with the appointment of Paul Roberts.

Tina Ricketts, Director of HR, who left the Trust in January 2018 to take up the role of Director of People and Culture with Worcestershire Acute Hospitals Trust.

We thank Katie Norton and Tina Ricketts for their contribution to our development.

Board Committees

The Board is supported in its work by a number of sub-committees which include:

- ***Audit and Assurance Committee***, chaired by Non-Executive Director, Richard Cryer
- ***Charitable Funds Committee***, chaired by Non-Executive Director, Nicola Strother Smith.
- ***Finance Committee***, chaired by Non-Executive Director, Graham Russell.
- ***Quality and Performance Committee***, chaired by Non-Executive Director, Susan Mead.
- ***Remuneration and Terms of Service Committee***, chaired by Trust Chair, Ingrid Barker.
- ***Workforce and Organisational Development Committee***, chaired by Non-Executive Director, Nicola Strother Smith.

Each of the sub-committees reported directly to the Trust Board and:

- Monitored risk relating to their area of responsibility, ensuring the Board had a clear overarching understanding of the risks;
- Provided regular summary reports to the Board on their work for assurance and performance purposes.

Executive Directors are responsible for maintaining effective systems of control on a day-to-day basis. A full governance rationale has been developed providing terms of reference and escalation processes for all sub-committees and the Board, together with standing items, which are in turn encapsulated into programmes of business for each sub-committee and for the Board.

The table shown at Annex 1 of this Governance Statement sets out attendance levels by Executive and Non-Executive Directors at Trust Board meetings and at all sub-committees of the Board.

Corporate Governance Report

In addition, the Trust Board is supported by the Your Care Your Opinion group which provides opportunities for two-way communication with service users and local communities. This enables the Board to benefit from the insight and experience of local people in the planning and delivery of services. During 2017/18 this has included sessions on the Board's developing Strategic Intent with [2]gether NHS Foundation Trust, Quality Dashboards and Communication.

Charitable Funds Committee - met three times during 2017/18

Gloucestershire Care Services NHS Trust is the corporate trustee for charitable funds. The Board, on behalf of the Trust, is responsible for the effective overall management of charitable funds. The role of the committee is to oversee the management, investment and disbursement of charitable funds, as delegated, within the regulations provided by the Charities Commission and to ensure compliance with the laws governing NHS charitable funds and the wishes of the donors. The charitable funds seek to provide benefit to local service users and Trust colleagues.

Remuneration and Terms of Service Committee **–** met nine times in 2017/18

The Committee is responsible for supporting the Board to ensure fairness, equity and consistency in remuneration practices on behalf of the Trust Board. The Committee oversaw the appointment processes for the Chief Executive Officer and the remuneration, allowances and other terms and conditions of office of the Trust's Very Senior Managers (VSM).

Audit and Assurance Committee – met five times in 2017/18

The Audit and Assurance Committee is constituted in accordance with the provisions of the NHS Audit Committee Handbook 2014.

The Committee is responsible for providing assurance to the Board that an effective system of integrated governance, risk management and internal control, is in place across the whole of the organisation's activities (both clinical and non-clinical), that supports the achievement of the organisation's objectives. It has also overseen the audit of the 2017/18 accounts.

As part of these processes the Committee reviewed all reports from completed internal audit assignments for the 2017/18 work plan, which had been agreed by the Committee at the start of the year. The following table summarises the outcomes from those assignments:

Corporate Governance Report

Internal Audits 2017-18	Report Classification	Progress
Finance	High Risk	*All recommendations implemented and closed*
HR	Medium Risk	All recommendations implemented and closed
Risk Management	Low Risk	All recommendations implemented and closed
Clinical Governance – Medicines Management	High Risk	6 recommendations implemented and closed, 1 in progress
IM&T -ITGC	Medium Risk	6 recommendations implemented and closed, 1 in progress
Information and Performance	Medium Risk	3 recommendations implemented and closed, 1 in progress
IM&T – Cybersecurity (Pen testing)	Medium Risk	2 recommendations –in progress

The Audit and Assurance Committee uses its Internal Audit programme to focus on areas of most benefit to receive independent scrutiny and actively targets Audits to learn and develop its processes and operation. Progress against recommendation actions is actively monitored by the Committee and the Internal Auditors have confirmed that actions are being completed within required timescales. Over the seven audits there were no critical findings and only 2 high level recommendations.

The Audit and Assurance Committee is also informed by the work of the External Auditors. The External Auditors undertake their audits on a risk based approach. The audit for 2017/18 focused on the following risks: fraud risk from income recognition, management override of controls, valuation of land and building assets, accuracy of NHS income. The audit has not identified any significant issues of concern.

The Audit Committee has not identified any significant issues in the year 2017/18.

Quality and Performance Committee – met 6 times during 2017-18

The Committee is responsible for providing clear assurance on all issues relating to clinical and professional care, clinical systems, clinical risk management and all prevailing regulatory standards relating to quality and safety. The Committee also reviews the Trust's service delivery activities and agrees and monitors action plans where remedial steps were considered necessary. During the year the Committee considered a range of key issues including clinical audit, safeguarding, end of life care, information governance, patient reported outcomes, research, incidents, complaints and performance.

Corporate Governance Report

Finance Committee **–** met six times during 2017-18
The Committee is responsible for providing detailed scrutiny of the Trust's finances, and agreeing and monitoring action plans where remedial plans are required to improve financial performance. The Committee is also responsible for advising the Board on business development opportunities and overseeing capital expenditure against the Trust's approved capital plan. In 2017/18 it supported the development of the business planning process and the review of the Estates Strategy.

Workforce and Organisational Development **Committee –** met four times during 2017/18

The Committee is responsible for providing clear assurance on all aspects of workforce strategy, planning and organisational development to support the Trust achieving exemplar clinical and professional outcomes and experiences for service users and Trust colleagues. It also has particular responsibility for the development of a supportive and learning organisational culture that promotes the Trust's CORE values of being Caring, Open, Responsible and Effective.

Performance

As Accountable Officer I can confirm that there are processes in place to ensure that the Board has oversight of key areas of performance to ensure that the Trust is meeting its statutory duties and functions.

Quality Performance

The Trust produces an annual Quality Account in line with Department of Health Guidance. This account looks back at performance in the last year and sets priorities for the following year. The Board approves the account prior to publication. Arrangements are in place via service delivery groups and trust wide groups to report quality and safety matters to the Quality and Performance Committee, which in turn reports to the Board. This includes progress against the priorities set out in the Quality Account.

Quality report priorities and core indicators reported in the quality and performance report have been an integral part of the routine governance processes over the year. Key indicators have been routinely reported to the Trust Board and the Quality and Performance Committee through the year, reflecting wider review and monitoring undertaken by the Trust. The quality and performance report has been developed this year following review by the Board. This has included regular reports being presented
to the Quality and Performance Committee and commissioners. Progress against quality and performance goals has been received at both the Quality and Performance Committee and the Board throughout the year.

The Trust has a Learning Assurance Framework to ensure incidents and serious incidents are followed up, thoroughly investigated and learnt from. In 2017/18 there were 26 serious incidents requiring investigation and 1 never incident.

The Trust has arrangements in place to manage Infection Prevention and Control and theSafeguarding of Children and Vulnerable Adults. These include external partnership arrangements with Local Authorities, Police and Gloucestershire Hospitals NHS Foundation Trust.

Corporate Governance Report

The Trust was inspected by the Care Quality Commission in January 2018 and was graded overall as “Good” (an improvement from the 2015 rating of “Requires improvement”), with ninety percent of areas graded as either “Good” or “Outstanding”. An Improvement Action Plan to take forward the areas identified for further improvement and to spread good practice has now been developed and will be implemented during 2018/19.

The Trust engages with service users through a range of forums and processes and continues to develop the contribution that volunteers make across our services.

Financial Performance

NHS Trusts are required to deliver statutory and other financial duties. For the year ended 31 March 2018, the Trust met these duties, as summarised below,

to break-even on Income and Expenditure in line with NHS guidance on our NHS adjusted surplus*
to maintain capital expenditure below a set limit

* Statement of Comprehensive Income

		Group		Trust	
		2017/18	2016/17	2017/18	2016/17
	Note	£000	£000	£000	£000
NHS Basis Financial Performance					
Total comprehensive income / (expense) for the period		(15,906)	6,041	(15,928)	6,074
Impairments Taken to Income and Expenditure Account		15,685	-	15,685	-
Impairments Taken to Revaluation Reserve		5,709	-	5,709	-
Revaluation Uplift Taken to Revaluation Reserve		-	(3,865)	-	(3,865)
Depreciation on donated assets		97	100	97	100
Adjusted Retained Surplus		**5,585**	**2,276**	**5,563**	**2,309**

Within this, the Trust faced significant challenge in delivering the efficiency programme for the year, with plans remaining under development throughout most of the year. However, the target was met by year-end, with non-recurrent measures replacing in-year shortfalls in recurrent initiatives where required. Whilst this area remains a significant challenge, the Trust's transformational approach to generate and implement efficiency measures has been further revised and strengthened to support delivery.

Checking the correct discharge of statutory functions is managed via the Trust risk management system. No areas of non-compliance have been identified. The Trust met its Agency cap which was set by NHS Improvement as a financial value of Agency Spend for the Year.

Corporate Governance Report

Data Quality Performance

The Trust has systems in place to verify data quality, including elective waiting time data. These include:

- Validation of data reports and results by service managers and systems users
- Planned internal audits of data by informatics staff.
- Electronic data validation e.g. missed mandatory fields and data out of permitted ranges.
- Performance data monitoring by Trust groups and committees and subsequent enquiries.
- Commissioner scrutiny of activity and quality data.
- User training on systems, e.g. clinical coding.

During 2017/18 the Trust revised its reporting processes to improve reporting efficiency. This improved the audit trail of reported information, but also revealed underlying data quality issues which are now being addressed.

The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through the Board Assurance Framework, and on the controls reviewed as part of the internal audit work.

The Head of Internal Audit's opinion is "Generally satisfactory with some improvements required" and highlighted that "The Trust has made progress in improving and strengthening its internal control environment during 2017/18. There has been a positive direction of travel in terms of the number and severity of issues noted in the course of our reviews." Action Plans are in place to take forward the required improvements.

Executive Managers within the organisation, who have responsibility for the development and maintenance of the system of internal control, provide me with assurance.

The Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by clinical audits, the Trust's External Auditors Opinion, Care Quality Commission (CQC) and NHS Resolution. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Trust Board's subcommittees.

A plan to address weaknesses and ensure continuous improvements of the system is in place. The Board's role is to determine the overall strategic direction and to provide active leadership of the Trust within a framework of prudent and effective controls, which enables risk to be assessed and managed.

Conclusion

There has been no evidence presented to myself or the Board to suggest that at any time during 2017/18, the Trust has operated outside of its statutory authorities and duties. In relation to our reporting of the Trust's corporate governance arrangements, we have drawn from the best practice.

Corporate Governance Report

With the exception of the internal control issues that I have outlined in this statement, my review confirms that Gloucestershire Care Services NHS Trust has a generally sound system of internal control that supports the achievement of its policies, aims and objectives.

I confirm that no significant internal control issues have been identified.

Signed:

Paul Roberts
Chief Executive

23rd May 2018

Corporate Governance Report

Annex1

Modern Slavery Act 2015

Slavery and Human Trafficking Policy Statement

INTRODUCTION

At Gloucestershire Care Services NHS Trust we are committed to ensuring that no modern slavery or human trafficking takes place in any part of our business or our supply chain. This statement sets out actions taken by this Trust to understand all potential modern slavery and human trafficking risks and to implement effective systems and controls

ORGANISATION'S STRUCTURE

Gloucestershire Care Services NHS Trust provides community-based health and care services across Gloucestershire, caring for a population of around 635,000 people. We serve the entirety of Gloucestershire, made up of the large urban communities of Gloucester and Cheltenham, sitting within a largely rural community from the Forest of Dean to the Cotswolds. We have an income of over £100 million.

