

Solent NHS Trust Annual General Meeting

Tuesday 22nd September 2015, 5:30pm – 8:15pm
Entertainments Hall, St James' Hospital, Locksway Road, Portsmouth PO4 8LD
Free parking is available

Time	Item
5:30pm	Health fair and beverages

AGM formal meeting starts at 6:30pm

Time	Item
6:30pm	Chairman's welcome and introduction to the Annual General Meeting <i>Dr. Alistair Stokes, Chairman</i>
	Draft minutes of the meeting of Solent NHS Trust Annual General Meeting held on 11 September 2014 and matters arising [Enclosure 1 - Minutes]
6:35pm	Review of the Year – A presentation of the annual report and accounts <i>Sue Harriman, Chief Executive Officer and Andrew Strevens, Director of Finance and Performance</i> <i>[Enclosure 2 – Annual Report including the Quality Account, Enclosure 3 – Annual Accounts]</i>
6:55pm	The shadow governors' view <i>Michael North, Shadow Lead Governor</i>
7:05pm	'The Team around the Patient' – Sarah Austin, Chief Operating Officer Portsmouth and Commercial Director
	Clinical presentations from : <ul style="list-style-type: none"> • <i>Mo Middleton - West Locality Health Team Manager</i> • <i>Emma McGuire – Clinical Manager, Mental Health Recovery Team North</i>
7:30pm	Questions and answers to the panel <i>Dr. Alistair Stokes, Chairman</i> <i>Sue Harriman, Chief Executive Officer</i> <i>Andrew Strevens, Director of Finance and Performance</i> <i>Mandy Rayani, Chief Nurse</i> <i>Alex Whitfield, Chief Operating Officer Southampton and County Services</i> <i>Sarah Austin, Chief Operating Officer Portsmouth and Commercial Director</i> <i>Robert Steele, Director of Infrastructure</i>
8:15pm	Close

*An electronic copy of the Trust's Annual Report and Annual Accounts are accessible via our website at: www.solent.nhs.uk

NB Those present at the meeting should be aware that their name will be issued in the notes of the meeting which may be released to members of the public on request

Meeting Minutes

The minutes from this meeting may become available to the public under the Freedom of Information Act 2000.

DRAFT Solent NHS Trust, Annual General Meeting (AGM)

Thursday 11th September 2014

6:30pm, Entertainments Hall, St James's Hospital, Portsmouth

Chair:

Alistair Stokes, (AMS) Chairman

Panel:

Sue Harriman, (SH) Chief Executive Officer
Michael Parr, (MP) Director of Finance & Performance
Tony Snell, (TS) Medical Director
Alex Whitfield, (AW) Chief Operating Officer
Ellen McNicholas, (EMc) Interim Chief Nurse
Robert Steele, (RS) Director of Infrastructure
Sarah Austin, (SA) Director of Strategy

In attendance:

Liz Bailey, (LB) Non-Executive Director
Jon Pittam, (BR) Non-Executive Director
Brad Roynon, (BR) Non-Executive Director
Rachel Cheal, (RC) Company Secretary
Mick Tutt, (MT) Non-Executive Director
Barry Neaves, (BN) Non-Executive Director
Simon Wernick, (SW) Lay Advisor
Jayne Willis, (JW) Corporate Support Manager

Apologies:

Julie Pennycook, (JPi) Director of Human Resources and Organisational Development

Governors in attendance:

Bob Blackman (BB)
Harry Hellier (HH)
Michael North (MN)
Sarah Osborne (SO)
Fran Williams (FW)
Elizabeth Fellows (EF)
Teresa Freeman (TF)

1	Chairman's welcome and introduction to the Annual General Meeting Minutes of the meeting of Solent NHS Trust Annual General Meeting held on 26 September 2013 and matters arising
1.1	<p>The Chairman, Dr Alistair Stokes (AMS), welcomed members of the public, governors and staff to Solent NHS Trust Annual General Meeting.</p> <p>The Chairman explained the format and theme of the meeting.</p> <p>The Chairman reported that the Annual Report and Accounts had been prepared as required by law, and approved by the Board in May 2014. The Annual Report and Accounts were formally presented for receipt at the Meeting.</p> <p>It was confirmed that copies of the formal accounts and annual report are available at the meeting for collection.</p>

1.2	<p>The minutes of the last Annual General Meeting held on 26th September 2013 were approved as a correct record.</p> <p>There were no other matters arising.</p> <p>The Chairman welcomed Sue Harriman, the Trust's new Chief Executive to the meeting.</p>
2.	<p>Review of the Year – A presentation of the annual report and accounts</p>
2.1	<p>The Chief Executive reported on Solent's third year as an NHS Trust noting in particular the excellent Quality Accounts reported this year.</p> <p>The Chief Executive reported on the Trust's activity during the past year in ensuring quality of services, the election of the shadow Council of Governors, changes to the clinically led service structure and the continuation of improvements and investments in ICT.</p> <p>It was reported that the transformation of care for older people and the delivery of financial commitments and targets.</p>
2.2	<p><u>Quality Accounts</u></p> <p>The Chief Executive reported on quality priorities and targets that are monitored to ensure the delivery of quality commitment and provided a briefing of achievements to date.</p> <p>It was reported that safety, experience and effectiveness are to be the focused priorities for 14/15.</p> <p>Key examples were provided of Trust achievements throughout the year including successful patient led PLACE assessments that achieved good results, gold award attained by Sexual Health Services and significant improvements in falls prevention.</p> <p>The Chief Executive reported on further achievements made by the Trust including £12m of new business, improvements in staff morale as the Trust continues the journey to achieve Foundation Trust status and of the Trust being ranked 2nd nationally for research activity within the community setting.</p> <p>Challenges with service demands particularly associated with existing workforce were reported. The need to ensure that safety for patients is maintained at all times was noted.</p> <p>An award gained by the Trust due to the standard of actions undertaken following an incident at Baytrees was noted.</p>
2.3	<p><u>Financial Overview</u></p> <p>The Chief Executive provided an overview of the financial accounts for the year 2013-14 and it was confirmed that financial performance was in line with plans submitted to Trust Development Authority at the start of the year.</p> <p>It was acknowledged that it had been a difficult year for the front line staff who have continued to deliver a quality service to patients with less resources than they had previously.</p> <p>The Chief Executive confirmed that the statutory financial duties had been met and provided an overview within the presentation. An overview of income and spending breakdown was provided.</p> <p>It was explained that the achievement of surplus allows Solent to invest in significant projects and will allow an increase in flexibility on how money is used.</p>
2.4	<p>The Chief Executive emphasised the importance of identifying and reducing risks proactively.</p>

2.5	<p><u>Challenges</u></p> <p>The Chief Executive reported on the current financial position and the need for ensuring financial resilience. It was confirmed that at month 4 the Trust has a year to date deficit of £4m, and that if spending continued at the same rate, the Trust will end the financial year £15 million overspent against a target of £2m surplus. It was stated that traction in reducing the deficit at month 05 has been achieved and that the Trust has implemented a Financial Recovery Plan, although a projected forecast of £5m deficit is anticipated.</p>
2.6	<p><u>Opportunities</u></p> <p>The Chief Executive reported on the strong reputation of the Trust and the much needed services provided. It was reported that the financial situation is expected to be controlled as the Trust moves forward. The need to continue to improve on Trust activity and embrace change in technology was noted.</p> <p>The Chief Executive thanked stakeholders and Governors for their contribution over the last year and thanked staff who work tirelessly to deliver safe services.</p>
<p>3. The Shadow Governors' view</p>	
3.1	<p>Michael North, Lead Governor provided a presentation on behalf of the Shadow Council of Governors and explained the role of a shadow governor pre Trust Foundation Trust status.</p> <p>The Lead Governor provided a briefing on governor activity during the past year including visits to services where the dedication of staff to provide good quality services was evident. The Lead Governor reported on working groups attended and shadow attendance at formal committees.</p> <p>It was reported that a meeting between governors and the CQC has been held where a positive endorsement of Solent NHS Trust was provided by governors.</p> <p>The Lead Governor reported that Governors have attended membership events for the Trust and communicate with members through the SHINE magazine.</p> <p>The Lead Governor emphasised his belief in Solent NHS Trust and thanked members for their continued support.</p>
<p>4. Working together to provide even better care to elderly people</p>	
4.1	<p>The Director of Strategy, Sarah Austin provided an outline of the Better Care Fund plans for the City and reported on the current provision of elderly care within the Portsmouth area including universal, social care and health care needs.</p> <p>A briefing was provided on work being undertaken to increase the quality of discharge planning and create a system to keep people at home to increase longer independent living.</p> <p>The Director of Strategy reported on the main projects in progress and the importance of a single care plan to ensure services are working from the same system.</p>
4.2	<p>Suzanne Hogg and Mel Chawner Health and Social Care Partnership Lead for Adults Portsmouth provided a presentation on achievements to date and shared the care provided to two patients who received a range of different care pathways and the different outcomes as a result.</p> <p>Plans for the future were also shared.</p>

5.	Q: What else should Solent do to keep our older population independent at home? <i>A facilitated debate by tables</i>
5.1	<p>Governor, Bob Blackman commented on difficulties in accessing services through GPs and the need to increase awareness of who provides treatment.</p> <p>The Director of Strategy explained that patients that require monitoring are identifiable and the Trust has the ability to provide support to people who require proactive care and earlier intervention. It was reported that part of the Better Care Fund Plan is to identify four demands within the City so consideration can be given on how services are shaped.</p>
6.2	A comment was made regarding the lack of funding due to Adult Social Care budgets being cut and the reliance of CCG funding as well as the expectation of an increase in old population figures and level of need required.
6.3	<p>The Lead Governor asked that if a patient is better cared for in their own environment, why money cannot be redistributed from acute hospitals to community services to better serve the public.</p> <p>The Director of Strategy explained the process of the Portsmouth Rehabilitation and Re-enablement Team who contribute to the speeding up of hospital discharge and reported on plans to introduce such a team in Hampshire to significantly improve the existing process in place which could potential free up money from acute trusts.</p>
7.	Questions and answers to the panel
7.1	<p><u>What did you do following your CQC inspection?</u> <i>Anonymous question submitted.</i></p> <p>Ellen McNicholas, Interim Chief Nurse responded by providing an update on actions completed as a consequence of issues raised by the CQC following inspections at the Kite Unit and Baytrees.</p> <p>It was reported that building work has been completed at the Kite Unit to create two rooms for women, however longer term options are being considered around bedroom en-suite facilities to avoid having to define beds by gender. It was confirmed that the first female patient has been admitted to the unit.</p> <p>The Interim Chief Nurse confirmed that all issues raised by the CQC have been addressed and dealt with.</p>
7.2	<p><u>If Solent is not viable as an FT due to the financial position, what is the likelihood of having to join with UHS FT or another existing FT?</u> <i>Anonymous question submitted.</i></p> <p>The Chairman reported that Solent NHS Trust provides safe and quality services which has been confirmed by the CQC following inspections. The Trust provides the overall delivery of health services and the importance of achieving the right financial position in order to secure a long term future for the organisation was noted.</p>
7.3	<p><u>How can you improve services if you cut costs?</u> <i>Anonymous question submitted.</i></p> <p>The Chief Operating Officer Alex Whitfield reported that a lot of activity to improve quality and processes can save money. and of work being undertaken with partners to reduce duplication in care provision which will improve patient experience and save money.</p>

7.4	<p><u>Funding for MH care is recognised as desperately inadequate. What improvements can be made without funding particularly with the young and how can increasing deaths be avoided?</u></p> <p>The Chief Executive responded by reporting that there is a national recognition of under investment within Mental Health particularly with the young. The need for further negotiation with commissioners was acknowledged. The Chief Executive confirmed work being undertaken with partners in healthcare, local authority and the voluntary sector.</p> <p>The Chief Executive reported on past work with Southern Health to look at s136 accommodation that can provide a highly satisfactory and enhanced quality of service. The importance of recognising the national position was highlighted.</p>
7.4	<p>Regarding the patient story presented, Governor, Bob Blackman asked how much involvement the Mental Health Team had with the patient's care.</p> <p>The Director of Strategy explained the current integration with Adults and Older Persons Mental Health Team however it was acknowledged that there is more work to do to increase integration.</p> <p>Bob Blackman commented on the discontinuation of the Memory Clinic. The Medical Director Tony Snell reported that it was a commissioning decision to discontinue the service, however mental health can be appropriately managed by GPs. It was explained that following GP consultation and care pathways are in place depending on the severity of depression.</p>
7.5	<p><u>What is the average waiting time for physiotherapy appointments after seeing a GP?</u></p> <p>The Medical Director reported that waiting times depend the service, the time of year and the triage process undertaken on the individual concerned. It was confirmed that the standard waiting time is currently to be seen within 18 weeks.</p>
7.6	<p><u>It is said that many staff who use computers with the Windows XP operating system will perhaps need to re-learn Windows 7 or equivalent. Does the panel feel that this may be a real problem for staff?</u></p> <p>The Director of Infrastructure, Robert Steele confirmed that this is not expected to be an issue however the Trust is to consider investment in training provision when rolling out new programmes.</p>
7.7	<p><u>Trust report shows an 8% deterioration in staff related stress. Is this continuing?</u></p> <p>The Chief Operating Officer reported that staff stress levels are increasing nationally. It was reported that an annual staff survey is to be undertaken during October which will provide a more accurate position. Expectations are that the number will improve.</p> <p>The Chief Operating Office also reported that Solent NHS Trust has been reported in the HSJ as being in the top 100 best places to work in the health service.</p>

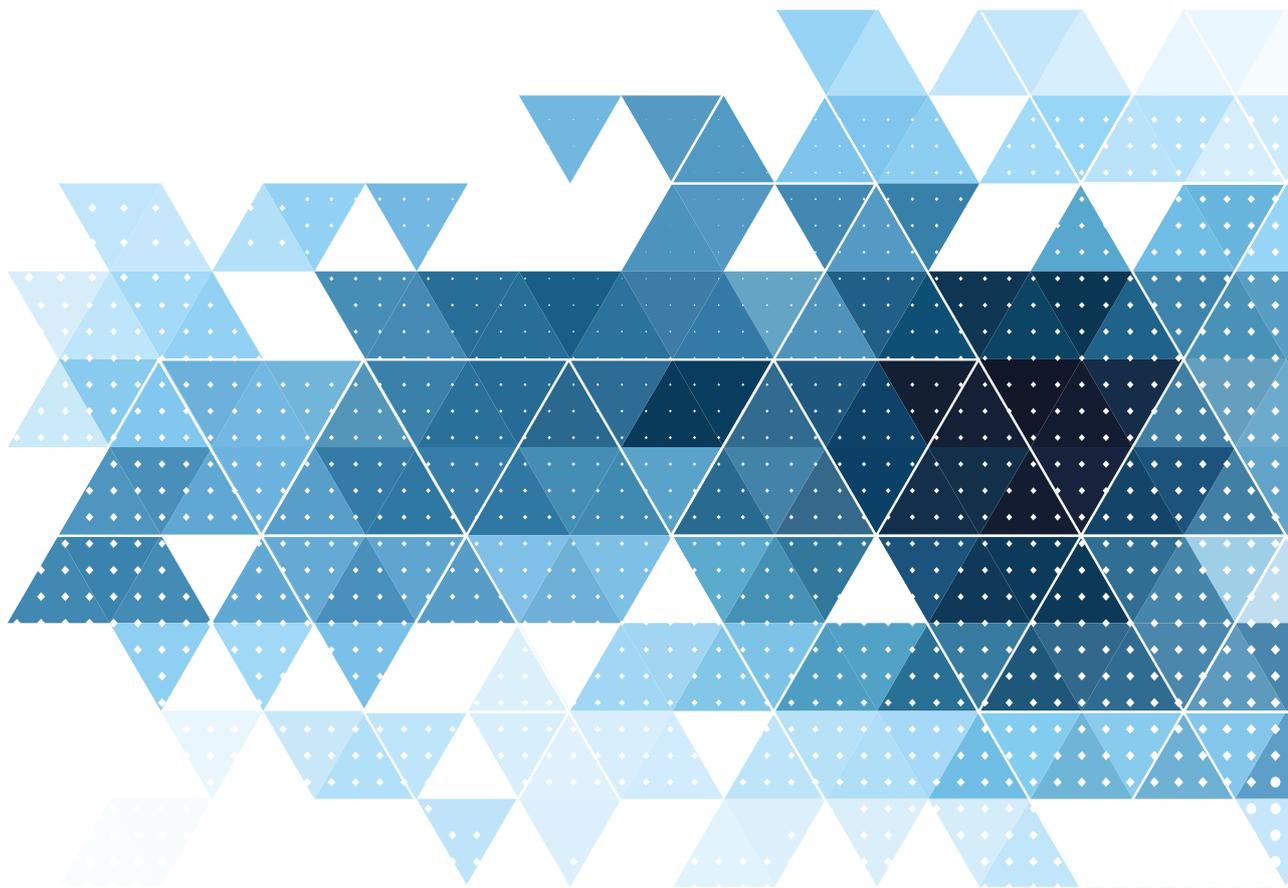
	<p><u>Governor Bob Blackman commented on the difficulty in understanding the published annual accounts and asked how the Trust can save money if controlled by the Department of Health increasing building charges.</u></p> <p>The Chairman reported on a charging dispute with NHS Property Services during the last financial year and confirmed that all past issues have been agreed and negotiations are in progress going forward.</p> <p>The Director of Finance confirmed that there have been no rent increases this year and efficiencies are becoming evident going forward.</p> <p>Difficulties in understanding the accounts were acknowledged and it was agreed that in addition to the current format that is created as per Financial Reporting Standard requirements, an easy to understand summary is created for the benefit of governors and wider public. Action: MP</p>
7.5	<p>The Lead Governor commented on existing cashflow problems, in particular the amount of outstanding unpaid invoices for service provision and suggested that penalty clauses are introduced to encourage prompt payment.</p> <p>The Director of Finance reported that such a process is not used across the NHS nationally. It was noted that external organisations payment terms vary. Assurance was provided that cashflow is well managed.</p>
7.6	<p>A member of the public raised his concern regarding the lack of support experienced from Health providers regarding funding assistance with a local Tai Chi Group in Portsmouth that has the potential to provide additional treatment to patients particularly with regards to falls prevention.</p> <p>The Chief Executive responded that the Trust needs to link with such activities and suggested that the Director of Strategy and Chief Operating Officer make contact and consider options going forward.</p>
7.7	<p><u>Will the deficit position impact on the FT application?</u></p> <p>The Chairman confirmed that the current financial position will affect the FT application however the Trust is expecting to breakeven by January / February 2015 at which time contact will be made with Monitor to consider when to resume progress on achieving FT status.</p> <p>The Chief Executive reported that the Trust has seen a reduction in contracts year on year and services have seen an increase in demand. Much work has been undertaken to redefine services. It was confirmed that Monitor understand the environment in which the Trust operates and will be looking at how problems are identified, understood and improvements made.</p> <p>The Director of Finance reported on the unprecedented change in terms of Estate and IT provision and the significant amount of reserve used to improve services for sustainable change in the future.</p> <p>No other business was discussed.</p>
8.	Close
8.1	The meeting was closed.

*A copy of the presentations can be obtained via the website www.solent.nhs.uk

A list of public attendees at the meeting is available from the Company Secretary.

Annual Report and Summary Accounts 2014/15

Incorporating the Quality Accounts 2014/15



Solent NHS Trust

**Annual Report and Summary Accounts 2014/15
incorporating the Quality Account 2014/15**

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Statement from the Chairman and Chief Executive Officer

We are pleased to present you with our 2014/15 Annual Report, incorporating our Quality Account for 2014/15.

2014/15 was a year in which every part of the NHS faced significant challenges with rising demand for services and falling investment. The year was one of the toughest financially in the history of the NHS and for the first time, since our establishment in 2011, we declared a financial deficit. Our financial position can be attributed to a combination of factors that crystallised during and after we had set our initial budget. These included the need to resume dividend payment on our Public Dividend Capital¹, the necessary investment to improve our unreliable information technology infrastructure and our continued transition to service line management (the way we reconfigure the management of our services) alongside completing the roll out of a new staff rostering system. We also experienced a delay in rationalising our portfolio of buildings that gave rise to significant unbudgeted costs. At the end of 2014/15 we reported a deficit of £6.5m, adjusted to £6.3m following technical adjustments relating to impairments and donated assets income, with our savings programme delivering £8.8m of efficiencies. Whilst this is disappointing, in February and March 2015, we were operating at a breakeven run rate - we matched our costs to our income. This monthly position was a significant improvement upon the early months in the financial year and good progress has been made in stabilising our position through improved cost control, income recovery and better understanding of our income and expenditure.

¹ The dividend represents the return on the Departments of Health's equity interest in our assets. Public Dividend Capital is a form of long-term government finance which was initially provided to NHS trusts when they were first formed to enable them to purchase the Trust's assets from the Secretary of State.

Despite the financial challenges, we have continued to maintain our unwavering focus on delivering quality services and keeping people safe and well at home. Whilst we have faced significant pressures, our staff have continued to rise to the challenge, providing high quality services, which is no less than our service users should expect from us. We have continued to provide our best for our patients, and whilst we might not get it right all of the time, we strive to learn and improve. Our Care Quality Commission (CQC) inspection confirmed that overall our services are safe, effective, caring, responsive and well-led and we have taken prompt action to address the four compliance issues raised.

Some of our notable achievements during 2014/15 include:

- The mobilisation of a county wide Paediatric therapy service
- Achievement of the Breast Feeding Initiative Award
- Our Adult Mental Health Services are in the top three Trusts for service user feedback for the third year running demonstrating positive engagement with service users and responsiveness of services
- Introduction of the one stop shop sedation clinic in Dental Services. This approach is enabling patients with complex health care needs to receive the treatment from a number of different teams and services in one appointment thereby improving patient experience and ultimately health outcomes.
- Contract reset with the Trust's Information Technology (IT) provider (CGI) which will enable mobile working, modernisation of services and improved productivity
- Completion of Portsmouth Care Estate rationalisation programme (phase 1) on time and within budget
- Refurbished and consolidated facilities for the Child Development Centre at Battenberg Avenue Clinic, Portsmouth
- Progress on a new Section 136 suite at the Orchards, St James' Hospital, Portsmouth. This will improve patient experience and reduce delays which may otherwise occur in accessing specialist assessments

- Refurbished facilities for Long Term Conditions (Pain Management Service) at A Block, St Mary's Community Health Campus, Portsmouth
- Successful implementation of an In House Bank Staffing Service. This has resulted in a reduction in reliance on high cost agency staff, particularly nursing staff, whilst enabling teams to utilise temporary staff in a flexible way to meet patient needs and maintain safe staffing levels.

The year has required outstanding leadership and dedication from our staff. Clinical leadership is at the heart of everything we do. We are proud to say that we have a workforce with the commitment to ensure we provide the best possible care to our service users.

During 2014/15 we continued to work to deliver our three strategic objectives: improving outcomes, working partnership and ensuring sustainability with the ultimate aim of achieving our vision: to lead the way in local care. Further information on our achievements can be found on pg 25.

During 2015/16 we will continue to prioritise the delivery of safe, effective and responsive services, which are caring and well led whilst working to ensure we are well governed, meet commissioner requirements and work to deliver a financially sustainable position. The year will see us further develop our out of hospital care, delivered safely and in partnership with social care, primary care and the voluntary sector. We will be working to further develop integrated locality teams, organised around GP practice populations, with service users and their families at the centre of care delivery.

We will continue our focus on prevention and early intervention to promote healthy lifestyles and reduce the risk of ill-health through better management of long-term conditions. There will be an increasing emphasis on self-management and increased choice and personalisation of care.

During the year ahead, we will also start to see significant transformation of our information technology and estates infrastructure, ensuring we deliver services from the most appropriate and cost-effective locations to ensure we are

more accessible, efficient and provide person centred care. In addition, we will continue our work to develop our service line management structure and we will support our service lines to become even more effective.

Importantly, we will be resetting our strategy, alongside partners and commissioners, to reflect the changing NHS landscape and in response to the NHS England Five Year Forward View and Dalton Review; two key publications.

The coming year is certain to provide even more challenges but we are confident that Solent NHS Trust has a positive future with many exciting opportunities, and that we will continue to focus on our primary objective; to keep people safe and well at home through the provision of high quality, best value community and mental health services for adults and children.

Finally, as Chairman and CEO of Solent NHS Trust, we extend our thanks to our dedicated staff in every part of the organisation. It is through their collective endeavours that we will realise our vision, to lead the way in local care.



Sue Harriman
Chief Executive Officer



Alistair Stokes
Chairman

Section 1:

Strategic report

About Us

Who are we?

Solent NHS Trust was established under an Establishment Order by the Secretary of State in April 2011 after operating for one year as a merged organisation formed from Southampton and Portsmouth City Primary Care Trusts provider arms.

We are one of the largest specialist community and mental health providers in the NHS with an annual revenue of £187m for 2014/15, a workforce in excess of 3,000 staff and delivering over 1.35 million service user contacts per annum.

What do we do?

Our role is to provide high quality, best value community and mental health services to local people. Our services are provided from a range of locations, including community hospitals and day hospitals, as well as numerous outpatient and other settings within the community such as health centres, children's centres and within people's homes.

We work with families to help children have the best start in life and provide community support when children are unwell and need extra help. We work with adults and older people with physical or mental health problems and provide care in the community.

By working with GPs and social services, we bring services together to help people manage their condition better, to stop it getting worse and to help keep people at home.

We also promote health and wellbeing. Our screening and health promotion services support people to lead a healthy lifestyle.

As part of the NHS family, we work closely with other trusts to make sure that service users get the best possible care.

Who do we serve?

We are the main provider of community health services in Portsmouth and Southampton and the main provider of adult mental health services in Portsmouth. We also provide a number of pan-Hampshire specialist services including Substance Misuse, Sexual Health and Specialist Dentistry.

We are commissioned by Clinical Commissioning Groups and local authorities in Southampton, Portsmouth and Hampshire. Southampton and Portsmouth together have more than 400,000 people resident within the cities each covering a relatively small urban geographic area with significant health inequalities, which are generally significantly worse than the England average for deprivation. Hampshire covers a wider geographical area which is predominantly more rural and affluent but also has urban areas of higher population density, significant deprivation and health need.

Our services operate under eight service lines:

- Specialist Dental Services
- Adult Services, Portsmouth
- Adult Services Southampton
- Sexual Health Services
- Primary Care and Long Term Condition
- Substance Misuse
- Adult Mental Health Services
- Childrens Services

Our vision and mission

Our vision is to lead the way in local care.

Our mission is to work in partnership to deliver better health and local care.

Our values

A strong value base is one of the distinguishing characteristics of the Trust and is visible from Board to floor. Our values guide our everyday actions and ensure that every action and every decision supports providing the highest quality and compassionate care to our patients.

I N S P I R E



Involved



Nurturing



Striving for
excellence



Passionate



Innovative



Respectful

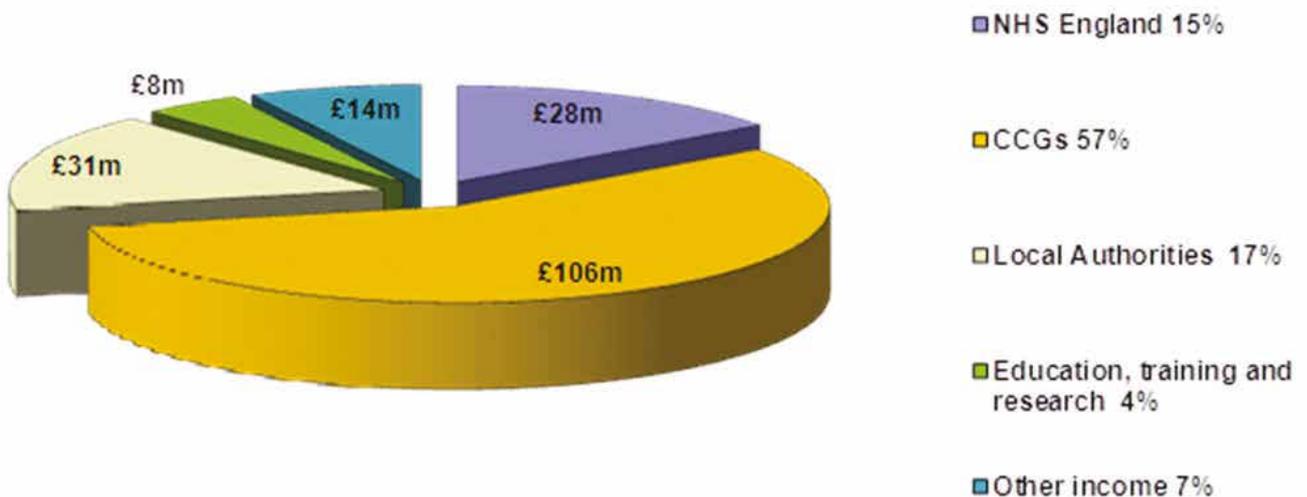


Empowered

Our finances

During 2014/15 we had an income of over £187 million.

Our income by commissioner:



Although we ended the year with a deficit, in 2015/16 we are implementing a plan that will ultimately deliver financial sustainability.

Our objectives

Our strategic objectives

Our three high level strategic objectives for 2012-2017 are designed to deliver our vision:

- To provide services which enable improved health outcomes with particular focus on areas of known health inequality
- To deliver care pathways that are integrated with local authorities, primary care and other providers
- To ensure sustainability of services through clinical and business excellence

Performance against our strategic objectives can be found within the Performance Section of the report, page 25.

Underpinning our three strategic objectives are our four corporate objectives.

Our corporate objectives 2014/15

At the beginning of the year, we set out to deliver four corporate objectives.

These are shown in the 'Solent Wheel'.



Achievement against our corporate objectives

Each year we set out the work we will deliver to achieve our four corporate objectives. At the beginning of 2014/15 we identified 54 lead indicators, linked to our three strategic objectives, to measure achievement against our four corporate objectives.

A summary of our key achievements, against our objectives, is outlined below:

Objective 1: We will place the people who use our services at the centre of decision making

During 2014/15 we have:

- provided service lines with detailed dashboards to enable evidence based and informed decisions, including quality, workforce and finance
- completed 100% of our service line audit plans
- integrated the 6 Cs (Care, Compassion, Competence, Communication, Courage and Commitment) into the nursing strategic framework and the Allied Health Professional strategic framework
- improved and developed our Single Point of Access service and have conducted an appraisal and review to ensure its cost effectiveness
- made good progress in our commitment to collaborate with our partners on the Better Care Fund schemes in both cities.

Objective 2: We will value, reward and develop our staff

During 2014/15 we have:

- introduced the WOW awards, which recognise staff contribution and achievements at all levels across the organisation
- introduced the Staff Friends and Family Test and improvement plans have been developed to address raised issues
- successfully achieved our target of a minimum of 95% of staff having their annual appraisal during 2014/15
- implemented minimum training standard for all of our clinical support workers

Objective 3: We will deliver quality, contracts and finances safely and confidently

During 2014/15 we have:

- realigned our corporate services to better fit and support the needs and requirements of each of our service lines
- made considerable progress with our commissioners to improve our activity and acuity reporting and payment concerning our community nursing services, which will benefit our patients
- successfully procured a new clinical records system that will be implemented during 2015/16
- made significant progress in our performance monitoring and reporting processes introducing service line and service level triangulated dashboards and data assurance indicators
- established a Corporate Programme Management Office that supports the delivery of the Trust wide Financial Recovery Plan

Further achievements against our quality indicators can be found within the Quality Account, pg 111.

Objective 4: We will enhance the Trusts commercial position and business resilience

During 2014/15 we have:

- developed a comprehensive internal process for gaining marketing insight and commissioner ambitions
- reviewed our Major Incident Plan and ensured that services have updated business continuity plans
- conducted a 360 degree stakeholder survey and implemented action plans addressing points raised
- made significant progress towards integrated locality teams in both cities using system wide performance reporting under the Better Care Fund remit, good examples include progress made within our Substance Misuse Services, Adult Mental Health Services and children and young people's services
- successfully developed our reputation and capacity as a research organisation by increasing the number of posts with dedicated research time and becoming a member of the National Strategic Leadership Group Research and Development Strategy.

The year in review

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 The year commenced with a positive Care Quality Commission (CQC) visit and report, on which we have continued to build high quality service provision.

Principle risks and uncertainties facing the organisation

Our focus during 2014/15 has been on maintaining service quality and sustaining financial recovery and despite our financial difficulties, service performance generally held up well throughout the year.

We implemented a Financial Recovery Programme in year. Whilst we returned to a breakeven run rate in month 11, we finished the year with an adjusted deficit of £6.3m as described in page 1.

The findings of a broad analysis of our financial position by our auditors have required a comprehensive improvement in the governance of key financial aspects and contracts. Cost Improvement Programme (CIP) performance continues to test our strategic approach to transformation, and we are on track to deliver the input required in 2015/16 to ensure benefits from whole system integration and information technology (IT) and estates transformation are realised.

During the year, our Foundation Trust application was paused by our financial position. However, we continued to have good support from the Trust Development Authority (TDA) based on our financial recovery plans.

The commercial environment has fundamentally altered during the year. Although we continued to respond to Invitation to Tender (ITT) opportunities, and had risks in some areas, there was a general shift towards more integrated and collaborative contracting vehicles. In year we won £2.1m of business and lost £9.106m, including the loss of the Minor Injuries Unit at the Royal South Hants Hospital, Southampton School Nursing Service and physiotherapy support commissioned by Portsmouth Hospitals NHS Trust. Further known business losses will occur during the year ahead, including the Hampshire Substance Misuse Service, commissioned by Hampshire Council. Further information about the changing external environment and our response to reviewing our longer term strategy as a consequence of the NHS England Forward View and the Dalton Review can be found on pg 31.

Three of our major change programmes have proved complex individually and collectively, these include: estates rationalisation, the IT infrastructure contract and the procurement of a new clinical records system. Delivery of these programmes will remain a significant challenge for us as we move into 2015/16.

The great majority of trade is with Clinical Commissioning Groups and NHS England, as commissioners for NHS patient care services. As Clinical Commissioning Groups and NHS England are funded by Government to buy NHS patient care services the Trust is not exposed to the degree of financial risk faced by business entities, apart from the normal contract negotiation/renewal that is normal in any organisation, when the Trust works to minimise the risk to income. The Trust has access to a revolving working capital facility that it can draw down as needed. Details of our key risks in year are included within the Annual Governance Statement, page 62.

Our journey to becoming a Foundation Trust

Whilst Foundation Trust remains our most likely, and preferred organisational model, it is not our focus. With the support of the TDA, we will move into the year ahead with continued attention on delivery and sustainability. We believe that our Foundation Trust journey will become an outcome of this approach. We are also mindful of the changing national landscape and potential new models of care as envisaged in the Five Year Forward View and subsequent Dalton Review, and the implications these present for the future of the organisational form.

Working with our partners and alliances (who they are, their importance)

We continue to enjoy very effective working relationships with our commissioners and partners in care. Our plans for Better Care, in both cities, act as the foundations for partner relationships, and our whole system working has ensured we deliver our obligations in urgent care performance for Portsmouth and Southampton.

We have been looking at closer working with the two city councils for front line service integration and have also examined opportunities for back office collaboration.

We also continue to provide extensive support to both acute trusts, Portsmouth Hospitals NHS Trust (PHT) and University Hospitals Southampton NHS Foundation Trust (UHS), to relieve pressure on beds in both hospitals.

Effective working with primary care remains a priority, including the partnership working in Portsmouth and the appointment of four GP clinical directors initially employed by the trust. Together we have made important changes to locality teams, virtual wards, risk stratification and in-reach into the acute trusts and care homes.

In Southampton we continue to embed community teams within GP practice clusters and pilot new approaches to long term conditions and urgent care.

We are working with third sector partners, notably Age UK, with a new personal independence coordinator pilot.

We have formal collaborations for research with UHS and PHT to support increased access for patients into clinical trials and we work in partnership with the University of Southampton and Health Education Wessex to deliver a clinical academic career pathway from MSc to post-doctoral level, enabling clinicians to drive the research agenda in their area of practice and increase the evidence base for community based care and improving patient outcomes.

Having engaged in the National Institute for Health Research Development Programme for NHS Trusts, we now work in partnership nationally to support the research agenda across the NHS, and inform national strategy to increase access to research for patients and clinicians.

Working with the community and how public interests of patients and the local community are represented

Whilst we have run no formal consultations during the year, a number of engagement activities have taken place. We have requested feedback from members of the public to help design a number of advertising campaigns, including sexual health campaigns. We have also spoken with members of the public about our Portsmouth estates rationalisation project. Two drop-in events were held, in partnership with NHS Property Services and Portsmouth City Clinical Commissioning Group (CCG), during the year. In addition we have asked service users to feed back on the development of patient information and the design of some of our services. Examples include the opening times of sexual health clinics, the activities available in inpatient mental health wards and the design and delivery of the substance misuse programme.

Senior managers have continued to regularly attend Health and Overview Scrutiny Panel/Committee meetings.

During the year we provided updates and answered questions on the following subjects:

- The proposed closure of the Lowry Unit in Portsmouth
- Changes to Adult Mental Health Services in Portsmouth
- Portsmouth estate changes
- Changes to Baytrees Rehab and Detox Unit
- Changes to Pharmacy Services
- The proposed closure of Sharland Dental Clinic

The Board is kept abreast of engagement activity via our marketing report. This incorporates any community engagement activity which has taken place. Patients, from various services also attend Board seminars to give their perspective on their experience of our services and the Board formally reflect on any learning.

You can also read about the work we do to engage with our members on page 61.

Investing in our future

We are committed to supporting our staff to improve the way we work through the introduction of new and improved information technology (IT). Considerable investment has been made during 2014/15 in both IT and our clinical records system. 2015/16 will see continued investment and improvement to fully embed our new clinical records system and enable mobility for our staff. Mobility will mean staff do not need to return to an office to complete documentation, therefore, freeing up valuable time.

Work has been ongoing with our IT partner CGI, to agree a contract which is supportive of our vision; for our staff to be more mobile and able to spend more time with patients. Our new contract means;

- We will move away from the current network which currently supports a number of the old legacy organisations, to an independent network solely used by us
- The profile of our IT hardware (kit) will reverse from 70% desktop to 70% laptops, so that our staff can work in a more mobile way
- The way in which we store and manage data will allow us to have a better understanding of our services and patients who use them
- Our clinical record systems will have greater support should something untoward occur
- In the future we will be able to integrate with other health and social care providers.

Timescales and plans are currently being worked through, with the majority of the work due to be complete during 2015. This is a complex change and all care will be taken to ensure our staff are able to continue to undertake their roles. However, there are inherent risks whilst our systems remain on the old network. Business continuity plans are continually reviewed and escalation processes are in place in case any part of the infrastructure fails.

There is a robust governance process in place and progress and risks will be monitored and actively managed by the contract management group.

Our volunteers

We appreciate the important and valuable contribution volunteer roles can make, helping us to achieve our objectives and enhancing patient experience. Volunteering also offers the opportunity to participate in the community health agenda.

We also recognise that there is growing evidence to support the introduction of 'volunteers by experience' in health and social care settings. Many of our patients have advised us of the life-changing connections they have made when they have had the opportunity to meet with others who have had a similar diagnosis or health experience.

We are in the process of further developing the opportunities we can offer for traditional volunteers and volunteers by experience.

Charitable funds

During 2014/15 we reviewed our charitable funds and fund managers; consolidating and aligning these to our eight service lines. We acknowledge that fund raising to date has been ad hoc and we are keen to raise the profile of the charity during the year ahead. As such, we have plans to rebrand and relaunch the charity and increase engagement with our service lines in relation to charity promotion, donation, fundraising and use of funds.

We are immensely grateful to everyone who has donated money. The donations we received during 2014/15 amounted to £7,431.

During the year, we have used our charitable funds to purchase various items to enhance the care we provide to our patients. This has included activity days and purchasing children's toys and books.

Health and safety

We are committed to providing a safe place of work for all employees, members of the public and contractors. We actively seek involvement of employees on matters of health, safety and welfare.

The Health and Safety Group are responsible for overseeing the strategic and operational implementation of all health and safety related policies in operational areas, and seeking assurance that the activities of the trust are managed in a manner where health and safety is of primary importance and reviewing risk registers.

The Chair of the Group has delegated responsibility for health, safety and welfare. On the behalf of the Chief Executive, the Chair has the authority to act upon the decisions reached by the Group.

Our Health and Safety Policy has been produced, in accordance with the general requirements of the Health and Safety at Work Act 1974, and is reviewed periodically. This policy contains details of the roles and responsibilities for the management of health and safety throughout the trust and is supported by other more detailed policies which are read in conjunction with it.

No improvement notices have been received from the Health and Safety Executive during this reporting period.



Whole system response and emergency preparedness

Both University Hospital Southampton NHS Foundation Trust (UHS) and Portsmouth Hospitals NHS Trust (PHT) were under significant pressure during 2014/15. Both systems have struggled to consistently meet the four hour Emergency Department target.

We have played a crucial role in both systems, working to avoid admissions to hospital and to accelerate discharges once people are medically fit to leave hospital. Our services, including our Community Emergency Department teams, Community Assessment Lounge staff and Inreach coordinators, have worked to bridge the gap between the community and the hospital in both cities.

In 2014/15 our emergency preparedness has been tested by winter pressures and by a number of IT incidents. Business Continuity Plans (BCPs) were thoroughly tested in each case.

During the year we refreshed our major incident policy and made changes to our on call system. We now have local on call clinical managers in each city and for mental health services. Our on call managers are supported by an operations director and a director on call. The new system has been more effective at resolving issues out of hours locally and has enabled system wide escalations to be resourced by individuals who know their services very well.

Our major incident policy was also reviewed during the year, and we have been involved in external and internal major incident scenario exercises. Examples include:

- A human trafficking situation where we provided healthcare to rescued individuals
- An exercise scenario of a hypothetical fire at the Western Community Hospital
- A regional exercise responding to a hypothetical Ebola incident
- A system wide communication exercise to test out the communication cascades required for a major incident

Environmental management and sustainability statement

This year we have continued to work to our Sustainability and Carbon Management Strategy. The strategy, which includes a sustainable development management plan for 2013/14 to 2018/19, demonstrates our commitment to environmental management and sustainability.

In line with Department of Health guidelines, a Sustainability and Environmental Subgroup has been established to drive and shape the development of the strategy. This subgroup reports to the Estates, Facilities and Sustainability Group. The subgroup is responsible for ensuring that we meet national initiatives, and statutory guidelines and objectives, in relation to sustainability.

This year we have:

- improved our good corporate citizen score by 3%
- taken part in our first NHS Sustainability Day, we received 27 pledges
- updated our display energy certificates at our site entrances
- improved our energy consumption monitoring
- calculated our carbon footprint
- invested in energy and carbon reduction in all projects and refurbishments.

We also appointed our total waste management contractor, Veolia. They have assisted us with our estates rationalisation programme and have so far raised nearly £3,000 for the trust by selling surplus furniture and equipment. This is a 100% improvement on the previous year's re-used rates. We have been working with our staff to improve mixed recycling rates, which are now on the increase. Appropriate disposal of clinical waste has reduced our high temperature incineration rates.

A large amount of data in relation to estates is being collated in support of the required ERIC (Estates Return Information Collection) process and we continue to work with NHS Property Service who are our landlords for a large proportion of our estate in order to produce a sustainability report. We expect to have sufficient data next year to complete the report in the standard format.