Our Trust has over 2,700 dedicated staff. Our main role is to support people's health needs in the most appropriate place in the community.

Our focus is on prevention and keeping people out of crisis so that they can receive the care and support they need at, or as close to home as possible.

OUR SUPPLY CHAINS

The Trust supply chain is predominantly service orientated with the majority of its supplier base within the United Kingdom (UK) with our extended supply chain linking into the wider European Economic Area (EAA). NHS Supply Chain is the Trusts largest goods provider and incorporates the principles of the Modern Slavery Act within its code of conduct and ensures these products comply.

OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING

We are fully aware of the responsibilities we have towards our service users, colleagues and local communities. We are guided by a strict set of ethical values in all of our business dealings and expect our suppliers (i.e. all companies we do business with) to adhere to these same principles. We have zero tolerance for slavery and human trafficking. Staff are expected to report concerns about slavery and human trafficking and management are expected to act upon them in accordance with our policies and procedures, such as the Adult Safeguarding Multi-Agency Policy and Procedures.

Corporate Governance Report

DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

To identify and mitigate the risks of modern slavery and human trafficking in our own business and our supply chain we:

- Are working towards the Department of Health (DoH) NHS Procurement & Commercial Standards, which requires a Corporate Social Responsibility (CSR) policy defining the procurement approach to sustainability, modern slavery and all other appropriate ethical standards and approaches.

- Undertake appropriate pre-employment checks on directly employed staff and access temporary staff only through the NHS Improvement approved frameworks ensuring suppliers comply with the same pre-employment checks.

- Uphold best practice and professional codes of conduct relating to procurement and supply.

- Contractual clauses are utilised to ensure that supplier supply chains are monitored and that there is zero tolerance of modern slavery within their supply chain.

- Where any such issues arise within the extended supply chain, the supplier shall act to remove these items from entering the Trust's extended supply chain and implement ethical sourcing programs and supply chain audits to prevent any repetition.

TRAINING

The Trust is planning to offer awareness sessions for staff regarding the recognition of modern day slavery and trafficking.

OUR EFFECTIVENESS IN COMBATING SLAVERY AND HUMAN TRAFFICKING

Further work is needed to identify how we measure how effective we have been in ensuring that slavery and human trafficking is not taking place in any part of our business or in our supply chain.

The Board of Director of Gloucestershire Care Services will review and update this statement on an annual basis.

This statement is also made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending March 2018.

Paul Roberts
Chief Executive Officer

Corporate Governance Report

Annex 2

Chief Executive's Statement – Bribery and tax evasion

Gloucestershire Care Services NHS Trust is committed to the highest standards of ethical conduct and integrity in our respective business activities. Transparent, fair conduct helps to foster deeper relationships of trust between the Trust and its partners. It is vital for our reputation and continued sustainability.

A bribe is a financial advantage or other reward that is offered to, given to, or received by an individual or company (whether directly or indirectly) to induce or influence that individual or company to perform public or corporate functions or duties improperly. Bribery and corruption has a detrimental impact on Trust business by undermining good governance. We benefit from carrying out our functions in a transparent and ethical way and thereby helping to ensure that there is honest, open and fair competition in the NHS. Where there is a level playing field, we can lead by example and deliver excellent services to our patients.

The Trust will not tolerate any form of bribery, whether direct or indirect, by or of its staff, agents or consultants or any persons or entities acting for it or on its behalf. We will not conduct business with service providers, agents or representatives that do not support the Trust's anti-bribery objectives. We reserve the right to terminate contractual arrangements with any third parties acting for or on behalf of the Trust with immediate effect where there is evidence that they have committed acts of bribery, or have engaged in tax evasion.

The board and senior management of the Trust are committed to implementing and enforcing effective systems throughout the organisation to detect and eliminate bribery in accordance with the Bribery Act 2010 and prevent tax evasion in accordance with the Criminal Finances Act 2017. The Trust employs a Local Counter Fraud Specialist who will investigate any allegations of fraud, bribery or corruption. Policies have been developed outlining our position on preventing bribery and fraud, promoting the highest standards of business conduct, and managing conflicts of interest. These policies apply to all employees(colleagues), as well as agency workers, consultants and contractors acting for or on behalf of the Trust. Employees and others acting for or on behalf of the Trust are strictly prohibited from making, soliciting or receiving any bribes or unauthorised payments, and from engaging in any form of tax evasion.

As part of its anti-bribery measures, the Trust is committed to transparent, proportionate, reasonable and bona fide hospitality and promotional expenditure. Such expenditure must only be offered or accepted in accordance with the procedures set out in the Trust's policies. A breach of Trust policy by an employee will be treated as grounds for disciplinary action, which may result in a finding of gross misconduct, and immediate dismissal. Employees and other individuals acting for the Trust should note that bribery is a criminal offence that may result in up to 10 years' imprisonment and/or an unlimited fine for the individual and an unlimited fine for the Trust. If an organisation is successfully prosecuted under the Criminal Finances Act it will face an unlimited fine and possible ancillary sanctions, such as being prohibited from bidding for public contracts.

Every employee and individual acting on behalf of the Trust is responsible for maintaining that Trust's reputation, conducting business honestly and professionally, and playing their part in helping to detect and eradicate bribery. All employees and others acting for, or on behalf of, the Trust are encouraged to report any suspected bribery in accordance with the procedures set out in either the relevant Whistleblowing (Freedom to Speak Up) policy and/or the relevant policy on Fraud, Bribery and Corruption. The Trust will support any individuals who make such a report, provided that it is made in good faith.

Paul Roberts
Chief Executive Officer

Corporate Governance Report

Annex 3 to Governance Statement

Attendance at Board meetings and Board sub-committees

The table below sets out meetings attended by each Board member during 2016/17.

Name	Position	Board *	Percentage Board Attendance	Audit & Assurance Committee	Charitable Funds Committee	Remuneration & Terms of Service Committee	Finance Committee	Quality and Performance Committee	Workforce and Organisational Development Committee	Date of any change
Ingrid Barker	Chair	6 (6)	100%	-	#2	9	#	#	#	-
Susan Mead	Non-Executive Director Senior Independent Director	6 (6)	100%	3	-	9	5	6	-	
Katie Norton	Chief Executive	5 (6)	83%	1`**	-	**	1	1	-	Ceased to be CEO 15/04/18
Sandra Betney	Deputy Chief Executive/Director of Finance	6 (6)	100%	***	2	-	6	1	-	
Richard Cryer	Non-Executive Director	4 (6)	67%	5	2	8	5	-	5	
Susan Field	Director of Nursing	6 (6)	100%	-	2	-	6	6	5	
Jan Marriott	Non-Executive Director	5 (6)	83%	5	-	5	-	6	4	
Dr Michael Roberts	Medical Director	4 (6)	66%	-	-	-	-	4	-	
Nick Relph	Non-Executive Director	5 (5)	100%	4		7	3	-	2	Appointed 15/06/17
Graham Russell	Non-Executive Director	6 (6)	100%	5	-	8	6	6	-	
Nicola Strother Smith	Non-Executive Director	5 (6)	83%	-	2	7	-	6	5	
Candace Plouffe	Chief Operating Officer	6 (6)	100%	-	-	-	6	6	4	
Tina Ricketts	Director of Human Resources (non-voting)	5 (5)	100%	-	3	-	-	4	5	Resigned 29/01/18
David Smith	Interim Director of Human Resources and Organisational Development (non-voting)	1 (1)	100%	-	-	-	1	1	-	Appointed 29/01/18

*Figures in brackets show total number of Board meetings members could have attended in year (meetings shown reflect meetings being held in public which were preceded by a confidential Board session). Additionally there were also a number of meetings to progress commercially sensitive items)
** attended meetings as required in role of Accountable Officer not as a member
*** attended by invitation as Director of Finance
# The Chair of the Board attends Board Committees on a rolling basis for assurance.

+ Paul Roberts commenced as CEO 16/4/18

Additionally Directors attended a range of development activities – both as a Board and individually - and attended a number of Private Board meetings

Remuneration and Staff Report

Policy for the remuneration of Directors

The Trust's remuneration policy for Executive Directors observes the Department of Health's Pay Framework for Very Senior Managers (VSMs) in Strategic and Special Health Authorities, Primary Care Trusts and Ambulance Trusts (NB although this document dated July 2013 now references organisational forms and bodies no longer in existence, this is the latest available version of the guidance). The Trust's future remuneration policy for Executive Directors will observe these guidelines or any replacement guidelines.

Accordingly, in 2017/18, the pay for the Trust's Chief Executives was in line with that proposed within the Pay Framework for Primary Care Trust (PCT) Chief Executives i.e. it was based on a local population of 0.5million to 1.0million people, weighted for age and deprivation.

Payments made to the Trust VSM Executive Directors were in line with the pay framework.

Changes were made to the following Trust VSM Executive Directors during the year to bring them in line with sector benchmarks:

- the Chief Operating Officer received a 6% increase in salary from 1st January 2018 to bring the salary in line with benchmark, this was confirmed by both the Trust's Remuneration and Terms of Service Committee and NHS Improvement
- the Director of HR received a 10% increase in salary from 1st April 2017 to bring the salary in line with benchmark, this was confirmed by both the Trust's Remuneration and Terms of Service Committee and NHS Improvement

In 2017/18 all Non-Executive Director payments were made in line with Department of Health guidelines.

Remuneration and Staff Report

Directors' Remuneration (Audited)

The table below shows details about director remuneration for 2017/18

		Salary (Bands to £5,000)	Expense payments (taxable) total to Nearest £1,000	Performance pay and Bonuses(bands of £5,000)	Long term performance Pay and bonuses (bands of £5,00) £000	All pension-related Benefits (bands of £2,500)	Total (bands of £5,000)	Note
Ingrid Barker	Chair	20-25*	3	-	-	-	20-25	
Susan Mead	Non-Executive Director Senior Independent Director	5-10	2	-	-	-	5-10	
Katie Norton	Chief Executive	140-145	3	-	-	112.5-115	260-265	
Sandra Betney	Deputy Chief Executive/Director of Finance	125-130	1	-	-	32.5-35	160-165	
Richard Cryer	Non-Executive Director	5-10	2	-	-	-	5-10	
Susan Field	Director of Nursing	95-100	2	-	-	0-2.5	95-100	
Jan Marriott	Non-Executive Director	5-10	2	-	-	-	5-10	
Dr Michael Roberts	Medical Director	45-50	1	-	-	15-17.5	65-70	
Graham Russell	Non-Executive Director	5-10	1	-	-	-	5-10	
Nicola Strother Smith	Non-Executive Director	5-10	1	-	-	-	5-10	
Candace Plouffe	Chief Operating Officer	95-100	0	-	-	27.5-30.0	125-130	
Tina Ricketts	Director of Human Resources (non-voting)	75-80	2	-	-	30-32.5	110-115	Resigned 29/01/18
David Smith	Interim Director of Human Resources & OD (non-voting)	15-20	0			0-2.5	15-20	Appointed 29/01/18
Nick Relph	Non-Executive Director	5-10	2				5-10	Appointed 15/06/18

* From 1st January 2018 Ingrid Barker was appointed Chair at both GCS Care Services and 2gether NHS Foundation Trust. The detailed remuneration reflects GCS Care Services element of Remuneration.

Remuneration and Staff Report

Directors' Remuneration (Audited)

The table below shows details about director remuneration for 2016/17

		Salary (Bands to £5,000)	Expense payments (taxable) total to Nearest £1,000	Performance pay and Bonuses(bands of £5,000)	Long term performance Pay and bonuses (bands of £5,00) £000	All pension-related Benefits (bands of £2,500)	Total (bands of £5,000)	Note
Ingrid Barker	Chair	20-25	1	-	-	-	20-25	-
Robert Graves	Non-Executive Director Vice Chair	5-10		-	-	-	5-10	Resigned 31/01/17
Susan Mead	Non-Executive Director Senior Independent Director	5-10	1	-	-	-	5-10	
Paul Jennings	Chief Executive	110-115	0	-	-	-	110-115	Retired 31/12/16
Katie Norton	Chief Executive	30-35	0	-	-	0-2.5	30-35	Ceased to be CEO 15/4/18
Glyn Howells	Deputy Chief Executive/Director of Finance	115-120	0	5-10	-	0-2.5	120-125	Resigned 31/03/17
Richard Cryer	Non-Executive Director	5-10	1	-	-	-	5-10	
Susan Field	Director of Nursing	95-100	0	-	-	35-37.5	130-135	
Jan Marriott	Non-Executive Director	5-10	1	-	-	-	5-10	
Dr Michael Roberts	Medical Director	45-50	0	-	-	15-17.5	60-65	
Graham Russell	Non-Executive Director	0-5	0	-	-	-	0-5	Appointed 01/08/16
Joanna Scott	Non-Executive Director	0-5	0	-	-	-	0-5	Resigned 31/07/16
Nicola Strother Smith	Non-Executive Director	5-10	1	-	-	-	5-10	
Candace Plouffe	Chief Operating Officer (non-voting)	95-100	0	-	-	62.5-65	160-165	
Tina Ricketts	Director of Human Resources (non-voting)	85-90	0	-	-	30-32.5	115-120	

Remuneration and Staff Report

Director Pension Contributions (Audited)

Pension Contributions for Executive Directors 2017-18.
Non-Executive Directors do not receive pensionable remuneration.

		Real increase in pension at Pension age (Bands of £2,500)	Real Increase in pension lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 March m 2017 (Bands of £5,00)	Lump Sum at pension age related to accrued pension at 31 March 2017 (bands of £5,000)	Cash Equivalent Transfer Value at April 2017 £000	Cash Equivalent Transfer Value at 31st March 2018 £000	Real increase in cash Equivalent Transfer Value £000	Employer's Contribution to stakeholder pension
Katie Norton	Chief Executive	5-7.5	15-17.5	33-40	105-110	550	663	113	0
Sandra Betney	Deputy Chief Executive/ Director of Finance	0-2.5	5-7.5	35-40	110-115	618	691	73	0
Susan Field	Director of Nursing	0-2.5	0-2.5	25-30	75-80	477	510	33	0
Dr Michael Roberts	Medical Director	0-2.5	2.5-5	10-15	30-35	222	248	26	0
Candace Plouffe	Chief Operating Officer	0-2.5	2.5-5.0	15-20	45-50	294	339	45	0
Tina Ricketts	Director of Human Resources (non-voting)	0-2.5	5-7.5	15-20	40-45	244	293	49	0
David Smith	Interim Director HR &OD	0-2.5	2.5-5	10-15	0	219	205	-14	0

Remuneration and Staff Report

Notes – Definitions used in Pensions Contributions Table above

- **Cash Equivalent Transfer Values:** a Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme.

  The pension figures shown in the table above relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries;
- **Real Increase CETV:** this reflects the increase in CETV effectively funded by the Trust. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Pay Multiples (Audited)

The Trust is required to disclose the relationship between the remuneration of its highest-paid Director and the median (average) remuneration of the organisation's workforce.

The midpoint of the banded remuneration of the highest paid Director in the Trust in the financial year 2017-18 was £143,942 (2016-7 142,499). This was 5 times (2016-17 5 times) the median remuneration of the workforce, which was £ 26,565 (2016-17, £26,302).

In 2017-18, no employees (2016-176, also no employees) received remuneration in excess of the highest-paid Director. Remuneration ranged from £10,132-£143,942 (2016/17 - £15,251 to £142,499).

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

In respect of the above, it is noted that there were no significant changes to the remuneration of the workforce in 2017-18. In general, staff salaries were increased by 1% in April 2017 in line with government policy. Senior managers and Executive Directors however were excluded from these arrangements, so did not receive any corresponding increase during the year.

Remuneration and Staff Report

Staff Report (Audited)

Senior Managers' Analysis

The details of staff within the Trust at Agenda for Change Band 8A upwards (excluding Executive Directors) as at 31 March 2018, a number of whom are also providing clinical services, are shown below:

	2017/18		2016/17	
Banding	**WTE**	**Headcount**	**WTE**	**Headcount**
Band 8A	**54.9**	**60**	57.0	62
Band 8B	**21.8**	**22**	22.0	22
Band 8C	**9**	**9**	9.0	9
Band 8D	**4**	**4**	4.0	4
	89.7	**95**	**92.0**	**97**

Staff Numbers 2017-2018

The number of staff employed by the Trust in 2017/18 analysed by professional discipline (excluding staff on outward secondment) are shown below

	2017/18		2016/17	
Occupation	**WTE**	**Headcount**	**WTE**	**Headcount**
Administration & Estates Staff	**439.3**	**527**	424.0	507
Allied Health Professional	**468.1**	**595**	463.1	590
Ancillary Staff	**91.0**	**141**	89.8	137
Medical & Dental Staff	**26.1**	**40**	27.3	45
Nursing, Midwifery & Health Visiting Staff	**1068.8**	**1340**	1121.4	1393
Total	**2093.3**	**2643**	2125.7	2672

Remuneration and Staff Report

Staff costs

	Group						
					2017/18		2016/17
	Permanent		Other		Total		Total
	£000		£000		£000		£000
Salaries and wages	63,232		-		**63,232**		63,435
Social security costs	4,971		-		**4,971**		5,474
Apprenticeship levy	294		-		**294**		Not Applicable
Employer's contributions to NHS pensions	8,249		-		**8,249**		8,248
Pension cost - other	-		-		**-**		106
Temporary staff	Not Applicable		2,044		**2,044**		1,675
Total gross staff costs	**76,746**		**2,044**		**78,790**		**78,938**
Recoveries in respect of seconded staff	(261)		-		**(261)**		(278)
Total staff costs	**76,485**		**2,044**		**78,529**		**78,660**

Average number of employees (WTE basis)	Group						
					2017/18		2016/17
	Permanent		Other		Total		Total
	Number		Number		Number		Number
Medical and dental	26		-		**26**		27
Administration and estates	439		8		**447**		421
Healthcare assistants and other support staff	91		29		**120**		90
Nursing, midwifery and health visiting staff	1,069		40		**1,109**		1,117
Nursing, midwifery and health visiting learners	-		-		**-**		5
Scientific, therapeutic and technical staff	468		5		**473**		463
Other	-		-		**-**		3
Total average numbers	**2,093**		**82**		**2,175**		**2,126**

Remuneration and Staff Report

Staff Composition (Audited)

The gender composition of the Trust is as follows (headcount figures):

	Male		Female		
Role	**Number**	**Percent**	**Number**	**Percent**	**Total**
Board Members	5	42%	7	58%	12
Senior Managers	20	21%	75	79%	95
All Other Staff	230	10%	2388	90%	2565

Main changes in gender composition were:

- A decrease in female representation at Board from 67% in 2016/17 to 58% in 2017/18;
- A slight increase in female representation at senior management level from 78% in 2016/17 to 79% in 2017/18.

Trust Sickness Absence 2017 - 2018 (12 months to December 2017) Audited

Occupation	**12 month Sickness % Rate (12 months to Dec 2017)**
Administration & Estates Staff	3.76
Allied Health Professional	3.50
Health Care Assistants & Support Staff	5.32
Medical & Dental Staff	7.67
Nursing, Midwifery & Health Visiting Staff	5.19
Grand Total	**4.56**

Figures Converted by DHSC to Best Estimates of Required Data Items			**Statistics Published by NHS Digital from ESR Data Warehouse**	
Average FTE 2017	**Adjusted FTE days lost to Cabinet Office definitions**	**Average Sick Day per FTE**	**FTE-Days Available**	**FTE-Days Lost to Sickness Absence**
2,103	21,908	10.4	767,419	35,540

The increase in sickness was across all categories, except Nursing, Midwifery and Health visiting staff where there was a small reduction.

Remuneration and Staff Report

Staff policies on disabled employees

The Trust is fully committed to ensuring equal opportunities, and this is reflected by its accreditation by Investors in People, confirmed for a further three year period in March 2017. It is also evidenced by the Trust's continued application of its Equality and Human Rights Policy, as well as its Recruitment and Selection Policy and Procedure, which together demonstrate that the Trust gives full and fair consideration for applications for employment by disabled persons, namely:

- all recruitment uses the NHS Jobs system in order to ensure that personal details are removed for the shortlisting stage;
- advertising seeks to attract suitably qualified, skilled and experienced candidates from all sections of the community and the existing workforce;
- the Trust operates a Guaranteed Interview Scheme, so that people with disabilities are guaranteed an interview as long as they meet the minimum criteria: in recognition of this work, the Trust holds Two Ticks and Mindful Employer status;
- training has been developed to ensure that those responsible for making selection decisions do not discriminate, consciously or unconsciously, when making such decisions;
- where there is an identified need, the Trust takes positive action to try and encourage a diverse range of applicants.

Equally, all people are treated fairly when in employment with the Trust i.e.

- the Trust actively avoids practices that would put a disabled person at a disadvantage, compared to those who are not disabled;
- the Trust makes reasonable adjustments at work, such as removing or altering a physical feature, or providing a reasonable means of avoiding such a feature, where it would put a disabled person at a substantial disadvantage, compared to those who are not disabled;
- the Trust provides auxiliary aids where a disabled person would otherwise be put at a substantial disadvantage, compared to those who are not disabled;
- all employees, irrespective of disability status, have access to regular supervision, an annual review of their performance, and a personal development plan which identifies their training needs: moreover, the reasons for choosing certain employees for training is clear and based on sound judgments.

In terms of career progression, everyone who applies for a promotion within the Trust receives fair treatment and is considered solely on their ability to do the job. Furthermore, no applicant is placed at a disadvantage by requirements or conditions that are not essential for the performance of the job.

Remuneration and Staff Report

Equality Delivery System

In order to assure appropriate equity across its workforce, the Trust continued in 201718 to review its progress against the relevant components of the updated NHS Equality Delivery System (EDS2). In doing so, the Trust was encouraged to evaluate the impact of the nine criteria shown in the table below, upon groups of staff representing the nine protected characteristics outlined in the Equality Act 2010, namely age, sex, disability, sexual orientation, gender reassignment, marriage or civil partnership, pregnancy and maternity, race / ethnicity, or religion / belief.

A representative and supported workforce	Fair NHS recruitment and selection processes lead to a more representative workforce at all levels
	The NHS is committed to equal pay for work of equal value and expects employers to use equal pay audits to help fulfil their legal obligations
	Training and development opportunities are taken up and positively evaluated by all staff
	When at work, staff are free from abuse, harassment, bullying and violence from any source
	Flexible working options are available to all staff consistent with the needs of the service and the way people lead their lives
	Staff report positive experiences of their membership of the workforce
Inclusive leadership	Boards and senior leaders routinely demonstrate their commitment to promoting equality within and beyond their organisations
	Papers that come before the Board and other major Committees identify equality-related impacts including risks, and say how these risks are to be managed
	Middle managers and other line managers support their staff to work in culturally competent ways within a work environment free from discrimination

However, with the exception of the race/ethnicity which is described under the Workforce Race Equality Standard (WRES) below, the majority of Trust workforce information in 2017/18 was analysed at a more generalized level and therefore did not specifically assess outcomes upon people representing the nine protected characteristics. This was, in part, due to the fact that significant numbers of staff did not wish to disclose details of, for example, their disabilities, sexual orientation or religion, meaning that baseline data was not indicative of the workforce as a whole. The Trust continues to work to improve data reporting.

Remuneration and Staff Report

Workforce Race Equality Standard

Compliance with the national Workforce Race Equality Standard (WRES) was first introduced in the NHS Standard Contract 2015-16, in response to clear evidence of race inequality in the NHS, and a strong correlation between race equality amongst staff and the quality / safety of provided care.
WRES requires NHS organisations to report annually against nine indicators.