Further information about our environmental responsibilities is detailed in the Annual Governance Statement, page 62.

Highlights from our clinical services

Our Falls Services prevents 1,000 Falls

The Falls Prevention Exercise Team in Portsmouth celebrated that they prevented 1,000 falls by older people, helping them to stay well and out of hospital.

The team see older people who have fallen, who are at risk of falling, or who are afraid of falling. They provide activity classes and tailored programmes to help, and show people exercises to regain strength and balance. They also teach participants how to safely get up from the floor if they do fall. At the end of the classes people are signposted to other activities within the city to maintain the strength and balance they have built up.

Duchess visits Treetops

Staff at Treetops, our Sexual Assault Referral Centre in Cosham, were delighted to welcome Her Royal Highness the Duchess of Cornwall to the centre.

Our Operational Director for Sexual Health Services welcomed the Duchess to the centre where she met our staff and representatives of partner organisations. She was then given a grand tour of the facility, which works with victims of rape and sexual assault.

Following the tour, the Duchess was invited to speak to our staff about sexual violence and how they work together with partners to provide this important service. Solent staff she met included crisis workers, a young person's worker and a forensic physician.

Children's Community Nursing Service treat children to a spring party

Children from our Children's Community Nursing Service were treated to a spring party at the Ageas Bowl in Southampton.

The party offered young people with learning disabilities or chronic illnesses the chance to celebrate Easter by enjoying an afternoon of fun and watching the Hampshire versus Worcestershire cricket match.

The children who use the service really benefit from these events - entertainment and activities give them something to look forward to during their episode of care with us.

We are baby friendly

We received an internationally recognised 'Baby Friendly' accreditation from United Nations Children's Fund (UNICEF) for our efforts in encouraging and supporting breastfeeding mothers in Portsmouth.

Children's centres in the city, who also work closely with the trust, were also accredited after making a good impression on the assessors in terms of offering a welcome to breastfeeding mothers.

The prestigious award followed a rigorous inspection that included interviewing mothers, as well as site visits to check that we had trained staff and established plans to protect, promote, and support breastfeeding and to strengthen mother-baby and family relationships.

'Meet the teams' open day

Our Solent Neurological Rehabilitation Service held an open day at the Western Community Hospital. Colleagues from other organisations were invited to meet the teams to find out more about them and the referral process. Representatives of many services manned stalls and were on hand to talk to visitors. In addition, the Community Neurological Rehab team (CNRT) provided specialist talks on Motor Neurone Disease, and Dr Hayden Kirk and Dr Emma Murphy provided talks on Intrathecal Baclofen.

Tots toddle in the park!

Our Health Promotion team arranged a 'Toddle in the Park' for under fives on Southampton Common.

The action packed day, which attracted over 100 people, aimed to encourage families to get active and have fun with their young ones. We supplied healthy snacks and games for the children, followed by a long walk in the park.

Stop smoking success

This year's Stoptober campaign was a success, beating last year's record of people who referred themselves to our stop smoking clinics to quit.

Using our website, social media and a hard hitting poster campaign, we encouraged smokers to join our Stoptober challenge – one day at a time campaign - to try and stop smoking throughout October.

In addition, we motivated customers in major retail outlets to stub out their cigarettes and get fit by having a ride on an exercise bike.

Department of Health visit focuses on community nursing challenges

Staff from Lordshill Community Nursing team met with Wendy Nicholson from the Department of Health (DoH) to discuss the challenges in community nursing today.

Wendy, the professional officer for school and community nursing, requested to meet with a community nursing team during her visit to Southampton. Wendy talked with the team about the work they do, the pressures they were under and how things could be improved at a national level.

Solent's successes at Best of Health Awards

A number of our services showed why we are known as an excellent provider of community and mental health services at the Best of Health Awards run by The News in Portsmouth. Our Portsmouth Family Nurse Partnership (FNP) won the top prize in the Community Nurse/ Team of the Year award, whilst our Adult Mental Health Services were nominated for five awards and came runners up in two categories. The Portsmouth Breastfeeding Support and Healthy Weight team, and our Physiotherapy QA at Home team also received nominations.

Southampton drug and alcohol recovery service launched 1 December 2014

Working in partnership with Society of St James and No Limits, we launched a new service in Southampton to provide drug and alcohol recovery services.

The service provides a life changing, personalised substance misuse recovery service for people living in Southampton. Experienced health professionals, working within the service, fully support the needs of people with drug and alcohol problems and work with the individual to provide them with the best care.

Research team shortlisted for HSJ award

Our Research and Clinical Audit team was short-listed for a research award in the Health Service Journal (HSJ) awards in November.

The awards celebrate healthcare excellence in the UK and highlight the most innovative and successful teams and projects. Over 1,300 entries were submitted for these awards.

Over the past year, we have supported frontline staff to participate and involve their patients in research through a range of secondment and internship opportunities.

BASE app launched

Our Child and Adolescent Mental Health Service released a new app to help young people manage their stress and anxiety levels. The app is quick and simple to use allowing young people, between the ages of 16 to 18, to note down their emotions by using a "how do you feel?" gauge.

Breastfeeding cafes launch

Working together with The National Childbirth Trust (NCT), Sure Start Children's Centres and midwifery services, we launched baby cafes in communities across Southampton.

The cafes provide new mums with a safe place to drop in and receive support with breastfeeding in a friendly, caring and supportive environment. The cafes are also open to those who are pregnant and looking to find out more information about breastfeeding.

Each café has a trained breastfeeding counsellor in attendance together with two local breastfeeding mums that have recently been trained as peer supporters.

Over 40s encouraged to screen for sexually transmitted infections

Our Sexual Health Service launched a campaign to prompt those having sex with new partners at a later age to think about their sexual health and get tested for sexually transmitted infections (STI).

Marking Sexual Health Awareness Week (15 – 21 September) the 'Generation Sex' campaign encouraged better communication and prompted people to talk about sex and STIs.

Better physiotherapy access for arthritis sufferers

Staff from our physiotherapy service attended a National Ankylosing Spondylitis Society (NASS) reception to discuss services and campaign for better physiotherapy access for sufferers. Ankylosing Spondylitis (AS) is a painful, incurable form of inflammatory arthritis which often causes back pain.

Our rheumatology team works with Portsmouth Hospital NHS Trust and the local patient NASS group to develop services for AS patients.

Finalists in social worker awards

The Behaviour Resource Service (BRS) was a finalist in two categories at the National Social Worker of the Year Awards 2014. Sarah Holder, Advanced Practitioner – Therapeutic Play, was nominated in the creative and innovative category and the BRS in Team of the Year category. Both were runners up and received Silver Awards.

Helping kids beat stress

We celebrated the completion of Emotional First Aid (EFA) training as part of Southampton's Big Lottery funded £500,000 Headstart project. Our EFA training scheme supports workers, including teachers and youth support workers, who may be the first people children and young people confide in. It was developed within our trust and has now been adopted nationally.

Southampton was one of 12 regions to receive Headstart funding to improve children and young people's mental health and personal resilience. Under the scheme, our team trained 40 people to become EFA trainers - enabling them to share skills with colleagues to help a child, young person or parent experiencing anxiety before this becomes a mental health issue.

Solent wins Sexual Assault Referral Centre contract

In November 2014 we received confirmation that we were successful with our tender to continue to run the Hampshire and Isle of Wight Sexual Assault Referral Centre (Treetops). We work with others from Hampshire Constabulary and rape crisis services to ensure the centre provides a supportive environment. Victims of rape or serious sexual assault can receive expert care and support following their involvement in what can only be described as one of the most traumatic experiences a person can suffer.

Specially trained doctors and crisis workers, who saw 445 men and women at the centre offer medical and emotional support, practical help and information. The service is available 24 hours a day, 7 days a week. We have a deep understanding of the impact rape or sexual assault can have on a victim. Our skilled staff are extremely committed and offer a professional, high quality service to clients when they need it most.

We will build upon our excellent work to date by developing the service. In particular, we are looking to increase awareness of the centre, and the support available, with members of the public, front line staff from all sectors and partner organisations.

Delivering high quality services

The Care Quality Commission (CQC)

We are registered with the CQC for a number of regulated activities without conditions and have met all essential standards for quality and safety during 2014/15. Responsibility for ensuring adequate processes are in place to meet CQC requirements sits with the Chief Nurse.

All NHS trusts are subject to periodic reviews and unannounced inspections by the Care Quality Commission, under their normal inspection framework.

The Trust underwent a new style CQC inspection of all services in March 2014 and the report was published in June 2014. The trust was selected as one of a range of trusts to be inspected under CQC's revised inspection approach to mental health and community services. We welcomed the opportunity to be inspected by the new expert and risk-based approach.

We were inspected by more than 70 inspectors, including CQC staff, subject matter experts and experts by experience (patients and service users). This team visited many of our services and talked to staff and patients, as well as reviewing evidence which we provided to them. The inspection team considered how we are delivering services against five key CQC areas: Safe, Effective, Caring Responsive and Well-Led.

What did the CQC inspection team report overall?

The CQC did not apply a rating to Solent NHS Trust as part of the pilot inspection, however we were presented their findings at a Quality Summit in June 2014, they said:



Safe

We judged that overall services were safe.



Effective

In general we found services were effectively meeting the needs of patients, families and carers.



Caring

Patients were overwhelmingly positive about the quality of service that they received.



Responsive

Generally services were accessible and responsive to people's differing needs.



Well-led

We found that generally services across the trust were well led, and there was strong leadership from the executive team.

The CQC reports outlined a number of actions to improve the quality of care for the people who use our services:

- Things we must do. These are compliance actions
- Things we should do
- Things we could do

Patients were overwhelmingly positive about the quality of service that they received.

We were told of four things which we must do:

What we were told we must do	The action we took
<p>The trust must review access to sexual health services as waiting times were sometimes long for walk-in clinics.</p>	<p>This was made a priority in our 2014/15 Quality Account. A process was put in place to ensure that no one was 'turned-away' without a plan for an alternative appointment or method of receiving advice, treatment or testing.</p> <p>Monitoring of the success through audit and patient feedback has shown this to be successful.</p>
<p>The trust must reconsider the environment of the Kite Unit as it does not provide adequate protection to people and does not reflect the requirements of published expert guidance <i>(two actions)</i></p>	<p>Urgent renovation work was carried out to ensure that, although patients already had their own bedrooms, an entirely separate area was available for female patients.</p> <p>We closed the ward to female patients whilst this work was carried out.</p> <p>A second action was required around some potential ligature risks in the unit. There is now an improved arrangement for risk assessing patients as well as strengthened governance of adherence to the Mental Health Act.</p> <p>Drills have been carried out to test responses to this type of emergency.</p>
<p>The trust must ensure the case loads of each mental health community team are supported by adequate numbers of skilled and experienced staff, including consultant psychiatrist input.</p>	<p>Medical staff input has doubled in the area identified (Access to Intervention), and there has been a review of the care-coordinator resource.</p> <p>There is continual monitoring of the outcome measures and performance of this team.</p>

The recommendations for things we should do, and could do, have also been developed into an action plan and progress has been monitored through our service line governance arrangements and the Assurance Committee.

More detail about our inspection, and the actions taken as a result, can be found in the Quality Account, page 111.

The CQC also regularly inspect (outside of their normal inspections for Essential Standards) under their duty to specifically ensure that we are meeting the key areas of the Mental Health Act. No significant issues have been raised in regards to these visits.

The Care Quality Commission has not taken any enforcement action against the trust. Copies of inspection reports are available at www.cqc.org.uk

Sign up to Safety

Sign up to Safety, a new national patient safety campaign, was announced in March by the Secretary of State for Health. It launched in June with the aim to strengthen patient safety in the NHS and make it the safest healthcare system in the world.

We have signed up to this initiative and its five pledges:

- Putting safety first
- To continually learn
- Being honest
- Collaborating
- Being supportive.

We are also committed to providing excellent quality care, which embraces the 6 Cs throughout the care provided: Care, Compassion, Competence, Communication, Courage and Commitment. We strive to continuously improve the quality of the care we provide and aim to learn through complaints, claims and incidents to address issues as they arise.

During 2014/15 the following patient safety priorities were identified by the service line clinical governance leads as important to patient safety and the cost effectiveness of the care provided;

- Reduce harm from pressure ulcers
- Early detection of the deteriorating patient
- Reduce harm from handover/transfer of care and lack of information.

Our performance against these measured together with other priorities are included within the Quality Account, page 111.

During 2015/16 we will develop a Safety Improvement Plan and undertake baseline measures in various areas including:

- safety culture
- skills assessments
- patient safety champions (numbers, clinical areas, and roles), tissue viability champions (numbers, clinical areas, and roles), falls champions (numbers, clinical areas, and roles),
- patient safety knowledge of patient safety champions
- working with patients to improve healthcare through research and innovation.



Our staff

Equality and diversity

We are committed to equality and diversity and understand the important role we play in the communities we serve, both as an employer and a provider of health care services. We are dedicated to building a culture of inclusivity that encourages, supports and maximises the potential of all our employees, ensuring that each and every member of staff is trained and able to deliver the highest standard of care. Our aim is to create an environment that is supported by our values of dignity and mutual respect, where differences are valued and respected in the same way as the unique contribution an individual's experience, knowledge and skills can make.

We aim to ensure that no job applicant or employee is discriminated against either directly or indirectly on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex and sexual orientation. This principle applies equally to all aspects of employment including recruitment processes, conditions of service, job requirements and learning and development opportunities.

Approximately 86% of our workforce is female and 13% are from ethnic minority backgrounds, compared to a local population figure of 19%.

We are registered as a "Mindful Employer" and accredited with the Two Ticks disability symbol, which is awarded by the Employment Services to employers who have made commitment to employ, keep and develop the abilities of disabled staff. We are positive about the recruitment and retention of disabled people and believe that all employees should be treated fairly and valued equally.

An annual Equality, Diversity and Human Rights Report is produced which details progress made against key workforce metrics and work undertaken in year in support of the equality and diversity agenda.

Breakdown of gender in staff group²

Staff Group	Female	Male
Admin and estates	673	94
Healthcare assistants and other support staff	725	183
Managers and senior managers	48	23
Medical and dental	136	56
Nursing and midwives	926	79
Scientific, therapeutic and technical	650	73

² The figures above are based on headcount as at 31st March 2015, whilst those in note 8.2 of the full accounts are based on average whole time equivalents for each staff group across the entire year 2014/15.

Sickness absence data

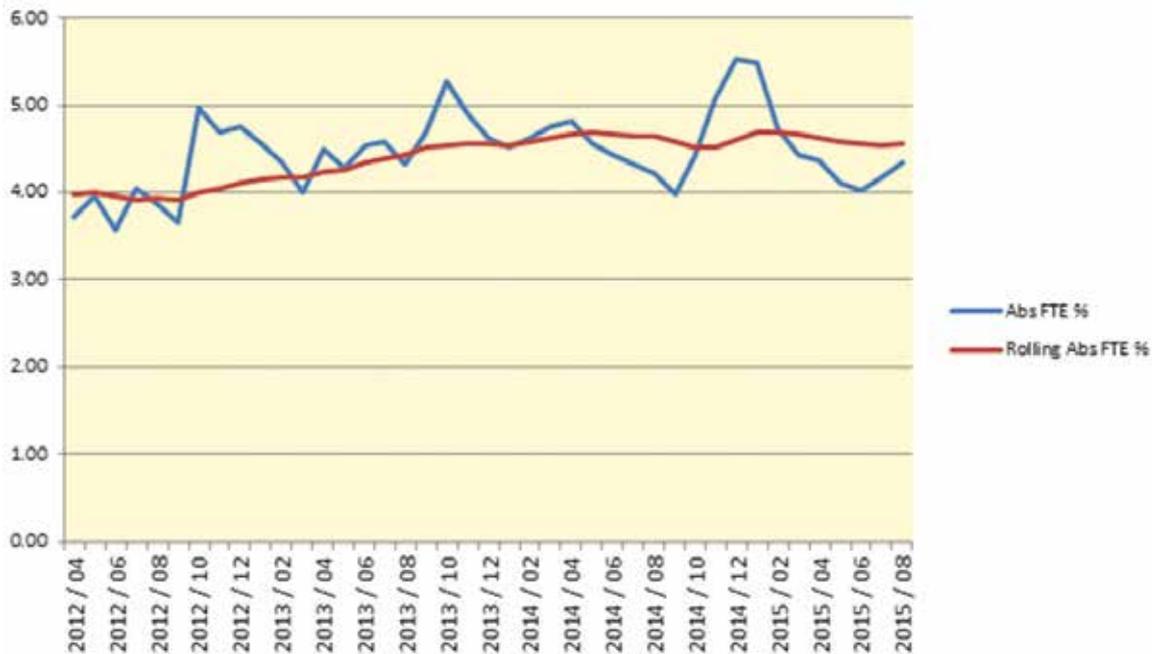
The health and wellbeing of our staff is really important. Our Occupational Health Team has led the development of our Health and Wellbeing Strategy and the underpinning delivery plan that promotes the health and wellbeing of our staff. This year we have:

- identified key sickness absence hotspots and worked with managers to promote health and wellbeing and reduce sickness absence
- developed a new policy and training workshop (Managing Attendance and Wellbeing)
- provided managers with key tools to promote health and wellbeing and team building to enable them to more effectively support staff, manage absenteeism and improve employee engagement.

The graph below shows our sickness absence rates for April 2012 to March 2015

Sickness rates have fluctuated, with the average being 4.49% compared to the national average for community and mental health trusts of 4.7%. The rolling absence rate, however, emphasises the rate based on the preceding 12 month rolling average, and we are presently 4.42%

Solent Absence - April 2012 to August 2015



Staff engagement

We recognise the importance of staff engagement. We believe that if we get the culture right, we can ensure we have a motivated and valued workforce, which ultimately impacts on our patient care.

We have a comprehensive staff engagement programme with initiatives to support our core values and to deliver our aim: to ensure that our staff feel valued, involved and proud (VIP) to work for Solent NHS Trust. Our staff engagement activities included:

- forums to encourage feedback and involvement
- improved communication – a weekly e-newsletter, a quarterly staff magazine, Manager’s messages, staff briefing sessions hosted by our Chief Executive as well as other members of the executive team and Board to Floor visits
- leadership and management development and leadership workshops
- developing an anti-bullying and harassment campaign, ‘Spot it, Stop it - a three week campaign which run in November 2014, to coincide with the National Anti-Bullying week, which emphasised that this behaviour is not tolerated with the trust and supporting staff to raise any concerns
- making it easy for staff to raise concerns – we implemented our Staff Friends and Family Test and a ‘See Something, Say Something’ poster campaign
- feedback to our annual staff survey.

Staff consultations remains the foundation in our engagement activity where staff are affected by change. We always seek to ensure that our consultations are meaningful, fair and consistent. During the year we have consulted with various staff groups regarding changes from relocation of premises such as St James Hospital site and St Mary’s hospital site, to transfer of undertaking activities of staff transferring into and out of Solent NHS trust. All consultations are carried out in partnership with our staff side colleagues and in adhere with our policies.

Our continuous commitment to improved staff engagement remains a priority. We believe that the way in which we work with our staff side colleagues is critical to our success.

Staff survey

The 2014 Annual Staff Survey was carried out by Pickers Institute Europe between October and December 2014. 1,694 staff, out of 3,497 eligible staff, returned their completed questionnaire, giving a response rate of 48.4% compared to last year’s response rate of 54.9%. The national average response rate was 48%.

	2012/13		2013/14		Trust improvement/ deterioration
	Trust	National average	Trust	National average	
Response rate	54.9%	54%	48.4%	48%	-6.5%

The results from the survey showed that number of staff happy with the standard of care provided has improved. There has also been significant improvement in our appraisal rates - 94% of staff told us that they have been appraised in the last 12 months. This improvement is reflective of the 2013 survey action plan and the drive for all staff to receive appraisals within the first three months of each financial year. We compare more favourably to other community trusts in England when it comes to the percentage of staff who say that they would feel secure raising a concern.

Our overall employee engagement score has been maintained at 3.71 (out of 5), compared to the national average of 3.75.

The following table highlights the key findings for which we compare most favourably with other community trusts in England.

Top four ranking scores	2012/13		2013/14		Trust improvement/deterioration
	Trust	National average	Trust	National average	
Staff agreeing that they would feel secure raising concerns about unsafe clinical practice	N/A	N/A	79%	72%	Unable to compare as new question
Percentage of staff appraised in last 12 months	89%	87%	94%	90%	+ 5%
Percentage of staff feeling pressure in last three months to attend work when feeling unwell	24%	24%	19%	22%	+ 5%
Percentage of staff having well-structured appraisals in last 12 months	41%	37%	45%	38%	+ 4%



The following table highlights the key findings for which we compare least favourably with other community trusts in England, suggesting areas that might be seen as areas of focus for action planning.

Bottom four ranking scores	2012/13		2013/14		Trust improvement/ deterioration
	Trust	National average	Trust	National average	
Percentage of staff agreeing that their role makes a difference to patients	89%	91%	88%	90%	- 1%
Percentage of staff receiving health and safety training in last 12 months	72%	76%	71%	76%	- 1%
Staff recommendation of the trust as a place to work or receive treatment (higher the score the better – 5 is best)	3.60	3.59	3.61	3.66	+ 0.1
Percentage of staff having equality and diversity training in last 12 months	74%	66%	64%	68%	- 10%

During 2015/16, in response to staff feedback, we will focus on the following areas:

- improving access to equality and diversity, health and safety, customer experience, and violence/ conflict resolution training, where required
- staff communications
- employee engagement
- staff health and wellbeing
- managing change effectively.

Our staff survey action plan will be performance managed through divisional performance reviews and reported to the Workforce Sub-Committee and Trust Board.

Occupational Health and Wellbeing Service

We have a comprehensive Occupational Health Service to proactively support the health and wellbeing of our workforce. We recognise that if we invest time and effort in looking after our staff that this will impact positively on patient care.

The service provides wide ranging occupational health and wellbeing services and in 2014 achieved Safe Effective Quality Occupational Health Service (SEQOHS) Accreditation, demonstrating our commitment to delivering safe, effective and quality occupational health services. The SEQOHS Accreditation Scheme is run by the Royal College of Physicians of London, on behalf of the Faculty of Occupational Medicine, to help to raise the standard of care provided by occupational health services.

Our Occupational Health Team continues to have an active presence in services, working alongside staff and managers to create a safe and healthy work environment where the health and wellbeing of employees is highly valued and encourages and supports staff to maintain and adopt healthy lifestyles. We have recognised the importance of acknowledging the effects of stress at work and frequent change on our staff. We recognise the need for good communication and support strategies to be in place to promote health and wellbeing. We also acknowledge the need to help to build stress resilience in our managers so that they are better equipped to support their teams during change programmes recognising that cultural development is a key success factor.

The Occupational Health and Wellbeing 'Team to You' programme has been designed to offer a personalised and local support service for individual teams. The programme was delivered to 549 staff during 2014/15.

Steps have also been taken to work more proactively with our Employee Assisted Programme (EAP) provider to increase access to information and support for our staff this includes a monthly update and focus on a specific health and wellbeing theme. The EAP offers staff a 24/7 confidential helpline for personal support.

The Health and Wellbeing Strategy Implementation group, which includes members of staff, managers, and representatives from staff side, HR and occupational health continues to take forward health and wellbeing initiatives

Examples of the group's work are provided below:

- A small scale pilot was initiated in the latter part of 2014/15 for a staff fast track Cognitive Behavioural Therapy Service to assist staff rehabilitation/keeping people well at work, this is due to be evaluated in 2015/16.
- In response to the increasing life expectancy and rise of the state pension age the population are working longer. During 2014/15 we initiated work to look closely at our age profile to help with the development of a Working Longer Strategy so we can be proactive in planning for our future workforce. This work stream will be taken forward further during 2015/16.
- Our Occupational Health and Wellbeing service has worked with our Adult Mental Health Services to develop a fitness assessment programme for staff undergoing control and restraint training to ensure safe practice and to support staff through the fitness process.
- We have been working with and supporting staff, when needed, to make the required health improvements that enable them to undertake this aspect of their job in a safe way. Further work will take place in 2015/16 to look at how to share the benefits across other services.



Workforce plans and leadership development

We recognise that a strategic approach to workforce planning both internally and externally is critical to ensuring that we attract the right people, with the right skills to deliver best outcomes in the changing environment. Our plan for the year ahead is under development and will reflect planned service changes and enhancements, known commissioner plans and cost improvement programmes which have been quality impact assessed. Our clinical leaders will be fully engaged in the plans as they develop.

We are continually working to ensure that our leaders and managers are equipped with the skills to effectively lead the organisation to achieve its goals. Our vision and core values have been translated into a leadership model, underpinned by a leadership and management development programme which will continue to be delivered across the organisation during the year ahead.

Our performance – activity review and regulatory ratings

Our monitoring of delivery against quality and contractual indicators is robust. Performance is monitored and managed through monthly Service Line Performance Sub-Committee meetings. Improvement and action plans are used to ensure the required standards are met and our patients receive high quality, safe and clinically effective services. Monthly performance reports are submitted to Board for review and progress updates.

A summary of our activity is illustrated below:

Service line	Contacts	Inpatient Occupied Bed Days	Total
Adult Mental Health	69,372	11,675	81,047
Adult Services, Portsmouth	265,737	27,234	292,971
Adult Services, Southampton	246,540	20,870	267,410
Child and Family Services	319,742	0	319,742
Special Care Dental Services	44,458	1,832	46,290
Primary Care and Long Term Conditions Services	268,006	0	268,006
Sexual Health Services	110,625	0	110,625
Substance Misuse Services	26,419	5,828	32,247
Solent NHS Trust TOTAL	1,350,899	67,439	1,418,338

During 2014/15 we reported in shadow form our compliance against the Monitor Risk Ratings and the TDA Accountability Framework.

The only Elective care we provide is for Paediatric Dentistry currently. This is reported under National Referral To Treatment (RTT) rules and there are robust reporting, monitoring and reviewing of Performance monthly. The Trust has not breached national RTT targets of either Monitor or the TDA over the last 3 years for any specialty as a result. We have a data assurance team that has an audit programme to cover all services and service lines that tests both data quality and data validity. We also provide assurance to Board and commissioners with Data Quality ratings next to every KPI the trust reports against and are planning to develop this system further this year by linking it the Data Assurance Documents.

Monitor Governance Risk Ratings (GRR)

We were compliant against all 24 applicable standards of the 2014/15 Governance Risk Rating Framework, achieving green ratings throughout the year for all standards. This was in line with our expectation of the annual risk rating.

Monitor Continuity of Service Risk Rating (CoSRR)

The Continuity of Service Risk Rating is designed to reflect the likelihood of a financial breach of an NHS Foundation Trust's terms of authorisation. A rating of 4 reflects the lowest risk and a rating of 1 the highest. We achieved a shadow rating of 2 for 2014/15.

TDA Accountability Framework

For 2014/15, the NHS Trust Development Authority (TDA) made significant changes to its previous accountability framework, redesigning it around the Care Quality Commission's (CQC) 5 Domains of quality and safe care provision. Overall achievement is calculated and scored against a rating of 1 -5 with 1 being the lowest and 5 being the maximum score available. Solent achieved an overall score of 5 in every month of 2014/15.

A summary against each domain can be seen below:

2014/15	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Responsiveness	5	5	5	5	5	5	5	5	5	5	5	5
Effectiveness	3	3	5	3	3	5	5	3	5	5	5	5
Safe	5	4	5	5	4	5	5	5	5	5	5	4
Caring	5	5	5	5	5	5	5	5	5	5	5	5
Well Led	3	3	3	3	5	4	4	1	3	1	1	3
Overall	5	5	5	5	5	5	5	5	5	5	5	5

Whilst achieving most individual indicators each month and the maximum overall score available, we are committed to improving performance further during 2015/16. Key indicators which we will focus on include the A&E Friends & Family Test response rates, staff annual appraisal rates and delayed transfers of care, working with our local health providers.

Key Performance Indicators

We had a strong year in developing monitoring and reporting mechanisms for all our services' key performance indicators, activity and other performance indicators through more robust and detailed reports that were shared with commissioners, the Trust Board, Service Line Operational and Clinical Directors as well as our service managers and clinicians to either provide assurances that provision of care's high standards were being maintained or identifying areas of required improvement.

Data Assurance

The quality of health data is fundamental to delivering high quality, patient led care. The primary purpose of data in health is to support the delivery of a quality service to patients and service users. Poor quality of data also undermines confidence in information used to plan and commission services, assess quality, facilitate patient choice, support audit and research and ensure effective use of resources. Data needs to be 'fit for purpose' for its intended use.

During 14/15 we instigated a Data Assurance Programme supporting services to enhance, improve and maintain levels of data quality. This programme has had a significant impact on the quality of health data within the organisation which has been recognised and approved by our commissioners.

Tasks undertaken by the Data Assurance team during 14/15 include:

- External & internal clinical coding audits
- Regular validation of key data fields monitoring completeness and accuracy. The national standard for completeness of data is 96% as determined by the Health & Social Care Information Centre. Solent NHS Trust is currently achieving over 98% completeness and accuracy in its national data submissions
- In-depth service specific data audits reviewing data collection processes, data completeness and accuracy and reporting working closely with the Performance Team.
- Introduction of a data quality RAG rating system for all contractual key performance indicators and development of an internal data quality score for reporting quality to the Trust Board.



Strategic objectives

Under our three Strategic Objectives - Improving Outcomes, Working with Partners and Ensuring Sustainability - there were a total of 54 indicators that we set out to meet at the start of 2014/15. Progress against these three objectives is as follows:

Strategic objective 1: Improving outcomes

Of 26 indicators, we successfully met 16, marginally missed 8 and failed to meet 2. Important work included strengthening safe staffing in our clinical services; all service lines developing an audit plan linked to patient care improvements; and the Compassion in Practice Strategy (6 Cs) being integrated into the Nursing Strategic Framework and the Allied Health Professional Strategic Framework.

Strategic objective 2: Working with partners

Of 5 indicators, we successfully achieved 3, marginally missed 1 and failed to meet 1. Significant progress in 2014/15 included defining partnership agreements with local authorities; strong delivery in Better Care Fund initiatives; and the creation and implementation of system-wide performance dashboards detailing impact of care across multiple health providers for both Southampton and Portsmouth.

Strategic objective 3: Ensuring sustainability

Of 33 indicators, we successfully achieved 16, marginally missed 15 and failed to meet 2. The progress made included implementing a Friends and Family Test for our staff members; developing the clinical leadership model significantly; establishing a Corporate Programme Management Office; and development and implementation of a Performance Operations Dashboard for all service lines setting out Quality, Finance, Workforce and Performance information.

Accident and Emergency

We achieved the national Accident and Emergency (A&E) waiting times targets, including the four hour target within which patients should be admitted, discharged or transferred, within our Minor Injuries Unit and NHS Walk-in Centre. The rapid assessment and treatment of patients within these units contributed to our success.

2014/15	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Number of Attendances < 4 Hours	4717	6221	4774	5123	1478	1411	1508	1788	1873	1741	1543	1647	33824
Number of Attendances	4719	6222	4778	5126	1478*	1414	1508	1788	1873	1741	1543	1647	33837
% seen within 4 Hours	100%	100%	99.9%	99.9%	100%	99.8%	100%	100%	100%	100%	100%	100%	100%

*The significant drop in attendances, from 1st August, was due to Solent NHS Trust no longer providing the Minor Injuries Unit.

Waiting times - Inpatients and Outpatients

We achieved the National 18 week Referral to Treatment targets for Inpatients and Outpatients for every individual month of 2014/15.

2014/15	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Number of Admissions < 18 Weeks	118	98	86	116	78	85	57	63	70	70	55	48	944
Number of Admissions	118	98	86	117	78	87	58	65	70	72	55	48	952
% seen within 18 Weeks	100%	100%	100%	99.1%	100%	97.7%	98.3%	96.9%	100%	97.2%	100%	100%	99.2%

2014/15	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Number of Outpatients < 18 Weeks	1795	1990	1977	2110	1721	2041	2170	1958	1631	1888	1751	1877	22909
Number of Outpatients	1798	1991	1990	2128	1747	2061	2185	1975	1644	1903	1753	1877	23052
% seen within 18 Weeks	99.8%	99.9%	99.3%	99.2%	98.5%	99.0%	99.3%	99.1%	99.2%	99.2%	99.9%	100%	99.4%

Mental health

Our Mental Health Services achieved all eight applicable Monitor Mental Health performance targets during 2014/15. Key highlights are below.

2014/15 KPI		2014/15 Target	2014/15 Achievement
ACC09a	CPA patients receiving follow up contact < 7 days of discharge	95%	100%
ACC09b	CPA patients having formal review < 12 months	95%	97.1%
ACC10	Admissions to inpatient services who had access to CR/HT Teams	95%	100%
ACC11	Meeting commitment to serve new psychosis cases by Early Intervention Teams	95%	100%

Looking Ahead to 2015/16

2015/16 will see a further strengthening of our performance monitoring and management supported by the introduction of a new Clinical Record System and a new Electronic Data Warehouse. As a result, our clinicians will be able to record more information about our patients in custom-designed templates and will have access to a comprehensive interactive dashboard system, supported by the warehouse. The Data Assurance programme is engaging closely with the Clinical Record System and Electronic Data Warehouse implementations in 15/16 also, to ensure that the provision of good quality data is maintained during the important transition phase to the new technology.

Clinicians will be able to make more informed and evidence-based decisions to shape services for our patients, achieve the high quality standards and to use our resources as efficiently and effectively as possible.

NHS Constitution

The NHS Constitution was established in 2009 and revised in March 2013. The constitution sets out the principles and values of the NHS. It also sets out the rights to which patients, service users, the public and staff are entitled, a range of pledges to achieve and the responsibilities which patients, service users, the public and staff owe to one another to ensure that the NHS operates fairly and effectively. We operate in accordance with the principles and values as set out in the NHS Constitution and undertake an annual review of our compliance which is reported to our In-public Board meeting.

The year ahead

Our focus in 2015/16 is the development and maintenance of a strong and sustainable organisation that delivers high quality, person-centred, safe services that commissioners require. We are in the process of reviewing our longer-term strategy in response to the NHS England Forward View and the Dalton Review, but our primary objective remains unchanged: to keep people safe and well at home through the provision of high quality, best value community and mental health services for adults and children.

There are a number of common themes which will influence our own strategic developments in the year ahead:

- A continuation of the shift towards more out of hospital care, provided seven days per week and consistently in and out of hours to ensure patients are safe and well at home for as long as possible and receive timely discharge from hospital if admitted; this organisation continues to prioritise its whole system role and ensure it has sustainable consistent plans for urgent care
- Delivery of this model through partnerships between primary, community and social care services, with a specific focus on the development of integrated multidisciplinary teams organised around GP practice populations which ensure the patient is at the centre of care delivery models
- Targeted focus on the populations most at risk of poor health and social care outcomes. This includes older people, children and young people and those with learning disabilities, long-term conditions and/or complex health and social care needs
- An increased focus on prevention and/or early intervention to promote healthy lifestyles and reduce the risk of ill-health through better management of long-term conditions. There is a strong focus on self-management and increased choice and personalisation of care through the roll-out of direct payments and personalised budgets

- A strong focus on clinical and financial sustainability; patient safety and quality care delivery are the key drivers in both commissioning and provision and must be balanced against the reality of prolonged financial and economic constraints in the public sector
- Development of new commissioning models and contractual/budgeting arrangements that facilitate the delivery of integrated health and social care models. This will involve re-commissioning of existing services as part of Better Care Fund deployment.

Solent is already engaged in a number of strategic conversations within the local health economy and will play a critical role in taking these forward during 2015/16. This includes:

- The financial sustainability of the system in 2015/16 with both commissioners and partner providers
- The sustainability of services in the system, with particular attention to urgent care provision
- The progress towards Better Care Plans and specifically the integration of health and social care, alongside primary care
- The impact of the NHS England forward view and the future options for the role of this organisation in creating the NHS of tomorrow and specifically the focus on integration and the strength of primary care
- The creation of a more transformative whole system approach that moves beyond organisational boundaries
- The options for city councils to reconsider provision
- The opportunities to create a more sustainable back office function across the public sector

Within this context, we will prioritise the following areas in 2015/16:

- Maintaining our focus on the provision of person centred, high quality, safe services
- Continuing to improve financial sustainability and control
- Improving the governance of finance, quality, performance and delivery programmes
- Further developing the capability of our Trust Board to support organisational sustainability

- Refreshing our strategic workforce plan to reflect local and national developments
- Further developing clinical service leadership and management
- Delivering transformation of services, pathways and systems to achieve productive and integrated provision
- Delivering transformation of Trust infrastructure including IT estates and mobile working
- Maintaining productive relationships with key stakeholders
- Completing the reset of our strategy and associated business plan in light of NHSE forward plan

The year ahead will also see a number of changes at Board level, including the recruitment of two non-executive directors, a Director of Finance and a Medical Director, due to the future retirement of the Trust's current post holder.



Sue Harriman

Chief Executive Officer

Date: 26 / 05 / 2015



Section 2: Directors' report

Governing our services

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Our Board of Directors

Accountable to the Secretary of State, the Board is responsible for the effective direction of the affairs of the organisation, setting the strategic direction and appetite for risk. The Board establishes arrangements for effective governance and management as well as holding management to account for delivery, with particular emphasis on the safety and quality of the trust's services and achievement of the required financial performance as outlined in its Terms of Reference.

The Board leads the trust by undertaking the following key roles:

- ensuring the management of staff welfare and patient safety
- formulating Strategy, defining the organisation's purpose and identifying priorities
- ensuring accountability by holding the organisation to account for the delivery of the strategy and scrutinising performance
- seeking assurance that systems of governance and internal control are robust and reliable and to set the appetite for risk
- shaping a positive culture for the Board and the organisation.

The business to be conducted by the Board and its committees is set out in the respective terms of reference and underpinned by the Scheme of Delegation and Reservation of Powers.

Engagement activities between the Board and Council of Governors is described on page 54.

Meetings of the Board

The Board meets once a month in public. Additional meetings with Board members and invited attendees are held monthly to discuss confidential matters. All non-executive directors take an active role at the Board and board committees.

Balance, completeness and appropriateness of the membership of the Board of Directors

The Board of Directors comprises six non executive directors (NED) including the Chairman and five executive directors (including the Chief Executive Officer). We currently have two NED vacancies following recent retirements. These posts are actively being recruited to following consideration of the balance of skills required. Together they bring a wide range of skills and experience to the Trust enabling us to achieve balance at the highest level. The structure is statutorily compliant and considered to be appropriate. The composition, balance of skills and experience of the Board is reviewed annually by the Governance and Nominations Committee.

Appointments

During 2014/15 appointments were made to the roles of Chief Executive and Chief Nurse; the process was supported by Odgers Berndtson, executive recruitment consultants, who provided professional advice to the Remuneration Committee on the search and appointments process. A panel was convened of representatives of the Remuneration Committee, Trust Development Authority and Shadow Governors with the final appointments being approved by the Remuneration Committee.

During July 2014, the post of Director of Infrastructure (non-voting) was also appointed to. In April 2014 a lay advisor joined the Board to comment on clinical medicine and mental health, although the post holder retired later in the year.

We are currently recruiting to the substantive post of Director of Finance. This process is being supported by Odgers Berndtson.

Prior to Foundation Trust licencing any appointments or terminations to non executive director roles are handled by the Nominations Committee and Board and in conjunction with the Trust Development Authority at the Department of Health. Post Foundation Trust licencing the process will be managed via the Council of Governors Nominations and Remuneration Committee.

The People

Non executive directors

Dr Alistair Stokes, Chairman

Alistair was appointed to the Trust in April 2011. He has had a wide ranging career in marketing, business development and administration in the chemical and pharmaceutical industries including working as



Commercial Director with Monsanto Company and as Managing Director for UK operations and subsequently Regional Director for the Far East and South East Asia for Glaxo PLC. From 2007, Alistair served as Chairman of the Ipsen Group's UK companies, retiring from that role in 2010. Alistair also served as Regional General Manager for the NHS in Yorkshire and for several years as a member and Vice Chairman of a District Health Authority and from 1992 until 1998 as Chairman of an NHS Trust. He is a Fellow of the Institute of Directors and a Chartered Director. He is currently a governor of the University of West London and chairs the University's Audit and Risk Committee. He is also a Trustee of the Hampshire and Isle of Wight Community Foundation. Alistair is the lead NED for Health and Safety (including Local Security Management).

Qualifications:

BSc, PhD, CDir, FloD

Barry Neaves, Deputy Chairman

Barry was appointed to the Trust in April 2011. He is a Chartered Certified Accountant with many years' experience in both the private and not-for-profit sectors. Following a range of accountancy positions, Barry spent 15 years with a major national building society dealing with corporate and housing issues. He was subsequently appointed Group Finance Director of a large social housing group. Barry has undertaken a range of non executive roles, including acting as a Board Member of the former Southampton City Primary Care Trust. In addition to providing interim finance director services, he is an audit committee member of the College of Occupational Therapists, a charity trustee and treasurer and a lay person dealing with disciplinary matters in the insurance industry. Barry is Chair of the Audit and Risk Committee and lead NED for patient experience.



Qualifications:

BA, FCCA

Brad Roynon, Senior Independent Director

Brad was appointed to the Trust in April 2011. He retired in December 2010 from being Chief Executive of Southampton City Council where he held this post since 2001 and was responsible for reshaping services increasing efficiencies, improving customer care and developing effective partnerships. Prior to that Brad was Chief Executive of Carmarthenshire County Council between 1997 and 2001 and of East Hampshire District Council between 1988 and 1997. Brad started his career with the NHS as a management adviser with London Teaching Hospitals, where he undertook a wide variety of projects. He later joined the London Borough of Richmond to become Director of the Chief Executive's Office, before moving to East Hampshire. Brad is the chair of the Charitable Funds Committee and lead NED for Safeguarding Children. Brad is the Senior Independent Director and provides a channel through which Trust members and governors are able to express concerns, other than through the normal route of the Chairman or Chief Executive.



Qualifications:

Management Services Diploma, Management Services Certificate, HND Hotel Catering and Business Management, Honorary degree Doctor of Business - Southampton Solent University, Member of The Institute of Management and The Society of Local Authority Chief Executives.

Mick Tutt

Mick was appointed to the Trust in April 2011. He has more than 40 years' NHS experience, including 20 years in senior management and more than a decade at Executive Director (and equivalent) level.



As a qualified nurse Mick has managed mental health and learning disabilities services and overseen governance and management arrangements in a number of different Trusts and other organisations. He also has experience of working with the CQC and its predecessors, currently as a Specialist Clinical Advisor. Mick has also acted as the Nurse/Manager representative on several independent inquiries and has undertaken many investigations into disciplinary and grievance matters and serious incidents. Mick was a former lay member of the Portsmouth Community and Mental Health Service Board before being appointed as non executive director for Solent NHS Trust. He now acts as a manager for appeals against Mental Health Act detentions and also chairs the Mental Health Scrutiny Committee and Assurance Committee.

Qualifications: RMN, SRN, Dip Nursing

Jon Pittam

Jon was appointed to the Trust in June 2012. Since 1997, until his retirement in 2010, Jon was the County Treasurer for Hampshire County Council as well as being Treasurer for the Hampshire Police and Fire Authorities. In



these roles, Jon provided financial and strategic advice in support of the authorities' corporate strategies and was the chief financial officer for budgets approaching £2 billion. Jon was an elected council member of his chartered accountancy body and the national spending convenor for local government finance during several public expenditure rounds. Jon is the chair of the Finance Committee and the lead NED for procurement.