In August 2017 the Trust's submission was as follows:

Indicator	White colleagues	Black and Minority Ethnic (BME) colleagues
Percentage of Black and Minority Ethnic (BME) staff compared with the overall workforce		4.5% of the total workforce is from a BME background, split 3.8% non-clinical and 4.65% clinical
Relative likelihood of staff being appointed from shortlisting across all posts	2.29 times more likely to be appointed from shortlisting	-
Relative likelihood of staff entering the formal disciplinary process	-	1.67 times more likely to enter the formal disciplinary process
Relative likelihood of staff accessing non-mandatory training and Continuing Professional Development	1.04 times as likely to access non-mandatory training and CPD	
Percentage of staff experiencing harassment, bullying or abuse from service users, relatives or the public in last 12 months	32%	26%
Percentage of staff experiencing harassment, bullying or abuse from other staff in last 12 months	21%	13%
Percentage of staff believing that the Trust provides equal opportunities for career progression or promotion	89%	87%
In the last 12 months, percentage of staff who have experienced discrimination from a manager/team leader or other colleague	6%	7%
Percentage difference between the Trust's Board voting membership and its overall workforce	-4.5% given that none of the Trust's voting members is from a BME background	

Remuneration and Staff Report

The most significant findings from the above were as follows:

- the proportion of BME colleagues employed by the Trust in 2017 (4.5%) was largely comparable to the percentage of BME people in the Gloucestershire population (4.6%), although this is significantly lower than the proportion of BME people living in England as a whole (14.6%). Nevertheless, it is recognised that relatively few of these colleagues hold senior posts. As a result, the Trust is set to develop and embed talent management and career progression policies: equally, the Trust now advertises job vacancies not only upon the NHS Jobs website, but also within a range of targeted media and publications, such as the national website promoting Black History Month. The Trust is also working with other NHS organisations across the county to encourage community peers within local black and minority ethnic populations, to join a dedicated leadership programme with the aim of becoming Non-Executive Directors. During 2017/18 the Trust hosted its first member of the cohort and will take a further member during 2018/19;

- in response to the suggestion that people from BME backgrounds appeared to be disadvantaged by both appointment and disciplinary processes, the Trust continues to review sample cases so as to identify, and thereafter address, any underlying issues. These elements are incorporated within the Trust's Leadership Programme going forward;

- compared to 2016, there was a further marked decrease in 2017 in the percentage of BME staff who experienced harassment, bullying or abuse from both patients/public and colleagues;

- in 2017, there was a 10% decrease in the percentage of BME staff reporting discrimination at work from either their line manager or other colleague: as a result, however the experience of white colleagues has worsened by 4% in both previous reporting periods.

A further WRES data submission will be made in August 2018.

Expenditure on consultancy

In 2017/18 the Trust spent £157k on external consultancy from companies supporting specific projects around Estates, HR and Finance. This was because specific internal expertise did not exist to complete these projects.

Remuneration and Staff Report

Off payroll engagements

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

	Number
Number of existing engagements as of 31 March 2018	12
Of which, the number that have existed:	
for less than one year at the time of reporting	2
for between one and two years at the time of reporting	2
for between 2 and 3 years at the time of reporting	8
for between 3 and 4 years at the time of reporting	
for 4 or more years at the time of reporting	

Table 2: New Off-payroll engagements

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

	Number
No. of new engagements, or those that reached six months in duration, between 1 April 2017 and 31 March 2018	2
Of which...	
No. assessed as caught by IR35	2
No. assessed as not caught by IR35	
No. engaged directly (via PSC contracted to the entity) and are on the entity's payroll	
No. of engagements reassessed for consistency / assurance purposes during the year.	2
No. of engagements that saw a change to IR35 status following the consistency review	2

Table 3: Off-payroll board member/senior official engagements

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

Number of off-payroll engagements of board members , and/or senior officers with significant financial responsibility, during the year (1)	0
Total no. of individuals on payroll and off-payroll that have been deemed "Board members", and/or senior officials, with significant financial responsibility", during the financial year. This figure must include both on payroll and off-payroll engagements. (2)	0

Remuneration and Staff Report

Exit Packages (Audited)

In 2017-18, 7 exit payments were paid totaling £29,549 as shown below.

	*Cost of compulsory redundancies		Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages	Number of departures where special payments have been made	Cost of special payment element included in exit packages
	Number	£s	Number	£s	Number	£s	Number	£s
Less than £10,000	-	-	7	29,549	-	-	-	-
£10,000-£25,000	-	-			-	-	-	-
£25,001-£50,000	-	-	-	-	-	-	-	-
£50,001-£100,000	-	-	-	-	-	-	-	-
£100,001-£150,000	-	-	-	-	-	-	-	-
£150,001- £200,000	-	-	-	-	-	-	-	-
>£200,000	-	-	-	-	-	-	-	-
Totals	-	-	7	29,549	-	-	-	-

Redundancy and other departure costs were paid in accordance with the provisions of the Medical and Dental or Agenda for Change Schemes as appropriate. Exit costs are accounted for in full in the year of departure. In 2017-18, the Trust did not agree any early retirements, so there are no additional costs to be met. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

No non-contractual payments in lieu of notice were paid. No non-contractual severance payments were made following judicial mediation, and therefore none related to non-contractual payments in-lieu-of-notice.

No non-contractual payments were made to individuals where the payment value was more than 12 months of their annual salary.

Not included in the exit payments table are contractual payments made to the outgoing Chief Executive.

I hereby confirm that the above Accountability Report is a true and accurate representation of Trust activities in 2017/18.

Chief Executive
23 May 2018

Gloucestershire Care Services NHS Trust

Annual accounts for the year ended 31 March 2018

Statement of Comprehensive Income

		Group		Trust	
		2017/18	2016/17	2017/18	2016/17
	Note	£000	£000	£000	£000
Operating income from patient care activities	3	109,889	109,995	109,889	109,995
Other operating income	4	4,710	2,899	4,656	2,629
Operating expenses	5, 7	(123,164)	(108,221)	(123,132)	(107,918)
Operating surplus/(deficit) from continuing operations		**(8,565)**	**4,673**	**(8,587)**	**4,706**
Finance income	10	34	16	34	16
PDC dividends payable		(1,666)	(2,513)	(1,666)	(2,513)
Net finance costs		**(1,632)**	**(2,497)**	**(1,632)**	**(2,497)**
Surplus / (deficit) for the year		**(10,197)**	**2,176**	**(10,219)**	**2,209**
Other comprehensive income					
Will not be reclassified to income and expenditure:					
Impairments	6	(5,709)	-	(5,709)	-
Revaluations	12	-	3,865	-	3,865
Total comprehensive income / (expense) for the period		**(15,906)**	**6,041**	**(15,928)**	**6,074**
NHS Basis Financial Performance					
Total comprehensive income / (expense) for the period		(15,906)	6,041	(15,928)	6,074
Impairments Taken to Income and Expenditure Account		15,685	-	15,685	-
Impairments Taken to Revaluation Reserve		5,709	-	5,709	-
Revaluation Uplift Taken to Revaluation Reserve		-	(3,865)	-	(3,865)
Depreciation on donated assets		97	100	97	100
Adjusted Retained Surplus		**5,585**	**2,276**	**5,563**	**2,309**

The notes on pages 74 to 111 form part of this account.

Statement of Financial Position

	Note	Group 31 March 2018 £000	Group 31 March 2017 £000	Trust 31 March 2018 £000	Trust 31 March 2017 £000
Non-current assets					
Intangible assets	11	1,000	1,581	1,000	1,581
Property, plant and equipment	12	58,859	80,521	58,709	80,371
Total non-current assets		**59,859**	**82,102**	**59,709**	**81,952**
Current assets					
Inventories	15	228	227	228	227
Trade and other receivables	16	6,762	7,010	6,756	6,928
Cash and cash equivalents	17	12,412	8,381	12,354	8,280
Total current assets		**19,402**	**15,618**	**19,338**	**15,435**
Current liabilities					
Trade and other payables	18	(9,563)	(11,492)	(9,545)	(11,333)
Borrowings	20	(148)	-	(148)	-
Provisions	22	(160)	(15)	(160)	(15)
Other liabilities	19	(123)	(211)	(123)	(211)
Total current liabilities		**(9,994)**	**(11,718)**	**(9,976)**	**(11,559)**
Total assets less current liabilities		**69,267**	**86,002**	**69,071**	**85,828**
Non-current liabilities					
Borrowings	20	(221)	-	(221)	-
Provisions	22	-	(1,050)	-	(1,050)
Total non-current liabilities		**(221)**	**(1,050)**	**(221)**	**(1,050)**
Total assets employed		**69,046**	**84,952**	**68,850**	**84,778**
Financed by					
Public dividend capital		79,982	79,982	79,982	79,982
Revaluation reserve		610	6,319	610	6,319
Other reserves		(2,398)	(2,398)	(2,398)	(2,398)
Income and expenditure reserve		(9,344)	875	(9,344)	875
Charitable fund reserves	14	196	174	-	-
Total taxpayers' equity		**69,046**	**84,952**	**68,850**	**84,778**

The notes on pages 74 to 111 form part of this account.
The financial statements on pages 67 to 111 were approved by the Board on the 23rd May 2018 and signed on its behalf by:

Name **Paul Roberts**
Position **Chief Executive**
Date **23rd May 2018**

Statement of Changes in Equity for the year ended 31 March 2018

Group	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Charitable fund reserves	Total
	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2017 - brought forward	**79,982**	**6,319**	**(2,398)**	**875**	**174**	**84,952**
Surplus/(deficit) for the year	-	-	-	(10,219)	22	**(10,197)**
Impairments	-	(5,709)	-	-	-	**(5,709)**
Taxpayers' and others' equity at 31 March 2018	**79,982**	**610**	**(2,398)**	**(9,344)**	**196**	**69,046**

Statement of Changes in Equity for the year ended 31 March 2017

Group	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Charitable fund reserves	Total
	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2016 - brought forward	**79,982**	**2,454**	**(2,398)**	**(1,334)**	**207**	**78,911**
Prior period adjustment	-	-	-	-	-	**-**
Taxpayers' and others' equity at 1 April 2016	**79,982**	**2,454**	**(2,398)**	**(1,334)**	**207**	**78,911**
Surplus/(deficit) for the year	-	-	-	2,209	(33)	**2,176**
Revaluations	-	3,865	-	-	-	**3,865**
Taxpayers' and others' equity at 31 March 2017	**79,982**	**6,319**	**(2,398)**	**875**	**174**	**84,952**

Statement of Changes in Equity for the year ended 31 March 2018

Trust	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2017 - brought forward	**79,982**	**6,319**	**(2,398)**	**875**	**84,778**
Surplus/(deficit) for the year	-	-	-	(10,219)	**(10,219)**
Impairments	-	(5,709)	-	-	**(5,709)**
Taxpayers' and others' equity at 31 March 2018	**79,982**	**610**	**(2,398)**	**(9,344)**	**68,850**

Statement of Changes in Equity for the year ended 31 March 2017

Trust	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2016 - brought forward	**79,982**	**2,454**	**(2,398)**	**(1,334)**	**78,704**
Taxpayers' and others' equity at 1 April 2016	**79,982**	**2,454**	**(2,398)**	**(1,334)**	**78,704**
Surplus/(deficit) for the year	-	-	-	2,209	**2,209**
Revaluations	-	3,865	-	-	**3,865**
Taxpayers' and others' equity at 31 March 2017	**79,982**	**6,319**	**(2,398)**	**875**	**84,778**

Information on reserves

Public dividend capital
Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities. Additional PDC may also be issued to Trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the Trust, is payable to the Department of Health and Social Care as the public dividend capital dividend.

Revaluation reserve
Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Other reserves
Other reserves are shown in respect of donated assets included on the Trust balance sheet

Income and expenditure reserve
The balance of this reserve is the accumulated surpluses and deficits of the Trust.

Charitable funds reserve
This reserve comprises the ring-fenced funds held by the NHS charitable funds consolidated within these financial statements. These reserves are classified as restricted or unrestricted and are managed by the fund trustees on an arms length basis to the affairs of the Trust.

Statement of Cash Flows

		Group		Trust	
		2017/18	2016/17	2017/18	2016/17
	Note	£000	£000	£000	£000
Cash flows from operating activities					
Operating surplus / (deficit)		(8,565)	4,673	(8,587)	4,706
Non-cash income and expense:					
Depreciation and amortisation	5.1	4,184	2,387	4,184	2,387
Net impairments	6	15,685	-	15,685	-
(Increase)/decrease in receivables and other assets		192	5,905	192	5,905
(Increase)/decrease in inventories		(1)	(2)	(1)	(2)
Increase/(decrease) in payables and other liabilities		(1,519)	(6,238)	(1,519)	(6,238)
Increase/(decrease) in provisions		(905)	1,042	(905)	1,042
Movements in charitable fund working capital		(65)	(34)		
Net cash flows from / (used in) operating activities		**9,006**	**7,733**	**9,049**	**7,800**
Cash flows from investing activities					
Interest received		34	-	34	-
Purchase of intangible assets		-	(576)	-	(576)
Purchase of PPE and investment property		(3,192)	(2,612)	(3,192)	(2,612)
Net cash flows from / (used in) investing activities		**(3,158)**	**(3,188)**	**(3,158)**	**(3,188)**
Cash flows from financing activities					
Capital element of finance lease rental payments		(74)	-	(74)	-
PDC dividend (paid) / refunded		(1,743)	(2,416)	(1,743)	(2,416)
Net cash flows from / (used in) financing activities		**(1,817)**	**(2,416)**	**(1,817)**	**(2,416)**
Increase / (decrease) in cash and cash equivalents		**4,031**	**2,129**	**4,074**	**2,196**
Cash and cash equivalents at 1 April - b/f		**8,381**	**6,280**	**8,280**	**6,112**
Unrealised gains / (losses) on foreign exchange		**-**	**(28)**	**-**	(28)
Cash and cash equivalents at 31 March	17	**12,412**	**8,381**	**12,354**	**8,280**

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

The Department of Health and Social Care 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 (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2017/18 issued by the Department of Health. 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 accounts.

Note 1.1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

Note 1.1.2 Going concern

These accounts have been prepared on a going concern basis.

Note 1.2 Critical judgements in applying accounting policies

There has been one significant judgement, apart from those involving estimations, that management has made in the process of applying the Trust accounting policies and has had a significant effect on the amounts recognised in the financial statements.

An updated Equivalent Modern Asset Valuation has been carried out during the year on the land and buildings owned by the Trust. This resulted in an impairment of £21,394k which is shown on the statement of comprehensive income and the Statement of Changes in Equity and is also explained fully in note 13.

Note 1.2.1 Sources of estimation uncertainty

Key areas of estimation uncertainty are detailed in note 1.2 above regarding judgements applied in the preparation of the accounts.

Note 1.3 Consolidation

NHS Charitable Fund

The Trust is the corporate Trustee to Gloucestershire Care Services NHS charitable fund. The Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the Trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

The charitable 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.

Note 1.4 Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the Trust is contracts with commissioners in respect of health care services. At the year end, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete.

Where income is received for a specific activity which is to be delivered in a subsequent financial year, that income is deferred.

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 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.

Note 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.

Retirement benefit costs
NHS Pension Scheme
Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. The schemes 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, the schemes are accounted for as though they are defined contribution schemes, the cost of to the NHS body of participating in a scheme is taken as equal to the contributions payable to the scheme for the accounting period.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the Trust commits itself to the retirement, regardless of the method of payment.

Local Government Pension Scheme
Some employees are members of the Local Government Pension Scheme which is a defined benefit pension scheme. The scheme assets and liabilities attributable to these employees can be identified and are recognised in the Trust's accounts. The assets are measured at fair value, and the liabilities at the present value of future obligations.

The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The expected gain during the year from scheme assets is recognised within finance income. The net interest cost during the year arising from the unwinding of the discount on the net scheme liabilities is recognised within finance costs. Actuarial gains and losses are recognised in the general fund reported in the Statement of Changes in Taxpayers Equity.

National Employment Savings Trust
The Trust also offers a National Employment Savings Trust (NEST) pension scheme for employees who do not or cannot access the NHS pension scheme. The scheme is provided by NEST Corporation (www.nestpensions.org.uk) and the Trust contributes 1% of relevant salaries. The scheme is a defined contribution scheme.

Note 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.

Note 1.7 Property, plant and equipment

Note 1.7.1 Recognition

Property, plant and equipment is capitalised where:

• it is held for use in delivering services or for administrative purposes
• it is probable that future economic benefits will flow to, or service potential be provided to, the Trust
• it is expected to be used for more than one financial year
• the cost of the item can be measured reliably
• the item has a cost of at least £5,000, or
• collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have 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, eg, plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

Note 1.7.2 Measurement

Valuation
All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Assets that are held for their service potential and are in use are measured subsequently at their current value in existing use. Assets that were most recently held for their service potential but are surplus are measured at fair value where there are no restrictions preventing access to the market at the reporting date.

Subsequent expenditure
Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Depreciation
Freehold land, assets under construction or development and assets held for sale are not depreciated.

Otherwise, depreciation or amortisation is charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, on a straight line basis over their estimated useful lives. The estimated useful life of an asset is the period over which the Trust expects to obtain economic benefit from the asset. This is specific to the Trust and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over the shorter of the lease term and the estimated useful lives.

At each financial year end the Trust checks whether there are any indications that its property, plant and equipment or intangible non-current assets have suffered an impairment loss. If there is indication of such an impairment, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually at the financial year end.

A revaluation decrase that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit are taken to expenditure. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to expenditure to the extent of the decrease previously charged there and thereafter to the revaluation reserve.

Note 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 only to terms which are usual and customary for such sales;
• the sale must be highly probable ie:

- management are committed to a plan to sell the asset
- an active programme has begun to find a buyer and complete the sale
- the asset is being actively marketed at a reasonable price
- the sale is expected to be completed within 12 months of the date of classification as 'held for sale' and
- the actions to complete the plan mean it is unlikely that the plan will be dropped or changed significantly.

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 economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Note 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 has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

Note 1.7.5 Useful Economic lives of property, plant and equipment

Useful economic lives reflect the total life of an asset and not the remaining life of an asset. The range of useful economic lives are shown in the table below:

	Min life Years	Max life Years
Land	-	-
Buildings, excluding dwellings	5	87
Plant & machinery	5	15
Transport equipment	7	7
Information technology	3	10
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.

Note 1.8 Intangible assets

Note 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 where the cost of the asset can be measured reliably, and where th cost is at least £5k.

Intangible assets acquired separately are initially recognised at cost.

Software which is integral to the operation of hardware, eg 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, eg application software, is capitalised as an intangible asset. Expenditure on research is not capitalised, it is recognised as an operating expense in the period in which it is incurred.

Internally generated assets are recognised if and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use
- the intention to complete the intangible asset and use it
- the ability to sell or use the intangible asset
- how the intangible asset will generate probable future economic benefits or service potential
- the availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it, and
- the ability to measure reliably, the expenditure attributable to the intangible asset during its development

Note 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 operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

Intangible assets held for sale are measured at the lower of their carrying amount or "fair value less costs to sell".

Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

Note 1.8.3 Useful economic life of intangible assets

Useful economic lives reflect the total life of an asset and not the remaining life of an asset. The range of useful economic lives are shown in the table below:

	Min life Years	Max life Years
Software licences	5	10

Note 1.9 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the weighted average cost method.

Note 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 the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.11 Financial instruments and financial liabilities

Recognition
Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

De-recognition
All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification and measurement
Financial assets are categorised as loans and receivablesor available-for-sale financial assets.

Financial liabilities are classified as other financial liabilities.

Other financial liabilities
All other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to finance costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

Impairment of financial assets
At the Statement of Financial Position date, the Trust assesses whether any financial assets, other than those held at "fair value through income and expenditure" are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced.

Note 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.

Note 1.12.1 The Trust as lessee

Finance leases
Where substantially all risks and rewards of ownership of a leased asset are borne by the Trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for as an item of property plant and equipment.

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

Operating leases
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.

Note 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 (Formerly know as the NHS Litigation Authority or "NHSLA") operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution which in return settles all clinical negligence claims. The contribution is charged to expenditure. Although NHS Resolution is adminstratively responsibile for all clinical negligence cases the legal liability remains with the Trust. The total value of the clinical negligence provisions carried by the NHS Resolution on behalf of the Trust is disclosed in note 25.3

Non-clinical risk pooling
The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any “excesses” payable in respect of particular claims are charged to operating expenses as and when they become due.

Note 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 Trust's control) are not recognised as assets, but are disclosed in notes to the accounts where an inflow of economic benefits is probable. Contingent liabilities are not recognised, but are disclosed in the notes to the financial statements, 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.

Note 1.15 Public dividend capital

Public dividend capital represents taxpayers' equity in the Trust. At any time the Secretary of State can issue new PDC to, and require repayment of PDC from, the Trust. PDC is recorded at the value received. As PDC is issued under legislation rather than under contract, it is not treated as an equity financial instrument.

An annual charge, reflecting the cost of capital utilised by the Trust, is payable to the Department of Health as public dividend capital dividend. The charge is calculated at the real rate set by HM Treasury (currently 3.5%) on the average carrying amount of all assets less liabilities (except for donated assets and cash balances with the Government Banking Service). The average carrying value amount of assets is calculated as a simple average of opening and closing relevant net assets.

Note 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.

Note 1.17 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the Trust not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

Note 1.18 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2017/18.

Note 1.19 Accounting Standards that have been issued but have not yet been adopted

The DHSC GAM does not require the following Standards and Interpretations to be applied in 2017-18. These standards are still subject to HM Treasury FReM adoption, with IFRS 9 and IFRS 15 being for implementation in 2018-19, and the government implementation date for IFRS 16 and IFRS 17 still subject to HM Treasury consideration.

● IFRS 9 Financial Instruments – Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted

● IFRS 15 Revenue from Contracts with Customers – Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted

● IFRS 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 22 Foreign Currency Transactions and Advance Consideration – Application required for accounting periods beginning on or after 1 January 2018.

● IFRIC 23 Uncertainty over Income Tax Treatments – Application required for accounting periods beginning on or after 1 January 2019.

Note 1.20 Pooled Budgets

The Trust has entered into a pooled budget with Gloucestershire Clinical Commissioning Group and

Gloucestershire County Council. Under the arrangement funds are pooled under S75 of the NHS Act 2006 for community activities.

The pool is hosted by Gloucestershire Clinical Commissioning Group (GCCG). Payments for services provided by the Trust are accounted for as income from GCCG. The Trust accounts for its share of the assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement.

Note 2 Operating Segments

The Trust has determined that it has only one reportable segment. All services delivered by the Trust are as an NHS Community Services Provider and over 80% of income is earned through an over-riding block contract with NHS Gloucestershire Clinical Commissioning Group.