Qualifications:

BSc, CIPFA

Non executive directors who left in year

Liz Bailey

Liz was appointed to the Trust in April 2011. She has worked for Barclays UK for 35 years, where she held a number of senior positions and was the Head of Diversity when she left. Based in the Southampton area, Liz became actively involved in supporting Fairbridge Solent, now the Prince's Trust, a local charity helping young people between the ages of 14 to 25 make a positive change to their lives. Liz now runs her own business consultancy with a particular focus on change, diversity and people development.

Liz was the chair of the Remuneration Committee and lead NED for safeguarding adults, equality and diversity and whistleblowing.

Executive directors

Sue Harriman, Chief Executive

Sue joined us on 1st September 2014 from Southern Health NHS Foundation Trust where she was the Deputy Chief Executive. Sue is a Registered Nurse who trained in the Royal Navy and enjoyed a sixteen year military career.



Working in many clinical environments in both NHS and military establishments she ultimately specialised in both critical care and infection prevention and control. Working in both primary and secondary care sectors since joining the NHS over twelve years ago her roles have included Nurse Consultant in Infection Prevention, Director of Nursing and Allied Health Professions (AHP) and Managing Director of Hampshire Community Health Care before being appointed as Deputy Chief Executive/Chief Operating Officer for Southern Health NHS Foundation Trust. Sue leads significant service change programmes striving to ensure high quality service with exceptional patient and carer experience.

Qualifications:

RGN, BSc, MSc Management and Leadership in Health and Social Care (pending)

Dr Tony Snell, Medical Director

Tony was appointed to the post of Medical Director of Solent NHS Trust in July 2011 having previously held the posts of Chief Medical Officer NHS Hillingdon, Medical Director Harmoni, Chief Executive National Health Fund, Anguilla, Associate Medical Director Orion CRO, Medical Director at Birmingham and Black Country SHA, Medical Director East Kent HA and PCTs, Director of Primary Care Barnet, senior GP partner trainer and fundholder, as well as a Royal Naval Medical Officer. Interested in evidence based practice and managed care models in the USA and NHS, Tony developed and implemented the Primary Care Clinical Effectiveness project (PRICCE). This evolved into QOF. In 2001 he was appointed Co-Vice Chair of the NHS Confederation, nGMS negotiating team, leading on QOF.



Qualifications:

MBChB, DRCOG, MRCG

Alex Whitfield, Chief Operating Officer

Alex joined the Trust in July 2012. She provided strong leadership as Chief Operating Officer to Winchester and Eastleigh Healthcare NHS Trust prior to its acquisition by Basingstoke and North Hants NHS Foundation Trust and the creation of Hampshire Hospitals FT. She has a sound understanding of the challenges faced by the local health and social care providers. She leads on the delivery of clinical services for Solent NHS Trust and is building on the excellent collaboration and partnership working established between providers locally. Alex has extensive operational experience in both the private and public sector and is committed to delivering high quality, cost effective patient care.



Qualifications:

MA Engineering, University of Cambridge, leadership expertise at Insead, Oxford University, the Kings Fund and the NHS Top Leaders Programme

Mandy Rayani, Chief Nurse

Mandy joined the Trust in September 2014 having worked for 7 years as Deputy Nurse Director in Cardiff and Vale University Health Board. A Registered Mental Health Nurse, Mandy has 30 years experience of working in a variety of nursing roles in mental health, acute and integrated healthcare settings. With a particular interest in the development of clinical leadership and passionate about driving the delivery of high quality, seamless, patient centred care, she has taken a lead role in a number of local, regional and national activities in NHS Wales including the development of nurse staffing principles, implementation of an all -Wales uniform and informing the nurse education and development programmes.

Qualifications:

RMN, MSc in Healthcare Management



Margaret Ashworth , Interim Director of Finance

Margaret joined the Trust on 30th March 2015 as Interim Director of Finance until we recruit substantively into the Director of Finance position. Margaret is an experienced Director of Finance and joins us from Sherwood Forest Hospitals NHS Foundation Trust where she was Interim Chief Financial Officer. Margaret has held a number of Board positions within a wide range of NHS, public and private sector organisations, including Chief Financial Officer (Security and Resilience) for the Olympic and Paralympic Games 2012.

Qualifications:

FCMA



Executive directors who left in year

Dr Ros Tolcher, Chief Executive Officer

Ros was Chief Executive of Solent NHS Trust since it was first licensed on 1 April 2011. Ros trained as a doctor at Southampton University Medical School and is one of a small number of medically qualified CEOs nationally. She previously held posts as Medical Director of Southampton City PCT; joint managing director of Southampton Community Health services and worked as a consultant in reproductive health.

Qualifications:

Bachelor of Medicine with Honours, Distinction in Medical Sciences and Distinction in Clinical Medicine: Southampton University Medical School (1985), Fellow of Faculty of Family Planning and Reproductive Health (RCOG), Fellow British Association of Medical Managers, NHS Top Leader.

Ros left the Trust in July 2014.

Michael Parr, Director of Finance and Performance

Michael was appointed in July 2011. He is a Chartered Management Accountant with extensive experience in finance and commercial management in the NHS. He is a University College London graduate in Mathematics and has previously worked in the capital, managing risk and controls in investment banking. Michael has worked in the NHS since 1999 where he has held a number of senior finance roles in Primary Care Trusts and Foundation Trusts, most recently Deputy Director of Finance at Queen Victoria Hospital NHS Foundation Trust.

Qualifications:

ACMA, BSc

Michael left the Trust in February 2015

**Judy Hillier,
Director of Nursing and Quality**

Judy was appointed to Solent NHS Trust in April 2011. Judy trained as a nurse at Westminster Hospital, London and worked there as a sister in ITU and cardiology. After a career break to have a family and run a small commercial business Judy returned to the NHS to take up a career in clinical leadership and management. Roles have covered a wide range of responsibilities ranging from Operational Director in large acute trust, to a Primary Care and Quality Manager in a Health Authority, a Commissioning Manager covering cancer and children's services in a PCT and working as the Director of Provider Services for Portsmouth Community and Mental Health Services. Following the merger of Portsmouth and Southampton community and mental health services, Judy took on the role covering both operational and clinical leadership as the Director of Clinical Excellence and Delivery.

Judy was the Director of Nursing and Quality in Solent NHS Trust and combined this with a role as Joint Chair of the FTN Clinical Leads Network. She previously combined her day job with additional roles such as the Chair of the South Central Health Visitor Challenge group, the South Central SHA Patient Safety Federation lead for 'No Needless Falls', she was a member of the national Department of Health Fractures and Falls Advisory Group, developing the national commissioning toolkit for falls, chaired the Hampshire and Isle of Wight Equality and Diversity Board and has been a national speaker on Falls Prevention and Nursing Productivity.

Qualifications:

Diploma in Leadership and Management (DLM), Cert IHSM (NVQ 4), SRN and ENB 100 (ITU). High Potential Leaders Programme for Aspiring CEOs - SCSHA, Politics and Leadership in the NHS – Ashridge, Global Leadership – IINSEAD, Fontainebleau, France

Judy left the Trust in July 2014

In year changes

**June Harrison,
Acting Director of Finance**

June is a qualified accountant with 30 years experience of NHS finances, mainly working in Acute trusts in the North East and in Surrey and Sussex. Whilst at NHS Southeast Coast she gained experience in strategic cash and capital management and securing loans into deficit health systems. She was also part of the Business Support team which included financial performance management of the local health economy, working with the Department of Health, and assessments of Foundation Trust applications. Latterly, she worked directly on the financial modelling of an NHS Trust FT application.

June has been Deputy Director of Finance since August 2011 and was Acting Director of Finance from October 2014 until 30th March 2015 when she then resumed her previous role as Deputy Director of Finance

Qualifications:

FCCA

Non-voting directors

Robert Steele, Director of Infrastructure

Robert was appointed to the post of Director of Infrastructure in July 2014. He has worked in the NHS for over 30 years and has extensive experience having previously held a number of senior positions in community care and acute hospitals with Lanarkshire Health Board, Gwent Health Authority and Plymouth Hospitals NHS Trust. More recently he was Director of Estates and Facilities at Yeovil District Hospital NHS Foundation Trust. He is also registered with the Department of Health as a Gateway Reviewer.



Robert is responsible for the provision of estates and facilities management and information and technology (IT). He is leading the estate rationalisation and IT modernisation programme which includes major strategic and operational change enabling the delivery of the Trusts ambitious aims and objectives. Robert leads the property and facilities teams in the provision of a wide range of services to support the delivery of healthcare ensuring value add services are provided. Having gained extensive experience from an operational and strategic standpoint he is passionate about ensuring that the estate and technology supports the delivery of high quality patient care.

Qualifications:

MSc BSc (Hons) MCIOB IEng MIHEEM MBIFM

Sarah Austin, Director of Strategy

Sarah originally trained as a nurse in London and specialised in renal care in Portsmouth, undertaking both a teaching qualification and a BSc. Her career to date includes 17 years in Portsmouth Hospitals Trust latterly working as Director of Strategic Alliances leading the merger with Royal Hospital Haslar, five years as Director of Central South Coast Cancer Network and three years in South Central Strategic Health Authority focusing on strategy, system reform and market development. Sarah joined Solent NHS Trust in autumn 2010 as Transforming Community Services Programme Director before being appointed in her new role as Director of Strategy in November 2011. Sarah leads on the trusts commercial activities, planning, marketing and programme management and also leads the Trust's Foundation Trust application.



Qualifications:

RGN, BSc, MBA

Julie Pennycook, Director of Human Resources and Organisational Development

Having worked in the independent healthcare sector for 15 years, Julie joined the NHS in Southampton in 2003 and Solent NHS Trust in April 2011. She leads a comprehensive Human Resources and Organisational Development



Department comprising HR Business Partners, Learning and Development, Workforce Information and Planning, Employment Administration, in-house Bank Staffing Service and Occupational Health.

Qualifications:

Chartered Member of CIPD, M.Sc. Human Capital Management

Ian McNuff, Director of Financial Recovery

Ian was appointed to the post of Director of Financial Recovery in July 2014. This was an interim post and concluded 31 March 2015.

Ian has worked as an independent turnaround and change management specialist for the last 11 years, working across financial services and healthcare. His permanent career was as Managing Director of a multi national support services business, and as an executive with Royal Bank of Scotland and Nat West.

Qualifications:

MBA, BA (Hons), ACIB



Non-voting members who left in year

Simon Wernick, Lay Clinical Advisor

Simon joined the board in April 2014 as lay advisor to comment on clinical medicine and mental health. He was a General Practitioner in Portsmouth from 1982 until he retired in 2012. He had other roles during this time including training, GP Tutor when he helped run the Postgraduate Centres at QAH and SMGH, Occupational medicine, he established and ran a PGCE in the University of Portsmouth and he was involved in research and audit. From 2011 until 2013 he was the mental health commissioning lead to the CCG in Portsmouth; this included adult mental health, drugs and alcohol and dementia.

Qualifications:

MBChB Bristol 1976, MRCGP London 1981, DA (anaesthetics) 1982. In 2006 he was elected a Fellow of the Royal College of General Practitioners.

Simon left the Trust in December 2014.

Board development and performance evaluation

The Board has an agreed development plan. Workshops are held every two months to focus on developmental and strategic topics. Annually the Board conducts a self-assessment appraisal and any developmental or improvement areas are addressed via the developmental plan. In addition, an annual governance review is conducted by the Governance and Nominations Committee and each Board committee completes a mid-year review against its agreed annual objectives and at year end presents an annual report to the Board on the business conducted. The Board also reflected on the Committee structure and a number of changes were implemented during quarter 4 2014/15 to strengthen governance arrangements and reduce duplication. This included the establishment of a Finance and Commercial Group reporting directly to the Finance Committee and a Quality Improvement and Risk Group reporting to the Assurance Committee.

Under the revised NHS Foundation Trust Code of Governance (December 2013), we recognise the requirement for an external evaluation of the Board every three years and will comply with this requirement moving forward. The Board has however undertaken external assessments in the past.

Individual Board members are appraised annually and mid-year reviews are conducted.

Declaration of interests

In accordance with the Code of Governance, non-executive directors confirm their independence annually by declaration and all Board members are required to update their declarations in relation to their interests held in accordance with public interest, openness and transparency.

Name	Interest registered
Dr Alistair Stokes: Chairman	<ul style="list-style-type: none"> Trustee of Hampshire and Isle of Wight Community Foundation Governor of University of West London. (KPMG are Solent's and University of West London internal auditors). Subscription paying member of the New Forest West Conservative Association and thereby a member of the Conservative Party Chair and Trustee – Ringwood Foodbank Chair – Avon Valley Concerts
Barry Neaves: Non-Executive Director	<ul style="list-style-type: none"> Trustee and Treasurer - The League of Friends of Romsey Hospital Audit Committee Member - College of Occupational Therapists Lay Member - Chartered Insurance Institute Disciplinary Committee
Jon Pittam: Non-Executive Director	<ul style="list-style-type: none"> Chartered Institute of Public Finance and Accountancy
Brad Roynon: Non-Executive Director	<ul style="list-style-type: none"> No interests to declare
Mick Tutt: Non-Executive Director	<ul style="list-style-type: none"> Pelican Consulting – Management advice and support to health and social care organisations The Committed Network Registered with Nursing and Midwifery Council CQC Specialist Clinical Advisor (since January 2015)
Sue Harriman: Chief Executive	<ul style="list-style-type: none"> No interests to declare
Dr Tony Snell: Medical Director	<ul style="list-style-type: none"> No interests to declare
June Harrison: Acting Director of Finance	<ul style="list-style-type: none"> No interests to declare
Mandy Rayani: Chief Nurse	<ul style="list-style-type: none"> No interests to declare
Alex Whitfield: Chief Operating Officer	<ul style="list-style-type: none"> No interests to declare
Regular Attendees to the Board	
Sarah Austin: Director of Strategy	<ul style="list-style-type: none"> No interests to declare
Julie Pennycook: Director of HR and OD	<ul style="list-style-type: none"> No interests to declare
Robert Steele: Director of Infrastructure	<ul style="list-style-type: none"> No interests to declare
Members who have left the organisation in year	
Liz Bailey: Non-Executive Director	<ul style="list-style-type: none"> No interests declared
Dr Ros Tolcher Chief Executive	<ul style="list-style-type: none"> No interests declared
Michael Parr: Director of Finance	<ul style="list-style-type: none"> Local Public Sector Director for Hampshire Lift Co Ltd
Judy Hillier: Director of Nursing and Quality	<ul style="list-style-type: none"> Son and husband are GPs in the Trust primary care services and West Hampshire CCG area
Simon Wernick: Lay member	<ul style="list-style-type: none"> No interests declared

The Board's Committees

The Board has established the following committees:

Statutory committees

- Audit and Risk Committee
- Governance and Nominations Committee
- Remuneration Committee
- Charitable Funds Committee

Designated committees

- Assurance Committee
- Finance Committee
- Mental Health Act (MHA) Scrutiny Committee



Composition of Board committees at 31 March 2015

Director	Position	Board	Finance Committee	Remuneration Committee	Assurance Committee	MHA Scrutiny Committee	Governance and Nominations Committee	Audit and Risk Committee	Charitable Funds Committee
Alistair Stokes	Chairman	Chair	-	✓	-	✓	Chair	-	-
Liz Bailey *Left in Jan 2015	Non-Exec Director	✓	-	Chair	✓	✓	-	✓	-
Barry Neaves	Non-Exec Director	✓	-	✓	-	✓	✓	Chair	-
Brad Roynon	Non-Exec Director	✓	✓	✓	✓	-	-	✓	Chair
Mick Tutt	Non-Exec Director	✓	-	✓	Chair	Chair	✓	-	✓
Jon Pittam	Non-Exec Director	✓	Chair	✓	-	✓	-	-	-
Ros Tolcher *Left July 2014	Chief Executive	✓	✓	-	✓	Invited	✓	Invited	-
Sue Harriman *Joined Sept 2014	Chief Executive	✓	✓	-	✓	-	✓	Invited	-
Judy Hillier *Left in July 2014	Dir. of Nursing and Quality	✓	-	-	✓	✓	-	Invited	-
Mandy Rayani *Joined Sept 2014	Chief Nurse	✓	-	-	✓	✓	-	Invited	-
Alex Whitfield	Chief Operating Officer	✓	-	-	✓	✓	-	-	✓
Michael Parr *Left Feb 2015	Dir. of Finance and Performance	✓	✓	-	-	-	-	Invited	✓
Tony Snell	Medical Director	✓	-	-	✓	✓	-	-	-
Non-Voting Directors									
Sarah Austin	Dir. of Strategy	-	-	-	-	-	-	-	-
Julie Pennycook	Dir. of H.R and O.D	-	-	-	✓	-	-	-	-
Robert Steele	Dir. of Infrastructure	-	-	-	-	-	-	-	-

Attendance records for the year ended 31 March 2015

Director	Position	Board (10 meetings)	Finance Committee (11 meetings)	Remuneration Committee (3 meetings)	Assurance Committee (10 meetings)	MHA Scrutiny Committee (4 meetings)	Governance and Nominations Committee (2 meetings)	Audit and Risk Committee (4 meetings)	Charitable Funds Committee (6 meetings)
Alistair Stokes	Chairman	9/10	-	3/3	invited	4/4	2/2	-	-
Liz Bailey *Left in Jan 2015	Non-Exec	8/8	-	3/3	8/8	3/3	-	3/3	-
Barry Neaves	Non-Exec	10/10	-	3/3	-	4/4	2/2	4/4	-
Brad Roynon	Non-Exec	10/10	11/11	3/3	9/10	-	-	4/4	6/6
Mick Tutt	Non-Exec	9/10	-	3/3	10/10	4/4	2/2	-	6/6
Jon Pittam	Non-Exec	10/10	11/11	3/3	-	4/4	-	-	-
Sue Harriman *Joined Sept 2014	Chief Exec	6/7	6/7	-	5/5	-	1/1	2/2	-
Mandy Rayani *Joined Sept 2014	Exec	6/6	-	-	4/4	1/2	-	1/2	-
Tony Snell	Exec	10/10	-	-	10/10	4/4	-	-	-
Alex Whitfield	Exec	10/10	-	-	8/10	4/4	-	-	-
Ros Tolcher *Left July 2014	Chief Exec	2/2	1/1	-	2/2	-	1/1	-	-
Judy Hillier *Left in July 2014	Exec	3/3	-	-	3/3	1/1	-	-	1/1
Michael Parr *Left Feb 2015	Exec	5/6	4/4	-	-	-	-	-	0/2



Audit and Risk Committee

Frequency of meeting: At least quarterly (plus private meeting with External Auditor). During 2014/15 the committee met four times.

The purpose of the Audit Committee is to provide one of the key means by which the Board of Directors ensures that effective internal control arrangements are in place. The Committee operates in accordance with terms of reference set by the Board, which are consistent with the NHS Audit Committee Handbook and the NHS Foundation Trust Code of Governance. All issues and minutes of these meetings are reported to the Board. In order to carry out its duties, Committee meetings are attended by the Chief Executive, the Director of Finance and representatives from Internal Audit, External Audit and Counter Fraud on invitation. The Committee directs and receives reports from these representatives, and seeks assurances from trust officers.

The Committee's duties can be categorised as follows:

- Governance, Risk Management and Internal Control
- Internal Audit
- External Audit
- Other Assurance Functions – including Counter Fraud
- Financial Reporting

In year the Committee has received progress reports against recommendations identified by Internal and External Auditors, received committee specific health sector updates, and received updates on financial governance processes, including single tenders, losses and special payments, as well as receiving briefings on clinical audit and counter fraud investigations.

Audit and Risk Committee composition and attendance 2014/15 is previously summarised.

Significant issues in relation to financial governance were raised by the Finance Committee and Audit & Risk Committee in year and this is reflected in the additional reviews commissioned by the Trust, the Head of Internal Audit Opinion for 2014/15 and External Audit Value for Money opinion. Further details can be found within the Annual Governance Statement.

Details of other committees of the Board are described in the Annual Governance Statement, page 62.

Internal audit

Our Internal Auditors, KPMG LLP were appointed from 1 April 2012 for 3 years, with a one year extension. Internal Audit provides an independent assurance with regards to the trust's systems of internal control to the Board. The Audit and Risk Committee considers and approves the internal audit plan and receives regular reports on progress against the plan, as well as the Head of Internal Audit Opinion which provides an opinion on the overall adequacy and effectiveness of the organisation's risk management, control and governance processes. The Committee also receives and considers internal audit reports on specific areas, the opinions of which are summarised in the Annual Governance Statement page 62.

The cost of the internal audit provision for 2014/15 was £56,175 and the fee associated with the additional review on the Trusts Financial Position was £19,937.

External audit

Our External Auditors are Ernst & Young LLP (appointed from August 2012 following the transfer of audit function from the Audit Commission to private organisations). We recognise the role the Council of Governors will have in the appointment of the External Auditors, once we are licenced as a Foundation Trust.

The main responsibility of External Audit is to plan and carry out an audit that meets the requirements of The Code of Audit Practice and the NHS Manual for Accounts.

External Audit is required to review and report on:

- The trust's accounts
- Whether the trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources

The Audit and Risk Committee reviews the external audit annual audit plan at the start of the financial year and receives regular updates on progress. The Committee also receives an Annual Audit Letter.

The cost of the external audit provision to conduct the statutory audit for 2014/15 was £90,991.

Regarding non-audit services, in 2014/15 the Board commissioned a separate arm of Ernst & Young to conduct a review of the ICT contract reset process. The Board does not consider there to be any conflicts of interest in relation to the role of the external auditor.

Disclosure of information to auditors

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

Counter fraud

A Local Counter Fraud Specialist (LCFS) is provided by Hampshire and Isle of Wight Fraud and Security Management Service. The role of the LCFS is to assist in creating an anti-fraud, corruption and bribery culture within the Trust; to deter, prevent and detect fraud, to investigate suspicions that arise, to seek to apply appropriate sanctions; and to seek redress in respect of monies obtained through fraud. The Audit and Risk Committee receives regular progress reports from the LCFS during the course of the year and also receives an annual report. The trust's Counter Fraud provision has received an overall rating of Green (the highest possible rating) from NHS Protect.

We have implemented agreed policies and procedures, such as the Fraud, Corruption and Anti-bribery Policy as well as a Whistleblowing Policy and issues of concern are referred to the LCFS for investigation.

Remuneration

Full details of remuneration are given in the remuneration report on page 85.



Shadow Council of Governors

Elections to our inaugural Council of Governors were announced in August 2013 and since then the Council has operated in 'shadow form' and will continue to do so until we are licenced as a Foundation Trust.

The shadow Council comprises 14 publicly elected governors and five staff elected governors representing the constituencies of Portsmouth, Southampton and Hampshire, as well as six appointed governors from partner organisations. Usually all governors serve a three year term of office. However, once licenced and in this initial period, publicly elected governors and uncontested seats retire after two years before re-election to ensure continuity of governors on the Council. During 2014/15 two governors resigned and the next highest polling candidates took the vacant seats in accordance with the trust's constitution.

Since its inception, the Council has established the statutory (shadow) Nomination and Remuneration Committee (recognising the role the Council will have in appointing/removing and remunerating non-executive director members of the Board, including the Chair) and working groups focusing on governor development, membership recruitment and engagement and planning and strategy. A Quality and Patient Experience Group was also originally established. During Q4 of 2014/15, the group amalgamated with the Trust's previous Patient Experience and Public Involvement Group to form a new group, the Patient Experience Forum with governor membership and representation from Healthwatch.

At each shadow Council meeting a clinical presentation is provided to broaden the governors understanding of the trust and its services.

A summary of the topic areas covered by the groups in year is as follows;

Membership Recruitment and engagement

- Governor communications strategy
- Membership engagement plan
- Objectives for the working group
- Membership satisfaction survey
- Social media

Quality and Patient Experience

- Briefing on Releasing Time to Care
- Outcome of the CQC quality summit, actions and next steps
- Safeguarding adults
- Briefing on the Patient Experience and Public Involvement Group (PEPI)

Planning and Strategy

- Annual Operating Plan and mechanisms for sharing the plan with members
- Workforce and OD strategy
- Briefing on the financial Plan (5 year plan)
- Updates on the Market Plan
- Status reports on Financial Recovery
- Briefings on the estate strategy
- Round table discussions on the NHS 5 year plan, competition in the NHS, training and workforce training in a changing environment, the Trust's business vision and business planning process

Nominations and Remuneration Committee

- Briefing on non-executive director Tenure
- Presentation on pay baselines

Governor Development

- Induction evaluation

The shadow Council has defined terms of reference, which details the roles and duties of the Council. This is underpinned by the Scheme of Delegation and Reservation of powers which distinguishes the types of decisions made by the Council, and separately the Board of Directors.

Composition of Shadow Council of Governors

Publicly elected governors (14)			
Name	Constituency	Tenure	Notes
Christine Cassell	Southampton	3 years	
Clive Clifford	Southampton	3 years	
Hope Jackman	Southampton	3 years	
David Lickman	Southampton	2 years	
Jon Clark	Southampton	2 years	
Narcisse Kamga	Portsmouth	3 years	
Michael North (Lead Governor)	Portsmouth	3 years	
Paul Rolfe	Portsmouth	3 years	Resigned 12 Jan 2015
David Stephen Butler	Portsmouth	3 years	
Sharon Ward	Portsmouth	2 years	
Graham Cox	Portsmouth	2 years	Accepted seat 5 Feb 2015
Sharon Collins	Hampshire	3 years	
Pearl Elizabeth Dell May	Hampshire	3 years	
Harry Hellier	Hampshire	2 years	
Robert Blackman	Hampshire	2 years	
Staff elected governors (6)			
Teresa Freeman	Southampton	3 years	Left the Trust 19 Dec 2014
Debra O'Brien	Southampton	3 years	Accepted seat 12 Jan 2015
Sarah Osborne	Southampton	3 years	
Jenny Ford	Portsmouth	3 years	
Fran Williams	Portsmouth	3 years	
Lucy Foord	Hampshire	2 years	
Appointed governors (6)			
David Williams – Portsmouth City Council		3 years	
Councillor Dave Shields – Southampton City Council		3 years	
Councillor Patricia Stallard – Hampshire City Council / Councillor Ann Briggs appointed 25 June 2014		3 years	Cllr. Patricia Stallard resigned June 2014 and Cllr Briggs appointed as HCC representative 25 June 2014
Dr. Chris Stephens - University of Southampton *		3 years	
Dr. Elizabeth Fellows – Portsmouth City Clinical Commissioning Group		3 years	
Dr. Elizabeth Palmer – Southampton City Clinical Commissioning Group		3 years	

* (rotational seat with University of Portsmouth)

The shadow Council held internal elections for the role of Lead Governor in March 2014. Michael North, Portsmouth Public Governor, was announced as Lead Governor serving a one year term from 1 April 2014 to 31 March 2015 and was recently re-elected to serve another one year term. The Lead Governor will have a role to play in facilitating direct communication between Monitor and the Council.

Two vacancies occurred in year; one concerning a Southampton staff constituency seat and one concerning a Portsmouth public constituency seat. These seats were filled in accordance with the trust's draft constitution.



Council attendance 2013/14

Governor	23 April 2014	22 July 2014	20 October 2014	13 January 2015
Christine Cassell	✓	✓	Apologies	✓
Clive Clifford	✓	Apologies	✓	✓
Hope Jackman	Apologies	Apologies	Apologies	Apologies
David Lickman	✓	Apologies	Apologies	Apologies
Jon Clark	Apologies	✓	✓	✓
Narcisse Kamga	✓	✓	✓	✓
Michael North	✓	✓	✓	Apologies
Paul Rolfe	Apologies	Apologies	Apologies	Apologies
Sharon Ward	Apologies	✓	✓	Apologies
David Stephen Butler	✓	✓	✓	✓
Sharon Collins	✓	Apologies	✓	✓
Pearl Elizabeth Dell May	Apologies	Apologies	Apologies	✓
Harry Hellier	✓	✓	✓	✓
Robert Blackman	✓	✓	✓	✓
Teresa Freeman	✓	✓	✓	Left Trust
Sarah Osborne	✓	✓	Apologies	✓
Jenny Ford	Apologies	Apologies	✓	Apologies
Fran Williams	✓	✓	✓	✓
Lucy Foord	Apologies	Apologies	✓	Apologies
David Williams – Portsmouth City Council	Apologies	Apologies	✓	Apologies
Cllr Dave Shields – Southampton City Council	✓	Apologies	✓	✓
Cllr Patricia Stallard – Hampshire City Council / Cllr Ann Briggs appointed 25th June 2014	Apologies	Apologies	Apologies	Apologies
Dr. Chris Stephens - University of Southampton*	Apologies	Apologies	✓	Apologies
Dr. Elizabeth Fellows – Portsmouth City Clinical Commissioning Group	Apologies	Apologies	✓	Apologies
Dr Elizabeth Palmer – Southampton City Clinical Commissioning Group	✓	✓	✓	✓

*(rotational seat with University of Portsmouth)

Declaration of Interests

Name	Interest registered
Christine Cassell	<ul style="list-style-type: none"> • Director and shareholder in Rise Community Development Ltd • Volunteer for Stroke Association • Member of UKIP
Clive Clifford	<ul style="list-style-type: none"> • Nil
Hope Jackman	<ul style="list-style-type: none"> • Nil
David Lickman	<ul style="list-style-type: none"> • Nil
Jon Clark	<ul style="list-style-type: none"> • Wife works for Faculty of Medicine at the University of Southampton
Narcisse Kamga	<ul style="list-style-type: none"> • The Sickle Cell Society • MENCAP
Michael North	<ul style="list-style-type: none"> • Nil
Paul Rolfe *Left in January 2015	<ul style="list-style-type: none"> • Trustee of John Pounds Centre • Employed by Highbury College as Head of Technology and Innovation
Sharon Ward	<ul style="list-style-type: none"> • Nil
Graham Cox *Joined February 2015	<ul style="list-style-type: none"> • Wife works for Solent NHS Trust Bank Staff • Previous education manager for the National Childbirth Trust • Member of the Labour Party • Member of the Workers Education Association • Member of the Higher Education Academy
David Stephen Butler	<ul style="list-style-type: none"> • Portsmouth Royal Dockyard Historical Trust • Portsmouth Panel of the Hampshire and Isle of Wight Charities Foundation
Sharon Collins	<ul style="list-style-type: none"> • Nil
Pearl Elizabeth Dell May	<ul style="list-style-type: none"> • Nil
Harry Hellier	<ul style="list-style-type: none"> • Nil
Robert Blackman	<ul style="list-style-type: none"> • Nil
Teresa Freeman *Left December 2014	<ul style="list-style-type: none"> • Member of 'Friends of Snowdon', a registered Charity
Debra O'Brien *Joined January 2015	<ul style="list-style-type: none"> • Nil
Jenny Ford	<ul style="list-style-type: none"> • Nil
Sarah Osborne	<ul style="list-style-type: none"> • Member of St John Ambulance
Lucy Foord	<ul style="list-style-type: none"> • Nil
Fran Williams	<ul style="list-style-type: none"> • Nil
David Williams	<ul style="list-style-type: none"> • Board member of Portsmouth CCG • Director of University Technical College Portsmouth (UTC Portsmouth)
Cllr. Dave Shields	<ul style="list-style-type: none"> • Member of Healthwatch England
Cllr. Patricia Stallard	<ul style="list-style-type: none"> • Nil
Cllr. Ann Briggs	<ul style="list-style-type: none"> • Nil
Dr. Chris Stephens	<ul style="list-style-type: none"> • Employed by Faculty of Medicine, University of Southampton
Dr. Elizabeth Fellows	<ul style="list-style-type: none"> • Partner in Milton Park Practice • Involved in Southsea Integrated Care Pilot • Clinical Executive Portsmouth CCG
Dr. Elizabeth Palmer	<ul style="list-style-type: none"> • Clinical Programme Lead for Paediatrics and Supporting Families for Southampton City CCG • Employed by Solent NHS Trust as salaried GP

Engagement with the Board of Directors during 2014/15

- The shadow Council is Chaired by the trust Chair, this provides a link between the Board of Directors and the Council
- The Chair and Chief Executive Officer hold monthly governor surgeries where governors are invited to meet with them to discuss any key issues or concerns
- The Chief Executive Officer, the Company Secretary, one non-executive director (on rotation), and either the Director of Finance and Performance, the Director of Nursing and Quality or the Medical Director, depending on the agenda items, attend each Council meeting
- The entire Board of Directors are invited to join two Council meetings a year
- Board members and governors are invited to key events such as the annual staff VIP event (a celebration of staff achievement and recognition) and the annual research and development conference
- At each Board meeting, the Chairman has the opportunity to raise any concerns or issues raised by the governors or via the trust's membership
- Governor observers attend the Assurance Committee, Audit and Risk Committee, Mental Health Act Scrutiny Committee and the Charitable Funds Committee and are invited to meet with the non executive chairs before / after the meeting to raise any queries
- A governor representative joins executive and non executive colleagues on monthly Board to floor patient safety visits
- Non executive directors are invited to attend all governor development activities and governor service visits facilitating engagement and
- Governors and non executive directors participate in Patient-Led Assessments of the Care Environment (PLACE) inspections.

Our membership

Defining the membership constituencies

Membership of the trust is drawn from two constituencies:

- Public constituency – people aged over 14 based in Southampton, Portsmouth and wider Hampshire and includes patients, service users and carers.
- Staff constituency –all permanent members of staff, as well as bank staff over 12 months and temporary staff on a contract of over 12 months, unless they opt out.

The public constituency

The public constituency consists of three distinct constituencies with no further subdivisions:

- Portsmouth city
- Southampton city
- Hampshire

The main membership focus is on the cities as this is where the majority of our services are delivered.

Staff constituency

Consistent with the values of the organisation, it is assumed that all staff will be members, unless they choose to opt out. Staff members include all those who have worked with the organisation for a period of 12 months or more, on a fixed term contract or as bank staff. We invite bank and those on secondments, for less than 12 months, to become a public member. We also ask honorary, agency and volunteers to become a public member.

The staff constituency is subdivided into geographical constituencies to ensure a practical working link between members and governors. The three staff constituencies are:

- Staff predominantly based in Portsmouth
- Staff predominantly based in Southampton
- Staff whose focus is in Hampshire



Membership numbers

We have set the membership target at 1% of the Portsmouth and Southampton populations and 0.25% of the Hampshire population. Actual targets are summarised below;

- 1% of the Southampton population: 2,408
- 1% of the Portsmouth population: 2,084
- 0.25% of the Hampshire population: 3,348

We aim to have a membership of 11,340 by December 2015, including a staff membership of at least 3,500.

Our targets for recruitment are shown below.

Area	By year one end 2011-2012	By year two end 2012-13	By year three end 2013-14	By end of December 2015
Southampton – Public	600	2,100	2,450	2,408
Portsmouth – Public	440	2,100	2,450	2,084
Hampshire	360	1,800	2,100	3,348
Total	1400	6,000	7,000	7,840

Area	By year one end 2011-2012	By year two end 2012-13	By year three end 2013-14	By end of December 2015
Staff	3,500	3,500	3,500	3,500
Total (including public members)	5,050	9,500	10,500	11,340

Membership recruitment during 2014/15

During the year our membership database, which profiles the local population, was updated to reflect the 2011 Census data. Our recruitment targets were refreshed to ensure our membership continues to reflect the demographics of the local population. The Census data increased our membership by 840 members.

Our recruitment activity, during the first part of the year, focussed on increasing the number of members registered, and in the latter part of the year has been on ensuring we are representative across all demographics. This focus will continue in 2015/16.

Our public membership figures are reported quarterly to the Board. The report includes the number of new members who have joined in the previous quarter, as well as the number of leavers over the same period. It also breaks down the membership figures according to age, ethnicity, socio-economic grouping and gender, as well as our targets for each of these categories. This ensures that we continue to achieve a membership which is representative of the local community. The staff membership figure is also reported quarterly to the Board.

The membership figures as at 31 March 2015 are shown below. Our membership is broadly representative of the local population.

As at 31 March 2015 our total public membership was 7,370 broken down into the following constituencies:

- Southampton: 2,120 members
- Portsmouth: 1,901 members
- Hampshire: 3,349 members

Our staff membership was 4,065.

We recognise the need to undertake specific recruitment activity to ensure we are representative across all demographics. Our priority areas of recruitment for 2015/16 include:

- Affluent achievers (as named by Acord profiling)
- Southampton residents
- Portsmouth residents
- People aged 14-16
- Males
- People of white ethnicity

We will be targeting these specific groups of people by creating a targeted plan.

Public constituency	as at 31 March 2015
Total	7,370
Staff constituency	as at 31 March 2015
Total	4,065

Analysis of current membership

	As at 31 March 2015	Target figures per category	Local population per category
Public constituency. Age (years):			
0 - 16	81	1,548	353,141
17 - 21	962	511	116,655
22 - 29	1,239	831	189,566
30 - 39	1,131	957	218,236
40 - 49	984	1,121	255,855
50 - 59	933	1,003	228,818
60 - 74	1,302	1,197	273,042
75+	676	672	153,283
Not stated	62	0	0
Total	7,370	7,840	1,788,596
Ethnicity:			
White	6,069	7,293	1,636,833
Mixed	92	130	29,196
Asian or Asian British	281	302	67,722
Black or Black British	155	76	17,142
Other	91	39	8,833
Not stated	682	0	0
Total	7,370	7,840	1,759,726
Socio-economic groupings*:			
AB	1,754	2,035	138,259
C1	2,130	2,531	171,968
C2	1,526	1,630	110,742
DE	1,872	1,644	111,714
Unknown	88	0	0
Total	7,370	7,840	532,683

**14-16 years

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Gender analysis:			
Male	2,781	3,870	882,953
Female	4,475	3,970	905,644
Unknown	114	0	0
Total	7,370	7,840	1,788,597

***14-16 years target has been calculated by dividing the 0-16 years target of 1548 by 17 (number of years in the category). The result was then multiplied by 3 (number of years between 14 and 16) to achieve a target figure.*

** Socio-economic data should be completed using profiling techniques (eg: postcode) or other recognised methods. To the extent socio-economic data is not already collected from members, it is not anticipated that NHS foundation trusts will make a direct request for this.*

Membership engagement

We continued to explore opportunities to engage with our members during 2014/15.

During the year we:

- Continued with our programme of 'Wellbeing for all' events with topics focussing on Diabetes, Anxiety and Safeguarding Adults and Children from harm.
- Continued to ask members, who were part of our Virtual Patient Information Group, to review and comment on patient information for ease of understanding.
- Engaged with young members specifically around the creation of our School Nursing leaflets.
- Published four, quarterly editions of Shine, our newsletter for both staff and public members. This quarterly publication, which is also published in an easy-read version, keeps public and staff members up-to-date with the latest news from the Trust and the wider NHS.
- Asked members to comment on specific campaign materials and concepts to ensure we developed successful campaigns.
- Asked younger members, under the age of 25, to share their thoughts on Long Acting Reversible Contraception methods. This feedback was used to shape our quarter four health campaign.
- Supported membership involvement in our Patient-Led Assessments of the Care Environment (PLACE) inspections. A number of members and governors took part in the inspections which look at non-clinical aspects of inpatient healthcare, such as cleanliness and dignity. PLACE puts a greater emphasis on the views of the patient/public assessors over those of staff.
- Invited members to comment on our priorities for 2014/15. A 'You said, we did' was published in response to this feedback.
- Invited members to attend drop-in sessions and focus groups around service and trust issues including the Portsmouth estates rationalisation programme.
- Invited members to get in touch with governors by promoting nhs.net email addresses for public governors on our website.
- Invited members to attend our Annual General Meeting 2014.
- Launched our monthly members' update e-newsletter.
- Asked members to take part in a survey to gather their views on the way in which we communicate and engage with them. The results from the survey will be used to create our 2015/16 engagement plan.

Annual Governance Statement 2014-15

Scope of responsibility

As Accountable Officer (and future Accounting Officer once licenced as a Foundation Trust), I have responsibility for maintaining a sound system of internal control that supports the achievement of the 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 Trust is administered prudently and economically and that resources are applied efficiently and effectively.

I also acknowledge my responsibilities as set out in the *Accountable Officer Memorandum* and in shadow, the *NHS Foundation Trust Accounting Officer Memorandum*.

The purpose of the system of internal control

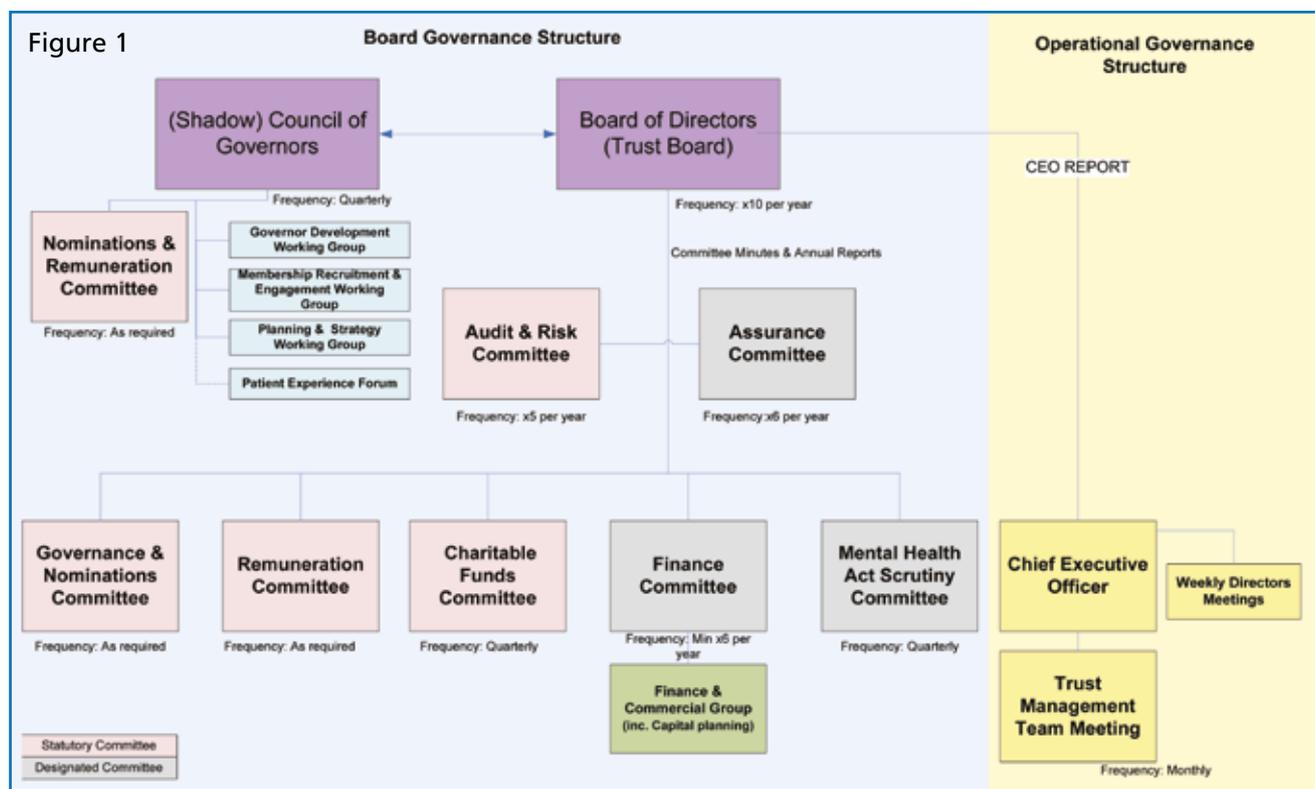
The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Solent 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 Solent NHS Trust for the year ended 31 March 2015 and up to the date of approval of the annual report and accounts.