Note 3 Operating income from patient care activities (Group)

Note 3.1 Income from patient care activities (by nature)

	2017/18	2016/17
	£000	£000
Community services		
Community services income from CCGs and NHS England	100,478	96,181
Income from other sources (e.g. local authorities)	9,411	13,814
Total income from activities	**109,889**	**109,995**

Note 3.2 Income from patient care activities (by source)

	2017/18	2016/17
Income from patient care activities received from:	£000	£000
NHS England	6,644	3,907
Clinical commissioning groups	93,834	96,181
Department of Health and Social Care	126	-
Other NHS providers	6,207	5,932
Local authorities	2,071	2,356
Non-NHS: private patients	-	1
Non-NHS: overseas patients (chargeable to patient)	-	7
NHS injury scheme	257	333
Non NHS: other	750	1,278
Total income from activities	**109,889**	**109,995**

Note 3.3 Overseas visitors (relating to patients charged directly by the provider)

	2017/18	2016/17
	£000	£000
Income recognised this year	-	7

Note 4 Other operating income (Group)

	2017/18	2016/17
	£000	£000
Research and development	22	-
Education and training	432	575
Charitable and other contributions to expenditure	-	2
Non-patient care services to other bodies	56	33
Sustainability and transformation fund income	3,642	1,596
Charitable fund incoming resources	54	270
Other income	504	423
Total other operating income	**4,710**	**2,899**

Note 5.1 Operating expenses (Group)

	2017/18	2016/17
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	4,396	4,589
Purchase of healthcare from non-NHS and non-DHSC bodies	1,435	1,632
Purchase of social care	88	151
Staff and executive directors costs	78,529	78,660
Remuneration of non-executive directors	59	59
Supplies and services - clinical (excluding drugs costs)	3,767	3,428
Supplies and services - general	3,136	3,855
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	3,186	3,579
Consultancy costs	159	205
Establishment	228	729
Premises	4,110	4,265
Transport (including patient travel)	1,609	1,599
Depreciation on property, plant and equipment	3,603	2,061
Amortisation on intangible assets	581	326
Net impairments	15,685	-
Increase/(decrease) in provision for impairment of receivables	(155)	370
Audit fees payable to the external auditor		
audit services- statutory audit	39	63
other auditor remuneration (external auditor only)	3	3
Internal audit costs	40	68
Clinical negligence	286	260
Legal fees	206	53
Insurance	122	117
Education and training	578	479
Rentals under operating leases	1,433	1,358
Hospitality	4	2
Losses, ex gratia & special payments	3	3
Other	34	4
Total	**123,164**	**108,221**
Of which:		
Related to continuing operations	123,164	108,221
Related to discontinued operations	-	-

Note 5.2 Other auditor remuneration (Group)

	2017/18	2016/17
	£000	£000
Other auditor remuneration paid to the external auditor:		
1. Audit of accounts of any associate of the Trust	3	3
2. Audit-related assurance services	-	-
3. Taxation compliance services	-	-
4. All taxation advisory services not falling within item 3 above	-	-
5. Internal audit services	-	-
6. All assurance services not falling within items 1 to 5	-	-
7. Corporate finance transaction services not falling within items 1 to 6 above	-	-
8. Other non-audit services not falling within items 2 to 7 above	-	-
Total	**3**	**3**

Note 5.3 Limitation on auditor's liability (Group)

There is no limitation on auditor's liability for external audit work carried out for the financial years 2017/18 or 2016/17.

Note 6 Impairment of assets (Group)

	2017/18	2016/17
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	15,685	-
Total net impairments charged to operating surplus / deficit	**15,685**	**-**
Impairments charged to the revaluation reserve	5,709	-
Total net impairments	**21,394**	**-**

The impairments charged in year all relate to the updated revaluation on Trust land and buildings.
The accounting entries made in respect of the revaluation are explained at note 13.

Note 7 Employee benefits (Group)

	2017/18 Total £000	2016/17 Total £000
Salaries and wages	63,232	63,435
Social security costs	4,971	5,474
Apprenticeship levy	294	-
Employer's contributions to NHS pensions	8,249	8,248
Pension cost - other	-	106
Temporary staff (including agency)	2,044	1,675
Total gross staff costs	**78,790**	**78,938**
Recoveries in respect of seconded staff	(261)	(278)
Total staff costs	**78,529**	**78,660**
Of which		
Costs capitalised as part of assets	-	-

Note 7.1 Retirements due to ill-health (Group)

During 2017/18 there were no early retirements from the Trust agreed on the grounds of ill-health (1 in the year ended 31 March 2017). The estimated additional pension liabilities of these ill-health retirements is £0k (£0k in 2016/17).

Note 8 Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the Government Financial Reporting Manual (FReM) requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2018, is based on valuation data as 31 March 2017, updated to 31 March 2018 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and employee and employer representatives as deemed appropriate.

Note 9 Operating leases (Group)

Note 9.1 Gloucestershire Care Services NHS Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Gloucestershire Care Services NHS Trust is the lessee.

Aside from the lease on the headquarters building at Edward Jenner Court (which are analysed below) the Trust has minimal other operating lease commitments.

	2017/18	2016/17
	£000	£000
Operating lease expense		
Minimum lease payments	734	458
Contingent rents	699	900
Total	**1,433**	**1,358**

	31 March 2018	31 March 2017
	£000	£000
Future minimum lease payments due:		
- not later than one year;	833	734
- later than one year and not later than five years;	3,065	2,777
- later than five years.	4,735	4,435
Total	**8,633**	**7,946**
Future minimum sublease payments to be received	-	-

Note 10 Finance income (Group)

Finance income represents interest received on assets and investments in the period.

	2017/18	2016/17
	£000	£000
Interest on bank accounts	34	16
Total	**34**	**16**

Note 11.1 Intangible assets - 2017/18

Group	Software licences	Internally generated information technology	Intangible assets under construction	Other (purchased)	Charitable fund intangible assets	Total
	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2017 - brought forward	**-**	**1,945**	**-**	**-**	**-**	**1,945**
Transfers by absorption	-	-	-	-	**-**	**-**
Additions	-	-	-	-	**-**	**-**
Impairments	-	-	-	-	-	**-**
Disposals / derecognition	-	-	-	-	-	**-**
Valuation / gross cost at 31 March 2018	**-**	**1,945**	**-**	**-**	**-**	**1,945**
Amortisation at 1 April 2017 - brought forward	**-**	**364**	**-**	**-**	**-**	**364**
Transfers by absorption	-	-	-	-	-	**-**
Provided during the year	-	581	-	-	-	**581**
Impairments	-	-	-	-	-	**-**
Disposals / derecognition	-	-	-	-	-	**-**
Amortisation at 31 March 2018	**-**	**945**	**-**	**-**	**-**	**945**
Net book value at 31 March 2018	**-**	**1,000**	**-**	**-**	**-**	**1,000**
Net book value at 1 April 2017	**-**	**1,581**	**-**	**-**	**-**	**1,581**

Note 11.2 Intangible assets - 2016/17

Group	Software licences	Internally generated information technology	Intangible assets under construction	Other (purchased)	Charitable fund intangible assets	Total
	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2016 - as previously stated	**-**	**1,294**	**-**	**-**	**-**	**1,294**
Prior period adjustments	-	-	-	-	-	**-**
Valuation / gross cost at 1 April 2016	**-**	**1,294**	**-**	**-**	**-**	**1,294**
Transfers by absorption	-	-	-	-	-	**-**
Additions	-	651	-	-	-	**651**
Impairments	-	-	-	-	-	**-**
Disposals / derecognition	-	-	-	-	-	**-**
Valuation / gross cost at 31 March 2017	**-**	**1,945**	**-**	**-**	**-**	**1,945**
Amortisation at 1 April 2016 - as previously stated	**-**	**38**	**-**	**-**	**-**	**38**
Prior period adjustments	-	-	-	-	-	**-**
Amortisation at 1 April 2016	**-**	**38**	**-**	**-**	**-**	**38**
Transfers by absorption	-	-	-	-	-	**-**
Provided during the year	-	326	-	-	-	**326**
Impairments	-	-	-	-	-	**-**
Disposals / derecognition	-	-	-	-	-	**-**
Amortisation at 31 March 2017	**-**	**364**	**-**	**-**	**-**	**364**
Net book value at 31 March 2017	**-**	**1,581**	**-**	**-**	**-**	**1,581**
Net book value at 1 April 2016	**-**	**1,256**	**-**	**-**	**-**	**1,256**

Note 11.2 Intangible assets - 2017/18

Trust	Software licences	Internally generated information technology	Development expenditure	Intangible assets under construction	Other (purchased)	Total
	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2017 - brought forward	**-**	**1,945**	**-**	**-**	**-**	**1,945**
Valuation / gross cost at 31 March 2018	**-**	**1,945**	**-**	**-**	**-**	**1,945**
Amortisation at 1 April 2017 - brought forward	**-**	**364**	**-**	**-**	**-**	**364**
Provided during the year	-	581	-	-	-	**581**
Amortisation at 31 March 2018	**-**	**945**	**-**	**-**	**-**	**945**
Net book value at 31 March 2018	**-**	**1,000**	**-**	**-**	**-**	**1,000**
Net book value at 1 April 2017	**-**	**1,581**	**-**	**-**	**-**	**1,581**

Note 11.3 Intangible assets - 2016/17

Trust	Software licences	Internally generated information technology	Development expenditure	Intangible assets under construction	Other (purchased)	Total
	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2016 - as previously stated	**-**	**1,294**	**-**	**-**	**-**	**1,294**
Valuation / gross cost at 1 April 2016	**-**	**1,294**	**-**	**-**	**-**	**1,294**
Additions	-	651	-	-	-	**651**
Valuation / gross cost at 31 March 2017	**-**	**1,945**	**-**	**-**	**-**	**1,945**
Amortisation at 1 April 2016 - as previously stated	**-**	**38**	**-**	**-**	**-**	**38**
Amortisation at 1 April 2016	**-**	**38**	**-**	**-**	**-**	**38**
Provided during the year	-	326	-	-	-	**326**
Amortisation at 31 March 2017	**-**	**364**	**-**	**-**	**-**	**364**
Net book value at 31 March 2017	**-**	**1,581**	**-**	**-**	**-**	**1,581**
Net book value at 1 April 2016	**-**	**1,256**	**-**	**-**	**-**	**1,256**

Note 12.1 Property, plant and equipment - 2017/18

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Charitable fund PPE assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2017 - brought forward	**11,799**	**70,524**	**-**	**1,441**	**5,607**	**160**	**4,896**	**1,474**	**150**	**96,051**
Transfers by absorption	-	-	-	-	-	-	-	-	-	**-**
Additions	-	424	-	1,726	279	-	790	116	-	**3,335**
Impairments	(5,034)	(16,360)	-	-	-	-	-	-	-	**(21,394)**
Revaluations	-	(11,153)	-	-	-	-	-	-	-	**(11,153)**
Reclassifications	(200)	66	241	(41)	(117)	-	(44)	95	-	**-**
Valuation/gross cost at 31 March 2018	**6,565**	**43,501**	**241**	**3,126**	**5,769**	**160**	**5,642**	**1,685**	**150**	**66,839**
Accumulated depreciation at 1 April 2017 - brought forward	**-**	**11,153**	**-**	**-**	**2,422**	**92**	**1,311**	**552**	**-**	**15,530**
Provided during the year	-	793	241	-	545	27	1,791	206	-	**3,603**
Revaluations	-	(11,153)	-	-	-	-	-	-	-	**(11,153)**
Accumulated depreciation at 31 March 2018	**-**	**793**	**241**	**-**	**2,967**	**119**	**3,102**	**758**	**-**	**7,980**
Net book value at 31 March 2018	**6,565**	**42,708**	**-**	**3,126**	**2,802**	**41**	**2,540**	**927**	**150**	**58,859**
Net book value at 1 April 2017	**11,799**	**59,371**	**-**	**1,441**	**3,185**	**68**	**3,585**	**922**	**150**	**80,521**