The governance framework of the organisation

The role of the Board and its duties are explained on page 33 of the Annual Report.

The individuals who serve on the Board and changes to appointments can be found on page 33 of the Annual Report

Figure 1 illustrates the Committees of the Board.



A summary of the role of the Audit & Risk Committee is found on page 47 of the Annual Report and internal audit opinions for the audits carried out in year are as follows:

Audit Title	Opinion
Budgetary Control <ul style="list-style-type: none"> • Budget monitoring process • Budget setting and eRostering implementation 	<ul style="list-style-type: none"> • Partial assurance with improvements required • No assurance
Business Continuity and Disaster Recovery Review	Partial assurance with improvements required
Information governance	Significant assurance with minor improvement opportunities
Safeguarding Adults	Partial assurance with improvements required
Partnership Governance	Significant assurance with minor improvement opportunities
Core financial systems: Pay expenditure	Partial assurance with improvements required
Board Assurance Framework	Significant assurance with minor improvement opportunities
<i>Requested assignments</i>	
Review of financial position projections	

Governance and Nominations Committee

Frequency of meeting: At least annually and as required. During 2014-15 the Committee met twice.

The Committee's main purpose is to lead in the identification and recommendation of candidates to executive vacancies to the Trust Board. The Committee also considers and keeps under review governance arrangements for the Trust including Committee Structure and Committee Terms of reference and to make proposals to Trust Board as appropriate.

The Committee is responsible for assessing the size, structure and skill requirements of the Board, and for considering any changes necessary or new appointments. If a need is identified, the Committee will produce a job description, decide if external recruitment consultants are required to assist in the process and instruct the selected agency, shortlist and interview candidates. If the vacancy is for a Non-Executive Director the recruitment process is handled by the Trust Development Authority. The Chairman, Non-Executive Directors and the Chief Executive (except in the case of the appointment of a new Chief Executive) are responsible for deciding the appointment of executive Directors. The Chairman and the Non-Executive Directors are responsible for the appointment and removal of the Chief Executive. All new appointees received an appropriate induction.

Remuneration Committee

Frequency of meeting: At least annually and as required. During 2014-15 the Committee met three times.

The Remuneration Committee is comprised of the Non-Executive Directors (and others by invitation). The Committee reports to Confidential Board meetings regarding recommendations and the basis for its decisions. The Committee makes decisions on behalf of the Board about appropriate remuneration (including consideration of performance related pay and to note decisions of the Clinical Excellence Awards), allowances and terms of service for the Chief Executive and other Executive Directors.

Charitable Funds Committee

Frequency of meeting: Quarterly. During 2014-15 the Committee met six times.

The Corporate Trustee (Solent NHS Trust), through its Board, has delegated day to day management of the charity (Solent NHS Charity) to the Committee. The Committee ensures that funds are spent in accordance with the original intention of the donor (where specified), oversees and reviews the strategic and operational management of the Charitable Trust Fund as well as ensuring legislative requirements in accordance with the Charity Commission are met. The Committee is also responsible for developing and managing policies and procedures in relation to the management of Charitable Funds, monitoring the investment portfolio and the development of the fundraising strategy.

Assurance Committee

Frequency of meeting: Ten times a year. During 2014-15 the Committee met ten times.

The Assurance Committee is responsible for seeking assurance and scrutinising all matters relating to quality and regulatory compliance; including seeking assurance of progress against action plans across the organisation including those generated for example, from Care Quality Commission visits.

The Committee has been established to enable the Board to obtain assurance that high standards of care are provided by the Trust, and in particular that adequate and appropriate governance structures, processes and controls are in place throughout the Trust to:

- promote quality, safety and excellence in patient care;
- identify, prioritise and manage risk;
- ensure the effective and efficient use of resources
- protect the health and safety of Trust employees
- ensure that all statutory requirements are complied with

The Committee also seeks assurance that the development of all clinical governance activities within the evolving eight service lines improves the quality of care throughout the Trust as well as assuring the Board of the organisation's compliance with national and local statutory requirements with regard to clinical care. Assurance on all aspects of quality (including patient safety and experience, infection control, health and safety, safeguarding, risk management, research and development, clinical effectiveness, clinical audit and oversight of quality impact of the Cost Improvement Programme) as well as Regulatory Compliance is sought from the Committee's reporting groups (via the Quality Improvement & Risk Committee) and via the service line 'deep dives'.

Finance Committee

Frequency of meeting: At least six times a year. During 2014-15 the Committee met eleven times.

The Finance Committee is responsible for ensuring appropriate financial frameworks are in place to drive the financial strategy, and provide assurance to the Board on financial matters as directed. The Committee focuses on the following areas; strategic financial planning, business planning processes, annual budget setting and monitoring, treasury management, the financial recovery programme and financial control, business management (including overseeing the implementation of Service Line Reporting and Service Line Management) as well as conducting in depth reviews of aspects of financial performance as directed by the Board and reviewing the financial requirements of the FT application. Due to the disappointing start to the financial year, the Committee met more frequently than in previous years, to monitor the financial recovery position. The Finance Committee has been integral to the Board in providing scrutiny and oversight concerning the delivery of the CIP and has requested a number of deep dives both at service line and corporate levels. The Committee has also evaluated and scrutinised key investment decisions.

Mental Health Act Scrutiny Committee (MHAS Committee)

Frequency of meeting: Quarterly. During 2014-15 the Committee met four times.

The central purpose of the Committee is to oversee the implementation of the Mental Health Act 1983 functions within the Trust principally within Adult and Older Persons Mental Health, and Learning Disabilities services. The Committee has primary responsibility for seeing that the requirements of the Act are followed. In particular, to seek assurance that service users are detained only as the Mental Health Act 1983 allows, that their treatment and care accord fully with its provisions, and that they are fully informed of, and are supported in exercising, their statutory rights. In addition, on an annual basis the Trusts external legal advisors provide update training in relation to the Mental Health Act.

Attendance records at the Board and its committees are included within the Annual Report page 45.



Highlights of Board Committee Reports

The Board has an agreed annual cycle of business and receives monthly exception reports via the relevant Chair in relation to recent meetings of its Committees. The Board, as a standing item at each meeting, also considers whether additional assurance is sought from its Committees on any items of concern. The monthly Chief Executive update includes commentary on significant changes recorded in the Board Assurance Framework and Corporate Risk Register. Progress on corporate and strategic objectives is reported quarterly within the performance report.

The Trust has met all the required standards for 2014/15 for all applicable statements against the NHS TDA monthly self-certification requirements - 'Compliance Monitor'. However for the NHS TDA monthly self-certification requirements - 'Board Statements', the Board have not been able to maintain compliance for the statements regarding financial going concern, compliance with the NDTA Accountability framework and delivery against the Annual Operating Plan. This is due to the financial challenges that the Trust has faced during 2014/15; however all other 11 statements have been met.

Performance Evaluation of Board

The Trust has undertaken a number of processes in year to assist in the evaluation of the Board, its Directors and Committees, including appraisals and mid-year reviews (the Chief Executive appraises the Executive Directors and the Chairman appraises the Chief Executive and the Non-Executive Directors. The Chair is appraised by the Trust Development Authority). The Board also reflected on the committee governance arrangements in Quarter 4 and recommended a number of changes aimed at enhancing assurance processes, strengthening internal control processes and preventing duplication. In addition, a number of internal audits were completed, as described on page 63 and annually each Board Committee presents an annual report to the Board detailing a summary of business transacted and achievements against the agreed Committee objectives.

Acknowledging that the Board has a diverse range of experience and skills and the need to harness these assets to help ascertain Foundation Trust readiness, the Board undertook an internal peer review in Quarter 3 of 2014-15. The peer reviews focused on a range of subject areas and were each lead by executive leads and non-executives. The outputs and developmental needs were then incorporated into a refresh of the Board Development Plan.



Capacity to handle risk

Risk management and quality governance accountability and leadership

As Chief Executive, I am ultimately accountable for governance and risks relating to the operational delivery of all clinical and non-clinical services provided by the Trust and its subcontracts.

The Board sets the Trust's risk appetite and is briefed monthly on all significant risks within the CEO report.

Key roles in relation to risk management and quality governance include;

- Chief Nurse - nominated Executive Lead Director for risk management and quality governance
- Clinical Risk Manager - senior manager responsible for developing and overseeing the implementation of the Risk Management Framework, risk procedures and administering the corporate risk register. The Clinical Risk Manager is also responsible for the emerging Patient Safety agenda working with local patient safety initiatives and forums. Together the Chief Nurse and Chief Operating Officer ensures emergency planning and disaster recovery plans are established and regularly tested.
- Clinical Directors - accountable for risk and clinical governance within their respective service lines, supported by the Operational Directors and Governance Leads.
- Service Line Clinical Governance Groups, chaired by the Clinical Director - responsible for the oversight of quality and risks, triangulating performance information to monitor and address service quality. The groups provide exception reporting to the Assurance Committee and on a rolling basis provide deep dive reports to the Committee. The service line structure provides high levels of autonomy increasing the effectiveness and accountability of the clinical services.
- Operational Directors and Heads of Service – responsible for managing operational risks originating within their service areas.

- Trust Management Team - oversees operational responses to risks contained in the Corporate Risk Register. The roles of the Assurance Committee and Audit and Risk Committee are described previously.

The Trust has established processes to formally assess all Cost Improvement Plans (CIPs) and other transformation schemes, against the potential or foreseeable risks which could impact on quality via a Quality Impact Assessment (QIA) which identify key leading indicators. A gateway approach to the agreement of CIPs and QIAs has been embedded with signoff by the applicable service line Clinical and Operational Directors in consultation with services prior to review by the Medical Director and Chief Nurse. The Service Line Clinical Governance Groups are responsible for the management and review of QIAs and associated risks with corporate oversight via the Assurance Committee.

Risk management training

Formal training is provided through the Risk Management and Learning and Development Teams to ensure staff are equipped to manage risk appropriately. Training includes; the legal framework, risk management principles, escalation processes, accountabilities, risk assessment, hazard identification, root cause analysis, investigator training, risk management and the principles of being open/duty of candour.

Risk assurance

The Board Assurance Framework (BAF) provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been identified and where gaps exist, that appropriate mitigating actions are in place to reduce the risk to a tolerable level. The Audit and Risk Committee tests the effectiveness of this system.

To ensure the Trust continues to comply in shadow, with Monitor's NHS Provider Licence, notably condition FT4 concerning governance arrangements, the Trust continues to implement a compliance log and regularly reports to Board on compliance against licencing requirements.

The risk and control framework

I am assured that risk management processes are firmly embedded within the Trust and incident reporting is openly and actively encouraged to ensure a culture of continuous improvement and learning and there are appropriate deterrents, for example concerning fraud and corruption. The organisation understands that successful risk management requires participation, commitment and collaboration from all staff.

The Risk Management Framework (including strategy, policy and processes) provides an overarching framework for the management of internal and external risk and describes the accountability arrangements, processes and Trust's risk tolerance. The Trust's approach to risk management encompasses the breadth of the organisation by considering financial, organisational, reputational and project risks, both clinical and non-clinical.

This is achieved through:

- an appropriate framework; delegating authority, seeking competent advice and assurance
- a clear risk appetite, risk culture, philosophy and resources for risk management
- the integration of risk management into all strategic and operational activities
- the identification and analysis, active management, monitoring and reporting of risk across the Trust
- the appropriate and timely escalation of risks
- an environment of continuous learning from risks, complaints and incidents in a fair blame/non-punitive culture underpinned by open communication
- consistent compliance with relevant standards, targets and best practice
- business continuity plans and recovery plans that are established and regularly tested; and

- Fraud deterrence including the proactive work conducted by the Local Counter Fraud Service, policies on Fraud, Corruption and Anti-bribery, debt recovery and the threat of prosecution. Fraud deterrence is integral to the management of risk across the organisation especially as there could be clinical or health and safety implications which could then impact upon the organisation. Staff are encouraged to report any potential fraud using the online incident reporting process appropriately including anonymous reporting if necessary. We are not aware of any specific areas within the organisation that are at risk of fraud, however we cannot be complacent. Notifications from the Counter Fraud team improve our knowledge and awareness of the risk of fraud.
- The wider public via their elected governors, can raise concerns or issues concerning risk via the various meetings the governors attend and observe and via the established communication channels.

Equality impact assessments are carried out to assess the impact of the Trust's decisions and design of services as part of the Trust's legal duty under the Equality Act 2010. The Trust also considers, using the assessments, how its policies, procedures and service planning takes into account the diverse needs of those intended to benefit from them. Following the completion of the equality impact assessment any issues identified would be appropriately reported through the risk management process.

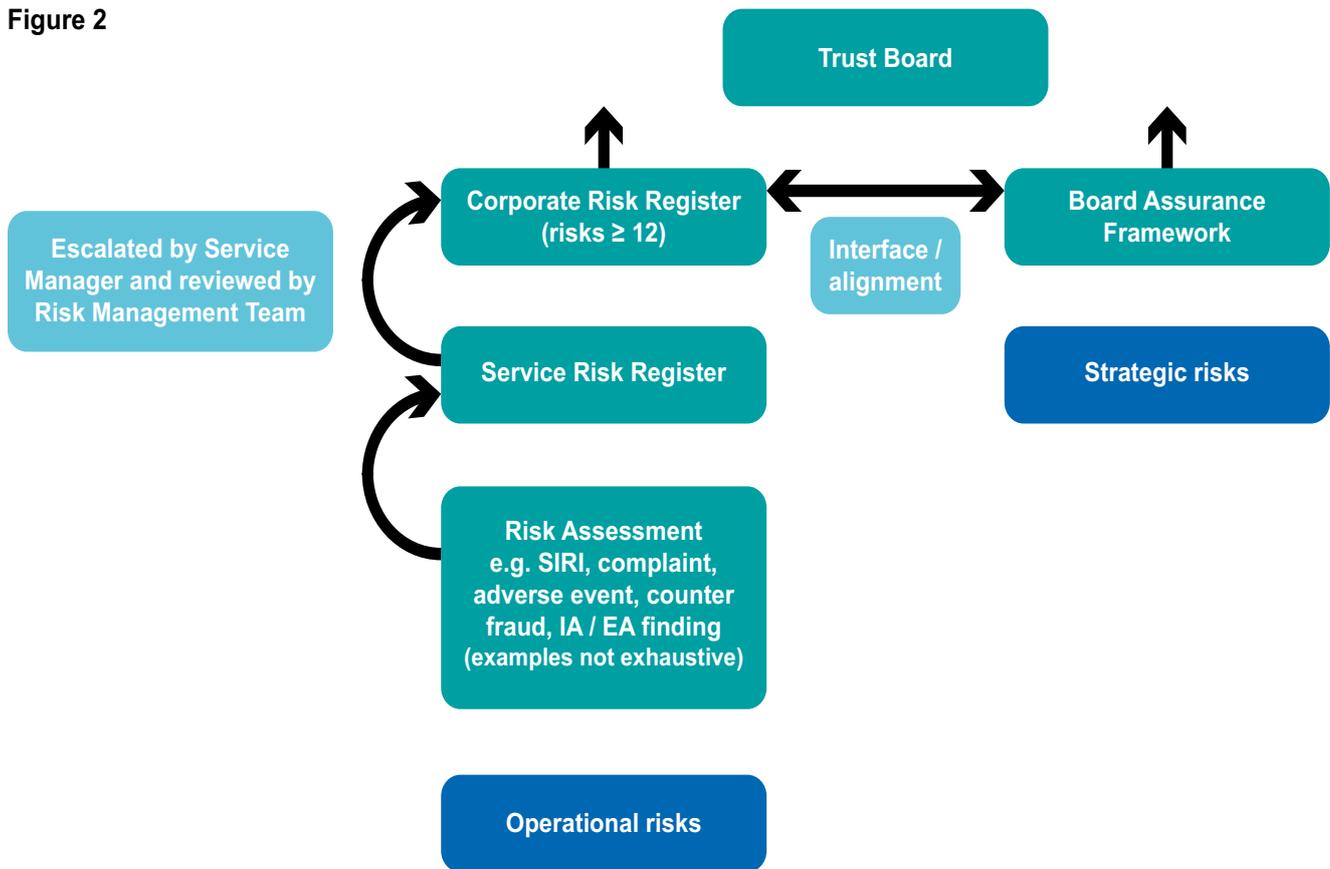
Risk assessment process

The organisation has structured risk assessment and management processes in place. This also includes having trained, service-based risk assessors in place to undertake assessment to support local management. Service Managers are responsible for managing action planning against identified risks and for escalating those risks with additional resource implications via service risk registers. The Risk Management Team receives and centrally records risk assessments to identify commonalities for organisational risk treatment and escalation.

Risk registers operate at service line level for all risks scoring 12 or above being escalated to the corporate risk register, in accordance with the risk appetite, agreed by Board.

Figure 2 illustrates the risk reporting structure.

Figure 2



Risk identification and measurement

Risk identification establishes the organisation's exposure to risk and uncertainty. The process used by the Trust include, but is not limited to; risk assessments, adverse event reports including trends and data analysis, Serious Incidents Requiring Investigation (SIRI), claims and complaints data, business decision making and project planning, strategy and policy development analysis, external/internal audit findings /recommendations and whistle blowing.

As the organisation has implemented online web incident and risk reporting, this has provided the ability for real time reporting and escalation and aligns existing systems used for incident, complaints and claims reporting. In turn this has enabled the Risk Team (and service managers) to provide swift response and support to services. The use of the online system supports the triangulation of data from incidents, claims and complaints for further analysis and assurance.

The Trust uses the National Patient Safety Agency likelihood and severity matrix to assign a risk score and we recognise that in all cases it is vital to set the risk into context for evaluation. Risks which fall outside of the remit of routine clinical assessment or are potentially significant for the organisation are approached and managed in line with the Risk Management Framework. The Trust is aware and encourages a proactive safety culture, good communication and teamwork all of which are inherent in the improvement of risk and the implementation of good clinical risk assessments. To ensure clinical risk assessments are appropriate they are always reviewed as part of all serious or high risk investigations so that lessons can be learnt and assessments improved if necessary.

The positive risk management culture and risk management processes have enabled the Trust to proactively identify, assess, treat and monitor significant risks in year.

The organisation's major risks, some of which were newly identified in year relate to:

- Risk of Financial Failure - mitigating actions include delivery against the Financial Recovery Plan, identification of CIP plans for 2015/16 and the development of CIP for 16/17, further embedding of enhanced governance concerning income and expenditure,
- Risk of Financial Sustainability (new risk identified in year) – the Financial Recovery Programme delivery is key to the ongoing success of the organisation. The Trust has a duty to breakeven within 3 years of its deficit position.

- Risk that the ICT infrastructure does not support the strategic requirement of the Trust- mitigations include implementation of new IT infrastructure and systems supporting mobile working.
- Risk associated with the inability to deliver transformation -mitigations include the translation of benefits realisation into service line CIP schemes and the implementation of a new CRS system, linked to anticipated efficiency savings.
- Risks associated with the transfer of Estates – The Trust inherited estate in 2014/15 and is working to review tenure documentation and clarify funds flows (links to Financial Failure risk)
- Risk of insufficient staff and / or skill mix – the Board receives regular updates on safe staffing and further work is being undertaken regarding safer staffing within community services. Contract negotiations continue with commissioners.
- Risk of loss of business and stranded costs - contract negotiations continue with commissioners and strong relationship management is key to ensuring the Trust is involved in any proposed changes at the earliest point.
- Risk in relation to community staffing levels for both Adult Services Portsmouth and Adults Services Southampton - difficulties recruiting to posts and vacancies could have a potential impact on patient care, result in patient harm, and reputational damage. In Portsmouth mitigations include redeploying staff to the most affected localities and ensuring recruitment advertisements are attractive. In Southampton, a service workforce review is being undertaken together with a review of contracted activity with commissioners as part of contract negotiations.
- There is also a risk in relation to fulfilling contractual obligations due to difficulties in recruiting staff to the Adelaide GP Surgery and Bitterne Walk in Centre. Four clinic closures have been investigated as Serious Incidents Requiring Investigation and have been reported to commissioners in the last six months.

We will continue to monitor and mitigate all significant risks associated with Cost Improvement Programmes.

Serious Incidents Requiring Investigation and incidents involving Information Governance (IG) matters

During 2014/15 we registered 132 Serious Incidents Requiring Investigation (SIRIs); 79 of which relate to incidents concerning pressure ulcer management/care. However, it should be noted that the system for capturing and monitoring pressure damage incidents changed significantly and not all incidents are attributable to our care. Further information can be found within the Quality Account regarding the actions we have taken in year to address this key priority area. Other SIRIs concerned unexpected deaths (15) and Slip, Trips or Falls (5), and unplanned closures concerning our primary care service line (5). We also investigated and responded to three Information Governance SIRIs, all of which are categorised as 'Disclosed in Error':

- The first SIRI occurred in April 2014 and related to information being placed on the incorrect patient's records, however this was a result of both patients having the same name and nearly identical dates of birth. This incident was investigated by the Information Commissioner's Office and no further action was taken.
- The second SIRI occurred in December 2014 and related to sensitive information being sent to the incorrect address and opened. The error occurred due to incorrect demographic details being provided to Solent by the local council. This incident has been reported to the Information Commissioner's Officer, who will review and respond to Solent NHS Trust with regards to any outcomes/actions that need to be taken.
- The third SIRI occurred in February 2015 and related to the inappropriate disclosure of an address to a third party. The error occurred when sending a child's medical report to two individuals; when doing so, identifying the addresses of both parties. As previous the incident has been reported to the Information Commissioner's Officer.

Our commissioners provide scrutiny to our SIRI process and confirm closure on investigations once appropriate assurance has been sought.

Information Governance Toolkit and data security

In March 2015 the Trust achieved Level 2 standard in relation to the national Information Governance Toolkit, which requires a considerable number of requirements and arrangements which must be achieved. This includes ensuring that at least 95 % of staff have completed Information Governance Training annually, which is a nationally recognised as an extremely challenging standard.

Data Security is a significant part of the IG Toolkit in terms of providing assurance and compliance at a Level 2. All Information Governance SIRI's are also reported and monitored using the IG Toolkit, which automatically reports these incidents to the Information Commissioner's Office, for investigation.

The IG Toolkit and all risks/incidents are closely monitored by the Trust's Senior Information Risk Owner (SIRO), Mandy Rayani - Chief Nurse (Acting SIRO) and the Trust's Caldicott Guardian, Dr Tony Snell – Medical Director.

Care Quality Commission (CQC) Compliance

The Trust has reported full compliance with the registration requirements of the Care Quality Commission through the year and routinely receives visits and inspections from the CQC. There are no outstanding issues recorded against the Trust. The Trust is fully compliant with the registration requirements of the Care Quality Commission.

Findings have generally been very positive when assessed against the CQC Essential Standards for Quality and Safety. The Trust underwent a new-style CQC inspection of all services in March 2014 and actions were identified which were classified as follows: action the Trust **Must** take, **Should** take and **Could** take.

The improvement actions identified in the **Must** category were:

- A review of access to Sexual Health Services to reduce waiting times and walk-in patients being turned away
- Consider the physical environment of the Kite Unit in line with published expert guidance
- Ensure that case loads of each mental health community team are supported by adequate levels of skilled and experienced staff

The CQC identified other areas for improvement that the Trust **Should** and **Could** consider to enhance services. An action plan was developed in response to the areas for improvement identified by the CQC and the implementation of the plan has been monitored through the Service Line governance arrangements with oversight by the Trust Quality and Risk Team. A follow-up visit by the CQC is expected to externally monitor improvements and compliance. In the meantime the Quality and Risk team is developing a schedule of internal monitoring visits as part of the wider Quality Assurance Framework being developed for 15/16.



Quality Governance Arrangements

The Trust has a range of arrangements in place which provide monitoring and assurance on matters relating to quality, safety and regulatory matters. Each service line has an identified lead for Clinical Governance who is responsible for supporting the Service Line Clinical Director in the delivery of the quality, safety and governance agenda. The Clinical Governance lead also liaises with the Trust Quality & Risk team to support cross organisational work streams and learning arising from incidents. The role profile for the Clinical Governance lead is currently under review to ensure consistency across all service lines.

Each Service Line has a governance structure in place which reports through to the Assurance Committee.

Specific Trust wide arrangements in place which support robust quality governance and assurance include:

- A Quality Impact Assessment process for all CIP schemes and service changes/reconfiguration
- SIRI (Serious Incident Requiring Investigation) process including RCA investigation and SIRI panel arrangement
- CQRM (Contract, Quality & Risk Management Meeting) monthly meetings with commissioners
- An audit programme (Trust wide and Service level covering standards and topic specific issues)
- Board to Floor visits (includes Executives, Non-Executives and Governors) to engage with frontline staff and patients
- Service review visits by Commissioners
- Announced and unannounced visits to clinical areas/teams by the Quality & Risk team
- Patient and service user feedback (FFT and other local mechanisms)
- Patient-Led Assessments of the Care Environments
- Patient and carer stories to Board
- Monthly reporting and publication of safe staffing status (with sign off by Matrons and oversight by the Quality & Risk Team)
- Monitoring of quality indicators through the Service Line performance sub-committee meetings
- Monthly review of the Corporate Risk Register and the Quality Governance Assurance Framework

In addition a monthly report on quality and safety matters, including the identification of performance against key quality metrics is provided to the Board.

The former Trust Patient Experience and Patient Involvement Group (PEPI) has been revised this year with membership of the group amended to include Governor, Non-Executive and third sector involvement. The refreshed group is now known as the Patient Experience Forum and steps are being taken to engage carers and patients in the work of the Forum. Work is also progressing to bring together the patient experience and public involvement agendas as well as consulting on the draft Patient Experience Framework which has been modelled on the guidance provided by the Trust Development Agency.

A Quality Account is produced annually by the Quality & Risk Team which outlines the progress made and action taken to improve and maintain quality and safety within and across Trust services. The Annual Quality Account is developed in consultation with key stakeholders and serves as an additional validation mechanism for determining the quality of services. More information on the Quality Account is provided below.

Compliance with NHS Foundation Trust condition 4

The Board has implemented systems and processes to address the Provider Licence Condition 4 and the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 (Regulation 5) requirements regarding Fit and Proper Persons. The assurance processes have been endorsed by the Board of Directors and any risks in the process will be managed and mitigated via the Board Assurance Framework. More generally the Board periodically reviews compliance and risk to compliance with the Provider Licencing Conditions, even in shadow, as part of good governance.

Assurance on the Corporate Governance Statement

In accordance with NHS Foundation Trust condition 4(8)(b), the Trust assures itself of the validity of the Corporate Governance Statement (in shadow) via the completion of a compliance tool periodically presented to the Board. Compliance statements are supported by underpinning evidence.

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

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

Environmental responsibilities

The Trust has undertaken a review of the impacts of climate change for delivering our services and in response to the Sustainable Development Unit guidance implemented a Sustainability and Carbon Management Strategy incorporating a Sustainable Development Management Plan. This plan of action recognises the challenge in meeting our carbon reduction targets sets out the measures to be taken and establishes our commitment in meeting carbon reduction obligations. A number of initiatives are already in place delivering improvements with new measures in progress as part of our management plan. This also accords with the emergency preparedness and civil contingency requirements ensuring 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

The following key processes are in place to ensure that resources are used economically, efficiently and effectively:

- Scheme of Delegation and Reservation of Powers, Standing Orders and Standing Financial Instructions approved by the Board. These documents were refreshed in Q4 2014/15 and a decision rights framework for clinical service lines is currently being developed.

These key governance documents include explicit arrangements for:

- Setting and monitoring financial budgets;
- Delegation of authority;
- Performance management; and
- Achieving value for money in procurement.
- A financial plan, approved and monitored by the Board.
- The Trust operates a hierarchy of control, commencing at the Board and cascading downwards to Budget managers in relation to budgetary control, balance sheet reconciliations, and periodic review of Service Level income with commissioners. In addition, the Finance Committee provides scrutiny and oversight which has been supplemented this year by independent commissioned reviews.
- Robust competitive processes used for procuring non-staff expenditure items. Above £5000 procurement involves competitive tendering. The Trust has agreed procedures to override internal controls in relation to competitive tendering in exceptional circumstances and with prior approval obtained.
- £176m of our £186m income is covered by formal contracts.
- Use of materials management at key sites and e-procurement systems and techniques means the organisation adopts the 'just in time approach' thereby reducing stock levels and potential wastage.
- Cost Improvement Schemes (CIPs), which are assessed for their impact on quality with local clinical ownership and accountability
- Strict controls on vacancy management and recruitment

- Devolved financial management with the development of service line reporting and ongoing implementation of service line management
- The Trust participated in the National Benchmarking Network's Mental Health Project, the Learning Disability Census and the National Audit of Intermediate Care during 2014/15 as well as being a member of the Aspirant Foundation Trust Benchmarking Group to compare performance and quality with peer organisations both locally and nationally.

The Trust Board gains assurance from the Finance Committee in respect of ensuring appropriate financial frameworks are in place to drive the financial strategy and provide assurance to the Board on financial matters as directed, including to review the impact of CIPs on forward financial planning.

The Audit and Risk Committee also receives reports regarding Losses and Compensations, SFI breaches, financial adjustments and single tender waivers. The Board gains assurance from the Assurance Committee regarding the quality of services and compliance with regulatory control. The Audit & Risk Committee test the effectiveness of these systems.

The Board reviews performance against key performance indicators via the receipt of monthly reports, previously scrutinised by the Trust's Executive Management Team and via the monthly service line performance meetings. The Trust has remained compliant with the Monitor's reporting requirements and maintained the maximum rating of 5 in the TDA Outcomes Framework throughout the year.

The External Auditors Value for Money Opinion however, stated an 'adverse conclusion' regarding the arrangements in place for securing financial resilience, and for challenging how the Trust secures economy, efficiency and effectiveness. This is largely due to the current deficit outturn for 2014/15, the forecast deficit for 2015/16 and the cumulative impact this has on the Trust's statutory duty to breakeven over a three year period. Whilst this is factually correct and I acknowledge the significant challenges ahead particularly regarding the delivery of our Cost Improvement Programmes, the Trust remains a going concern and significant progress has been made in year to understand and address the underlying financial position as well as strengthening our planning processes.

Annual Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS Foundation Trust Boards on the form and content of annual

Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

Solent NHS Trust has produced its annual Quality Account in compliance with these requirements, and in doing so has consulted with our membership and key stakeholders in order to meet the publication deadline.

As an aspiring Foundation Trust, we have clear plans to meet the all detailed requisites in relation to new requirements associated with Annual Quality Reports, as per the specific requirements laid out in the standards and guidance produced by Monitor for Foundation Trusts (Annual Reporting Manual).

One specific element of these requirements is to provide a summary of the arrangements in place to assure the Board that the reporting of quality presents a balanced view and that appropriate controls are in place to ensure the accuracy of data.

The Trust has in place a number of systems and processes to ensure that we are focusing upon the right quality indicators and that quality reports are integral to the overall performance monitoring of the Trust. This is led by executive leadership to ensure that quality and other performance information, which can then be triangulated and presented in a balanced view.

Quality indicators are based upon a range of sources, including regulatory, national, best practice and locally agreed improvement targets. Many indicators are established internally in collaboration with clinical services to help achieve the highest possible standards of quality and care.

All quality metrics have systems to appropriately capture the information, analyse and onward reporting to the applicable stakeholders, including internally (the Board, Performance Subcommittee or Service Line Governance Groups) or externally (for example Monitor, Trust Development Authority and local commissioners).

The Quality Improvement Strategy developed for the period 2012-2017 has provided a clear framework for quality improvement activity ensuring that quality is at the heart of everything we do, whilst ensuring we meet the needs of the regulatory and contractual requirements. The Strategy has a number of specific objectives and ambitions, which will be refreshed during 15/16. In the meantime the Trust has confirmed its commitment to ensuring continuous improvement with a focus on quality and safety through the sign off of 5 safety pledges embodied within the Sign Up to Safety campaign. This commitment is reflected within the Trust Safety Improvement Plan.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the Trust who have responsibility for the development and maintenance of the internal control framework.

I have drawn on the content of the Quality Report attached to the 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 & Risk Committee, Assurance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The following key processes have been applied in maintaining and reviewing the effectiveness of the system of internal control:

- a review of Committee governance by the Governance and Nominations Committee. The Board consider recommendations made by the Committee and is ultimately responsible for approving and monitoring systems to ensure proper governance and the management of risk
- reviews of key governance documentation such as Standing Orders, SFIs, Scheme of Delegation and the Risk Management Framework
- the oversight by the Audit & Risk Committee of the effectiveness of the Trust's systems for internal control, including the Board Assurance Framework (BAF). In discharging their duties the Committee takes independent advice from the Trust's internal auditors (KPMG) and external auditors (Ernst & Young). The BAF is also reviewed and challenged quarterly by the Board and updates are presented monthly via the Chief Executive's report to the Board
- the internal audit plan, which has been adapted in year to address areas of potential weakness in order that the Trust can benefit from insight and the implementation of best practice recommendations

- the findings of relevant internal audits, including an assessment of significant assurance with minor improvement opportunities concerning the effectiveness of our Board Assurance Framework and risk management processes in a recent audit. Three low priority recommendations were identified as a result of the Q4 audit and will be addressed by the end of quarter 1 2015/16.
- the scrutiny given to the Clinical Audit programme by the Audit and Risk Committee
- the periodic review of the Board Governance Assurance Framework
- the periodic review of the Quality Governance Assurance Framework and associated action plan and
- the scrutiny given by the Mental Health Act Scrutiny Committee in relation to the implementation of the Mental Health Act
- the review of serious untoward incidents and learning by SIRI Panel and Service Line Clinical Governance Groups.

The Head of Internal Audit Opinion concluded an opinion of partial assurance with improvements required on the overall adequacy and effectiveness of the organisations framework of governance, risk management and control. Despite the positive audit opinion regarding the recent Board Assurance Framework audit, four partial assurance opinions were issued concerning key risk based audit assignments and as such, although it is acknowledged that the required actions are being implemented, the risk had not sufficiently reduced at the time of the opinion being issued. However, I am assured that the relevant actions are being implemented to strengthen controls and value the opinion and insight auditors have given.

Significant issues during 2014/15

As part of its role in ensuring effective direction of the Trust, the Board continuously seeks assurances on the detection and management of significant issues. As Accountable Officer, I ensure that Board members are appraised of real or potential significant issues on a no-surprises basis, both within formal Board meetings and as required between meetings. Weekly briefings are circulated to Non-Executive Directors to inform them of any emerging issues. The Board Assurance Framework is updated to reflect significant issues and the mitigation thereof.

The financial performance of the Trust and the non-achievement of the forecasted year end position as declared in the Operating Plan to the TDA was a significant issue for the Trust during the past year. The initial plan of £2m surplus was revised in Quarter 1 to a deficit of £6.0m and an underlying deficit position of c£10m. Intensive programmes of work have been implemented as part of the Financial Recovery Plan to ensure financial grip and sustainability of the organisation.

Internal processes have been strengthened during the year and enhanced scrutiny through the Finance Committee has given greater assurance to the Board.

The Board appointed a Director of Financial Recovery in July 2014 on an interim basis to support and drive efficiency savings and to strengthen financial governance. In addition, the Audit & Risk Committee together with the Finance Committee sanctioned a specific internal audit focusing on budgetary control and an in-depth review on the Trust's financial projections. Internal audit concluded an opinion of partial assurance with improvement potential required regarding budget management processes, and an opinion of no assurance in budget setting and e-rostering implementation.

Having reviewed the financial projections, internal audit made five high priority, 6 medium and 2 low priority recommendations.

The Trust has investigated these areas to address deficiencies identified and I am assured that actions to address the audit findings and recommendations have been implemented and continue to be progressed, ultimately strengthening financial governance.

We recognise that budget setting for 2015/16 has not been as robust as it could have been. Moving forward, we will ensure successful delivery of a fully agreed budget for 2016/17 for Board approval in February 2016 and to this end a detailed cohesive planning timetable is being developed for presentation at the June 2015 Finance Committee.

In year a significant work programme was implemented to reset the Information Technology contract, to ensure value for money and to review the scope of the contract. This was a resource intensive programme and required significant focus for the organisation. The financial implications of this reset and the future transformational investment required to deliver a sustainable financial position have led to an in year 2015/16 deficit plan.

In year the Director of Finance left the Trust; appropriate acting up arrangements were implemented that delivered continuity of service. An interim Director of Finance was appointed at the end of the financial year and the Trust is actively recruiting to the substantive post.

Conclusion

In conclusion, although a significant issue regarding financial governance has occurred in year, I have concluded that Solent NHS Trust has a generally sound system of internal controls that supports the achievement of its objectives.



Sue Harriman

Chief Executive Officer

Date: 26 / 05 / 2015

Enhanced quality governance

Our approach to quality strongly influences both the longer term direction and the day-to-day operation of the Trust. The Trust is committed to continually improving the quality of care offered to people who use our services and as such it is right that the Quality Promise remains at the heart of the organisation's strategy:

Service User Safety	Service User Experience	Clinical Effectiveness & Outcomes	Regulation and Assurance
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The quality objectives identified in the Trust Quality Improvement Strategy 2012- 2017 now need to be refreshed as we move into the fourth year of implementation of the strategy and this will be taken forward with a review of the strategy planned for 2015/2016. In 2014/2015 our Quality Promise has been underpinned by 13 high level quality improvement objectives set out within our 5 year Quality Improvement Strategy. This has provided a framework by which annual corporate and service-line quality objectives have been set and which reflect known and evolving risks.

Annual objectives have been monitored and reported through the relevant Service Line Clinical Governance Group, chaired by the Clinical Director. These groups have met monthly to monitor progress against improvement priorities alongside quality contract requirements, Quality Impact Assessments and lead indicators supported by triangulated quality information as captured in quality dashboards. These forums have, throughout 2014/2015, reported into the Assurance Committee, highlighting progress, risks and associated mitigation. The Assurance Committee is chaired by a Non-Executive Director who subsequently presents to the Trust Board. This integrated approach to quality governance has ensured that issues around risk, compliance and safety have been raised from the service to the Board and vice-versa. Further information regarding internal controls and governance reporting arrangements are found in the Annual Governance Statement, page 62.

In addition quality performance indicators have been monitored by each Service Line at their respective Performance Sub-Committee and remedial action taken where required. Where quality improvement objectives have been included in our quality contracts, these have been reviewed through the monthly quality review meetings with Commissioners.



Quality Governance Framework

With the arrival of a new Chief Executive and a new Chief Nurse in September 2014 the opportunity has been taken to review the governance arrangements within the Trust. An internal peer review process was undertaken involving all members of the Trust Board. The findings of this peer review have been used to refresh the reporting and scrutiny arrangements. Following the review it was recognised that the detail underpinning the QGAF would benefit from refreshing and this was recently commenced. The refreshed QGAF will be shared with the Board in June 2015 and arrangements for enhanced Board engagement in the updating process will be implemented thereafter on a quarterly basis. The QGAF score at the end of 2014/2015 has been self-assessed as 3.5.



Patient care

The Trust has continued to deliver safe, effective, compassionate care and this has been monitored and can be evidenced through the performance reports presented at Board during the last year. As at the end of March 2015 the Trust was able to report performance against the National Safety Thermometer of 97.61% harm free care which remains just below the target of 98.25%. This benchmarked well against national performance which is recorded at 93.9%.

One area which has received considerable attention during the year has been pressure ulcer management and this will continue throughout 2015/2016 as we work with the Wessex Patient Safety Collaborative to build quality improvement skills within the frontline team.

Safe staffing has also been a key feature of discussions within the Trust with the Board receiving two reports on in-patient staffing during 2014/2015. Whilst the in-patient units have remained safe despite a number of workforce challenges including sickness absence rates and vacancies pressures have been experienced in our community teams, particularly during the latter part of 2014/2015. Discussions with Commissioners have enabled us to achieve an appropriate uplift to the community nursing establishments however the position will be monitored and work will progress during 2015/2016 on the identification and implementation of an acuity and dependency tool for use by our district nursing teams.

The Trust has developed a positive reporting culture with staff feeling able to report incidents involving both direct and indirect patient care activities which had the potential to impact upon care. All incidents are reviewed and where appropriate serious incidents have been investigated under the SIRI (Serious Incidents Requiring Investigation) process or the High Risk Incident (HRI) arrangements. Linked to this work has progressed in ensuring that staff are familiar with their responsibilities under the new Duty of Candour requirements. Discharge of this duty has been monitored through the SIRI panel and latterly at Board through the reports provided by the Chief Nurse.

As well as feedback from patients/service users through the Friends and Family Test the Trust Patient Advice and Liaison team (PALS) has also been monitoring the calls and formal complaints received. Whilst the Trust has seen a steady flow of complaints throughout the year the number of complaints received remains low compared with the number of overall contacts and interventions made by services. One key theme that has emerged relates to communication and in particular the satisfaction of the complainant with the level and standard of communication experienced between themselves and the practitioner delivering care. This has led to a sharper focus on customer care training and how we help staff to feel confident when dealing with difficult conversations.

We adhere to the Parliamentary Health Service Ombudsman principles of remedy for complaints handling. Our complaint handling is 100% customer focused; this means being open and accountable, whilst acting fairly and proportionately when investigating concerns. When remedying patients concerns, our complaint handling procedure aims to put things right by learning from experiences, seeking continuous improvement and endeavouring to return the patient to the position they were in before the maladministration or poor service took place.

One of the key aims of our Complaints Review Panel is to ensure that our complaints policy is in line with the NHS Constitution and the Health Service Ombudsman's Principles for Remedy with regard to remedies which include:

1. Getting it right
2. Being customer focused
3. Being open and accountable
4. Acting fairly and proportionately
5. Putting things right
6. Seeking continuous improvement

As part of the local resolution of complaints which have been proven to have caused injustice or hardship to an individual, it is necessary for the Trust to consider some form of compensation which would restore the individual to the position they would have been in if the mal-administration or poor service had not occurred.

In an effort to be open and accessible, every complainant is offered the opportunity to meet with staff to discuss their complaint in more detail. This is offered in our standard acknowledgement letter or if a complainant

has provided a telephone number then the PALs & Complaints Service will contact them direct to discuss a possible meeting to try to resolve their issues quickly.

As with most trusts across the country, we have considered the recommendations from the Francis Report into care failures at the Mid Staffordshire Hospital, published in February 2013, and the Ann Clwyd report into complaints handling, and these have previously been discussed at Board. Whilst there is no suggestion that the types of failings found at Mid Staffordshire exist within Solent NHS Trust, we can all learn from the reports to ensure patient care is better safeguarded in the future and that patients and carers feel able to share any concerns they may have about the care being provided.



Patient Experience

One of our key priorities is to improve the mechanisms by which service users and their families are involved in decisions about their care and can provide timely feedback on their experience with us to help drive quality improvements in care delivery. This has been integral to the delivery of our Quality Improvement Strategy, was reflected in our Quality Account priorities for 2014/2015 and features again in our quality priorities for 2015/2016.