Note 12.2 Property, plant and equipment - 2016/17

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Charitable fund PPE assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2016 - as previously stated	**11,799**	**65,733**	**-**	**2,293**	**5,109**	**160**	**3,056**	**1,080**	**150**	**89,380**
Valuation / gross cost at 1 April 2016	**11,799**	**65,733**	**-**	**2,293**	**5,109**	**160**	**3,056**	**1,080**	**150**	**89,380**
Additions	-	-	-	74	498	-	1,840	394	-	**2,806**
Revaluations	-	3,865	-	-	-	-	-	-	-	**3,865**
Reclassifications	-	926	-	(926)	-	-	-	-	-	**-**
Valuation/gross cost at 31 March 2017	**11,799**	**70,524**	**-**	**1,441**	**5,607**	**160**	**4,896**	**1,474**	**150**	**96,051**
Accumulated depreciation at 1 April 2016 - as previously stated	**-**	**10,248**	**-**	**-**	**1,894**	**69**	**813**	**445**	**-**	**13,469**
Accumulated depreciation at 1 April 2016	**-**	**10,248**	**-**	**-**	**1,894**	**69**	**813**	**445**	**-**	**13,469**
Provided during the year	-	905	-	-	528	23	498	107	-	**2,061**
Accumulated depreciation at 31 March 2017	**-**	**11,153**	**-**	**-**	**2,422**	**92**	**1,311**	**552**	**-**	**15,530**
Net book value at 31 March 2017	**11,799**	**59,371**	**-**	**1,441**	**3,185**	**68**	**3,585**	**922**	**150**	**80,521**
Net book value at 1 April 2016	**11,799**	**55,485**	**-**	**2,293**	**3,215**	**91**	**2,243**	**635**	**150**	**75,911**

Note 12.3 Property, plant and equipment financing - 2017/18

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Charitable fund PPE assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2018										
Owned - purchased	6,565	41,686	-	3,126	2,635	41	2,193	927	150	**57,323**
Finance leased	-	-	-	-	-	-	347	-	-	**347**
Owned - donated	-	1,022	-	-	167	-	-	-	-	**1,189**
NBV total at 31 March 2018	**6,565**	**42,708**	**-**	**3,126**	**2,802**	**41**	**2,540**	**927**	**150**	**58,859**

Note 12.4 Property, plant and equipment financing - 2016/17

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Charitable fund PPE assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2017										
Owned - purchased	11,799	59,371	-	1,441	3,185	68	3,585	922	150	**80,521**
NBV total at 31 March 2017	**11,799**	**59,371**	**-**	**1,441**	**3,185**	**68**	**3,585**	**922**	**150**	**80,521**

Note 12.5 Property, plant and equipment - 2017/18

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2017 - brought forward	**11,799**	**70,524**	**-**	**1,441**	**5,607**	**160**	**4,896**	**1,474**	**95,901**
Additions	-	424	-	1,726	279	-	790	116	**3,335**
Impairments	(5,034)	(16,360)	-	-	-	-	-	-	**(21,394)**
Revaluations	-	(11,153)	-	-	-	-	-	-	**(11,153)**
Reclassifications	(200)	66	241	(41)	(117)	-	(44)	95	**-**
Valuation/gross cost at 31 March 2018	**6,565**	**43,501**	**241**	**3,126**	**5,769**	**160**	**5,642**	**1,685**	**66,689**
Accumulated depreciation at 1 April 2017 - brought forward	**-**	**11,153**	**-**	**-**	**2,422**	**92**	**1,311**	**552**	**15,530**
Provided during the year	-	793	241	-	545	27	1,791	206	**3,603**
Revaluations	-	(11,153)	-	-	-	-	-	-	**(11,153)**
Accumulated depreciation at 31 March 2018	**-**	**793**	**241**	**-**	**2,967**	**119**	**3,102**	**758**	**7,980**
Net book value at 31 March 2018	**6,565**	**42,708**	**-**	**3,126**	**2,802**	**41**	**2,540**	**927**	**58,709**
Net book value at 1 April 2017	**11,799**	**59,371**	**-**	**1,441**	**3,185**	**68**	**3,585**	**922**	**80,371**

Note 12.6 Property, plant and equipment - 2016/17

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2016 - as previously stated	**11,799**	**65,733**	**-**	**2,293**	**5,109**	**160**	**3,056**	**1,080**	**89,230**
Prior period adjustments	-	-	-	-	-	-	-	-	**-**
Valuation / gross cost at 1 April 2016	**11,799**	**65,733**	**-**	**2,293**	**5,109**	**160**	**3,056**	**1,080**	**89,230**
Additions	-	-	-	74	498	-	1,840	394	**2,806**
Revaluations	-	3,865	-	-	-	-	-	-	**3,865**
Reclassifications	-	926	-	(926)	-	-	-	-	**-**
Valuation/gross cost at 31 March 2017	**11,799**	**70,524**	**-**	**1,441**	**5,607**	**160**	**4,896**	**1,474**	**95,901**
Accumulated depreciation at 1 April 2016 - as previously stated	**-**	**10,248**	**-**	**-**	**1,894**	**69**	**813**	**445**	**13,469**
Accumulated depreciation at 1 April 2016	**-**	**10,248**	**-**	**-**	**1,894**	**69**	**813**	**445**	**13,469**
Transfers by absorption	-	-	-	-	-	-	-	-	**-**
Provided during the year	-	905	-	-	528	23	498	107	**2,061**
Accumulated depreciation at 31 March 2017	**-**	**11,153**	**-**	**-**	**2,422**	**92**	**1,311**	**552**	**15,530**
Net book value at 31 March 2017	**11,799**	**59,371**	**-**	**1,441**	**3,185**	**68**	**3,585**	**922**	**80,371**
Net book value at 1 April 2016	**11,799**	**55,485**	**-**	**2,293**	**3,215**	**91**	**2,243**	**635**	**75,761**

Note 12.7 Property, plant and equipment financing - 2017/18

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2018									
Owned - purchased	6,565	41,686	-	3,126	2,635	41	2,193	927	**57,173**
Finance leased	-	-	-	-	-	-	347	-	**347**
Owned - donated	-	1,022	-	-	167	-	-	-	**1,189**
NBV total at 31 March 2018	**6,565**	**42,708**	**-**	**3,126**	**2,802**	**41**	**2,540**	**927**	**58,709**

Note 12.8 Property, plant and equipment financing - 2016/17

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2017									
Owned - purchased	11,799	59,371	-	1,441	3,185	68	3,585	922	**80,371**
NBV total at 31 March 2017	**11,799**	**59,371**	**-**	**1,441**	**3,185**	**68**	**3,585**	**922**	**80,371**

Note 13 Revaluations of property, plant and equipment

The land and buildings owned by the Trust were revalued in year with an effective date of 1 April 2017
The modelling for the valuation was carried out by our advisors 'Psec' using assumptions agreed with the Trust management.
The valuation itelf was performed by the District Valuer's office.

All land and buildings continue to be valued on an equivalent modern asset basis as in previous years.
Because of changed assumptions regarding the size and scale of land and buildings required if services were redesigned there was a significant reduction in carrying values when the valuation was adopted.
The total impairment was £21,394k (land £5,034k and buildings £16,360k) of which £15,585k was taken to the income and expenditure accounts and the remaining £5,709k was taken to revaluation reserve.

Note 14 Analysis of charitable fund reserves

	31 March 2018 £000	31 March 2017 £000
Unrestricted funds:		
Unrestricted income funds	38	26
Restricted funds:		
Other restricted income funds	158	148
	196	**174**

Unrestricted income funds are accumulated income funds that are expendable at the discretion of the Trustees in furtherance of the charity's objects. Unrestricted funds may be earmarked or designated for specific future purposes which reduces the amount that is readily available to the charity.

Restricted funds may be accumulated income funds which are expendable at the Trustee's discretion only in furtherance of the specified conditions of the donor and the objects of the charity. They may also be capital funds (e.g. endowments) where the assets are required to be invested, or retained for use rather than expended.

Note 15 Inventories

	Group		Trust	
	31 March 2018 £000	31 March 2017 £000	31 March 2018 £000	31 March 2017 £000
Consumables	228	227	228	227
Total inventories	**228**	**227**	**228**	**227**
of which:				
Held at fair value less costs to sell	-	-	-	-

Note 16.1 Trade receivables and other receivables

	Group		Trust	
	31 March 2018 £000	31 March 2017 £000	31 March 2018 £000	31 March 2017 £000
Current				
Trade receivables	3,095	5,913	3,095	5,913
Accrued income	3,357	1,084	3,357	1,084
Provision for impaired receivables	(695)	(850)	(695)	(850)
Prepayments (non-PFI)	759	629	759	629
PDC dividend receivable	20	-	20	-
VAT receivable	187	152	187	152
Other receivables	33	-	33	-
NHS charitable funds: trade and other receivables	6	82	-	-
Total current trade and other receivables	**6,762**	**7,010**	**6,756**	**6,928**
Of which receivables from NHS and DHSC group bodies:				
Current	4,817	5,135	4,817	5,135
Non-current	-	-	-	-

Note 16.2 Provision for impairment of receivables

	Group		Trust	
	2017/18	2016/17	2017/18	2016/17
	£000	£000	£000	£000
At 1 April as previously stated	**850**	**480**	**850**	**480**
At 1 April	**850**	**480**	**850**	**480**
Increase in provision	82	370	82	370
Amounts utilised	(237)	-	(237)	
At 31 March	**695**	**850**	**695**	**850**

Note 16.3 Credit quality of financial assets

Group	**31 March 2018**		**31 March 2017**	
	Trade and other receivables	**Investments & Other financial assets**	**Trade and other receivables**	**Investments & Other financial assets**
Ageing of impaired financial assets	**£000**	**£000**	**£000**	**£000**
Over 180 days	695	-	850	-
Total	**695**	**-**	**850**	**-**
Ageing of non-impaired financial assets past their due date				
0 - 30 days	5,029	-	5,340	-
30-60 Days	634	-	624	-
60-90 days	76	-	75	-
90- 180 days	78	-	77	-
Over 180 days	186	-	183	-
Total	**6,003**	**-**	**6,299**	**-**

Trust	**31 March 2018**		**31 March 2017**	
	Trade and other receivables	**Investments & Other financial assets**	**Trade and other receivables**	**Investments & Other financial assets**
Ageing of impaired financial assets	**£000**	**£000**	**£000**	**£000**
Over 180 days	695	-	850	-
Total	**695**	**-**	**850**	**-**
Ageing of non-impaired financial assets past their due date				
0 - 30 days	5,029	-	5,340	-
30-60 Days	634	-	624	-
60-90 days	76	-	75	-
90- 180 days	78	-	77	-
Over 180 days	186	-	183	-
Total	**6,003**	**-**	**6,299**	**-**

Note 17 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	Group		Trust	
	2017/18	2016/17	2017/18	2016/17
	£000	£000	£000	£000
At 1 April	**8,381**	**6,280**	**8,280**	**6,112**
Net change in year	4,031	2,101	4,074	2,168
At 31 March	**12,412**	**8,381**	**12,354**	**8,280**
Broken down into:				
Cash at commercial banks and in hand	2	2	2	2
Cash with the Government Banking Service	12,410	8,379	12,352	8,278
Total cash and cash equivalents	**12,412**	**8,381**	**12,354**	**8,280**

Note 18.1 Trade and other payables

	Group		Trust	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	£000	£000	£000	£000
Current				
Trade payables	1,203	3,953	1,203	3,953
Capital payables	1,533	1,833	1,533	1,833
Accruals	4,358	3,153	4,358	3,153
Social security costs	793	784	793	784
Other taxes payable	530	499	530	499
PDC dividend payable	-	57	-	57
Other payables	1,128	1,054	1,128	1,054
NHS charitable funds: trade and other payables	18	159	-	-
Total current trade and other payables	**9,563**	**11,492**	**9,545**	**11,333**
Of which payables from NHS and DHSC group bodies:				
Current	1,104	4,829	1,104	4,829
Non-current	-	-	-	-

Note 18.2 Early retirements in NHS payables above

The payables note above includes amounts in relation to early retirements as set out below:

Group and Trust	31 March 2018	31 March 2018	31 March 2017	31 March 2017
	£000	Number	£000	Number
- number of cases involved	-	-	-	1
- outstanding pension contributions	-	-	-	-

Note 19 Other liabilities

	Group		Trust	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	£000	£000	£000	£000
Current				
Deferred income	123	211	123	211
Total other current liabilities	**123**	**211**	**123**	**211**

Note 20 Borrowings

	Group		Trust	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	£000	£000	£000	£000
Current				
Obligations under finance leases	148	-	148	-
Total current borrowings	**148**	**-**	**148**	**-**
Non-current				
Obligations under finance leases	221	-	221	-
Total non-current borrowings	**221**	**-**	**221**	**-**

Note 21 Finance leases

as a lessee

Obligations under finance leases where the Trust is the lessee.