During 2014/2015 we built upon existing systems and processes put in place within the Trust to ensure that we were maximising the opportunities available to us to engage with patients/service users, their families and carers.

Our achievements within year include but are not limited to the following:

- We have rolled out the Friends and Family Test across all of the 8 Service Lines.
- We have increased the methods by which patients can give their feedback including the Trust survey, a Friends and Family Test postcard and easy read versions of these. By having a set of standard questions we are able to gain an overview across the organisation of what patients think of our services and use this insight to inform service planning and improvements.
- In January 2015 we submitted our first return for the national reporting of the Friends and Family Test.
- Each month we took a patient or carer story to Board Briefing. This has enabled our Board to hear directly from patients and carers their experiences of our care.
- We have developed our Patient Experience Strategy (currently in draft pending consultation) and started the process of the Trust Development Authority's self-assessment tool.
- We have provided 'You Said, We Did' posters in clinical areas, where appropriate, so that patients and staff receive information on improvements we make based upon their feedback. This is an area that we plan to develop further next year.

We have also looked at the way in which we engage with the wider public so that they can also provide us with feedback about our services and contribute to the shaping of services as we look ahead. Whilst we need to do more work on ensuring the join up between patient engagement and public involvement we have during 2014/2015 continued to build upon the work started in the previous year.

This includes:

- Involving service users in research programmes and the resulting improvements.
- Involving our members and governors in the development of our plans; we will continue to engage our shadow Council of Governors and seek feedback from all our members where appropriate
- Participating in a range of engagement and information events aimed at the public and existing and potential members within the local communities in which we operate. Examples include Wellbeing for All events, membership events and open days.

This work will continue in 2015/2016 with a particular focus on how we engage with Carers through the implementation of a Trust Carers Strategy which will complement the Trust Patient Experience Framework once finalised. These areas of activity are reflected in the priorities identified within the Trust Quality Account.

Compliance with the NHS Foundation Trust Code of Governance

In accordance with the compliance requirements of Foundation Trusts, Solent NHS Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

The Board is assured that there are no current departures from compliance requirements and has confirmed that arrangements are legally compliant, with no irregularities reported, as such the Board considers arrangements are appropriate for the discharge of statutory functions. Further details can be located in the Annual Governance Statement on page 62.



Section 3: Remuneration Report

Remuneration of the Trust's Chief Executive and Directors accountable to the Chief Executive is determined by the Trust's Remuneration Committee. Its terms of reference comply with the Secretary of State's "Code of Conduct and Accountability for NHS Boards".

The Remuneration Committee has met three times during 2014/15. The committee considers the terms and conditions of appointment of all Executive Directors, and the appointment of the Chief Executive and other Executive Directors.

All Non Executive Directors and the Chairman are members of the committee. Although the Chief Executive, Director of Human Resources, and Finance Director do attend the meetings by invitation, they are not members of the committee. The number of meetings and attendance is detailed below:

Remuneration Committee: Meetings and Attendance

Board Member	23/06/14	18/11/14	19/12/14
Elizabeth Bailey (Chair)	✓	✓	✓
Barry Neaves	✓	✓	✓
Michael Tutt	✓	✓	✓
Bradley Roynon	✓	✓	✓
Jonathan Pittam	✓	✓	✓
Alistair Stokes	✓	✓	✓

✓ *Attended meeting* X *Apologies received*

Although the Remuneration Committee has a general oversight of the Trust's pay policies, it determines the reward package of Senior Managers only. All Senior Managers are Executive Directors. Other staff are covered either by the national NHS Agenda for Change pay terms or the national Medical and Dental pay terms.

The Trust's policy on the remuneration of senior managers for current and future financial years is based on principles agreed nationally by the Department of Health taking into account market forces and benchmarking.

Individual annual appraisals assess achievements and performance of Executive Directors. They are assessed by the Chief Executive and the outcome is fed back to the remuneration committee. Individual executive performance appraisals and development plans are well established within the Trust and follow agreed Trust procedures. This is in line with both Trust and national strategy.

The Chair undertakes the performance review of the Chief Executive and non executive directors.

All elements of the executive directors' remuneration package are subject to performance conditions and achievement of specific targets.

Duration of Contracts

All Executive Directors are employed without term in accordance with the Trust Recruitment and Selection Policy.

All Executive Directors are required to give six months' notice in order to terminate their contract. Termination payments are on the grounds of ill health retirement, early retirement, or redundancy on the same basis as for all other NHS employees as laid down in the National Terms and Conditions of Employment and the NHS Pension scheme procedures.

Within the 2014/15 financial year there has been one early termination of an Executive Director but no non-contractual payments were made.

The Chairperson and Non Executive Directors' are appointed on a four year term by the Secretary of State. They are office holders and as such are not employees, so are not entitled to any notice periods or termination payments.

Awards Made to Previous Senior Managers

There have been no awards made to past Senior Managers in the last year and therefore no provisions were necessary.

The Trust's liability in the event of an early termination will be in accordance with the senior managers' terms and conditions.

In August 2012 guidance was issued by Sir David Nicholson, NHS Chief Executive, to all NHS bodies describing how they were expected to implement recommendations of the HM Treasury review, notifying Trusts that they would be subject to HMRC Compliance checks from April 2013.

In accordance with the Manual of Accounts Annual Reporting Guidance 2014-15, all public bodies are required to publish the following information within their 2014-15 Annual Report.

Off payroll engagements in place as at 31/03/15, for more than £220 per day that last longer than six months	
Total number of off pay scale engagements in place as at 31st March 2015	9
Of which, the number that have existed for:	
less than one year at the time of reporting	3
between one and two years at the time of reporting	2
between two and three years at the time of reporting	3
between three and four years at the time of reporting	0
four or more years at the time of reporting ³	1

³ This individual is a highly specialist professional and there is a limited recruitment pool

A review of all off-payroll engagements has been undertaken, and assurance has been sought on all contracts to ensure the individual is paying the right amount of tax. As a result the Trust believes it is fully compliant with the requirements.

Off payroll engagements entered into between 01/04/14 31/03/15, at a rate of £220 or more per day and that last 6 months or more in duration	
Number new engagements, or those that reached six months in duration, between 1st April 2014 and 31st March 2015	3
Number of new engagements which include contractual clauses giving the Trust the right to request assurance in relation to the contractors Income Tax and National Insurance obligations	3
Number for whom assurance has been requested	3
Of which	
assurance has been received	3
assurance has not been received	0
Engagements terminated as a result of assurance not being received.	0

Instances where the Trust is awaiting information from the individual at the time of reporting has been reported as not received.

Off payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 01/04/14 and 31/03/15.	
Number of off-payroll engagements of board members, and or senior officers with significant financial responsibility, during the year	1
Number of individuals that have been deemed "board members, and/or senior officers with significant financial responsibility" during the financial year. This figure includes both off-payroll and on-payroll engagements	11

Period and details of the exceptional circumstances that led to this appointment and period of appointment:

The Finance Director has left the Organisation and this is an interim appointment pending the recruitment of a substantive Finance Director.

Expenses

During the 2014-15 financial year, subsistence and travel costs were paid as follows:

	Number	Number making a claim	2013-2014 £	2014-2015 £
Executive Directors	10	10	11,521	11,063
Non Executive Directors	5	5	4,729	9,761
Shadow Governors	25	6	948	2,049
Total			17199	22,966

The salary, emoluments, allowances, exit packages, and pension entitlements of the Trust's Senior Managers are detailed in the following tables:

Pay Multiples

The banded remuneration of the highest paid director/Member in Solent NHS Trust in the financial year (£000), 2014 -15 was £150-155k (2013 - 14, £160-165). This was 6 times (2013 - 14, 1:6), the median remuneration of the workforce (£000), which was £27,901, (2013 - 14, £27,244).

In the 2014 – 15 two (2013 - 14, one) employees received remuneration in excess of the highest paid director/member. Remuneration ranged from £14k to £178k (2013 – 14, £13k-£170k).

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

When calculating the median figure, individuals employed via a bank contract who did not work in March 2015 have been excluded; together with honorary appointments, Non-executive directors who receive allowances only, and individuals who were not directly employed by the Trust.

Exit Packages⁴

Changes have continued to take place within the organisation in the 2014-2015 financial year and whilst we endeavour to do all we can to ensure the continued employment of our staff there have been 61 severance payments totalling £1107k made in the year. Thirty of these payments relate to compulsory redundancies, and thirty one have been due to other payments. One of these payments relates to a named senior manager as detailed in the accounts and all payments have been made in accordance with the NHS Pension Scheme procedures and National Terms and Conditions, as a result Treasury Approval has not been required.

Exit Packages agreed in 2014-15 - Table 1						
2014/15						
Exit Package cost band (including and special payment element)	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages
	Number	£s	Number	£s	Number	£s
Less than £10,000	13	51,343	12	57,066	25	108,409
£10,000 - £25,000	14	228,291	6	87,206	20	315,497
£25,001 - £50,000	2	71,614	9	324,109	11	395,723
£50,001 - £100,00	1	51,483	4	235,624	5	287,107
£100,001 - £150,000	0	0	0	0	0	0
£150,001 - £200,000	0	0	0	0	0	0
>£200,000	0	0	0	0	0	0
Total number of exit packages by type (total cost)	30	402,731	31	704,005	61	1,106,736

⁴ Subject to Audit

This note provides an analysis of Exit Packages agreed during the year. Redundancy and other departure costs have been paid in accordance with the provisions of the NHS redundancy arrangements. Other departures have been paid in accordance with the Mutually Agreed Resignation Scheme (MARS). Where the Trust has agreed early retirements, the additional costs are met by the Trust and not by the NHS Pensions Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

This disclosure reports the number and value of exit packages agreed in the year. Note: The expense associated with these departures may have been recognised in part or in full in a previous period. The table below reports the number and value of exit packages agreed in the year.

Exit Packages agreed in 2014-15 - Table 2				
	2014/15		2013/14	
	Agreements Number	Total Value of Agreements £000s	Agreements Number	Total Value of Agreements £000s
Voluntary Redundancies including early retirement contractual costs	0	0	0	0
Mutually agreed resignations (MARS) contractual costs	30	651	0	0
Early Retirements in the efficiency of the service contractual costs	0	0	0	0
Contractual payments in lieu of notice *	1	53	0	0
Exit Payments following Employment Tribunal or court orders	0	0	0	0
Non-contractual payments requiring HMT approval **	0	0	0	0
Total	31	704	0	0

As single exit packages can be made up of several components each of which will be counted separately in this note, the total number above may not necessarily match the total number in table 1 which will be the number of individuals.

** Any non contractual payments in lieu of notice are disclosed under "non contractual payments requiring HMT approval"*

*** Includes any non-contractual severance payment made following judicial mediation, and no amount relating 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.

The Remuneration Report includes disclosure of exit payments payable to individuals named in the Report.



Salaries and Allowances ⁵

	2014 - 2015					
	(a) Salary (bands of £5,000)	(b) Expense payments (taxable) total to nearest £100	(c) Performance Pay and bonuses (bands of £5,000)	(d) Long term performance pay and bonuses (bands of £5,000)	(e) All pension-related benefits (bands of £2,500)	Total (a to e) (bands of £5000)
Name and Title	£000	£000	£000	£000	£000	£000
S Harriman – Chief Executive Commenced - 01/09/14	90 - 95	0	0	0	10 - 15	100 - 105
R Tolcher – Chief Executive Resigned – 31/07/14	50 - 55	0	0	0	5 - 10	60 - 65
J Pennycook- Director of Human Resources & Organisational Development	90 - 95	0	0	0	10 - 15	105 - 110
M Parr - Director of Finance and Performance Resigned - 12/02/15	150 - 155	0	0	0	10 - 15	165 - 170
A Snell – Medical Director	125 - 130	0	0	0	0	125 - 130
A Whitfield – Chief Operating Officer	105 - 110	0	0	0	10 - 15	120 - 125
C Hillier – Director of Nursing and Quality Retired - 26/07/14	25 - 30	0	0	0	0 - 5	30 - 35
M Rayani – Chief Nurse Commenced - 14/09/14	45 - 50	0	0	0	5 - 10	55 - 60
S Austin – Director of Strategy	95 - 100	0	0	0	10 - 15	110 - 115
R Steele – Director of Estates Commenced – 01/07/14	70 - 75	0	0	0	10 - 15	80 - 85
A Stokes – Chairman	15 - 20	0	0	0	0	15 - 20
E Bailey - Non Executive Director Resigned 31/01/15	5 - 10	0	0	0	0	5 - 10
B Neaves - Non Executive Director	5 - 10	0	0	0	0	5 - 10
B Roynon – Non Executive Director	5 - 10	0	0	0	0	5 - 10
M Tutt – Non Executive Director	5 - 10	0	0	0	0	5 - 10
J Pittam – Non Executive Director	5 - 10	0	0	0	0	5 - 10

5 Subject to Audit

For individuals who joined or left the Trust part way through the year, the full time equivalent salary plus any additional remuneration, excluding severance payments have been used to calculate the rate of payment.

Previous year Salary and Allowances

	2013 - 2014					
	(a) Salary (bands of £5,000)	(b) Expense payments (taxable) total to nearest £100	(c) Performance Pay and bonuses (bands of £5,000)	(d) Long term performance pay and bonuses (bands of £5,000)	(e) All pension- related benefits (bands of £2,500)	Total (a to e) (bands of £5000)
Name and Title	£000	£000	£000	£000	£000	£000
R Tolcher – Chief Executive	160 - 165	0	0	0	20 - 25	180 - 185
J Pennycook- Director of Human Resources & Organisational Development	90 - 95	0	0	0	10 - 15	105 - 110
M Parr - Director of Finance and Performance	95 - 100	0	0	0	10 - 15	110 - 115
A Snell – Medical Director	125 - 130	0	0	0	0	125 - 130
A Whitfield – Chief Operating Officer	105 - 110	0	0	0	10 - 15	120 - 125
C Hillier – Director of Nursing and Quality	90 - 95	0	0	0	10 - 15	105 - 110
S Austin – Director of Strategy	95 - 100	0	0	0	10 - 15	110 - 115
A Stokes – Chairman	15 - 20	0	0	0	0	15 - 20
E Bailey - Non Executive Director	5 - 10	0	0	0	0	5 - 10
B Neaves - Non Executive Director	5 - 10	0	0	0	0	5 - 10
B Roynon – Non Executive Director	5 - 10	0	0	0	0	5 - 10
M Tutt – Non Executive Director	5 - 10	0	0	0	0	5 - 10
J Pittam – Non Executive Director	5 - 10	0	0	0	0	5 - 10

Pension Benefits⁶

	Real increase in pension at age 60 (bands of £2,500)	Real increase in pension lump sum at aged 60 bands of £2,500)	Total accrued pension at age 60 at 31/03/15 (bands of £5,000)	Lump Sum at age 60 related to accrued pension at 31/03/15 (bands of £5,000)	Cash Equivalent Transfer Value as at 31/03/2014	Cash Equivalent Transfer Value as at 31/03/2015	Real increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
Name and Title	£000	£000	£000	£000	£000	£000	£000	£000
S Harriman – Chief Executive	0.0 – 2.5	0.0 – 2.5	20 - 25	60 - 75	367	374	3	
R Tolcher – Chief Executive	5.0 - 7.5	15.0 - 17.5	50 - 55	150 - 155	865	1007	132	
J Pennycook - Director of Human Resources & Organisational Development	0.0 - 2.5	2.5 - 5.0	10 - 15	35 - 40	217	245	25	
M Parr - Director of Finance and Performance	2.5 - 5.0	7.5 - 10.0	25 - 30	75 - 80	358	425	63	
A Snell – Medical Director *	0	0	0	0	0	0	0	Not in pension scheme
A Whitfield – Chief Operating Officer	0.0 - 2.5	2.5 - 5.0	10 - 15	35 - 40	170	196	24	
C Hillier – Director of Nursing and Quality **	0.0 - 2.5	0.0 - 2.5	25 - 30	75 - 80	0	0	0	
M Rayani – Chief Nurse ***			35 - 40	105 - 110		630		
S Austin – Director of Strategy	0.0 - 2.5	(2.5) - 0.0	40 - 45	90 - 95	623	662	32	
R Steele – Director of Estates	(2.5) - 0.0	(5.0) - (2.5)	40 - 45	130 - 135	968	977	(2)	

* No longer a member of the pension scheme.

** Where a member of the pensions scheme is over the age of 60 no CETV is provided.

*** For senior members appointed during the year prior year comparatives are not available.

⁶ Subject to Audit

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

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 (or other allowable beneficiary's) pension payable from the scheme. CETVs are calculated in accordance with the Occupational Pension Schemes (transfer Values) Regulations 2008.

Real Increase in CETV

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



Sue Harriman
Chief Executive Officer
Date: 26 / 05 / 2015



Section 4:

Statement of Chief Executive's responsibilities as the Accountable Officer of Solent NHS Trust

(In shadow, the Trust has duly considered the NHS Foundation Trust Accounting Officer Memorandum and the NHS Foundation Trust Annual Reporting Manual 2014/15)

The Secretary of State has designated the Chief Executive as Accountable Officer of Solent NHS Trust.

The relevant responsibilities of the Accountable Officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in Managing Public Money published by the HM Treasury and in shadow, the *NHS Foundation Trust Accounting Officer Memorandum* issued by Monitor.

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

In preparing the accounts, the Accountable Officer is required to comply with the requirements of the *Government Financial Reporting Manual* and in shadow, the *NHS Foundation Trust Annual Reporting Manual* and in particular to:

- observe the Accounts Direction issued by the Secretary of State (and whilst operating as a shadow FT, by Monitor) including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;

- state whether applicable accounting standards as set out in the Government Financial Reporting Manual and in shadow, the NHS Foundation Trust Annual Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance; and
- prepare the financial statements on a going concern basis.

The Accountable Officer is 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 Act. The Accountable Officer is also responsible 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 consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the trust's performance, business model and strategy.

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



Sue Harriman

Chief Executive Officer

Date: 26 / 05 / 2015



Section 5: Summary Accounts

Foreword and Statement on Financial Position

In our fourth year of trading we have ended 2014-15 by achieving three of our four financial statutory duties:

External Financing Limit (EFL) which is an overall cash management control. The Trust was set an EFL of £16.9m for 2014-15, actual EFL was £16.4m and therefore the Trust achieved the EFL target with a positive variance of £0.5m.

Capital Cost absorption rate is based on actual (rather than forecast) average net relevant assets and therefore the actual capital cost absorption rate is automatically 3.5%.

Capital Resource Limit (CRL) which represents investments in fixed assets throughout the year. The Trusts fixed asset investment for 2014-15 was £6.0m, £0.8m within the target of £6.8m.

The Trust did not achieve is breakeven duty, a measure of financial stability, with an adjusted retained deficit of £6.3m reported in 2014-15.



Sue Harriman
Chief Executive Officer
Date: 26 / 05 / 2015

Independent auditors report to the Directors of Solent NHS Trust

.....

We have audited the financial statements of Solent NHS Trust for the year ended 31 March 2015 under the Audit Commission Act 1998 (as saved transitionally for the purposes of the 2014/15 audit of accounts). The financial statements comprise the Trust's Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows and the related notes 1 to 40. The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to the National Health Service in England.

We have also audited the information in the Remuneration Report that is subject to audit, being:

the table of salaries and allowances of senior managers and related narrative notes on page 85, 86, 92 and 93

the table of pension benefits of senior managers and related narrative notes on page 94 and 95

the table of pay multiples and related narrative notes on page 88

This report is made solely to the Board of Directors of Solent NHS Trust in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 44 of the Statement of Responsibilities of Auditors and Audited Bodies published by the Audit Commission in March 2014. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Directors, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditor

As explained more fully in the Statement of Directors' Responsibilities in respect of the Accounts, set out on page 103, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards also require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

This includes an assessment of:

- whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

In addition we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the financial position of Solent NHS Trust as at 31 March 2015 and of its expenditure and income for the year then ended; and
- have been prepared properly in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to the National Health Service in England.

Opinion on other matters

In our opinion:

- the part of the Remuneration Report subject to audit has been prepared properly in accordance with the requirements directed by the Secretary of State with the consent of the Treasury as relevant to the National Health Service in England; and
- the information given in the annual report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we report by exception

We report to you if:

- in our opinion the governance statement does not comply with the NHS Trust Development Authority's Guidance;
- we refer a matter to the Secretary of State under section 19 of the Audit Commission Act 1998 because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency; or
- we issue a report in the public interest under section 8 of the Audit Commission Act 1998

On 4 June 2015 we referred a matter to the Secretary of State under section 19b of the Audit Commission Act 1998, as we believe the Trust is unlikely to achieve its statutory duty to breakeven over the three year period to 31 March 2017.

Conclusion on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

Respective responsibilities of the Trust and auditors

The Trust is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

We are required under Section 5 of the Audit Commission Act 1998 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires us to report to you our conclusion relating to proper arrangements, having regard to relevant criteria specified by the Audit Commission in October 2014.

We report if significant matters have come to our attention which prevent us from concluding that the Trust has put in place 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 its use of resources are operating effectively.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criteria, published by the Audit Commission in October 2014, as to whether the Trust has proper arrangements for:

- securing financial resilience; and
- challenging how it secures economy, efficiency and effectiveness.

The Audit Commission determined these two criteria as those necessary for us to consider under its Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2015.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Trust had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Basis for adverse conclusion

In considering the Trust's arrangements for securing financial resilience, and for challenging how it secures economy, efficiency and effectiveness we identified the following:

- The Trust set a target surplus of £2.2 million which was revised to a forecast deficit of £5 million in June 2014 and to £6 million in January 2015. The Trust reported a deficit for the year ended 31 March 2015 of £6.5 million.
- The Trust has set a £5.2 million deficit budget for 2015/16. Meeting this deficit target hinges on delivering a £9.6 million cost improvement programme as well as managing a significant level of cost pressures within budgets.
- The cumulative impact of the above is that the Trust faces a significant challenge in the 2016/17 financial year to enable it to return to a cumulative surplus by 31 March 2017 and achieve its statutory duty to breakeven over a three year period.

In our view, the Trust has made progress during the year to understand and address its underlying financial position, and tackle the infrastructure challenges it faces. However, we cannot conclude proper arrangements to secure economy, efficiency and effectiveness in its use of resources were in place throughout 2014/15.

Conclusion

On the basis of our work, having regard to the guidance on the specified criteria published by the Audit Commission in October 2014, the matters reported in the 'basis for adverse conclusion' paragraph above prevent us from being satisfied that in all significant respects, Solent NHS Trust put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2015.

Certificate

We certify that we have completed the audit of the accounts of Solent NHS Trust in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

Helen Thompson

for and on behalf of Ernst & Young LLP
Southampton
Date: 04 / 06 / 15

Directors responsibility statement in relation to the accounts

The Directors are required under the National Health Service Act 2006 to prepare financial statements for each financial year. The Secretary of State, with the approval of the Treasury, directs that these financial statements give a true and fair view of the state of affairs of the NHS Trust and of the income and expenditure of the NHS Trust for that period. In preparing those financial statements, 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; and state whether applicable International Financial Reporting Standards have been followed, as detailed in the Statement of Accountable Officers Responsibilities on page 97, subject to any material departures disclosed and explained in the financial statements.

We have complied with HM Treasury's guidance on cost allocation and setting charges for information as required.

The Directors confirm to the best of their knowledge and belief that they have complied with the above requirements in preparing the financial statements.

Financial Review & Statutory Duties in relation to the Accounts

Break-even position (a measure of financial stability)

The Trust has a statutory duty to achieve break-even in the year. The Trust has not achieved this as it reported an adjusted deficit of £6.3m in 2014-15. Our regulators are aware of this position and continue to support us in our delivery of key community and mental health local services.

Capital Costs Absorption Rate (a measure of Statement of Financial Position Management)

The Trust is required to absorb the cost of capital at a rate of 3.5% of actual average relevant net assets. The average net relevant assets exclude balances held in the Government Banking Service bank accounts. The dividend payable on public dividend capital is based on actual (rather than forecast) average relevant net assets and therefore the actual cost absorption rate is automatically 3.5%.

External Financing Limit (an overall cash management control)

The Trust was set an External Finance Limit of £16.9m for 2014-15 which it is permitted to undershoot. Actual external financing requirements for 2014-15 were £16.4m and therefore the Trust achieved the target with a positive variance of £0.5m.

Capital Resource Limit (Investment in fixed assets during the year)

The Capital Resource Limit is the amount that the Trust can invest in fixed assets during the year; a target with the Trust is not permitted to overspend. The Trust was set a capital resource limit of £6.8m for 2014-15. Its actual fixed asset investment was £6.0m, £0.8m within the limit of £6.8m.

Want to find out more?

Included on these pages are the 'summary accounts' of the Trust and an overall picture of our fiscal performance.

For a copy of our full accounts please see our website: www.solent.nhs.uk or phone: 023 8060 8900

Financial Statements

Statement of comprehensive income for year ended 31 March 2015

	2014/15	2013/14
	£000	£000
Employee benefits	(124,709)	(122,767)
Other costs	(65,455)	(63,025)
Revenue from patient care activities	165,152	163,731
Other Operating revenue	22,088	24,025
Operating surplus / (deficit)	(2,924)	1,964
Investment revenue	29	28
Other gains and (losses)	(189)	(134)
Finance costs	(40)	0
Surplus/(deficit) for the financial year	(3,124)	1,858
Public dividend capital dividends payable	(3,376)	0
Retained surplus/(deficit) for the year	(6,500)	1,858
Impairments and reversals taken to the revaluation reserve	(557)	(1,662)
Net gain/(loss) on revaluation of property, plant & equipment	13,149	4,319
Total comprehensive income for the year	6,092	4,515

Financial performance for the year

	2014/15	2013/14
	£000	£000
Retained surplus/(deficit) for the year	(6,500)	1,858
Impairments (excluding IFRIC 12 impairments)	423	0
Adjustments in respect of donated asset respect elimination	(197)	0
Adjusted retained surplus/(deficit)	(6,274)	1,858

Statement of Financial Position as at 31 March 2015

	31 March 2015	31 March 2014
	£000	£000
Non-current assets	115,398	100,941
Current assets	16,643	28,409
Current liabilities	(16,229)	(26,276)
NET CURRENT ASSETS / (LIABILITIES)	414	2,133
TOTAL ASSETS LESS CURRENT LIABILITIES	115,812	103,074
Non-current liabilities	(1,308)	(884)
TOTAL ASSETS EMPLOYED	114,504	102,190
FINANCED BY TAXPAYERS' EQUITY	114,504	102,190

SJHarriman

Sue Harriman
Chief Executive Officer
Date: 26 / 05 / 2015



Statement of Changes in Taxpayers' Equity for year ended 31 March 2015

	Public Dividend capital	Retained earnings	Revaluation reserve	Total reserves
	£000	£000	£000	£000
Balance at 1 April 2014	213	83,753	18,224	102,190
Changes in taxpayers' equity for 2014-15				
Retained surplus/(deficit) for the year		(6,500)		(6,500)
Net gain / (loss) on revaluation of property, plant, equipment			13,149	13,149
Impairments and reversals			(557)	(557)
Transfers between reserves		437	(437)	0
New temporary and permanent PDC received - cash	11,222			11,222
New temporary and permanent PDC repaid in year	(5,000)			(5,000)
Net recognised revenue/(expense) for the year	6,222	(6,063)	12,155	12,314
Balance at 31 March 2015	6,435	77,690	30,379	114,504
Balance at 1 April 2013	0	5,220	0	5,220
Changes in taxpayers' equity for 2013-14				
Retained surplus/(deficit) for the year		1,858		1,858
Net gain / (loss) on revaluation of property, plant, equipment			4,319	4,319
Impairments and reversals			(1,662)	(1,662)
Transfers under Modified Absorption Accounting		92,242		92,242
Transfers between reserves		306	(306)	0
New PDC received/(repaid) - PCTs and SHAs legacy items paid for by DH	213			213
Net recognised revenue/(expense) for the year	213	94,406	2,351	96,970
Transfer between reserves in respect of modified absorption - PCTs & SHAs		(15,873)	15,873	
Balance at 31 March 2014	213	99,626	2,351	102,190

Statement of cash flows for the year ended 31 March 2015

	2014-15	2013-14
	£000	£000
Net cash inflow/(outflow) from operating activities	(12,083)	3,736
Net cash inflow/(outflow) from investing activities	(3,462)	(1,519)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING	(15,545)	2,217
Net cash inflow/(outflow) from financing activities	6,030	213
INCREASE / (DECREASE) IN CASH	(9,515)	2,430
Cash at the beginning of the period	10,300	7870
Cash at year end	785	10,300

Better Payment Practice Code: Measure of Compliance 31 March 2015

	2014/15		2013/14	
	Number	£000	Number	£000
Total non-NHS trade invoices paid in the year	28,684	46,274	32,574	34,835
Total non-NHS trade invoices paid within target	23,961	37,341	28,961	28,893
% non-NHS trade invoices paid within target	84%	81%	89%	83%
Total NHS trade invoices paid in the year	1,560	38,627	1,312	25,153
Total NHS trade invoices paid within target	1,224	28,820	1,110	18,740
Percentage of NHS trade invoices paid within target	78%	75%	85%	75%

The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date, or within 30 days of receipt of goods or a valid invoice, whichever is later.

Challenges ahead

The challenges we face as we head in to the new financial year are continuing to improve our financial strength, service quality and performance within a financial envelope subject to year on year cost reductions.

A summary of the key challenges we face in 2015-16 to ensure a strong and sustainable organisation are as follows:

- Delivery of the deficit target of £5.2m largely due to investment to achieve future savings
- Delivery of a challenging efficiency savings programme (known as Cost Improvement Programmes, CIPs)
- Responding to the increased competition from other providers and other commissioning intentions
- Ensure cost effective usage of all of our estate

Our priority work areas for the year ahead are detailed on page 109.

We ended 2014-15 reporting an adjusted deficit of £6.3m with Board recognition that there are more challenging years ahead. We delivered cost savings of £8.8m in the year and we acknowledge that it will be necessary for some service areas to transform and redesign the way services are provided, without compromising quality in order to achieve future cost saving targets. The delivery of our Cost Improvement Programme during the year ahead will therefore be a significant challenge. Dedicated resource has been allocated within the Performance Management team that supports the delivery of CIP plans, including a Quality Impact Assessment for all plans, a robust RAG (Red, Amber, Green) assessment, and a continuous challenge/support cycle with all Service Lines and Corporate. The detail of our CIP schemes is reviewed weekly with the [interim] Director of Finance, and reported weekly to the Directors' meeting. During 2014/15 the Chief Executive held regular deep dives into CIP delivery with follow up challenge sessions with managers as appropriate; the same process will be implemented during the year ahead.



In addition, we acknowledge the scale of transformation required to deliver efficiencies. As such we have invested in our Corporate Programme Management Office function to oversee delivery. Transformation programmes include:

Programme	Programme Overview
Estates Rationalisation	Reconfiguration and rationalisation of estate across Portsmouth, Southampton and Hampshire; resulting in improved utilisation of estate across all areas
ICT Transition	Implementation of new ICT infrastructure across all sites, including hardware replacement
Clinical Record System (CRS) Implementation	Implementation of our new clinical records system and mobile working capability across the organisation
Clinical Integration - Portsmouth	Implementation of integrated health and social care models in Portsmouth
Clinical Integration – Southampton	Implementation of integrated health and social care models in Southampton
Corporate Integration	Design and implementation of ‘best fit’ sustainable, corporate support models where appropriate
Operational Transformation	Delivery of the most complex change/transformation programmes within clinical services
Workforce Transformation	Design and implementation of future workforce models that support a sustainable organisation
Procurement	Implementation of significant procurement opportunities to realise efficiencies and improve service delivery
Income Generation	Explore and take forward income generation opportunities that have a guaranteed return on investment

Each programme has an accountable Senior Responsible Officer attributed (a lead Director for the programme who holds overall accountability for its success).

The internal control processes for managing risks are outlined in the Annual Governance Statement found on page 62.

Having considered the challenges we face, particularly with reference to our operating plans for the next twelve months, and having reviewed with our external auditors, the Board has a reasonable expectation that the Trust has access to adequate resources to continue in operational existence in the foreseeable future. For this reason the Trust continues to adopt the going concern basis in preparing the annual accounts in accordance with HM Government’s Treasury requirements.

The financial statements were approved by the Trust Board and signed on its behalf by



Sue Harriman
Chief Executive Officer

Date: 26 / 05 / 2015



Solent
NHS Trust



Quality Report

Incorporating the Quality Account 2014/15

(With our priorities for Quality Improvement in 2015/16)

Quality report incorporating the Quality Account for 2014/15

(With our priorities for Quality Improvement in 2015/16)

Our Quality Promise ensures that:

- our services are safe
- people have a good experience of our services
- we use best practice to ensure better outcomes for our patients
- we meet national standards

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Introduction

Welcome to annual Quality Account for Solent NHS Trust.

Why are we producing a Quality Account?

NHS trusts have always had to publish their annual financial accounts, but since 2010 a Quality Account is also required to be published (as set out in the Next Stage Review in 2008 which developed a vision of how the NHS would continue to serve the needs of the public in the 21st century)

The purpose of the Quality Account is to share information about the quality of our services, and our plans to improve even further, with patients, their families and carers. The public and patients can also view quality across NHS organisations by viewing the Quality Accounts on the NHS Choices website: www.nhs.uk

The dual functions of a Quality Account are to reflect on the past year and then highlight improvement for the future.



The National Health Service Quality Accounts Regulations specify the requirements for Quality Accounts. We have used the requirements as a template around which our Account has been built.

This Quality Account is presented in three parts:

- Part 1: Message from Chief Executive and Chairman (Statement of Assurance)
- Part 2: Priorities for improvement and statements from the board
- Part 3: Other information

How did we produce our Quality Account?

In addition to ensuring that we have included all of the mandatory elements of the Quality Account, we have engaged with staff, patients, Trust members, Commissioners, carers groups and patient representative groups to ensure that the Account gives an insight into the organisation and reflects the priorities that are important to us all. As a result, we have identified specific and measurable improvement initiatives in each of our priority areas.

As a Trust our three key areas for quality improvement are:

Patient Safety - this means ensuring that the environment is clean and safe at all times and that harmful events are avoided.

Patient Experience - is the term used to describe those aspects of healthcare that do not relate directly to the treatment of an illness or injury, but can make all the difference to whether patients feel that they have been looked after properly.

Effectiveness of Care - is ensuring that the most appropriate treatments, interventions, support and services will be provided at the right time to those patients who will benefit.

We appreciate that some of the language used may be unfamiliar if you do not work in healthcare therefore we have included a glossary at the end of our Quality Account to explain some of the words that we use every day.

Part 1 - Statement on Quality from Sue Harriman, Chief Executive Officer of Solent NHS Trust



Thank you for taking the time to read this document. It is important to Solent NHS Trust that we confirm our continued commitment to improving the quality and safety of the care we provide and this report is one important way in which we can tell people about the quality of our services, and how we continually strive to improve our services.

There have been a few changes to our Board since last year; in addition to my appointment as Chief Executive, we also welcomed a new Chief Nurse. Mrs. Liz Bailey, Non-Executive Director, left in February and the Trust also saw the departure of the Executive Director of Finance, Mr. Michael Parr. Recruitment has begun to fill these important positions and we hope to be in a position to appoint to the roles by mid 2016. In the meantime interim arrangements have been in place to support the Trust in managing the financial challenges until a new Director of Finance is appointed.

The past year has presented the Trust with some challenges not least to maintain high quality care while responding to rising demand and a significant financial pressure. I am pleased to say that we have met these challenges, but this would not have been possible without the dedication and commitment of Solent staff. I thank them for their professionalism, energy and dedication. Last year we reported on how, in preparation for Foundation Trust status, the organisation was inspected by a number of different teams of experts, including the Trust Development Authority and Monitor. We were also chosen to be a pilot site for a new style Care Quality Commission (CQC) inspection and in June 2014 the findings of this inspection were published. The Trust welcomed the findings; we particularly valued the recognition of good practice and the dedication and commitment of

our staff. We also identified that the areas for action identified in the report closely reflected our known challenges and many of the actions required to be taken were already in progress. I am pleased to report that all of these actions have now been completed and you can find all of the details on pages 119 - 132 of this Quality Account.

Every part of the NHS continues to face unprecedented challenges due to rising demand and costs in the face of falling investment. Many of the services which local people rely upon are delivered by Solent NHS Trust working in partnership with other organisations, for example local authorities, GPs and the Hospital Trusts. Together we have been seeking new solutions which allow us to transform the way in which quality care is provided.

Effective leadership is vital in delivering high quality health services and something we are continuing to build on in 2015/16 through continuation of our Leadership and Management Development Programme. In addition we have been developing a decision-rights framework to further strengthen leadership and accountability at all levels within the organisation.

The results of our NHS Staff Opinion Survey were disappointing and indicate some significant challenges for us in terms of staff experience. Recognising the impact of staff experience of delivering care on patient experience, we have acknowledged the results of the survey and we are working hard to improve things for our staff. As Chief Executive I have embarked upon a series of events which enable me, not only to meet with frontline staff in locations across the Trust, but also to engage with them through a range of media, including a recently introduced blog. By listening to our workforce, as well as our service users and public, I believe that we will be in a better position to continue to deliver improved, responsive services.

We have made significant investment in information technology during the last year with a key aim being the development of a mobile working solution enabled by an electronic patient record which is standard across the whole of the Trust. This will result in improvements for staff working in the community and improve communication between teams and services ensuring an excellent standard of safety and quality relating to patient care.

We are committed to quality and providing care that is safe, effective and provided in an efficient manner. It is important that service users, patients and families are assured of the quality of our services and can see easily the ways in which we strive, year on year, to improve what we offer. As such we continue to gather feedback using the Friends and Family Test (FFT) which asks patients and users of our services to tell us if they would recommend our services to their friends and family. Whilst we are pleased with the results, it is a challenge to ensure that everyone has the opportunity to give this feedback. We are therefore developing a range of methods to enable all service users to be able to provide us with timely feedback in all areas we deliver our services whether in a hospital, health centre or in a patient's own home. In turn, we will strive to demonstrate what we have done as a result of the feedback received.

There has been much publicity about ensuring safe staffing levels and since June 2014 we have been required to publish details of the nursing staff on duty in our in-patient wards. This information is available on NHS Choices and on the Solent NHS Trust Website. We also provide an explanation of any variances. However it remains a challenge to ensure that we map our staff capacity in community settings to the demand, particularly with the rise in the complexity of care required for some of the people we look after in their own homes. We are actively working with our staff and commissioning partners to develop services which are responsive to such demand enabling compassionate, best practice to be consistently provided by a skilled and competent workforce.

This Quality Account provides a summary of our achievements, this year, based on the core elements of quality, namely Safety, Experience and Effectiveness. Our achievements against this year's priorities have been monitored monthly at Board and Service Line Level.

As a Trust we are particularly proud of a number of achievements which have been realised during 2014/2015. These include, but are not limited to the following examples:

- A positive CQC inspection report for the Trust
- Achievement of the Breast Feeding Initiative Award
- Accessible Information project allowing service users with communication difficulties to input into medical appraisals
- Adult Mental Health service user survey results placing the Trust within the top 10 Trusts on service user feedback for the 3rd year running
- Development of Special Care Dentistry one stop shop sedation clinics
- Retained the Sexual Assault Referral Centre, Treetops, through a tender process due to good service delivery

Whilst some new priorities for 2015/16 have been identified through collaboration with and feedback from staff and governors, people who use our services, carers, partners and other stakeholders, a number of priorities are a continuation of last year's objectives. This is deliberate and they are supported by new and ambitious targets to further improve the way we deliver care.

Whilst the Trust will continue to deliver against the priorities identified in previous years, a significant amount of work associated with these priorities has become embedded into mainstream practice. It is therefore right that we bring greater focus to related but more specific areas of service delivery. One example of this will be the work the Trust progresses in the delivery of the Trust Quality Improvement Plan which retains a focus on pressure damage and recognition of the deteriorating patient but this year will give attention to improving discharge and hand over of care arrangements not only within this Trust but across other partner organisations. Improving the way we engage with and capture feedback from our patients, service users and their families to inform service improvement will also be central to how we move forward during 2015/2016, with a particular emphasis on ensuring that we report what we have changed as a consequence of the feedback received - 'You Said- We Did'. Our work on meeting the Accessible Information Standards, due to be launched in 2015, will help us improve patient/service user involvement and, in turn, patient experience of care. Consideration will also be given to how the Trust can further enhance practice in the care of the patients at the end of life so that patient and carer choice regarding the place of death can be routinely realised and the standards reflected in national guidance are consistently met.

Looking ahead Solent NHS Trust will maintain the focus on the quality of care, safety and the wellbeing of our staff and the people who use our services. This remains our highest priority. The purpose of this Quality Account is to confirm this pledge and to hold our organisation to account to deliver these standards across all those services we directly provide and in those services where we work in partnership with others.

The content of this report has been reviewed by the Board of Solent NHS Trust therefore on behalf of the Board and to the best of my knowledge; I confirm the information contained in it is accurate.

A handwritten signature in black ink, appearing to read 'SJHarriman'.

Sue Harriman
Chief Executive Officer

PART 2: Priorities for improvement and statements of assurance from the board

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This section includes statements which are mandated by the Department of Health to be included in the Quality Account. The aim of this nationally requested content is to give information to the public that is common to Quality Accounts across all Trusts.

Solent NHS Trust is a provider of NHS community and mental health serving a population of around 1.5 million. It has an annual revenue of £187 million and employs in excess of 3000 staff to deliver a diverse range of community and specialist mental health services to people living in Southampton, Portsmouth, and Hampshire

We were established as an NHS Trust on 1 April 2011 and our staff work from over 100 clinical sites spread across Hampshire.

During the year, our Foundation Trust application was paused by our financial position. However, we continued to have good support from the Trust Development Authority (TDA) based on our financial recovery plans.

Whilst Foundation Trust remains our most likely, and preferred organisational model, it is not our focus. With the support of the TDA, we will move into the year ahead with continued attention on delivery and sustainability. We believe that our Foundation Trust journey will become an outcome of this approach. We are also mindful of the changing national landscape and potential new models of care as envisaged in the Five Year Forward View and subsequent Dalton Review, and the implications these present for the future of the organisational form.

2.1 Review of Last Year's Quality Improvements

Review of services

The priorities identified for 2014/15 have been closely monitored throughout the year through each of the Service Lines within the Trust. A structure diagram identifying the service lines within the Trust is provided in Annex 3. The following section outlines the progress made in each of these priority areas.

Priorities for Quality Improvement in 2014/15 Patient Safety

Patient Safety

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Priority 1:

To reduce to zero the number of avoidable pressure ulcers that, following investigation, are deemed to be acquired within Solent NHS Trust's care and to further reduce the incident of all Pressure Ulcers, whether acquired within Solent's care or not.

Why did we choose this as a priority?

A significant amount of work has been undertaken within the Trust since 2012 to ensure that incident reporting processes have been streamlined and staff have been trained to enable timely, accurate reporting of all incidents, including pressure damage through improved recognition, and management. Whilst improvements have been made the Trust recognised that further improvement could and should continue to be made in recognition, prevention and management of pressure areas. We have also struggled to achieve the targets we set ourselves and this, as well as acknowledging the devastating impact of pressure damage on patients and their families, has prompted the Trust to retain a focus on this challenging area of care. This has also been an area of attention by Commissioners.

What did we do?

- In November 2014 the Trust introduced a joint pressure ulcer panel with representatives from both Southampton and Portsmouth based services on the panel. This has given frontline staff an opportunity to explore and discuss practice through the forum and learn in a safe environment from a plethora of professionals.
- The Trust signed up to the 'Stamp Out Sores' project and agreed a project lead that will drive the agenda across Solent and partner organisations.
- Learning from the Pressure Ulcer Serious Incident Requiring Investigation process (SIRI). All SIRI action plans are being reviewed monthly at the Service Line governance meetings to ensure actions are completed in agreed time frames.
- Introduction of the Duty of Candour. Over the last year staff have a better understanding of the Duty of Candour, the requirement placed upon NHS Trusts to be open and honest with patients and their families when things go wrong and as such there is evidence in the incident reporting and notes reviews that they are keeping patients/families aware of the process and informing them when an investigation is being completed.
- In September 2014 an 'At Risk Foot' seminar was run in both Portsmouth and Southampton with the aim of improving staff members understanding of the At Risk Foot pathway and the tools they can use to enable accurate assessment of the high risk foot. Staff had an opportunity within the forum to understand the role of the Clinical Advisory Team and Podiatry Service and how they can access and collaborate with the services to get the right care and resources for the patients.
- In November 2014 the Trust introduced the completion of a main care provider checklist to assist with the identification of whether the patient was a recipient of Solent care and the main care provider if Solent NHS Trust was not the main provider. This is helping our teams to work closer with other providers, families and carers and ensure that care interventions are consistently provided and concerns escalated in a timely way. To further support this, work has taken place on the introduction of 'intentional rounding in the community', a process which will be rolled out to the clusters nursing teams. This involves the use of a care plan that can be used in conjunction with the patient/ family/carer to ensure they have appropriate resources to manage the patient care.
- Quarterly audits have been put in place to monitor progress and adherence to NICE guidelines. The audit tool has been updated to adhere to the recognised standards issued in 2014 for Pressure Ulcer management.
- Joint working across the Portsmouth and Southampton teams to update the Tissue Viability modular course. Along with this work we have been looking into developing a training brochure which will encompass bespoke training sessions for all AHPs

What did we achieve?

- The number of incidents of pressure damaged graded as grade 3 and 4 (more significant levels of damage to the skin) has reduced overall throughout the year whilst recognition and grading of lower grades of skin damage (grade 1 and 2) has improved as the year has progressed

	April 2013 - March 2014	April 2014 - March 2015
Grade 2	214	151
Grade 3	30	28
Grade 4	60	51

Monthly progress on this area of activity is provided in **Annex 1**.

- Pressure ulcer panels are running twice weekly and information and lessons learnt are being shared. Pressure Outcome reports are completed and sent to staff involved as well as the Trust Quality & Risk Team and our Commissioners.
- Frontline staff are using the Clinical Advisory Team more effectively with increased awareness that specialist equipment can be ordered if the patient has a specific need that cannot be met through using normal pressure relieving equipment or access seating assessments.
- Improved use of the '4 eyes are better than 2' approach which involves two professionals assessing and verifying the pressure ulcers. This is supporting improved identification and early intervention of pressure risks.
- Professionals are referring any patient with foot ulceration and diabetes who is not being reviewed by podiatry as an urgent referral with a request for a joint assessment.
- Improved recognition amongst community nursing practitioners of the importance of working collaboratively with the podiatry team.

Priority 2:

Improve the detection and management of medically deteriorating patients in our care (reduction in incidents)

Why did we make this a priority?

- Identification and management of the deteriorating patient remained a priority for Solent NHS Trust in recognition of the devastating impact failure to observe and respond to deterioration has on everyone involved. As such in it was agreed that in 2014/15 the NEWS tool (National Early Warning Score) and the SBAR tool (Situation, Background, Assessment and Recommendation) would be piloted in our in-patient wards.
- Recognising and treating patients promptly when they become sicker leads to reduced mortality and morbidity. We know that the outcome for the patient is better when any deterioration is recognised promptly and steps are taken to treat the illness by well trained and sufficiently senior staff.

What did we do?

- Introduction of the recognition of the deteriorated patient tool called NEWS (National Early Warning Score) within community nursing teams, including the Rapid Response team in Southampton.
- Further embedded use of the NEWS tool within our in-patient wards supporting early recognition of and response to the signs of deterioration.
- Committed to the 'Sign up to Safety' programme being led by the Wessex Patient Safety Collaborative and developed a Trust Quality Improvement Plan aimed at bringing renewed focus to our work on recognition of the deteriorating patient.
- Regular audit has been undertaken by the teams to monitor implementation of the NEWS tool and understand outcomes.

What did we achieve?

- Use of the NEWS tool has improved the timeliness of community staff escalating concerns of the deteriorating patient resulting in improved outcomes for patients.
- Nursing staff feel more confident in recognising and are better able to articulate the needs of patients, whose condition deteriorates, ensuring that intervention is offered early.
- Training has enabled all members of the care team, including the unregistered workforce, to contribute to implementation of the tool. Training uptake is monitored at service line level.

Priority 3:

Ensure appropriate staffing levels

Why have we chosen this priority?

- To ensure care and services are delivered safely and effectively it is essential that appropriate staffing levels are in place. There are a number of drivers for this including recommendations from national documents such as the Francis Report. There is also a need to ensure that the best services can be provided within the resources available and that staffing is not reduced to an inappropriate or unsafe level during service transformation.

What did we do?

- Nurse staffing establishments were set in all in-patient areas in collaboration with the Ward Manager, Matron, the Governance Lead and Service Manager for each area. Establishments have been set based upon a review of activity and patient need in each ward.
- Monthly monitoring of compliance against the establishment set in each ward has been undertaken by the Matrons.
- Formal reporting on the position status of the numbers of nursing staff on duty each shift in all in-patient wards has been implemented. Any gaps in the number of nurses identified as being required when measured against the set establishment have been escalated and professional judgement used to inform how such gaps are managed. Matrons have played a key role in this process and staffing is a key element of the monthly Clinical Governance reporting arrangements.

- The Trust Nurse Bank was established and the team has worked hard to build relationships with each Service Line to better understand staffing needs and increase capacity within the bank to cover staffing shortfalls.
- Monthly position reports have been placed on the Trust web page to ensure that patients, their families and the public can see our nurse staffing position.
- In December 2014 an acuity and dependency tool was introduced into one of our specialist in-patient wards to help the team better manage the staffing resource so they could respond to increased patient need and complexity as well as work effectively within the health system pressures faced during the winter months.
- Incident reporting on staffing related issues has been promoted so that there is increased openness and understanding of staffing difficulties and pressures. Discussions have taken place with Commissioners about the nurse staffing needs in our community and in-patient teams to enable the Trust to meet demand and deliver safe, effective and timely care in a consistently compassionate way. These discussions have resulted in an uplift in nurse staffing in Jubilee House and Community Services in both Portsmouth and Southampton.
- The Trust Board has also received two reports on the staffing position in all in-patient areas with an acknowledgement that more work needs to be done on staffing arrangements.
- Concerns were raised regarding the safe staffing of Bitterne Walk- In Centre following uncertainty of the future of the service. Staffing gaps were covered through use of agency and bank nurses with appropriate qualifications and experience. The service management team put in place a review and actions to improve staffing the outcome of which is becoming evident in early 2015/2016.

What did we achieve?

- The relationship developed between the Service Lines and the Trust Bank Team has improved the way temporary staffing resources have been used. Fill rates, the number of times temporary staff have been used to cover identified nurse staffing shortfalls, have improved throughout the year and reliance on high cost agency has reduced.
- Incident reporting has improved providing a transparent picture of the instances where staffing levels had actual or potential impact on patient care and experience. It should be noted that, to date, all staffing incidents reported have had no or minor impact on patient care and outcomes.
- Where a gap between expected nurse staffing numbers and actual has occurred, the situation has been risk assessed and in conjunction with professional judgement, the shift has been managed, for example, the area has closed to or delayed admissions, staff have been reallocated or temporary staff have been utilised. Not all staffing gaps have been covered however and this has been escalated within service lines and where necessary, through to the office of the Chief Nurse. There were no escalations to the office of the Chief Nurse in 2014/2015.
- Monthly nurse staffing returns have been placed on the Trust web pages however the narrative explaining the report has not always been provided at the same time. Work will continue in 2015/16 to improve both the timeliness of the submission and also the process for ensuring all reports are easy to access by the public.
- The Trust has established a working group looking at the options for the introduction of an acuity and dependency staffing tool that can be used in all District Nursing Teams so that a consistent approach can be put in place across the Trust.
- Staffing establishments in some areas/teams have changed in response to identified needs and recruitment plans developed in response to the challenges of securing appropriately skilled staff to fill vacancies

Priority 4:

Improving Information Governance (IG) compliance and reducing IG incidents

Why did we make this a priority?

- The Trust takes Information Governance (IG) very seriously and considers the need to ensure that the data we hold remains confidential at all times is a high priority. During 2013/2014 the Trust reported three IG incidents classified as Serious Incidents Requiring Investigation (SIRI) to the Information Commissioners Office (ICO).
- Whilst each incident was investigated and learning identified, the Trust agreed that this area of work should remain a priority during 2014/15, with particular reference to improving awareness and compliance with IG requirements.

What did we do?

- Analysis of data and IG compliance, at Service Level reviewing aspects of work that impact upon IG compliance, such as Subject Access Requests and Complaints.
- Undertaken reviews of potential and/or actual IG incidents so that themes and issues can be identified and action put in place to minimise the risk of reoccurrence of such incidents e.g. High Risk Incidents and SIRIs.
- Audited activity to understand compliance with the Information Governance toolkit requirements.
- By undertaking the activity identified above, the IG Team has been able to identify key risks, areas of improvement required and provide tailored bespoke IG Training and guidance.
- Developed policy and guidance to support staff to meet IG requirements.
- Worked with the Information Transformation team to ensure that IG requirements are embedded within all information and patient records systems.

What did we achieve?

- Achieved level 2 compliance with the IG Toolkit.
- Identification of key IG issues within Service Lines with quarterly reports being provided to the Trust's Information Asset Owners to aid the identification of actions to support compliance.
- Provided bespoke training on IG to Service Lines and Corporate Team including:
 - Nursing & Quality Team.
 - Dental.
 - Sexual Health.
 - Clinical Apprentices.
 - Paediatric Admin.
- New Information Asset Custodian Training.
- Provided quarterly guidance to Information Asset Owners, identifying areas of improvements and potential risks.
- Undertaken beneficial IG audits on how data is transferred, shared and stored to identify and plan actions to reduce potential risks. Audits have been completed in approximately 90% of services within the Trust.
- Reduced the number of IG incidents. The Trust has seen an approximate 24% reduction (as of January 2015) in IG incidents within 2014/15 compared to 2013/14.
- Reduced the impact of IG incidents on the affected individual. The year to date position shows that the Trust has currently only reported 3 High Risk Incidents, which is a 50% reduction compared to year end of 2013/14.
- Also the Trust has currently only reported 2 SIRIs, which is a 60% reduction compared to year end of 2013/14

Priority 5:

Develop 'easy read' and other accessible formats for communications to staff, service users, carers and patients.

Why did we make this a priority?

Although this was an area for improvement in 2013/14 the Trust recognised that there were greater opportunities to be realised by further developing its approaches to ensuring that patients are enabled to participate fully in their care through the provision of information in a variety of formats. By maintaining this as a priority during 2014/15 the Trust has been able to progress its work on staff training as well as developing the infrastructure to support the development of patient centred, user friendly information.

What did we do?

- Awareness of accessible information has been delivered to leaders in the organisation via a presentation at a leadership event. The equality champions from each service line have also received awareness training on accessible information.
- Our newsletter SHINE is now sent out in an easy read version to all members of staff for wider distribution to our patients and all new information produced via the communications and marketing service includes an easy read summary.

What did we achieve?

- We have commenced awareness training regarding accessible information needs.
- It is now routine that information produced by the Communications and Marketing Team is also available in easy read format.
- We have named equality champions within each Service Line.
- Whilst our goal to routinely ask patients about their information needs as part of the assessment process has not been achieved this year, we will consider how we can achieve this within the new clinical record system to ensure that this becomes a routine data requirement in line with the forthcoming Communication and Accessible Information Standards. These standards are due to be published by NHS England in June 2015.

Priority 6:

Roll out real time capture of patient experience

Why did we make this a priority?

The Trust believes that feedback from patients/service users is essential if it is to provide care that is recognised as caring, responsive, safe and effective. As such the Trust values feedback which is captured in a timely way. It is also important that all patients, regardless of where they receive care from Solent NHS Trust staff, be given the mechanism for providing feedback and know how the Trust has responded to that feedback. In addition activity has been undertaken to monitor the environments in which patients/service users receive care by Solent staff, this is known as PLACE assessments. Further details in these particular assessments can be found in **Annex 2**.

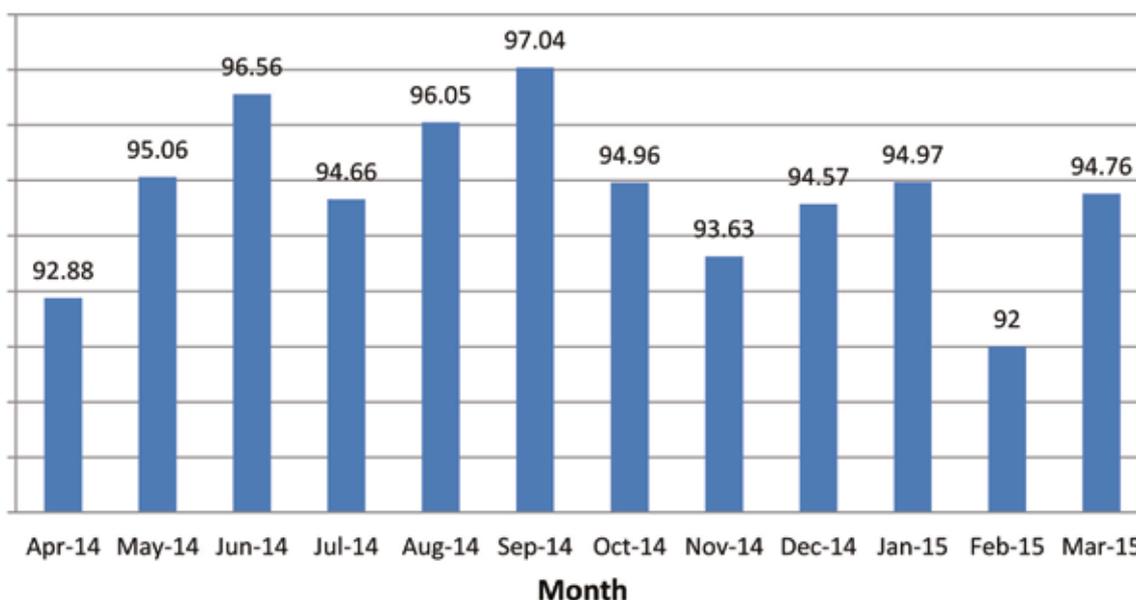
What did we do?

- We have rolled out the Friends and Family Test (FFT) across all of the 8 Service Lines.
- We have increased the methods by which patients can give their feedback including the Trust survey, a Friends and Family Test postcard and easy read versions of these. By having a set of standard questions we are able to gain an overview across the organisation of what patients think of our services and use this insight to inform service planning and improvements.
- In January this year we submitted our first return for the national reporting of the FFT.
- Each month we took a patient or carer story to board briefing. This enables our Board to hear directly from patients and carers their experiences of our care.
- We have developed our Patient Experience Strategy and started the process of the Trust Development Authority's self-assessment tool.
- We provide 'You Said, We Did' posters in clinical areas, where appropriate, so that patients and staff receive information on improvements we make based upon their feedback. This is an area that we plan to develop further next year.

What did we achieve?

- We have exceeded the target of 15% response rate for our inpatient areas.
- Although we have not consistently achieved a target of 15% response rate for the walk in centre, there has been an encouraging improvement of response rate returns during January and February 2015 and we aim for this to continue to improve during 2015/16.
- Between April 2014 and March 2015 we received 12,577 responses across the organisation for the Friends and Family Test.
- 94.59% of the respondents were either extremely likely or likely to recommend Solent services to friends and family if they needed similar care or treatment.
- We set an ambitious target of 95% of patients responding positively across our services and although we have achieved this for some months this has not been consistent. We have also had varying rates of responses which we wish to build upon in the future

Would you recommend our services to family and friends if they needed similar care or treatment?



Priority 7:

Promoting recovery and ensuring inclusion of the service users in care planning for patients with Mental Health Problems

Why did we make this a priority?

Involving service users in their care, as partners, through shared decision making is key to ensuring that outcomes are achieved and service users feel that real progress is being made on their recovery journey. The Trust has therefore retained its focus on this important aspect of work within Adult Mental Health Services during 2014/15. Commissioners have also placed requirements on the Trust in relation to levels of service user engagement in the care planning process.

What did we do?

- We put in place a process where an identified link from the Recovery Teams links with wards for new patients to the service and hold the co-ordination until a fuller picture of needs has been ascertained and a care co-ordinator if required would then be allocated. However this process has changed in light of the findings from the National Confidential Homicide and Suicide report and admissions into and out of the wards are now managed through the Crisis Resolution Home Treatment Team as part of early discharge. This has promoted continuity and improved engagement.
- Training has been provided to staff on clinical risk assessment.
- The Consumer Rated Outcome Scale tool was selected for use by service users to assist them in identifying their recovery needs across 5 themed areas. This approach has supported the development of a recovery care plan co-produced with the service user.

- The Solent Recovery College has continued to grow and develop peer support workers who can and do work alongside service users to promote recovery.
- A new contract has been put in place with Solent MIND who now provide on behalf of the Trust the Recovery College, management the Support Time Recovery Workers as well as offering employment and housing support.

What did we achieve?

- Greater continuity of care and a better transition into the community teams.
- The Risk pathway has been discussed through the Mental Health Governance and Essential Standards Group and key learning message shared with teams. Clarity has also been provided on how to document and refresh the assessment in line with learning.
- The Consumer Rated Outcome Scale (CROS) has been rolled out across the service and as of quarter three 92% of service users had been offered the CROS with 79% completing the CROS.
- The Adult Mental Health Risk Policy has been updated and now reflects the pathway points where risk assessments should be undertaken (awaiting ratification by the Trust Policy Group).

Priority 8:

We will ensure we consider the needs of carers and aim to ensure carers feel supported.

Why did we make this a priority?

Carers play an important and often under recognised role in supporting patients/ service users to manage their health related needs. As a Trust the role of carers has been acknowledged and work needs to continue on embedding carer awareness amongst our workforce so that patients and their carers have a positive experience of the services provided by the Trust

What did we do?

During this year we have raised the awareness of the needs of carers with our staff and the public by contributing to Carers Week and Carers Rights Day. To highlight the needs of carers, Solent services were involved in a number of events in various locations:

- In collaboration with Carers together, we provided an information stand in a public shopping area where we spoke with 58 members of the public.
- During carers week a number of Solent services had information stands at the Mountbatten Centre.
- Our Talking Change Service held a stress workshop for Carers during Carers week.
- We provided posters and information stands at Adelaide Health Centre, Nicholstown Surgery, the Diabetic Resource Centre and Podiatry at RSH.

We have started the process of updating our strategy for carers and are progressing this work in partnership with our key partners, including the local authorities in Southampton and Portsmouth. This work will continue into the coming year.

What did we achieve?

- We raised the profile of the needs of carers via our communications with staff and the public events we attended.
- We have ensured we are involved in the refresh of Southampton and Portsmouth's Carers strategies.
- Between April 2014 and March 2015 we received 12,577 responses across the organisation for the Friends and Family Test (FFT).

Priority 9:

Reduce number of amputations in patients with diabetes

What did we do?

- We have been liaising with our Commissioners and the Solent NHS Trust Clinical Head of Podiatry to develop a diabetic foot pathway to ensure that there is a robust pathway for the management of diabetic ulceration. This will ensure that the best evidence is utilised to inform and improve the early detection and treatment of diabetic ulcers. It is anticipated that working together across the healthcare economy will drive the amputation rate down by 50% by 2020 by improving the access for patients identified as being at high risk.
- A new model of care is being introduced across Southampton City which transfers the care of diabetes from a specialist Solent NHS Trust primary care team back to the patient's own GP. An education programme has been developed and is currently rolling out across the city to enhance the knowledge and skills of GPs and Practice Nurses.
- We held a series of events within Solent NHS Trust for the Community Nursing Teams regarding the management of complex wounds and this incorporated a presentation from the Clinical Head of Podiatry including discussion regarding the assessment tools available to support the early identification of diabetic ulceration.
- We have raised awareness of the assessment tools available to support the early identification of diabetic ulceration.
- A senior Band 7 podiatrist has been identified to attend the Solent NHS Trust Tissue Viability Steering Group in order to maintain and develop awareness regarding the management of diabetic ulceration

What did we achieve?

- Stronger links with our Community Nursing Teams across Solent to support the early recognition and categorisation of complex wounds.
- Improved the input of the Podiatry Team when there is a complex wound and the Podiatry Team are critical in the review of clinical notes and the root cause analysis process when an ulcer is identified as a grade 3 or 4.
- A reduction in minor and major amputation and reduction in admission of patients with diabetic foot disease.
- Developed a training and education programme for the Southampton City GPs and Practice Nurses regarding the management and care of diabetic patients.
- Made progress with our commissioners regarding a robust pathway for the care of diabetic foot at risk.

Priority 10:

Reduce the number of clients who are unable to access a walk-in Sexual Health appointment on the day.

Why did we make this a priority?

Whilst a number of positive areas of practice were noted in the service during the previous year the CQC inspection visit and subsequent report identified that clients were not receiving the level of access they should expect when engaging with the Sexual Health Service. This observation has focused our attention on improving arrangements for people who use the service on a walk-in basis.

What did we do?

- We listened to our patients' feedback and presented a new model to the Southampton and Portsmouth commissioners. This was implemented March 2015.
- We ensure that we see all patients that attend the clinic. When they attend we triage them or, if they are not urgent, we plan their next visit if we are unable to see them at that time.
- We have developed the role of the Health Care Assistant so they can see patients attending for pregnancy testing and complete blood pressures and BMIs for patients to reduce their waiting times.
- We are in the process of increasing the amount of asymptomatic clinics that HCAs can provide to increase access for those patients who are seen as the 'worried well'.
- The new appointment system introduced at St. Mary's Hospital and Royal South Hants Hospital will include a better ratio of new to follow up appointments to increase access.
- We have continued to ask for patients' feedback regarding access via our token system in our main hubs.

- We are continuing to work with our Commissioners to amalgamate spoke clinics to increase access. We are working with our Commissioners to transform parts of our service to increase access. For example an HIV pilot in pharmacies, GP support from our service and education.

What did we achieve?

- We have a 0% turn away figure since the implementation of the triage system.
- We have listened to our patients and staff feedback and designed a new model as a result of this.
- We have worked with our partners to achieve this.

Priority 11:

Develop Solent NHS Trust as a place of choice for undergraduate and post graduate training.

Why did we make this a priority?

National reports have identified that one of the best forms of independent feedback comes from trainees. As a Trust we also want to be in a position to recruit the best workforce to provide care for the population we serve.

What did we do?

In order to continue enhancing the postgraduate trainee experience, we have undertaken a number of further steps. These include:

- Further FY expansion – a new FY2 trainee is planned for August 2015.
- Regular meetings with trainees e.g. junior/senior psychiatry meetings.
- Trainee involvement/representation at Trust meetings.
- Trainee event twice annually to 'showcase' trainee practice.
- We present our turned away data to the board monthly. Our complaints in this area have decreased and our patient satisfaction scores have increased.

We continue to engage with trainees and respond to feedback which is received in a number of ways.

In relation to undergraduate medical students we have proposed a new governance model for implementation across the organisation which has been approved. This is to enable clear data and reporting of student activity, linked to Health Education England income and expenditure of income to improve education infrastructure, and support development of roles across the Trust that have education responsibilities.

We have recruited a new central administrative role who has worked with all the speciality leads across the organisation to obtain data on activity, timetables, student numbers, and educational PA time for consultants. This information has been collated and is almost complete. This enables us to have a strategic picture of undergraduate medical activity, and opportunities for growth.

The next step is to implement the governance structure, and agree priority work-streams focussing on quality of placement and student experience via the Trust Under Graduate Medical Education Group (TUGMEG), which will meet for the first time in April 2015.

What did we achieve?

- Positive Trainee feedback including from psychiatry trainees and foundation trainees.
- Better relationships with trainee engagement.
- Foundation experience in CAMHS presented to both annual Wessex Deanery meeting and National College Meeting (College of psychiatry).
- Positive comments from the 2 paediatric College Speciality Advisor Committee (CSAC) members about the high quality of Solent neuro-disability and CCH (Community Child Health) grid training posts achieved (in part) by having regional CSAC lead on the paediatric postgraduate school board.
- Good quality improvement projects undertaken by trainees presented at biannual Trust conference with eligibility for Trust prizes.

- Formal feedback from the Deanery was received in September 2014 with all training posts in Solent receiving 'A' grading – satisfactory with none receiving any concerns. We strive to achieve 'excellent' grading

Deciding on areas for improvement

In drawing up our priorities for improvement in 2015/16 we have reflected upon our progress against last year's priorities, taken into account the local, regional and national picture, our overall performance and the feedback collected through various mechanisms of patients, our Members, Commissioners and Patient Representatives from such organisations as Healthwatch. Rather than identifying a wide range of objectives the Trust, in the coming year, will give focused attention to a smaller number of quality priorities which it believes underpins other work streams and activity taking place within the Trust and the health economy as a whole, which contribute to the provision of safe, effective, caring, responsive, well-led care.

We have indicated where the priorities for improvement for the coming year encompass a priority from 2014/2015. Where a 21014/2015 Priority has not been included we are satisfied that the work undertaken has resulted in significant improvement and that the continued improvement is embedded as business as usual for the trust.

The following priorities have been endorsed by the Trust Board and through transparent in-year reporting the Board will have oversight of performance against these high level priorities.

Priorities for 2015/16

Safe Care

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Priority 1:

Implementation of a Quality Improvement Programme which enables delivery of the Trust Quality Improvement Plan through development of quality improvement skills within Service Lines. Particular focus will be given during 2015/2016 on improving handover and transfer of care working through the Wessex Patient Safety Collaborative. (This will encompass a continuation of the work identified in Priorities 1 and 2 from 2014/15.)

Why have we chosen this priority?

A significant amount of work has taken place in the Trust during the last two years on specific areas of caring interventions with the overall aim of improving the safety and the outcomes of care. The attention given to reducing pressure ulcer damage and improving recognition of the deteriorating patient has been appropriate and has realised real improvements for patients. Whilst this work will continue attention will be given during 2015/16 to improving communication, handover and discharge arrangements within and between care providers. The aim of this work is to improve patient outcomes and experience of care.

How will we improve?

We will work collaboratively with partner organisations including NHS Trusts, Commissioners and Local Authorities as well as nursing and residential homes and domiciliary providers to ensure that discharge and handover communication standards are clearly defined and agreed. We will also facilitate our staff to participate in Patient Safety Collaborative activities which will develop the quality improvement skills that will underpin implementation of the Trust Quality Improvement Plan at clinical team level.

How will we monitor and report our improvement?

The Trust Nursing & Quality Team will provide leadership and practical support to Service Line leads and identified clinical team leads on the development of quality improvement skills and specific programmes of improvement focused on improving handover and transfer of care. Monitoring will be undertaken through the clinical governance reporting arrangements and into the Board via the Trust Assurance Committee.

Key indicators for success for this priority will be:

- A reduction against baseline from 2014/2015 in complaints associated with discharge and transfer of care.
- A reduction against the end position reported for 2014/2015 in overall the number of pressure damage incidents whilst in Solent care.
- An increase in the number of joint investigations/reviews undertaken when things go wrong or issues are raised (SIRI/HRI investigations).
- An increase in the numbers of patients/service users providing positive feedback about their experience of care as measured against the 2014/2015 baseline.
- An increase in staff reported confidence in quality improvement skills and knowledge. The baseline position will be captured during Q1 of 2015/2016 to enable measurement for improvement by end of 2015/2016.

Priority 2:

Development and implementation of agreed acuity and dependency tools for use by the Trust District Nursing Teams and in-patient teams as appropriate to the speciality to support Safe Staffing in line with national requirements. (This priority encompasses a continuation of Priority 3 from 2014/15.)

Why have we chosen this priority?

The issue of safe staffing has received considerable national attention over the last few years and this continues as we look forward to consider national priorities in 2015/16. It is also accepted that evidence suggests that patient outcomes have a correlation with staffing arrangements, especially staff experience, skills and competencies. To enable the Trust to ensure that nurse staffing levels are appropriate and reflective of patient need a consistent approach to measuring acuity and dependency is required. Whilst there are a number of tools available for use in different care settings with different patient groups no one tool has yet been identified for use in community or mental health settings. This work will build upon the approach for monitoring and reporting on nurse staffing levels in the Trust in-patient wards.

How will we improve?

To support the delivery of safe care in all settings where Trust staff provide care, attention will be given to identifying, piloting and implementing a suite of acuity and dependency tools. A working group has been established to support the Chief Nurse in progressing the implementation of suitable tools for use in all in-patient areas and within the district nursing teams. The working group will benchmark with other organisations and take account of the findings from the NICE safe staffing.

How will we monitor and report our improvement?

The outcome of the working group will be reported to Board as part of the routine safe staffing reports provided twice a year. Any pilots will be undertaken alongside the use of an agreed evaluation tool. A mechanism for reporting the nurse staffing position in the community will also be developed and implemented.

Key indicators for success for this priority will be:

- An agreed tool for use in District Nursing teams will be available and piloted in all relevant teams across the Trust.
- A mechanism to enable monthly reporting on safe staffing (nursing) within District Nursing teams will be established and teams will report monthly.
- Acuity and dependency in District Nursing teams will be articulated in discussions with Commissioners.
- Nurse staffing related incident reports will reduce.
- Acuity and dependency tools will be used in all in-patient wards and outcomes reported through service-line governance arrangements.

Responsive services

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Priority 3:

Implementation of the Trust Patient Experience Framework with the aim of improving levels of patient/service user feedback ensuring the You Said- We Did approach is visible in all clinical areas where Solent NHS Trust provides care. (This priority encompasses a continuation of Priority 6 from 2014/15.)

Why have we chosen this priority?

Patient/service user feedback is vital if the Trust is to provide caring, responsive, safe and efficient care which meets patient/service user needs. We know that even though we have undertaken considerable work in this area we have more to do to improve the timeliness of feedback.

How will we improve?

A Patient Experience Framework has been developed in collaboration with a variety of stakeholders and in line with the Trust Development Authority (TDA) national guidance. Implementation of the Framework will be driven through a reformed Trust Patient Experience Forum which has representatives from Service Lines, Healthwatch, Corporate teams, the Non-Executive Directors and shadow Governors.

The Nursing & Quality Team will promote the Friends and Family Test (FFT) through Service Lines to clinical teams to further develop the culture of seeking feedback, and feedback mechanisms to demonstrate the changes made as a result of this will be reviewed.

How will we monitor and report our improvement?

The Patient Experience Forum will develop and monitor a work plan aimed at delivering specific actions at Corporate and Service Level identified to improve patient experience. Progress against the Patient Experience work plan will be reported to the Board and monthly FFT activity will be reported through the Service Line performance sub-committee meetings. A central database will capture the changes made within service as a result of feedback received and this will be reported to Board

Key indicators for success for this priority will be:

- FFT uptake rates will improve and be sustained in line with the agreed Quality Schedule.
- Formal complaints about poor patient experience of care will reduce when measured against the 2015/2015 baseline.
- Instances of local resolution of concerns will increase and the requirement for 2nd responses to complaints will reduce.
- Plaudits received by services will increase local target will be agreed with service lines.

Priority 4:

Embedding of the Accessible Information Standards due to be issued in June 2015 through the provision of the infrastructure required to comply with the standards. This work will bring focus to inclusion and shared decision-making.

(This priority encompasses a continuation of Priority 5 from 2014/15.)

Why have we chosen this priority?

We recognise that many of our patients experience challenges in accessing health care because of a range of needs associated with communication difficulties, hearing and/or visual problems or limited literacy skills. To ensure that all patients who need to access and receive care and treatment the Trust recognises the need to continue to improve the way information is made available. The Accessible Information Standards are due to be launched in 2015 and the Trust wants to be at the forefront of implementing the standards in practice.

How will we improve?

We will work with Service Lines and Corporate Teams to ensure that staff are aware of the accessible information standards and that they have the necessary skills, knowledge and tools available to them to implement the standards. Accessible information champions will be identified in each service line to support awareness, training and monitoring of compliance against the standards.

How will we monitor and report our improvement?

The number of staff receiving awareness and update training on Accessible Information will be monitored. Patient feedback and complaints will be monitored to identify any issues relating to provision of information and communication issues. The Equality Impact Assessments will also be used to monitor how services are meeting accessible information needs.

Key indicators for success for this priority will be:

- An improvement in the number of patients/ service users and carers who confirm that our information is in an acceptable format for them. (A feedback questionnaire will be used).
- Accessible Information champions in all Service Lines identified.
- Complaints relating to poor communication will be reduced when measured against the 2014/2015 baseline.

Priority 5:

Implementation of the Carers Framework so that the Trust can demonstrate compliance with the requirements of the Care Act. (This priority encompasses a continuation of Priority 8 from 2014/15.)

Why have we chosen this priority?

The Care Act is set to come into force in April 2015 and within the Act there is a specific focus on the needs of carers. Whilst the lead responsibility for assessing carer needs rests with the Local Authority the Trust acknowledges its responsibility in recognising carers and ensuring that they are signposted and, where appropriate, referred to specific support to enable them to continue to care. The need to include carers in discussions about the care of the person they will resume or continue to care for is essential and as such staff will need to be supported to ensure that they feel confident about the way in which they engage with carers to plan, review and monitor care plans and arrangements.

How will we improve?

The Trust has participated in the development of the carers strategies developed by the Local Authorities in Portsmouth and Southampton and we will collaborate with our partners to support implementation of the strategic frameworks. To this end the Trust Carers framework, which is currently in draft, reflects how we will drive an enhanced focus on what matters to carers. Delivery of the Trust framework will be supported by a work plan which will be led by the Head of Patient Experience & AHPs and implemented through Service Line engagement. Awareness sessions will be provided to staff to highlight the requirements of the Care Act and the Trust Carers Strategic Framework.

How will we monitor and report our improvement?

Progress against delivery of the Carers Strategic Framework work plan will initially be monitored through the Patient Experience Forum however these arrangements will be reviewed mid-year. Progress will also be monitored through Clinical Governance reporting arrangements within Service Lines and through to Board.

Key indicators for success for this priority will be:

- Positive feedback on carer experience of interaction with the Trust/Trust services will be captured (through FFT mechanisms).
- Carers will report feeling appropriately engaged in the development and delivery of care.

Caring Services

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Priority 6:

Promotion of National Standards for End of Life Care, ensuring that patients and carers choice is recognised and facilitated to ensure that a positive outcome is achieved as measured by those directly involved.

Why have we chosen this priority?

'One Chance to Get it Right- Improving peoples experience of care in the last few days and hours of life' was published by the Leadership Alliance in June 2014. This document focuses attention on the 5 priorities of care bringing the person who is dying to the centre of all decision making and management. The principles identified are not new however, it sets out clear expectations for providers such as the Trust to ensure that the best possible care is provided, enabling patient choice to be respected. The Trust provides end of life care and as such wants to be recognised as a centre of excellence in such provision.

How will we improve?

A working group will be established to review the Trust position in respect of the 5 priorities and key principles outlined within 'One Chance to Get it Right'. An action plan will be developed identifying any specific action the Trust needs to take to become recognised as a centre of excellence in the care of the dying patient.

How will we monitor and report our improvement?

The working group will be supported by the Nursing & Quality Team and progress reports will be fed through to the Chief Nurse. The Board will receive a report on the Trust position in relation to End of Life Care and day to day monitoring of carer experience will be undertaken by the relevant Service Line. All patient deaths under the care of Trust services are subject to a mortality review the outcome of which is considered at Service Line governance meetings and at the Trust SIRI panel.

Key indicators for success for this priority will be:

- No complaints about the carer experience of End of Life care provided by the Trust.
- Increased plaudits acknowledging the care provided by the Trust.
- Confirmation of achievement against recognised best practice.
- Audit of performance against the 5 priorities of care will evidence progress.

Well-Led

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Priority 7:

Enhance governance arrangements from Ward to Board through refreshed Clinical leadership development and the launch of both nursing and AHP strategic frameworks focused on professional standards and practice

Why have we chosen this priority?

Strong governance arrangements enable the Trust to provide safe, effective, caring efficient and well-led services. To ensure that governance arrangements are robust all staff need to have clarity of role, responsibilities and accountability as well as an understanding of their own leadership role. Providing such clarity is especially important when services are undergoing transformation and integration. The Trust is currently embarking on significant transformation and increasing integration and therefore it feels appropriate to refresh our leadership approaches.

How will we improve?

The Nursing and AHP workforce are currently developing professional strategic frameworks which are intended for consultation and launch by the end of 2015. The focus of these strategic frameworks is to provide clarity of role, responsibilities and accountabilities for delivering professional leadership. In addition to this a Nursing & AHP productivity working group has been established with the aim of improving productivity and governance for the nursing and AHP workforce. The outcome of this will be intended to put in place greater consistency and standardisation across the Trust.

How will we monitor and report our improvement?

The professional strategic frameworks will be monitored through the development of an outcome focused work plan with reports being provided through the Trust professional leadership group. Reports will also be provided to Board. The work of the Nursing and AHP Productivity Group will report through the workforce work stream and the Corporate Programme Management Office (CPMO).

Key indicators for success for this priority will be:

- The Nursing Strategic Framework will be developed and launched.
- The AHP Strategic Framework will be developed and launched.
- All staff will be able to confirm their professional lead and be clear about the reporting arrangements within their Service Line and beyond as appropriate to role. This will be measured through staff reported experience, questionnaires and the staff survey.
- Nursing and AHP job descriptions will be reviewed, updated and consistent across the Trust.
- Single competency frameworks will be developed for Nurses and AHPs.

Effective Care.

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Priority 8:

Deliver an audit programme linked to care improvements, quality standards and NICE guidelines whilst working with Commissioners on the development of outcome focused service specifications aligned to national community indicators.

Why have we chosen this priority?

The Trust is committed to the delivery of safe effective care and to continuously improve how its services are delivered. Each area has a programme of clinical audit to enable them to formally assess whether they are meeting standards outlined in national guidelines, and as set within their own clinical professions. As a Trust we also participate in National Audits to ensure that we are performing as well as similar services around the country. It is important that in addition to auditing our clinical practice, we measure the impact that our care has on patient outcomes. As part of this, in 2015/16 we will be part of the National Community Indicators programme, which are a series of measures designed to monitor the quality of care. We will ensure that all those relevant to our services are reported on. Further, we will work with our Commissioners so that they can use these as indicators of performance which will help us ensure that we focus entirely on our patients.

How will we improve?

Service Lines will establish their own audit groups to monitor the completion of their audit plans, and to agree actions that are needed for improvement. We will set up processes for monitoring when actions are completed and ensure audits are redone to assess the degree of improvement. Each area will also agree the National Community Indicators that are relevant to them, and we will ensure that these can be measured, and closely monitored. Once this is in place, we will work with Commissioners to have these built into our new service contracts, and the Quality Contract for the next year.

How will we monitor and report our improvement?

There will be monthly reports on the completion of clinical audits against the plan, those audits that have action plans, and those that are then re-audited. The monthly reports will be provided by the Corporate Clinical Audit team and the reporting within Service Lines will be through the Clinical Governance Group and on into the Trust Assurance Committee.

As services identify their community indicators, we will start to report on these and monitor performance via service dashboards.

Key indicators for success for this priority will be:

- Examples of improvements to clinical care as demonstrated via the audit process.
- Dashboards for community indicators which highlight the quality and safety of our care in a quantifiable way will be in place.
- An audit plan will be in place and compliance against the plan monitored and reported.

2.2 statements of assurance from the board

Between the period April 2014 to March 2015 Solent NHS Trust provided and/or sub-contracted 136 relevant health services across eight service lines.

Solent NHS Trust has reviewed all the data available on the quality of care in all of these relevant health services and is satisfied that the standards achieved have been monitored and reported accurately. The Board is content that through the Assurance Committee scrutiny of quality and safety has been robust and any issues of concern have been appropriately dealt with or escalated.

The income generated by the relevant health services reviewed in April 2014 to March 2015 represents 88% of the total income generated from the provision of relevant health services by Solent NHS Trust for April 2014 to March 2015.

Taking part in clinical research

Research & Development

The number of patients receiving NHS services provided or sub-contracted by us in 2013/14 that were recruited during that period to participate in research approved by a research ethics committee was 1190. We have opened 46 new studies across the Trust this year and have recruited to 42 studies on the National Institute of Health Research portfolio across a range of services. Solent NHS Trust continues to be at the top of the National League tables for research activity in Care Trusts, and this year was shortlisted for the HSJ Clinical Impact from Research Award.

Clinical impact from research

Research is about improving patient care, treatment and outcomes. Our aim is to give as many of our patients as possible the opportunity to participate in research. We also work in partnership with local universities and Health Education England (Wessex) to develop our staff and give them the skills to, not only let their patients know about research opportunities, but to also use evidence from research in their everyday working lives.

Some of the ways in which research has had an impact in the last year are:

- Patients with Parkinson's Disease have access to a new home based programme of one on one physiotherapy and specialised exercises to help prevent them from falling. In the last year, 108 patients have had access to this novel treatment.
- Patients with diabetes are working with us to trial a new device to automatically monitor their blood glucose.
- We are developing our parenting programme for young children with challenging behaviour to include a range of online resources that parents can access at home.
- We are trialling a range of new continence products and working with patients on models of personal budgets for managing which products they use.
- We are working with patients who have had surgery, trialling new physiotherapy interventions to support their recovery.
- We have a range of clinical trials looking at ways to support patients with Dementia and their families. These include studies into any genetic causes and exercise programmes to slow down progression of the disease. We are also collaborating with care homes to ensure their patients can also access research.
- Patients who have had a stroke have access to an extended rehabilitation service and are also being invited to have a language assessment & MRI scan with the aim of improving understanding of how different strokes affect language recovery.

- We are looking at how to make health information more accessible for those with communication difficulties or learning disabilities.
- We are investigating how singing therapy can help patients with lung function problems via better control of their breathing.

Taking part in national, local and clinical audits

Clinical Audit

During 2014 – 2015, 17 national clinical audits and 2 national confidential enquiries covered relevant health services that Solent NHS Trust provides.