	Group		Trust	
	2018	2017	2018	2017
	£000	£000	£000	£000
Gross lease liabilities	**369**	**-**	**369**	**-**
of which liabilities are due:				
- not later than one year;	148	-	148	-
- later than one year and not later than five years;	221	-	221	-
- later than five years.	-	-		-
Finance charges allocated to future periods	-	-		-
Net lease liabilities	**369**	**-**	**369**	**-**
of which payable:				
- not later than one year;	148	-	148	-
- later than one year and not later than five years;	221	-	221	-

The only significant finance lease commitment for the Trust is for laptop computers used by clinical staff. This is a 3 year commitment ending September 2020.

Note 22.1 Provisions for liabilities and charges analysis (Group)

Group	Pensions - early departure costs	Legal claims	Redundancy	Other	Charitable fund provisions	Total
	£000	£000	£000	£000	£000	£000
At 1 April 2017	**-**	**15**	**-**	**1,050**	**-**	**1,065**
Arising during the year	-	20	-	121	-	**141**
Utilised during the year	-	(26)	-	(290)	-	**(316)**
Reversed unused	-	(1)	-	(729)	-	**(730)**
At 31 March 2018	**-**	**8**	**-**	**152**	**-**	**160**
Expected timing of cash flows:						
- not later than one year;	-	8	-	152	-	**160**
Total	**-**	**8**	**-**	**152**	**-**	**160**

Note 22.2 Provisions for liabilities and charges analysis (Trust)

Trust	Pensions - early departure costs	Legal claims	Redundancy	Other	Total
	£000	£000	£000	£000	£000
At 1 April 2017	**-**	**15**	**-**	**1,050**	**1,065**
Arising during the year	-	20	-	121	**141**
Utilised during the year	-	(26)	-	(290)	**(316)**
Reversed unused	-	(1)	-	(729)	**(730)**
At 31 March 2018	**-**	**8**	**-**	**152**	**160**
Expected timing of cash flows:					
- not later than one year;	-	8	-	152	**160**
Total	**-**	**8**	**-**	**152**	**160**

Note 22.3 Clinical negligence liabilities

At 31 March 2018, £1,047k was included in the provisions of NHS Resolution in respect of clinical negligence liabilities of the Trust (31 March 2017: £452k).

Note 23 Contingent assets and liabilities

	Group		Trust	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	£000	£000	£000	£000
Value of contingent liabilities				
Redundancy	-	(45)	-	(45)
Gross value of contingent liabilities	**-**	**(45)**	**-**	**(45)**

Note 24 Pensions

Past and present employees are covered by the provisions of the NHS Pension Schemes. These schemes are unfunded, defined benefit schemes that cover NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. The schemes 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, the schemes are accounted for as though they were defined contribution schemes: the cost to the NHS body of participating in a scheme is taken as equal to the contributions payable to the scheme for the accounting period.

Local Government Pension Scheme (LGPS)

As part of the S75 Integrated Services arrangements, the Trust employs staff who were TUPEd from Gloucestershire County Council. As part of the TUPE transfer, former local authority staff could elect to remain in the LGPS. The LGPS is a defined benefit statutory scheme administered by the County Council in accordance with the LGPS (Benefits, Membership and Contributions) Regulations 2007; the LGPS (Administration) Regulations 2008 and the LGPS (Transitional Provisions) Regulations 2008. It is contracted out of the State Second Pension.

During the financial period 1 April 2017 to 31 March 2018, the Trust's pension contributions totalled £85k and employees' contributions totaled £22k.

Key Assumptions in actuarial valuation of assets and liabilities	**31-Mar-18**	**31-Mar-17**
	%	%
Pension Increase Rate	2.40%	2.40%
Salary Increase Rate	2.70%	2.70%
Discount Rate	2.60%	2.50%

The fair value of employer assets of the whole fund as at 31 March 2017 is as shown below:

	31-Mar-18		**31-Mar-17**	
Assets	**£000s**	**%**	**£000s**	**%**
Equity Securities	1,447	18%	1,398	18%
Debt Securities	1,061	13%	1,026	13%
Private Equity	20	0%	20	0%
Real Estate	553	7%	535	7%
Investment Funds & Unit Trusts	4,722	60%	4,563	60%
Derivatives	6	0%	6	0%
Cash and Cash Equivalents	115	1%	111	1%
	7,924	**100%**	**7,658**	**100%**

The details of the Trust's share of assets and the net position as included in the accounts are as follows:

	Assets £000s	**Obligations £000s**	**Net liability £000s**
Fair Value of employer assets	7,658	-	7,658
Present value of funded liabilities	-	(7,605)	(7,605)
Opening position at 31 March 2017	**7,658**	**(7,605)**	**53**
Current service cost	-	(148)	(148)
Net interest			
Interest on plan assets	190	-	190
Interest cost on defined benefit obligation	-	(190)	(190)
Total defined benefit cost recognised in SOCI	*190*	*(190)*	-
Cashflow			
Participants contributions	22	(22)	-
Employer contributions	85	-	85
Benefits paid	(177)	177	-
Expected closing position	**7,778**	**(7,788)**	**(10)**
Remeasurements			
Change in financial assumptions	-	127	127
Returns on assets excluding amounts included in net interest	146	-	146
Remeasurements recognised in other comprehensive income	**146**	**127**	**273**
Fair value of employer assets	7,924	-	7,924
Present Value of funded liabilities	-	(7,661)	(7,661)
Closing position at 31 March 2018	**7,924**	**(7,661)**	**263**
In Year Movement	**266**	**(56)**	**210**

The in year increase in attributable net assets has not been reflected in the accounts of the Trust. The Trust elected at 31/3/16 not to show the value of any attributable surplus pension scheme assets on its balance sheet as there is no scenario where these would become the property of the Trust.

Note 25 Losses and special payments

Group and Trust	2017/18 Total number of cases Number	2017/18 Total value of cases £000	2016/17 Total number of cases Number	2016/17 Total value of cases £000
Special payments				
Ex-gratia payments	3	3	8	3
Total losses and special payments	**3**	**3**	**8**	**3**

Note 26 Related Parties

During the year none of the Department of Health Ministers, Trust board members or members of the key management staff or parties related to any of them, has undertaken any material transactions with the Trust.

The Trust Chair, Ingrid Barker, is also Chair of 2Gether NHS Foundation Trust

The Department of Health and Social Care is regarded as a related party. During the year the Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent.

In addition, the Trust has had a number of material transactions with other government departments and other central and local government bodies.

As at 31 March 2018	Income	Expenditure	Receivables	Payables
Entity	£000	£000	£000	£000
NHS Gloucestersdhire CCG	92,849	-	184	-
Gloucestershire Hospitals NHS Foundation Trust	5,816	4,442	80	514
NHS England	10,200	4	3,541	-
Gloucestershire County Council	2,071	1,106	704	149
NHS Resolution (formerly NHS Litigation Authority)	-	367	-	-
HM Revenue and Customs	-	5,265	186	1,323
NHS Pensions Authority	-	8,249	-	1,122

As at 31 March 2017	Income	Expenditure	Receivables	Payables
Entity	£000	£000	£000	£000
NHS Gloucestersdhire CCG	95,016	-	362	-
Gloucestershire Hospitals NHS Foundation Trust	5,530	4,338	2797	2,689
NHS England	5,503	-	879	-
Gloucestershire County Council	2,208	904	32	57
NHS Resolution (formerly NHS Litigation Authority)	-	342	-	-
HM Revenue and Customs	-	5,474	-	1,650
NHS Pensions Authority	-	8,248	-	1,118

The Trust has also received revenue and capital payments from its' charitable funds, of which all trustees are also members of the Trust board.

Note 27 Events after the reporting date

No events have occurred since the balance sheet date that require adjustment or disclosure.

Note 28 Better Payment Practice code

	2017/18 Number	2017/18 £000	2016/17 Number	2016/17 £000
Non-NHS Payables				
Total non-NHS trade invoices paid in the year	20,746	25,375	18,199	22,139
Total non-NHS trade invoices paid within target	10,242	9,585	8,926	7,972
Percentage of non-NHS trade invoices paid within target	49.37%	37.77%	49.05%	36.01%
NHS Payables				
Total NHS trade invoices paid in the year	377	1,797	316	1,609
Total NHS trade invoices paid within target	105	425	75	365
Percentage of NHS trade invoices paid within target	27.85%	23.65%	23.73%	22.68%

The Better Payment Practice code requires the NHS body to aim to pay all valid invoices by the due date or within 30 days of receipt of valid invoice, whichever is later.

The Trust is working to monitor and to improve performance on this metric and has reported throughout the year to Audit Committee.

The figures shown above are for the whole financial year, if March 2018 only is considered the position improves to 66.89% of invoices paid in time by volume and 66.51% by value.

Note 29 External financing

The Trust is given an external financing limit against which it is permitted to underspend

	2017/18 £000	2016/17 £000
Finance leases taken out in year	369	-
External financing requirement	369	-
Under / (over) spend against EFL	(369)	-

Note 30 Capital Resource Limit

	2017/18 £000	2016/17 £000
Gross capital expenditure	3,335	3,457
Charge against Capital Resource Limit	3,335	3,457
Capital Resource Limit	3,400	3,887
Under / (over) spend against CRL	65	430

Note 31 Breakeven duty financial performance

	2017/18 £000
Adjusted financial performance surplus / (deficit) (control total basis)	5,563
Breakeven duty financial performance surplus / (deficit)	5,563

	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000
Breakeven duty in-year financial performance	2,006	1,508	2,501	2,309	5,563
Breakeven duty cumulative position	2,006	3,514	6,015	8,324	13,887
Operating income	108,980	114,111	113,905	112,624	114,599
Cumulative breakeven position as a percentage of operating income	1.84%	3.08%	5.28%	7.39%	12.12%

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF GLOUCESTERSHIRE CARE SERVICES NHS TRUST

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Gloucestershire Care Services NHS Trust ("the Trust") for the year ended 31 March 2018 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Taxpayers Equity and Statement 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 Trust's affairs as at 31 March 2018 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as being relevant to NHS Trusts in England and included in the Department of Health Group Accounting Manual 2017/18.

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 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.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the 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.

Other information in the Annual Report

The Accountable Officer is 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

Annual Governance Statement

We are required to report to you if the Annual Governance Statement has not been prepared in accordance with the requirements of the Department of Health Group Accounting Manual 2017/18. We have nothing to report in this respect.

Remuneration and Staff Report

In our opinion the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the Department of Health Group Accounting Manual 2017/18.

Directors' and Accountable Officer's responsibilities

As explained more fully in the statement set out on page 31 the directors are responsible for: the preparation of financial statements that give a true and fair view; 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 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 Trust without the transfer of its services to another public sector entity . As explained more fully in the statement of the Chief Executive's responsibilities, as the Accountable Officer of the Trust, on Page 32 the Accountable Officer is responsible for ensuring that annual statutory accounts are prepared in a format directed by the Secretary of State.

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

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

Report on the Trust's arrangements for securing economy, efficiency and effectiveness in its 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 its 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

As explained in the statement set out on page 32, the Chief Executive, as the Accountable Officer, is responsible for ensuring that value for money is achieved from the resources available to the Trust. We are required under section 21(3)(c), as amended by schedule 13 paragraph 10(a), of the Local Audit and Accountability Act 2014 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its 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.

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:

- we refer a matter to the Secretary of State under section 30 of the Local Audit and Accountability Act 2014 because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the body incurring unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency; or
- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014; or
- we make a written recommendation to the Trust under section 24 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Board of Directors of Gloucestershire Care Services NHS Trust, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the Board of the Trust, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board 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 Gloucestershire Care Services NHS Trust in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Rees Batley

Rees Batley for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
66 Queen Square
Bristol
BS1 4BE

24 May 2018