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

The national clinical audits and national confidential inquiries that we were eligible to participate in during 2014 – 2015 are as follows:

Eligible National Clinical Audits /National Confidential Inquiries	Participated
National Confidential Enquiry into Patient Outcomes and Death Sepsis Study	Yes
National Confidential Inquiry into Suicide and Homicide	Yes
Prescribing Observatory for Mental Health audit of Prescribing Antipsychotics for Children and Adolescents	Yes
Prescribing Observatory for Mental Health Prescribing for People with Personality Disorder	Yes
Prescribing Observatory for Mental Health Prescribing for people with Learning Disabilities	Yes
Prescribing Observatory for Mental Health Prescribing for Substance Misuse: Alcohol detoxification	Yes
Epilepsy 12	Yes
Chronic Obstructive Pulmonary Disease (COPD) National Audit Programme	Yes
National Diabetes Foot Care Audit	Yes
National CQUIN audit of Improving Physical Healthcare to Reduce Premature Mortality in People with Severe Mental Illness	Yes
National Audit of Memory Clinics	Yes
National Audit of Cardiac Rehabilitation	Yes
National Audit of Intermediate Care	Yes
National Paediatric Diabetes Audit	Yes
Sentinel Stroke National Audit Programme	Tbc

The national clinical audits and national confidential inquiries in which we participated, and for which the data collection was completed in 2014 – 2015, are listed below alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

Eligible National Clinical Audits /National Confidential Inquiries	Percentage Number of Cases Submitted
National Confidential Enquiry into Patient Outcomes and Death Sepsis Study	n/a
National Confidential Inquiry into Suicide and Homicide	Tbc
Prescribing Observatory for Mental Health audit of Prescribing Antipsychotics for Children and Adolescents	100%
Prescribing Observatory for Mental Health Prescribing for People with Personality Disorder	66%
Prescribing Observatory for Mental Health Prescribing for People with Learning Disabilities	100%
Prescribing Observatory for Mental Health Prescribing for substance misuse: Alcohol detoxification	100%
Epilepsy 12	Tbc
Chronic Obstructive Pulmonary Disease (COPD) National Audit Programme	n/a
National Diabetes Foot Care Audit	Tbc
National CQUIN audit of Improving Physical Healthcare to Reduce Premature Mortality in People with Severe Mental Illness	100%
National Audit of Memory Clinics	n/a
National Audit of Cardiac Rehabilitation	Tbc
National Audit of Intermediate Care	n/a
National Paediatric Diabetes Audit	Tbc
Sentinel Stroke National Audit Programme	Tbc
Herpes Simplex Virus- Virological Confirmation, Treatment, written Information, Suppressive Therapy	Tbc
Partner notification for HIV infection	Tbc

The reports of 18 national clinical audits were reviewed by Solent NHS Trust in 2014 – 2015, via our service line governance structure.

The reports of 119 clinical audits were reviewed during 2014 – 2015. Examples of these and some of the actions we intend to take to improve the quality of healthcare are shown below:

Service Line	Audit Title	Actions we intend to take to improve the quality of healthcare
Child and Family	Antipsychotic medication pre-and post-initiation monitoring according to NICE Clinical Guideline 155	<ul style="list-style-type: none"> • A clear, available set of physical monitoring guidelines, including the blood test to be requested should be made available to all clinicians. • The development of an easier more accessible means of requesting blood tests, and getting the results by Clinicians in CAMHS. • Side effects from medication should be highlighted in the clinical documents, and on Rio as an incident
Specialist Dental Services	Radiographs available prior to extraction of permanent teeth under General Anaesthetic at the Poswillo Unit	<ul style="list-style-type: none"> • A Nomad machine to be made available at Poswillo Unit. • Justification to be included in referral if radiographs are not supplied. • Treatment planning for patients having an examination under anaesthetic to have a one hour appointment as standard in order to ensure four periapical films are taken.
Sexual Health Services	Combined hormonal contraception (recording of BP / BMI and migraine history)	<ul style="list-style-type: none"> • The clinical record templates are adjusted to include specific migraine, headache, blood pressure and body mass index measurements as mandatory fields in first and subsequent prescribing of all combined hormonal contraceptive methods. This would be a safety net to ensure that these parameters are recorded within professional body guidelines. • The audit is repeated in 1 years' time. All of Solent Sexual Health Service will be using the patient electronic record system. Auditable information could be expanded to include other

		cardiovascular risk factors e.g. Diabetes.
Substance Misuse Services	Pre-requisite Liver Function Tests for patients at Baytrees Ward for Alcohol Detoxification	<ul style="list-style-type: none"> Referring team or the key workers plan LFTs and other relevant blood investigations with an eye on the expected admission date for the alcohol detoxification for any patient and to ensure that such tests are conducted within one month of expected admission date. Where it is not possible to arrange relevant LFTs and other blood investigations within specified time-frames, the reason for this are clearly stated on the referral form and brought to the attention of panel that accepts patients for inpatient alcohol detox. The panel may then if suitable decide to repeat blood tests on the day of inpatient admission.
Adult Services Portsmouth	Documentation of falls at Spinnaker Rehab Facility	<ul style="list-style-type: none"> Trial period of 3 months using the new falls sticker reporting tool (appendix 2) Re-audit the 3 month period retrospectively to assess whether an improvement in falls documentation has occurred Aim to complete 100% of CHIRFIT post-falls paperwork and online incident reporting form on re-audit If sticker tool is successful, continued use after the 3 month period is advised
Adult Services Southampton	Use of antidepressants in adults undergoing recovery and rehabilitation	<ul style="list-style-type: none"> Introduction of routine screening of mood, e.g. 'Yale question' Introduction of more use of a validated measure of mood Improve documentation- Recording of detailed MDT discussions, where often impact of mood on rehabilitation is considered Training in assessment/ use of validated scales.
Primary Care and Long Term Conditions	A regional audit of administration, efficacy and service-user experience following attendance at a group diabetic foot education session	<ul style="list-style-type: none"> Patient booking should be reviewed to ensure all vacant slots are filled The appointment letter template should be reviewed to ensure that it is clear to all patients that they are being invited to take part in a group education session

		<ul style="list-style-type: none"> • The reason for a high number of DNA's in these sessions should be explored • The potential to offer the talks across a range of venues should be explored • Mechanisms should be in place to ensure that products and literature are kept well-stocked and available for each education session, to ensure consistency in delivery • It is unclear whether patients would actually prefer one to one sessions or not, this could be explored further.
Adult Mental Health Services	Allergy field population in RiO	<ul style="list-style-type: none"> • Email all on-call medical staff reminding them to complete RiO allergy status. • Add it to the admission pack/checklist for medical staff to also document on RiO any documented allergies on RiO. • Include its documentation as part of the discharge process (e.g. TTO, discharge summary completion) for medical staff. • Record allergy data prospectively in the next audit, to compare with the patients drug chart allergy status with the electronic status.

Commissioning for Quality and Innovation Payment Framework (CQUIN)

A proportion of Solent NHS Trusts income in 2014/2015 was conditional on achieving quality improvement and innovation goals agreed between Solent NHS Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation Payment framework. Further details of the agreed goals for 2014/2015 and for the following 12 month period are available on the NHS England Website. The value of this income for 2013/14 was £2,979,949 and for 2014/15 £2,487,583.

What the Care Quality Commission (CQC) says about us

Registration with the Care Quality Commission (CQC)

Solent NHS Trust is required to register with the Care Quality Commission the current registration states is registered with the CQC with no conditions attached to registration.

The Care Quality Commission has not taken enforcement action against Solent NHS Trust between April 2014 and March 2015.

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

In March 2014 the Trust was invited to become one of the first CQC new style pilot, community and mental health, inspections sites. This was both to support the organisation's application to become a Foundation Trust and to give assurance that the Trust operates as a safe, effective, caring, responsive and well led organisation. The inspection took place over the week beginning 17th March with over 70 professional and patient expert inspectors viewing all of the Trust's services, with a particular focus on the patient and staff experience. The final report was published early June 2014 and the inspection overwhelmingly identified the Trust as having a caring and compassionate culture. Four areas for improvement were noted:

- The environment of Kite Unit does not provide adequate protection to people against the risks of receiving treatment that is inappropriate or unsafe and does not reflect the requirements of published expert guidance.
- The Kite Unit is not of a suitable design and layout. There are areas of the ward that do not provide clear lines of sight to staff observing patients. There are fixtures and fittings that pose a risk to patients who wish to self-harm that have not been reviewed, removed or mitigated.
- Staff shortages were identified within the access to intervention and the intensive engagement community adult mental health teams. These shortages had an adverse impact on individual case load size and subsequently on direct patient care interventions. Delays were identified in responding to some referrals received from General Practitioners (GP). This had led to the Trust not meeting the agreed timescales for the completion of some community based assessments.
- People were not always able to access sexual health services as waiting times were sometimes long for walk-in clinics and people were at risk of being turned away. Actions taken by the Trust to improve access to the service have not been sufficient. This meant people were not always provided with services that protected their sexual health or treated their sexual health illnesses. The provided had not ensured the planning and delivery of care and treatment to meet people's needs and to protect their safety and welfare.

An action plan was developed in response to the areas for improvement noted by the CQC and progress against these actions has been monitored through service line governance arrangements and the Trust Assurance Committee. All of these actions have now been completed.

We would like to thank all our staff and the people who use our services and those who contributed to the inspection for their support. The full report has been published on the CQC and Solent NHS Trust websites.

Information Governance

Solent NHS Trust has completed the Information Governance Toolkit Assessment as a Mental Health Trust for the period April 2013 - March 2014 and is compliant with all 45 requirements, having attained 77% compliance, which has been graded as Green - Satisfactory.

All organisations that have either direct or indirect access to NHS services must complete an annual Information Governance Toolkit Assessment and agree to additional terms and conditions. Where the Information Governance Toolkit standards are not met to an appropriate standard (minimum level 2), an action plan for making the necessary improvements must be agreed with the Department of Health Information Governance Policy team or with an alternative body designated by the Department of Health (e.g. a commissioning organisation).

What is Information Governance (IG)?

Information Governance is to do with the way organisations 'process' or handle information.

It covers personal information (i.e. that relates to patients/service users and employees) and corporate information (e.g. financial and accounting records). IG provides a way for employees to deal consistently with the many different rules about how information is handled, including those set out in:

- the Data Protection Act 1998
- the common law duty of confidentiality
- the Confidentiality NHS Code of Practice
- the NHS Care Record Guarantee for England
- the Social Care Record Guarantee for England
- the international information security standard: ISO/IEC 27002: 2005
- the Information Security NHS Code of Practice
- the Records Management NHS Code of Practice
- the Freedom of Information Act 2000

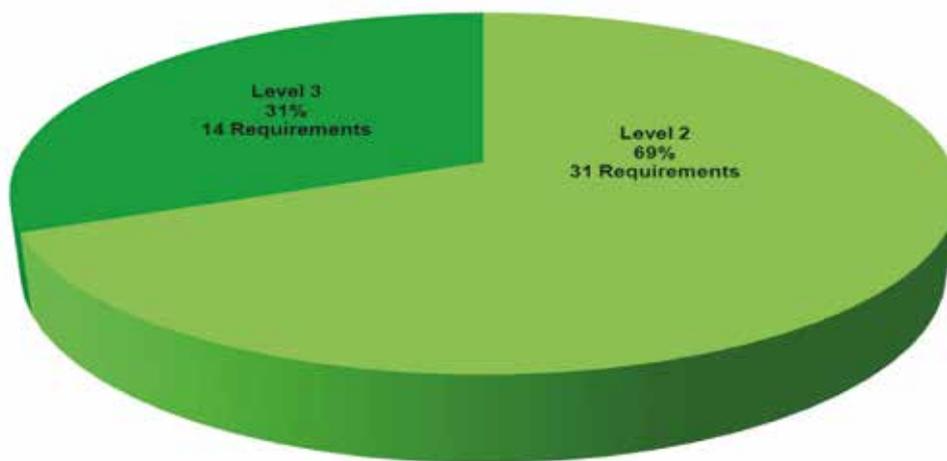
What is the IG Toolkit?

The Information Governance Toolkit is a performance tool produced by the Department of Health. It draws together the legal rules and central guidance set out above and presents them in one place as a set of information governance requirements. The organisations described below are required to carry out self-assessments of their compliance against the IG requirements. Solent NHS Trust was established on 1 April 2011 and provides Community Healthcare for Southampton, Portsmouth and some services in Hampshire.

Information Governance Toolkit V10 Summary Report for 2014/15

As of the 31st March 2015 Solent NHS Trust had achieved a Level 2 or above in all requirement areas, as mandated by the IG Toolkit.

A breakdown of the Trust's compliance is provided overleaf;



What are the IG requirements?

There are different sets of IG requirements for different organisational types. However all organisations have to assess themselves against requirements for:

- Management structures and responsibilities (e.g. assigning responsibility for carrying out the IG assessment, providing staff training).
- Confidentiality and data protection.
- Information security.

IG Toolkit Category	Compliance Level
Information Governance Management	86%
Confidentiality and Data Protection Assurance	81%
Information Security Assurance	71%
Clinical Information Assurance	86%
Secondary Use Assurance	70%
Corporate Information Assurance	77%
Total	77%

Freedom of Information

(FOI) requests 2014/15

The Freedom of Information Act 2000 is part of the Government's commitment to greater openness and accountability in the public sector, creating a climate of transparency, a commitment supported by Solent NHS Trust. The Trust is required under IG Requirement 603 to annually monitor and review compliance with the Freedom of Information Act 2000 and how it meets the standards.

Scope:

The aim of this review is to assess Trust compliance for 2014/15 in:

- Ensuring all requests relating to Solent NHS Trust were responded to within 20 working days
- Ensuring adequate policies and procedures are in place.
- Ensuring all staff are aware of the FOI Act 2000 and their responsibilities.
- Ensuring all requests are acknowledged within two working days.
- Ensuring requestors are satisfied with how their request was undertaken and the outcome of the request.
- Ensuring the organisation has an up-to-date and effective Publication Scheme.

Responding to FOIs

In 2014/15 for the period 1 April 2014 – 31 March 2015 Solent NHS Trust received a total of 166 FOI requests. The time frame for responding to FOI requests is 20 working days. Solent NHS Trust achieved 98% compliance in 2014/15, with only 4 requests breaching.

Subject access requests / Access to records requests 2014/15

Solent NHS Trust under Section 7 of the Data Protection Act 1998 is required to monitor compliance with an individual's rights to access their personal information, including requests for deceased patient records (to whom the Data Protection Act does not apply) under the Access to Health Records Act 1990. The Trust should endeavour to respond to all requests within 21 days (but no later than 40 days – inclusive of weekends and bank holidays) from receipt of all information e.g. ID check and fee.

Requests for information can be received by (but not limited to) the following:

- Patients.
- Patient representatives e.g. solicitors, advocates, etc.
- Parents of children under 18 years.
- Relatives of deceased patients.
- Police.
- Department of Work and Pensions.
- Other Health Care Providers.
- Mental Health Tribunals.

In 2014/15 for the period 1 April 2014 – 31 March 2015 Solent NHS Trust received and complied with 961 requests to access information from the categories above. Solent NHS Trust achieved 86.1% compliance (to date) with the mandatory timeframe in 2014/15. Solent NHS Trust will continue to provide awareness of this requirement and the importance of time frames throughout the Trust and will review processes and practices to ensure an increased level of compliance.

Payment by Results

Solent NHS Trust was subject to the Payment by Results clinical coding audit during the reporting period by the Audit Commission and the error rate reported in the latest published audit for that period for diagnoses and treatment coding (clinical coding) was 2.4%. Overall the Trust scored the highest attainment level 3 for its clinical coding assessed against Information Governance Requirement 12-514

Accuracy of our data

Data Quality

Solent NHS Trust will be taking the following actions to improve data quality:

- Continue to work with Clinical Services, Information and Patient Systems team to address priority data quality concerns.
- Extend the rolling data quality audit programme into 15/16 and align to the new CRS implementation programme.
- Work closely with the new CRS Implementation Team to address data issues prior to data migration and undertake data quality assessments post Go Live.
- Ensure that the organisations' current reporting responsibilities can still be met from the new CRS system.
- Produce an organisational Data Quality Report, monitoring key data items at an organisational level.
- Ensure that data quality tools are incorporated into the new Enterprise Data Warehouse that apply rules to improve the identification of errors at source and where possible fix problems as they arise.
- Work with Commissioners to develop a local monthly Community Information Data Set Submission (CIDS).
- All new KPIs for 2015/16 to be supported by a Data Assurance Document defining KPI criteria and Data Quality RAG rating.

2.3 Reporting against core indicators

The following data demonstrates Solent's performance against the core requirements:

Prescribed Information	2013-14	2014-15
The value and banding of the summary hospital-level mortality indicator ('SHMI') for the trust for the reporting period	Solent NHS Trust is not currently required to report mortality nationally	
The percentage of patient deaths with palliative care coded at either diagnosis or specialty level for the trust for the reporting period		
Prescribed Information	2013-14	2014-15
The percentage of patients on Care Programme Approach who were followed up within 7 days after discharge from psychiatric in-patient care during the reporting period	99.7% (338/339)	100% (426/426)
Prescribed Information	2013-14	2014-15
The percentage of admissions to acute wards for which the Crisis Resolution Home Treatment Team acted as a gatekeeper during the reporting period	100% (447/447)	100% (484/484)
Prescribed Information	2013-14	2014-15
The percentage of patients aged: (i) 0 to 15 and (ii) 16 or over Readmitted to a hospital which forms part of the trust within 28 days of being discharged from a hospital which forms part of the trust during the reporting period	Solent NHS Trust does not provide inpatient units for children therefore, as there are no admissions, this is not applicable.	
Prescribed Information	2013	2014
The trust's 'Patient experience of community mental health services' indicator score with regard to a patient's experience of contact with a health or social care worker during the reporting period	8.7 (National range was 8.0 – 9.0)	8.0 (National range was 7.3 – 8.4)
Solent NHS Trust considers that this data is as described for the following reasons:		
<p>This Care Quality Commission (CQC) national survey was developed and coordinated by the Picker Institute Europe, a charity specialising in the measurement of people's experiences of care.</p> <p>The 2014 survey questionnaire was substantially redeveloped and updated in order to reflect changes in policy, best practice and patterns of service. New questions were added and existing questions modified. This means, and is confirmed by the CQC, that the results from the 2014 survey for all questions are not comparable with the results from previous surveys.</p>		

Prescribed Information	2013-14	2014-15
The number and, where available, rate of patient safety incidents reported within the trust during the reporting period, and the number and percentage of such patient safety incidents that resulted in severe harm or death	3160 patient incidents and near misses were reported in total.	2968 patient incidents and near misses were reported in total.
	The following table shows that the majority of patient incidents result in minor or no harm.	

	2013-14		2014-15	
	Number	Percentage	Number	Percentage
No Harm / Near Miss	1173	37%	1234	42%
Minor	1854	59%	1579	53%
Moderate	114	4%	116	4%
Major / Catastrophic	19	1%	39	1%

Solent NHS Trust considers that this data is as described for the following reasons:

This data is taken from the Trust's incident reporting system, Safeguard, and is based on all incidents and near misses reported as directly affecting (or potentially affecting) patients.

Solent NHS Trust has taken the following actions to improve patient safety, and so the quality of its services, by:

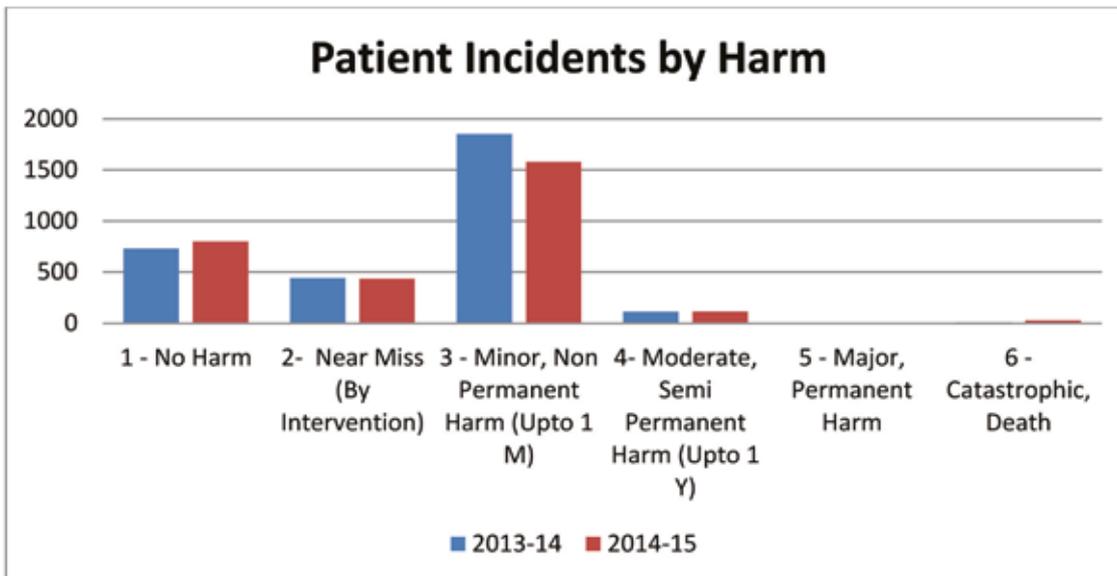
- Providing training and guidance materials to support staff in identifying and reporting incidents and near misses, undertaking reviews of these, and implementing actions to improve safety and prevent recurrence.
- Encouraging the reporting of near misses so that lessons can be learnt and actions taken to prevent harmful incidents.
- Incidents are reviewed within the clinical/corporate service lines and by the Clinical Risk Manager. Lessons learnt and changes to practice are cascaded as appropriate through feedback to reporters, clinical supervision, training sessions and the clinical governance / assurance hierarchy.
- In addition to the Serious Incidents Requiring Investigation (SIRI) process, Solent NHS Trust also undertakes root cause analysis and review for high risk incidents to ensure any trends / concerns are identified and addressed.
- The clinical governance groups are currently undertaking a review to ensure best practice examples, lessons learnt and changes to practice can be shared and cascaded effectively across the Trust.

Patient incidents

During April 2014 to March 2015 of the 5966 incidents reported there were 2966 incidents which affected the care provided to patients however a large number of these incidents resulted in no harm and were graded as charted below:



The reporting of incidents in 2014/15 appears to be more constant than in 2013/14. In 2013/14 there were peak reporting in the months of May and July. In 2014/15 the peak reporting is in the months of January and October.



During 2014/5 Solent had slightly more no harm incidents and significantly less minor incidents compared to 2013/14 however in 2014/15 there were catastrophic incidents compared to none in 2013/14.

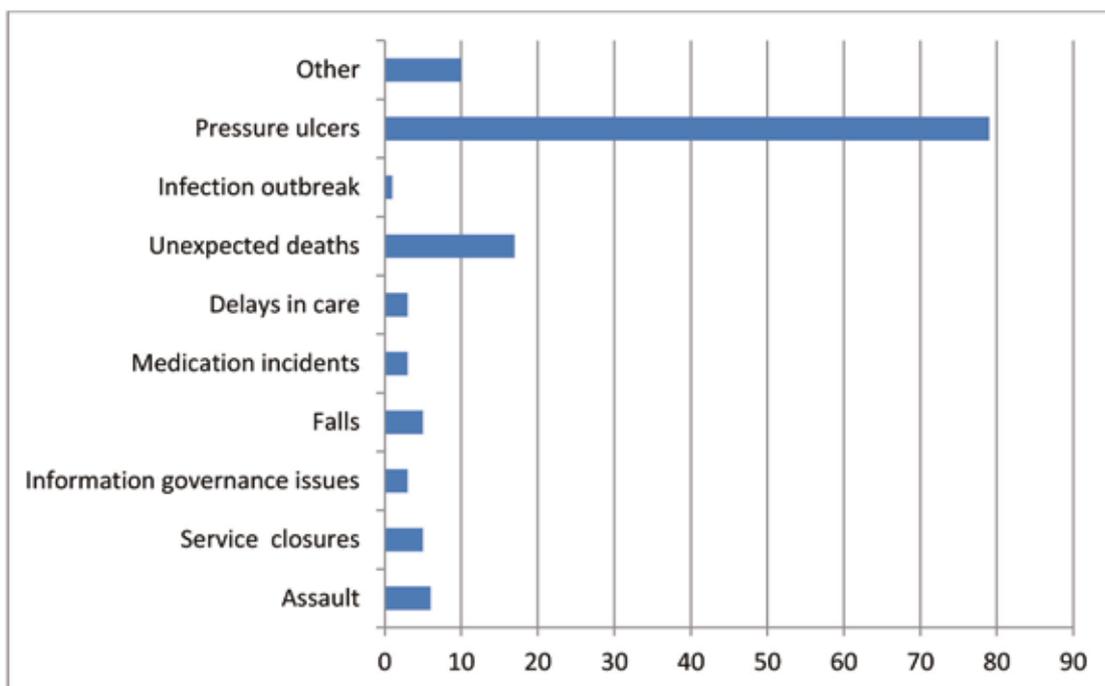
Part 3: Other information

Serious incidents requiring investigation (SIRI)

These are rare and unintended events that can cause significant harm or distress. If a serious incident occurs as a result of any failure in care or treatment, we want to understand why and how, and to make sure it doesn't happen again. We do this by:

- Ensuring that staff know what to do in the event of a serious incident by having policies and procedures in place and that staff follow them;
- Ensuring investigating officers are able to identify root causes of incidents and actions which will make a difference to patient and service user outcomes;
- Ensuring that staff involved in serious incidents attend the SIRI panels with senior managers to discuss root causes, review action plans and share learning in a constructive manner;
- Ensuring that action plans are monitored to see that improvements have been made and learning from incidents has been embedded into practice and shared across the organisation;
- Ensuring that staff are aware of their responsibilities in being open with patients, (duty of candour) services users and their carers to discuss openly with them serious incidents resulting in harm when things may have gone wrong and to say sorry that the care they received was not as they expected.

Serious incident causes



In the year April 2014 to March 2015 a total of 132 incidents were reported out of 5965 incidents reported as adverse incidents, which is a very low number of serious incidents requiring investigation.

Pressure ulcers

Solent NHS Trust are committed to reducing the number of pressure ulcers acquired in their services, and are involved in a number of different campaigns and plans that aim to ensure a reduction.

The key national programme that Solent is signed up to is the 'Stop the Pressure' campaign. <http://nhs.stopthepressure.co.uk/>. This aims to support NHS Trusts in a 50% reduction in pressure ulcer prevalence. Through the Trust Safety Improvement Plan, Solent aims to achieve a 50% reduction in avoidable category three to four Pressure Ulcers by January 2018.

An initiative championed at regional level is 'Stamp out Sores' which, similarly, sees Clinical Commissioning Groups, and NHS Providers working together to target a reduction in the number of avoidable pressure ulcers attributable to Solent.

At organisation level, Solent has taken multiple steps to attain the national targets in the reduction of pressure ulcers, namely the introduction of a trust pressure ulcer steering group. This is comprised of representatives from governance teams, tissue viability teams, the Trust risk team and the services with the aim of ensuring that Solent is making every effort to comply with the standards. The actions from all pressure ulcer incidents also come to this meeting for review, implementation and monitoring.

Not all pressure ulcers are avoidable however those that are deemed avoidable are investigated to see if there are any lessons to be learnt. During the year April 2014 to March 2015 there were only 8 of the 81 more serious grade 3 and 4 pressure ulcers that were deemed avoidable.

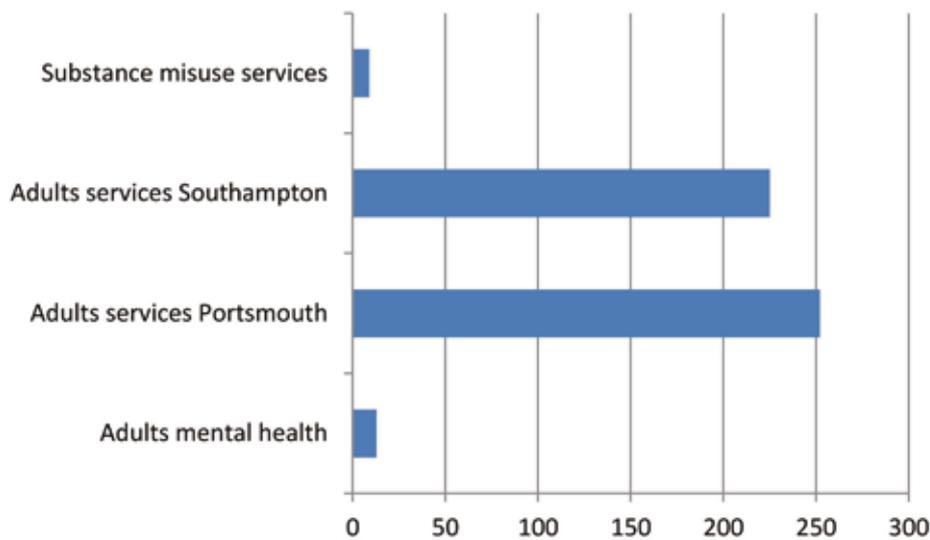
8 Pressure Ulcer SIRI's deemed avoidable since April 2014 – March 2015.

Team	Category of PU	Number of Incidents
Portsmouth Adults Community Nursing	4	5
Southampton Adults Community Nursing	4	1
Southampton Adults Community Rehab	4	1
Southampton Adults Lower Brambles Ward	4	1

Falls

Overall there has been a reduction in the number of falls reported and the majority of these falls results in low or no harm however it is recognised that even no harm incidents can have an impact on the patient particularly their confidence to improve mobility. Work continues in Service Lines to continue to reduce the number of all falls. During the year April 2014 – March 2015 there has been a significant reduction in the number of inpatient falls that resulted in harm and only two falls were graded as moderate or above. Both of these were investigated as serious incidents requiring investigation.

Total number of inpatient falls

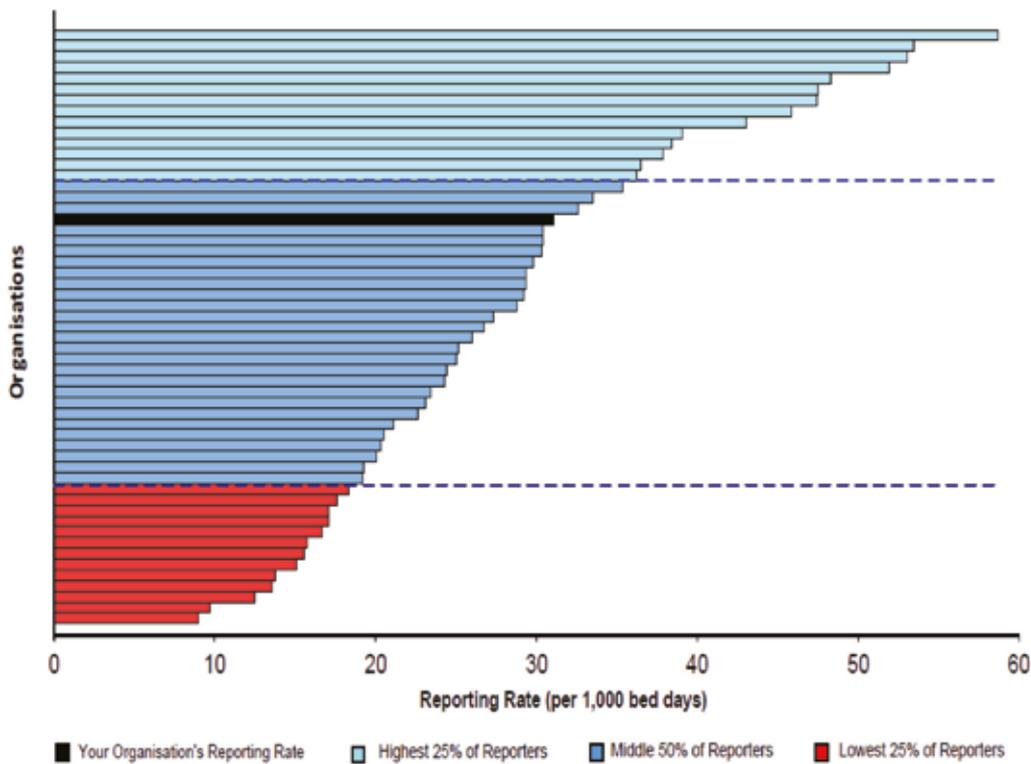


National reporting and learning service

There is a requirement that all Patient safety incidents are reported within 28 days to the National Reporting and Learning Service (NRLS), during the year April 2014 to March 2015 the average % of patient safety incidents reported within 28 days was 93.5%.

Solent NHS reporting to NRLS compared to other Trusts

Solent = 

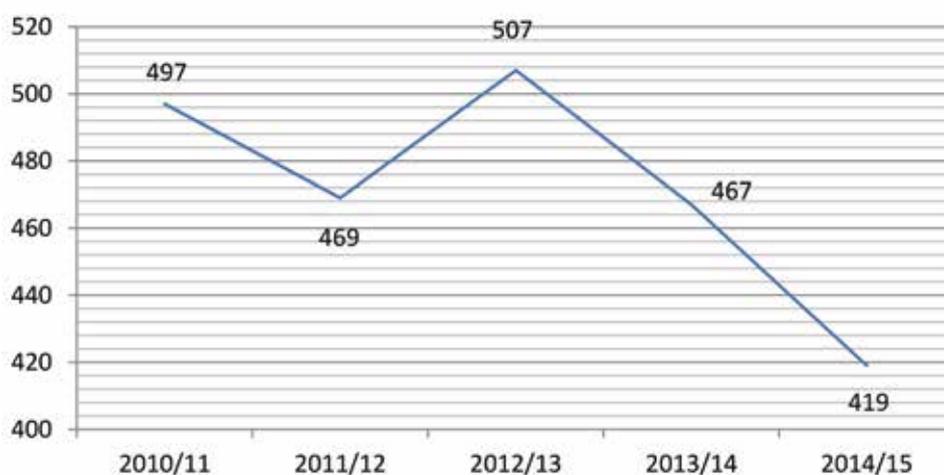


Complaints

Over the last year the number of complaints (including service concerns and MP queries) received by the Trust has fallen from 467 to 419 (10% decrease) which is thought to be due to a reduced number of service concerns being centrally reported to the Complaints Team. Additionally this may be due to the Trust's service portfolio and loss of services which traditionally received a higher than average number of complaints (such as wheelchair services, out of hours, and MIU).

The Trust actively encourages feedback from those who use our services as this offers us the opportunity to review and make improvements where necessary. Bearing in mind the total number of contacts for 2014/15 (approximately 1,350,899) then 419 complaints and concerns demonstrate that on the whole our staff are providing a good patient experience.

Annual Number of Complaints/Service Concerns/MP Queries



Types of complaints

Category of complaint	No of issues raised	% of issues raised
Appointments	155	24.22%
Attitude Of Staff	91	14.22%
All Aspects Of Clinical Care	194	30.31%
Communication \ Info To Patient	159	24.84%
Confidentiality	9	1.41%
Equipment & Aids	13	2.03%
General Procedures	13	2.03%
Hotel Services	5	0.78%
Transport	1	0.16%

Responding to Complaints

Acknowledgement

The Trust achieved a 97% rate of acknowledging complaints within 3 working days. Delays were caused by staff failing to forward details of complaints to the PALs & Complaints Service on time and on some occasions delays resulted when there was a lack of resources within the PALs & Complaints Service.

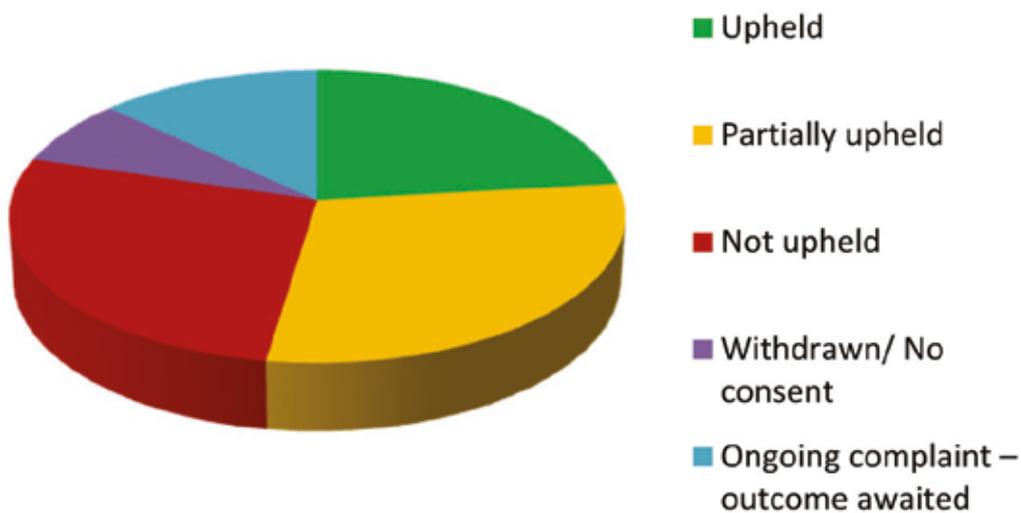
Response

Although there is no set timeframe for responding to complaints, Trusts are encouraged to provide quality responses in an agreed timeframe with the complainant. Solent NHS Trust has set itself a local deadline of 30 working days and this year achieved this target in 70% of cases.

This meant that 30% of responses were sent out after the 30 working day deadline, however these delays are always communicated to the complainant in advance of response dates, and a new estimated response date is provided. Often delays can be attributed to the fact that some cases are complex and require a more detailed investigation, or are subject to the Significant Incident Requiring Investigation (SIRI) process. Other delays have occurred where service leads were delayed in sending draft responses through in time.

Complaints upheld

All complaints from 2014/15 have been investigated and a response has been provided where consent is either not required or has been received. Of the 467 which have been investigated, the Trust has upheld 23% (73) and partially upheld (92) 29%.



Annex 1 - Place assessments

Patient led assessment of the care environment (place)

Why did we make this a priority?

The Trust is committed to ensuring that its services are provided in clean and safe environments that are fit for purpose (NHS Constitution 2013). Solent has participated in the annual PLACE programme since its inception in 2013 resulting in a range of actions to improve the care environment. We also carry out interim assessments (Mini PLACE) throughout the year to ensure recommended actions are completed. Mini PLACE enables a process for addressing new concerns that may arise throughout the year and enables areas that do not strictly meet the PLACE eligibility criteria to be involved, ensuring continuous improvement across a range of care environments.

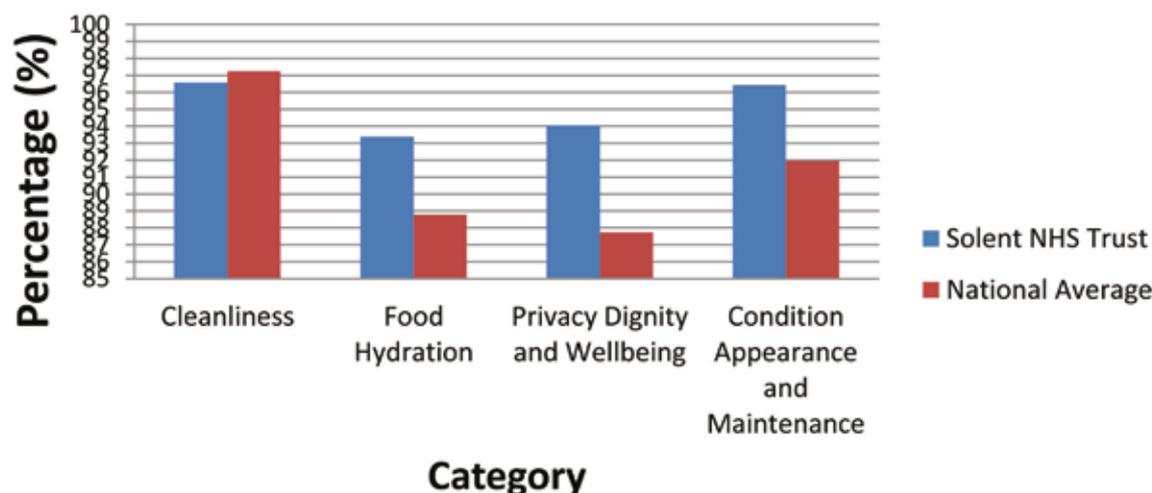
What did we do?

- Key to the process of PLACE is ensuring genuine patient/ public participation with the aim of putting patients in the forefront of driving continuous improvement. We have recruited 25 patient assessors to assist us in the implementation of PLACE. This ensures genuine local public participation in driving continuous improvement in relation to non-clinical activities which impact on patient experience. Our patient assessors include members of Health watch, carers of patients, Governors and public members of Solent NHS Trust.
- We carried out PLACE across the 5 hospital sites from which Solent provides services: St Mary's Community Health Campus, St James Hospital, Jubilee House Western Community Hospital, and Royal South Hants Hospital.
- We continued our programme of interim mini PLACE.

What did we achieve?

- We exceeded the national average against 3 of the 4 categories assessed:

Results Table 2014



- Our below the national average results on cleanliness were predominantly affected by one clinical area and we took immediate (next day) actions to implement improvements after the assessment.
- We implemented 30 interim mini PLACE assessments, between January 2014 and March 2015 including to the areas where PLACE had been completed to ensure improvements needed had been actioned.
- Wherever possible, we made improvements. Examples include ensuring additional privacy and dignity measures were put in place in one of our Sexual Health clinic's by having film applied to the windows as well as having blinds in place; in a clinical area where the walls were damaged white block was applied to improve the condition and appearance; dementia friendly clocks were purchased for one of our wards where we care for frail elderly patients; a communal garden area was tidied and cleaned; staffing rotas were reviewed in one ward area where it was identified additional support for patients was required during meal times.

What are our Future Plans?

We will continue our programme of interim PLACE and national PLACE and monitor progress against our improvement plans.

Friends and family test for patients and staff

Why did we make this a priority?

One of our Quality Promises in our Integrated Business Plan is to improve experience by putting people at the heart of service's listening to people's views, both patients and those of our staff, gathering information and using this to further improve care. We recognise the importance of the links between staff engagement and experience and the experience of service users.

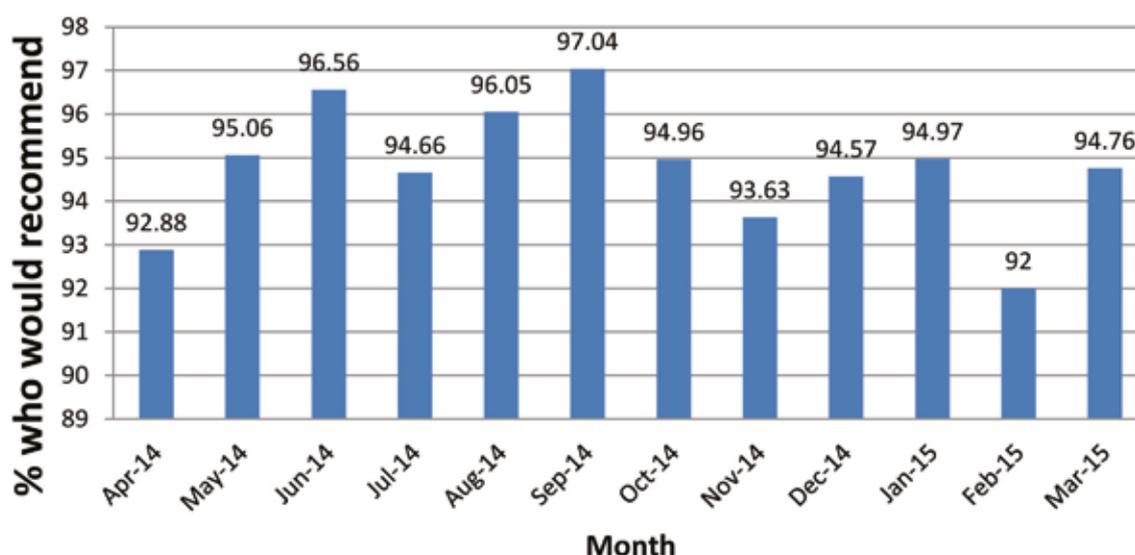
What did we do?

- We have rolled out the capture of real time patient experience across all clinical areas via the FFT.
- We have implemented the friends and family test for staff in quarters one, two and four of the year.
- The results of both have been submitted for national publication.
- We review the feedback received from patients and staff at service meetings and take action to address issues raised wherever possible.
- We launched an Easy Read version of our Trust survey and the FFT postcard.
- We have implemented actions to increase the response rates.

What did we achieve for the Patients Friends and Family Test in 2014- 2015?

- Between April 2014 and March 2015 we received 12,577 responses across the organisation for the FFT.
- 94.59% of the respondents were either extremely likely or likely to recommend Solent services to friends and family if they needed similar care or treatment.
- We set an ambitious target of 95% of patients responding positively across our services and although we have achieved this for some months this has not been consistent. We have also had varying rates of responses which we wish to build upon in the future.

Would you recommend our services to family and friends if they needed similar care or treatment?

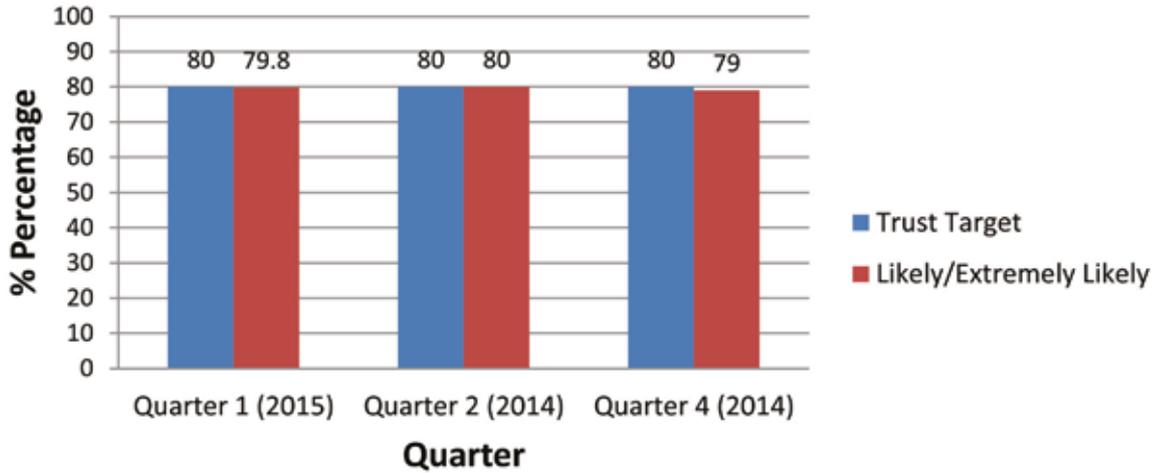


- We have acted where improvements are needed based on feedback. For example in response to a comment about the decoration in a mental health ward area we carried out an interim PLACE assessment and the ward has been redecorated as a consequence; we have made chairs available for patients with bariatric needs in an out-patient area.

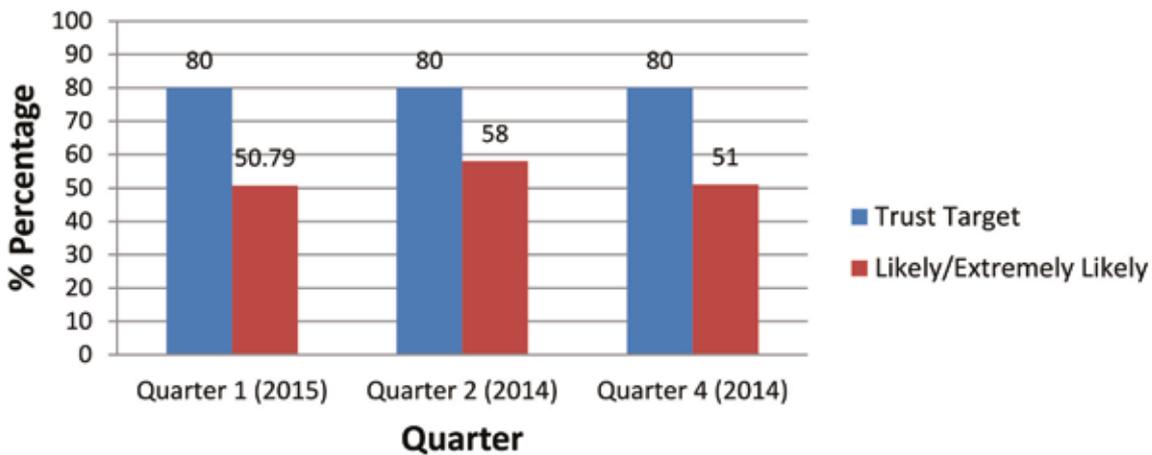
What did we achieve for the Staff Friends and Family Test in 2014-2015?

- We have set ambitious internal targets for positive responses to both questions. However, we recognise we need to improve our response rates to ensure we receive views representative of all staff as currently we are receiving feedback from approximately 22% of staff.

Would staff recommend Solent for care to their friends and family?



Would staff recommend Solent as an employer to family and friends?



- We are encouraged by the response of our staff to the care question but recognise improvements are needed in relation to the work question.

What are our Future Plans?

- We will continue to implement actions to improve response rates from both patients and staff.
- We will focus on the narrative feedback received from our staff to consider how we can improve.
- We will strengthen our processes to ensure we track, monitor and implement improvements where indicated.

Board to Floor

Why did we make this a priority?

We are committed to putting Patient Safety and Quality as our top priority. Board to Floor walkabouts are an important aspect of this commitment. Our walkabout team consists of a member of the Executive team, a non-Executive Director and member of the quality and risk team. The aims of our walkabouts are to:

- Increase the awareness of safety issues among our staff
- Make safety a priority for all by spending dedicated time promoting a safety culture
- Acting on information gathered that identifies areas for improvement
- Ensuring dedicated time for our Executive team to speak directly with patients and staff in real time service delivery settings.

What did we do?

Between April 2014 and March 2015 we carried out 9 visits to a range of our clinical areas.

What did we achieve?

We spoke with patients and staff and heard directly from them about issues, both those positive and those causing concern, enabling the Executive team to discuss solutions and improvement actions directly with the teams concerned. Following the visit three key actions are identified to improve safety and experience. Feedback is provided to the local governance structures who monitor the actions.

What are our Future Plans?

- We will continue our regular programme of Board to Floor walkabouts and extend the programme to include out of hour visits.

Annex 2 - Statement of directors' responsibilities for the Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year.

Monitor has issued guidance to NHS foundation trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS foundation trust boards should put in place to support the data quality for the preparation of the quality report.

In preparing the Quality Report, directors are required to take steps to satisfy themselves that:

- the content of the Quality Report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2014/15 and supporting guidance
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
 - board minutes and papers for the period April 2014 to 29 June 2015
 - papers relating to Quality reported to the board over the period April 2014 to 29 June 2015
 - feedback from commissioners
 - feedback from local Healthwatch organisations
 - feedback from Overview and Scrutiny Committee
- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated May 2015
- the 2014 national patient survey
- the [latest] national staff survey October – December 2014
- CQC Intelligent Monitoring Report dated November 2014
- the Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered
- the performance information reported in the Quality Report is reliable and accurate
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice

- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review and
- the Quality Report has been prepared in accordance with Monitor's annual reporting guidance (which incorporates the Quality Accounts regulations) (published at www.monitor.gov.uk/annualreportingmanual) as well as the standards to support data quality for the preparation of the Quality Report (available at www.monitor.gov.uk/annualreportingmanual).

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

By order of the board



Chairman

Date: 30 / 6 / 15

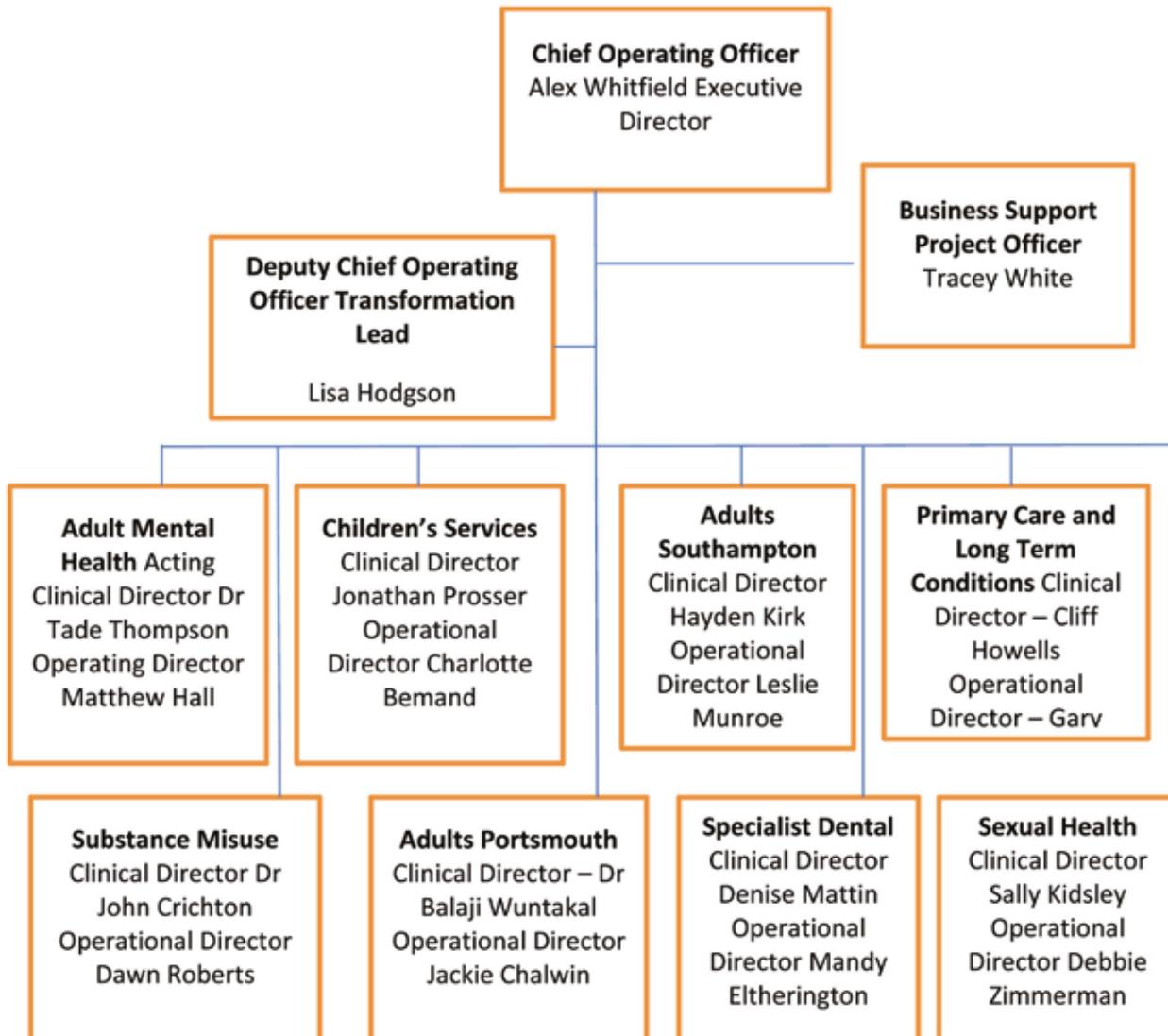


Chief Executive

Date: 30 / 6 / 15

Annex 3 - Organisational Chart showing Service Lines

Service Line Management (SLM)



Annex 4 - Monthly progress on Patient Safety

This table reflects the number of incident reports submitted to the incident reporting system by front line staff.

Staffing incidents by month			
Row Labels	13/14	14/15	Grand Total
January	14	22	36
February	17	28	45
March	13	22	35
April	19	14	33
May	19	13	32
June	15	6	21
July	17	18	35
August	32	17	49
September	18	20	38
October	19	13	32
November	11	5	16
December	24	23	47
Grand Total	218	201	419

This table reflects the impact of the staffing incidents report. Outcome of staffing incidents by month.

Incident Year 14/15

No. of Incidents	Column Labels				
	1 - No Harm	2- Near Miss (By Intervention)	3 - Minor, Non Permanent Harm (Up to 1 M)	4- Moderate, Semi Permanent Harm (Up to 1 Y)	Grand Total
January	11	1	10		22
February	21	1	6		28
March	18		3	1	22
April	9	5			14
May	5	7	1		13
June	2	3	1		6
July	6	5	7		18
August	10	4	3		17
September	9	3	7	1	20

October	8		5		13
November	5				5
December	11	6	6		23
Grand Total	115	35	49	2	201

Annex 5 - Statements from our Stakeholders

Healthwatch Southampton comments on the Solent NHS Trust quality Accounts

Healthwatch Southampton welcomes the opportunity to make formal comment on the draft account of Solent NHS Trust Quality Account 2014/15.

The introduction by the Chief Executive is welcomed as an honest appraisal of the position. We are pleased that she has acknowledged that the impact of staff experience can affect the delivery of care and overall patient experience. We note that she has acknowledged the results of the survey and that the trust is working hard to improve things for the staff. We strongly support the efforts to gain improved patient feedback and whilst the Government FFT is important we would encourage the trust to expand its range of methods to provide timely feedback. We also believe that patients and families would welcome the Trust demonstrating what they have done as a result of the feedback received.

Considering the results from the year under review:

- We welcome the reduction in the number of pressure ulcers graded 3 or 4 and the intention to continue to see further reductions. The initiative to hold an 'at risk' foot seminar is appreciated as is the training of staff in the duty of candour.
- We are pleased that the introduction of NEWS tool and the training of staff has led to staff feeling more confident in recognising patients whose condition deteriorates, ensuring that intervention is offered early.
- Setting of nurse staffing establishments is a positive step and also that staffing is a key element of monthly Clinical Governance reporting arrangements. Publishing monthly position reports is welcomed as an improvement in accountability. We are pleased that the trust is making an

effort to ensure that the staffing levels are maintained and are available for scrutiny. We are concerned that Snowdon Ward Rehabilitation shows low staffing levels for Day Registered Nurses over Feb/March 2015.

- The improvement in Information governance is welcomed particularly the reduction in high risk incidents and SIRIs although clearly more needs to be done in this area.
- Positive steps have been taken in developing 'Easy Read' and other accessible formats including Equality Champions in every service line. We would like to see more progress made to improve communication with patients that have visual or hearing impairment.
- The objective to roll out real time capture of patient experience is welcomed and as stated earlier we would encourage the Trust to use all methods to capture patient feedback.
- We welcome the positive steps taken to ensure the trust considers the needs of carers and its aim to ensure carers feel supported. We question how the development of the Strategy for Carers actively involves carers in its formulation?
- The number of amputations in patients with diabetes has been a concern for some time and we are pleased to read of the reduction in minor and major amputation and reduction in admission of patients with diabetic foot disease. The development of a diabetic foot pathway to ensure that the best evidence is utilised to inform and improve the early detection and treatment of diabetic ulcers is most welcome. We sincerely hope that the process will drive the amputation rate down by 50% by 2020.
- We hope that the new model that was implemented in March 2015 will continue to show a reduction in the number of clients who are unable to access a walk-in Sexual Health appointment on the day. On one point we wondered if there could be clarification? If patients who present are offered an alternative appointment (if non-urgent) are they be deemed to have been 'seen'? Who would make the decision on urgency?

We have considered the priorities for the coming year and support the intention to improve communication, handover and discharge arrangements within and between care providers. This is an area that if successful will have a far reaching effect on Patient safety and experience. We also hope that the Development and implementation of agreed acuity and dependency tools will help to ensure correct staffing levels for use by the Trust District Nursing Teams and in-patient teams.

We completely support the Patient Experience Framework and will work with the Trust to achieve better patient feedback. We are pleased that the Trust wishes to be at the forefront of implementing The Accessible Information Standards due to be launched in 2015 and see this as important to ensure equality of care for all patients. As a community based provider, it is important that the Trust acknowledges the importance of carers and sets this as a priority similarly patient choice for end of life care is also a priority. We understand and support the need for Enhanced governance arrangements and the concept of clinical audit.

Our overall impression is that it gives good coverage of the trust's services and as far as we can judge there are no significant omissions.

Jeff Page

Strategy group member lead
for Solent NHS, Healthwatch
Southampton

Solent NHS Trust Quality Account 2014/15: PCCG Commissioner Response

Commissioner Statement

Portsmouth Clinical Commissioning Group (CCG) welcomes the opportunity to comment on Solent NHS Trust's Quality Account for 2014/15. We have a positive working relationship with the Trust and work in partnership with our neighbouring Clinical Commissioning Groups in Southampton, Fareham and Gosport and South Eastern Hampshire to ensure services for our local population are delivered safely and effectively and provide people with a positive experience of healthcare.

The Trust has seen a new Chief Executive Officer and Chief Nurse in post from September 2014 and there is an ongoing recruitment process to fill current vacant board posts of Executive Director of Finance and Non-Executive Director.

Report Structure

The Quality Account provides information on the key priorities of quality of Solent NHS Trust services divided across the five domains as used by the Care Quality Commission:

- Safe Care
- Responsive services
- Caring services
- Well-led
- Effective Care

The report identifies the priorities for improvement, and a Statement of assurance from the Board. The reduction from 11 priorities in 2014/15 to 8 in 2015/16 is noted.

Quality Improvement Priorities for 2015/16

Solent NHS Trust has outlined its priorities for 2015/16 with the addition of new priorities alongside 2014/15 ones which will continue to be built on. Commissioners support these and will continue to monitor quality throughout the year.

Safe Care

Solent NHS Trust continues to make improvements with several patient safety initiatives, which includes a review of the management of SIRI's. This has enabled a more structured approach to Investigation, Root cause analysis and lessons learnt with commissioners seeing an improvement in response times and quality of investigation reports. It is however, recognised that this is work in progress until embedded into everyday practice for all staff.

Local quality requirements and CQUINs have been met in full with the exception of three elements; Transition of Care, Dementia screening and Discharge summaries. Remedial action plans are in place and we will continue to work with Solent to ensure successful outcomes.

We are pleased to see there has been a reduction in the number of pressure ulcers and falls. There has been significant work undertaken to reduce the number of pressure ulcers acquired in Solent's care and an overall improvement in pressure ulcer management is noted. We would like the Trust to be able to demonstrate the same level of improvement this year.

During the past year, Solent NHS Trust has met with particular challenges relating to one in-patient unit. Following an in depth review, commissioners are encouraged by the positive and timely response to the issues raised and appreciate the openness and honesty that Solent have demonstrated.

It is encouraging to see the patient safety initiatives in place which will be developed over the next year with a particular focus on improving handover and transfer of care. This work will be taken forward as part of a whole system collaborative across Wessex. These elements have also been identified as emerging themes from SIRI reports and we welcome the support to ensure lessons learnt are shared effectively not only within service lines but across the whole organisation.

The development and implementation of an agreed acuity and dependency tool for community and in-patient teams is welcomed by commissioners. This will aid the roll-over of last year's priority 3 to ensure safe staffing levels. There is minimal guidance currently available for community safe staffing levels and Solent NHS Trust has experienced significant challenges throughout the last year within this service line as a result of unprecedented demand on the health economy, urgent care pathway pressures impacting on community care provision both nationally and locally. In addition there is a national reduction in recruitment to community nurse posts overall.

Assurances are provided on a monthly basis (as part of local quality requirements) that staffing is safe and if necessary, what action has been taken to address any gaps in levels and the impact on patient care. We will continue as we have in 2014 to work closely with Solent to ensure that the impact on patient safety and quality is minimised.

Responsive services

In addition to the continued work on improving friend and family response rates and the number of positive responses, it is anticipated that Solent's implementation of the Trust Patient Experience Framework will improve levels of patient/service user feedback. This will support the delivery of services which patients and service users will have had in-put into aiming to enhance care and 'get it right' for patients. Successful implementation should enable in the number of complaints relating to poor experience.

There is ongoing work to ensure all patients, regardless of need and will be given the opportunity to access health care by embedding the accessible Information Standards across the whole organisation. This also supports one of our CCG Quality Improvement Initiatives which aims to improve and support access for people with sensory needs. The CCG looks forward to working alongside Solent to implement these standards in 2015.

Following a poor staff survey result last year we jointly commissioned with Solent an independent review with a focus on Adult Mental Health service. THE Trust responded positively with an action plan to address the recommendations from the review. We are pleased to see that this year's staff survey has shown a marked improvement across these areas.

Caring Services

Commissioners welcome the promotion of National standards for End of Life Care which will ensure choice is acknowledged and assisted to ensure positive outcomes. This will support patients, carers and staff across the organisation both within in-patient and community settings.

Well-led

The Commissioners are assured to see the ongoing development of the current governance arrangements across the Trust which will support the delivery of care. As a result of the developing professional strategic framework, all staff will have clarity on role, responsibilities and accountability. It is essential staff know who to report to within service lines and corporately and a robust both Governance and professional strategic framework will facilitate this process.

Already there has been progress made on the Quality Impact Assessment (QIA) process with support for all staff undertaking QIA's. This ensures the impact of any potential changes in service delivery has been quality and risk assessed effectively so that patient care is not compromised and that actions are in place to mitigate any risk to care and service provision.

Effective Care

Commissioners are encouraged by the delivery of an audit programme linked to care improvements, quality standards and NICE guidelines. The development of the 2015/16 local Quality Requirements has seen both commissioners and Solent working in partnership in order to produce a meaningful and outcome focussed schedule. This includes using audit as a means to measure the impact of patient care and involvement in both local and National audit will support the Trust in continuous improvement and enhancement of patient care. The Trust has seen particular challenges in 2014/15 within the Community Nursing Adult Service and participation in the National Community Indicators programme will assist the Trust in the development of a quality dashboard where standards can be monitored more easily highlighting areas of good practice and where improvements need to be made more readily.

Commissioner Assurance Visits

During the last year, Commissioners have undertaken a number of visits to services and had the opportunity to talk to staff and patients. We have been encouraged that these visits have demonstrated a committed workforce who are focussed on providing quality healthcare for patients. We will continue with these visits over the coming year.

Data Quality

Commissioners will continue to work with the Trust to ensure that data accuracy and reporting at all levels remains a key priority.

It is acknowledge that the Trust will undertake a whole Information Technology system transfer from RIO to TPP and the challenges this will pose with data provision. However the need for ongoing provision of data during this period is still required and it is anticipated that the Trust will have taken steps to mitigate against both the quality and timeliness of data submission.

Where information permits, Commissioners are satisfied with the accuracy of the data contained in the Account. However, we will continue to work with the Trust to ensure that quality data is reported in a timely manner through clear information schedules. In October 2014 a reporting timetable was set up for the provision of local Quality schedule and CQUIN data and the Commissioners are encouraged to see the provision of data in line with this to date.

Commissioner Assessment Summary

Portsmouth CCG will continue to work with Solent NHS Trust to raise the profile of quality improvement. The engagement of clinicians will remain crucial in monitoring standards, and improving services for local people. The Trust is commended for their continued good work and emphasis on quality of patient care.

Commissioners have a positive relationship with the Trust, one which is based on 'high support' and 'high challenge' and we look forward to continuing this. We are confident that we will continue to work together to ensure continuous improvement in the delivery of safe and effective services for patients.

Response to the Solent NHS Trust Quality Account 2014-2015 from the Southampton Health Overview and Scrutiny Panel

The Southampton Health Overview and Scrutiny Panel (HOSP) welcomes the opportunity to comment on the Solent NHS Trust Quality Account for 2014/15.

The Panel were pleased to see that 94.59% of patients and service users that completed the Friends and Family Test were either extremely likely or likely to recommend Solent services to friends and family if they needed similar care or treatment. The HOSP welcomed this outcome and supports the Trust as it seeks to improve on this performance in 2015/16 and develops the range of methods to enable all service users to be able to provide feedback.

The Panel welcomes the Trust's achievements in 2014/15, including the reduction in the number of pressure ulcers graded 3 or 4, the publication of monthly safe staffing data and the positive response to the CQC inspection findings published in June 2014. The Panel however, recommend that for the 2015/16 Quality Account consideration is given to ensuring that it is easier to identify if the targets linked to the stated priorities have been achieved.

The Panel noted that the priorities for 2015/16 are clearly identified, reflect stakeholder consultation, and, with reference to the paragraph above, include key indicators against which success will be measured. Further clarity on targets would however enable greater transparency in assessing the performance of the Trust.

In recognition that the pathways are becoming more seamless and the need for a whole systems approach, the Panel appreciates the reference within the Chief Executive Officer's statement of the importance of working with partners across the system in Southampton to improve outcomes.

The Southampton HOSP look forward to working closely with Solent NHS Trust over the coming year.

Glossary

Care Quality Commission (CQC)

The independent regulator of health and social care in England, aiming to make sure better care is provided for everyone in hospitals, care homes and people's own homes.
www.cqc.org.uk

Clinical Audit.

Clinical audit is a process that has been defined as "a quality improvement process that seeks to improve patient care and outcomes through systematic review of care against explicit criteria and the implementation of change

Clinical Pathway

One of the main tools used to manage the quality in healthcare concerning the standardisation of care processes. It has been proven that their use reduces the changes in clinical practice and improves patient outcomes.

Commissioners

Clinical commissioning groups (CCGs) are NHS organisations set up by the Health and Social Care Act 2012 to organise the delivery of NHS services in England.

To a certain extent they replace primary care trusts (PCTs), though some of the staff and responsibilities moved to the local authorities' Public Health teams when PCTs ceased to exist in April 2013).

Community Resolution Home Treatment Team (CRHTT)

A team of mental health professionals working within Solent NHS Trust. The team includes mental health nurses, support workers, doctors and a psychologist. The team provides safe and effective home based assessments and treatment for adults experiencing urgent mental health problems.

Consumer Related Outcome Scale (CROS)

Tool available to support recovery. Questionnaire that asks questions around five themes. Self-assessment rating scale.

College Specialty Advisory Committee (CSAC)

Commissioning for Quality and Innovation (CQUIN)

Measures which determine whether we achieve quality goals or an element of the quality goal. These achievements are on the basis of which CQUIN payments are made.

The Duty of Candour

A statutory duty which requires all health and adult social care providers registered with CQC to be open with people when things go wrong and to inform them about the outcome of investigation into why something went wrong. Friends and Family Test (FFT)

A feedback tool that enables people who use our services to provide feedback on their experience. It asks people if they would recommend the services they have used and offers a range of responses and opportunity to give free text comments. The FFT provides a mechanism to highlight both good patient experience and identify where improvements are needed based on patient feedback.

HRI

High Risk Incident

Information Asset Owner (IAO)

Senior individuals whose role is to understand what information is held, what is added and what is removed, how information is moved, and who has access and why.

Information Commissioners Office (ICO)

Upholds information rights in the public interest, promoting openness by public bodies and data privacy for individuals.

Information Governance (I.G.)

Ensures necessary safeguards for, and appropriate use of, patient and personal information.

Key Performance Indicator (KPI)

A set of quantifiable measures that the Trust adopts to gauge or compare performance in terms of meeting its strategic and operational goals. KPIs vary, depending on the priorities or performance criteria.

Long term condition (LTC)

Health problems that require ongoing management over a period of years or decades. They are also called chronic conditions and include a wide range of health conditions including diabetes, chronic obstructive pulmonary disease and cardiovascular disease.

Monitor

Independent Regulator of NHS Foundation Trusts.

www.monitor-nhsft.gov.uk

National Institute for Health Research (NIHR)

Commissions and funds research.
www.nihr.ac.uk

The National Institute of Health and Clinical Excellence (NICE)

Provide guidance and support to healthcare professionals, and others, to ensure that the care provided is of the best possible quality and offers the best value for money. They also provide independent, authoritative and evidence-based guidance on the most effective ways to prevent, diagnose and treat disease and ill health, reducing inequalities and variation.

National Patient Safety Agency (NPSA)

An arm's length body of the Department of Health. It was established in 2001 with a mandate to identify patient safety issues and find appropriate solutions.

Performance Appraisal Development Review (PADR)

The aim of this is to confirm what is required of an individual within their role, feedback on how they are progressing, to identify any learning and development needs and to agree a personal development plan.

Primary Care Trust (PCT)

The care provided by people you normally see when you first have a health problem. It might be a visit to a doctor or a dentist, an optician for an eye test or a trip to a pharmacist to buy cough mixture. NHS walk-in centres and the NHS Direct telephone service are also part of primary care.

Patient Lead Assessment of the Care Environment (PLACE)

An annual assessment of food and cleanliness of inpatient healthcare sites in England that have more than 10 beds.

Pressure Ulcer

An injury that breaks down the skin and underlying tissue. They are caused when an area of skin is placed under pressure. They are sometimes known as "bedsores" or "pressure sores". Pressure ulcers can range in severity from patches of discoloured skin to open wounds that expose the underlying bone or muscle.

Red Amber Green (RAG) rating

The name given to a simple colour coding of the status of an action or step in a process.

Safety Thermometer

An improvement tool for measuring, monitoring and analysing patient harms and 'harm free' care, including falls and pressure ulcers.

Situation, Background, Assessment, Recommendation (SBAR)

A structured method for communicating critical information that requires immediate attention and action contributing to effective escalation and increased patient safety.

Serious Incident Requiring Investigation (SIRI)

Serious incident requiring investigation.

Service Line

A service

Trust Development Authority (TDA)

Responsible for providing leadership and support to the non-Foundation Trust sector of NHS providers.

Urinary Tract Infection (UTI)

An infection that can happen anywhere along the urinary tract, i.e. bladder, kidneys, ureters and urethra.

Venous Thromboembolism (VTE)

A blood clot that forms within a vein. Thrombosis is a medical term for a blood clot occurring inside a blood vessel. A classical venous thrombosis is deep vein thrombosis (DVT), which can break off and become a life-threatening pulmonary embolism (PE). The conditions of DVT and PE are referred to collectively with the term venous thromboembolism.

Voluntary Sector

Is a term used to describe those organisations that focus on wider public benefit as opposed to statutory service delivery or profit.

Publishing our Quality Account

Our Quality Account is published on NHS Choices and can be downloaded from our own website on www.solent.nhs.uk. We are also planning to produce an "easy to read" version of this Quality Account and this can be obtained by contacting our Communications Team – details below.

Get involved and join us as a member to have your say in the future of the Trust

As we become an NHS Foundation Trust we are building up a thriving membership list made up of local people and staff. If you would like to work with us and have a say in the decisions made about our healthcare services, please get in touch with our Communications Team on e-mail: communications@solent.nhs.uk or telephone: 023 8060 8937

Or write to our Chief Executive, Solent NHS Trust,

Adelaide Health Centre,
William Macleod Way,
Southampton
SO16 4XE

Your feedback is important to us

We are keen to ensure that the Quality Account is a useful document which helps patients, families and the public to understand our priorities for delivering quality care to our patients.

Although the Department of Health tell us some of the content we have to include, and all NHS Trusts have to do this, the Quality Account also gives us an opportunity to include local quality initiatives and your feedback on these is important to us.

Please tell us what you think about our Quality Account by simply filling in the evaluation form below, tear from this document, fold and stick along the gummed edges - then pop into a post box. No postage is required.

Thank you for your time

Evaluation form

Did you find the quality report (tick all that apply)

- Easy to read
- Easy to understand
- Informative
- Helpful
- Interesting

Other (please specify below)

.....

What best describes you?

Please delete as appropriate: Patient / Carer / Public / Staff / Other (please specify):

.....

Which sections stood out for you?

.....

Why did they stand out?

.....

Would you like to receive the quality report?

- by email
- by post

Please state your email or postal address:

.....

How can we improve future Quality Accounts?

.....

.....

.....

Appendix: Statutory Financial Statements

Statement of Comprehensive Income for year ended 31 March 2015

	Note	2014/15 £000s	2013/14 £000s
Gross employee benefits	8.1	(124,709)	(122,767)
Other operating costs	6	(65,455)	(63,025)
Revenue from patient care activities	4	165,152	163,731
Other operating revenue	5	22,088	24,025
Operating surplus / (deficit)		(2,924)	1,964
Investment revenue	10	29	28
Other gains and (losses)	11	(189)	(134)
Finance costs	12	(40)	0
Surplus/(deficit) for the financial year		(3,124)	1,858
Public dividend capital dividends payable		(3,376)	0
Net Gain / (loss) on transfers by absorption		0	0
Retained surplus / (deficit) for the year		(6,500)	1,858

Other Comprehensive Income

	2014/15 £000s	2013/14 £000s
Impairments and reversals taken to the revaluation reserve	(557)	(1,662)
Net gain / (loss) on revaluation of property, plant and equipment	13,149	4,319
Total comprehensive income for the year	6,092	4,515

Financial performance for the year

	2014/15 £000s	2013/14 £000s
Retained surplus / (deficit) for the year	(6,500)	1,858
Impairments (excluding IFRIC 12 impairments)	423	0
Adjustments in respect of donated asset reserve elimination	(197)	0
Adjusted retained surplus / (deficit)	(6,274)	1,858



Statement of Financial Position as at 31 March 2015

Non-current assets

	Note	31 March 2015 £000s	31 March 2014 £000s
Property, plant and equipment	13	112,246	97,591
Intangible assets	14	1,153	1,332
Investment property	16	0	0
Other financial assets		0	0
Trade and other receivables	20.1	1,999	2,018
Total non-current assets		115,398	100,941

Current assets

	Note	31 March 2015 £000s	31 March 2014 £000s
Inventories	19	584	253
Trade and other receivables	20.1	15,274	17,856
Other financial assets	22	0	0
Other current assets	23	0	0
Cash and cash equivalents	24	785	10,300
Sub-total current assets		16,643	28,409
Non-current assets held for sale	25	0	0
Total current assets		16,643	28,409
Total assets		132,041	129,350

Current liabilities

	Note	31 March 2015 £000s	31 March 2014 £000s
Trade and other receivables	26	(15,912)	(26,132)
Other liabilities	27	0	0
Provisions	33	0	0
Borrowings	28	(317)	(144)
Other financial liabilities	29	0	0
Total current liabilities		(16,229)	(26,276)
Net current assets / (liabilities)		414	2,133
Total assets less current liabilities		115,812	103,074

Non-current liabilities

	Note	31 March 2015 £000s	31 March 2014 £000s
Trade and other payables	26	(188)	(208)
Other liabilities	27	0	0
Provisions	33	0	0
Borrowings	28	(1,120)	(676)
Other financial liabilities	29	0	0
Total non-current liabilities		(1,308)	(884)
Total assets employed		114,504	102,190

Financed by:

	31 March 2015 £000s	31 March 2014 £000s
Public dividend capital	6,435	213
Retained earnings	77,690	83,753
Revaluation reserve	30,379	18,224
Total Taxpayers' Equity:	114,504	102,190

Statement of changes in Taxpayers' Equity for the year ending 31 March 2015

Balance at 1 April 2014

	Public Dividend capital	Retained earnings	Revaluation reserve	Total reserves
	£000	£000	£000	£000
Balance at 1 April 2014	213	83,753	18,224	102,190
Changes in taxpayers' equity for 2014-15				
Retained surplus/(deficit) for the year		(6,500)		(6,500)
Net gain / (loss) on revaluation of property, plant, equipment			13,149	13,149
Impairments and reversals			(557)	(557)
Transfers between reserves		437	(437)	0
New temporary and permanent PDC received - cash	11,222			11,222
New temporary and permanent PDC repaid in year	(5,000)			(5,000)
Net recognised revenue/(expense) for the year	6,222	(6,063)	12,155	12,314
Balance at 31 March 2015	6,435	77,690	30,379	114,504

Balance at 1 April 2013

Balance at 1 April 2013	0	5,220	0	5,220
Changes in taxpayers' equity for the year ended 31 March 2014				
Retained surplus/(deficit) for the year		1,858		1,858
Net gain / (loss) on revaluation of property, plant, equipment			4,319	4,319
Impairments and reversals			(1,662)	(1,662)
Transfers under modified absorption accounting - PCTs and SHAs		92,242		92,242
Reclassification adjustments				
Transfers between revaluation reserve and retained earnings reserve in respect of assets transferred under absorption		306	(306)	0
New PDC received / (repaid) - PCTs and SHAs legacy items paid for by DH	213			213
Net recognised revenue/(expense) for the year	213	94,406	2,351	96,970
Transfers between reserves in respect of modified absorption - PCTs and SHAs		(15,873)	15,873	0
Balance at 31 March 2014	213	83,753	18,224	102,190

Statement of cash flows for the year ended 31 March 2015

Cash Flows from Operating Activities

	2014-15 £000s	2013-14 £000s
Operating surplus / (deficit)	(2,924)	1,964
Depreciation and amortisation	3,569	2,968
Impairments and reversals	423	0
Interest paid	(40)	0
Dividend (paid) / refunded	(3,360)	0
(Increase) / Decrease in Inventories	(331)	(61)
(Increase) / Decrease in Trade and Other Receivables	2,601	(12,725)
(Increase) / Decrease in Trade and Other Payables	(12,021)	12,047
Provisions utilised	0	(205)
(Increase) / Decrease in movement in non cash provisions	0	(252)
Net Cash Inflow / (Outflow) from Operating Activities	(12,083)	3,736

Cash Flows from Investing Activities

Interest Received	29	28
(Payments) for property, plant and equipment	(3,484)	(343)
(Payments) for intangible assets	(7)	(1,204)
Net Cash Inflow / (Outflow) from Investing Activities	(3,462)	(1,519)
Net Cash Inflow / (Outflow) before Financing	(15,545)	2,217

Cash Flows from Financing Activities

Gross Temporary and Permanent PDC Received	11,222	493
Gross Temporary and Permanent PDC Repaid	(5,000)	(280)
Capital Element of Payments in Respect of Finance Leases and On-SoFP PFI and LIFT	(192)	0
Net Cash Inflow / (Outflow) from Financing Activities	6,030	213
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(9,515)	2,430
Cash and cash equivalents (and Bank Overdraft) at beginning of the period	10,300	7,870
Cash and cash equivalents (and Bank Overdraft) at year end	785	10,300

Please tell us how you feel
about the services we provide.

If you have any concerns or complaints
please contact PALS our Patient Advice and
Liaison Service on: **0800 013 2319**
or **snhs.solentfeedback@nhs.net**

Alternatively, visit:
www.solent.nhs.uk/contact-us



For a translation of this document,
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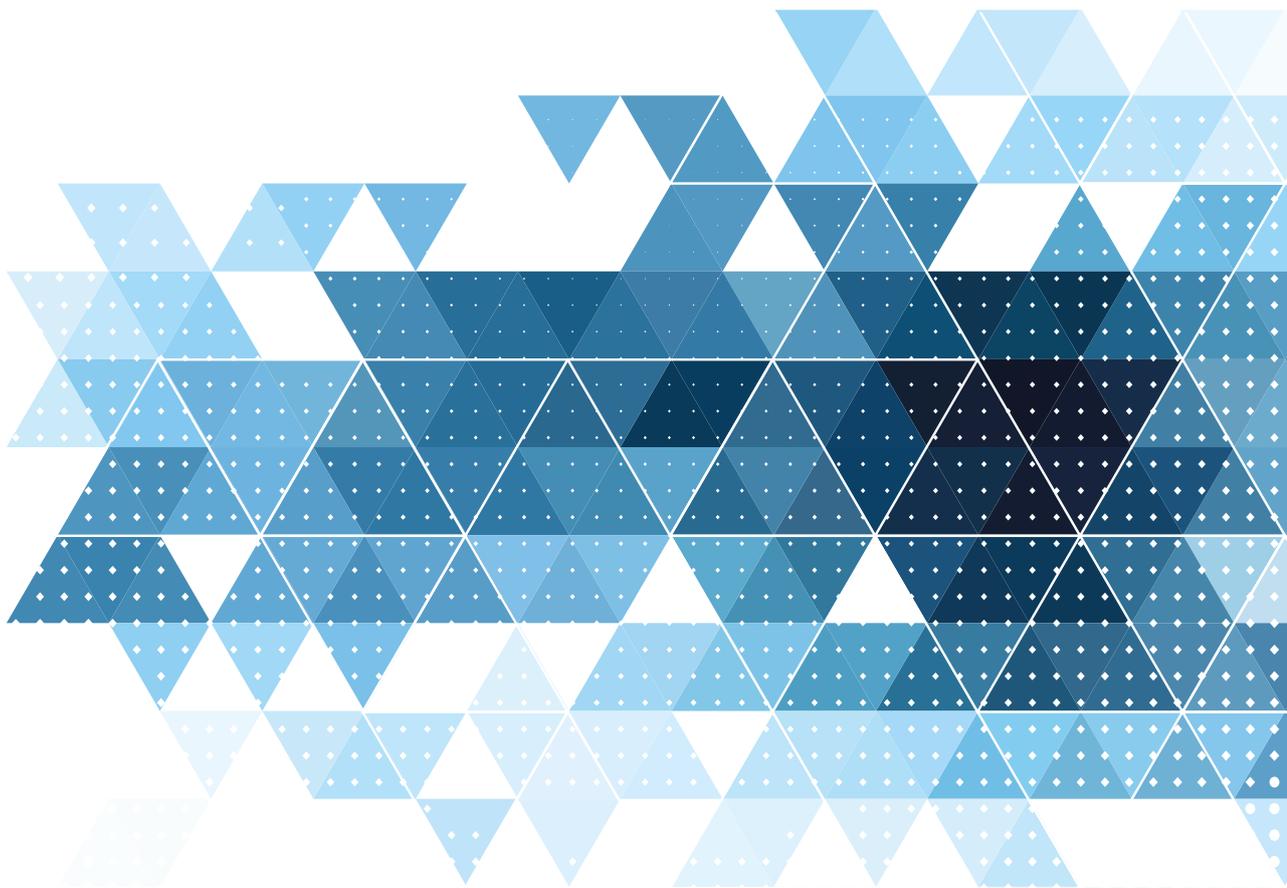
or



please contact  **023 8082 5300**

www.solent.nhs.uk

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September 2015 MCT040



Data entered below will be used throughout the workbook:

Trust name
This year
Last year
This year ended
Last year ended
This year commencing:
Last year commencing:

Solent NHS Trust
2014-15
2013-14
31 March 2015
31 March 2014
1 April 2014
1 April 2013

Accounts 2014-15

**Statement of Comprehensive Income for year ended
31 March 2015**

	NOTE	2014-15 £000s	2013-14 £000s
Gross employee benefits	8.1	(124,709)	(122,767)
Other operating costs	6	(65,455)	(63,025)
Revenue from patient care activities	4	165,152	163,731
Other operating revenue	5	22,088	24,025
Operating surplus/(deficit)		(2,924)	1,964
Investment revenue	10	29	28
Other gains and (losses)	11	(189)	(134)
Finance costs	12	(40)	0
Surplus/(deficit) for the financial year		(3,124)	1,858
Public dividend capital dividends payable		(3,376)	0
Net Gain/(loss) on transfers by absorption		0	0
Retained surplus/(deficit) for the year		(6,500)	1,858
Other Comprehensive Income			
		2014-15 £000s	2013-14 £000s
Impairments and reversals taken to the revaluation reserve		(557)	(1,662)
Net gain/(loss) on revaluation of property, plant & equipment		13,027	4,319
Total comprehensive income for the year		5,970	4,515
Financial performance for the year			
Retained surplus/(deficit) for the year		(6,500)	1,858
Impairments (excluding IFRIC 12 impairments)		423	0
Adjustments in respect of donated asset reserve elimination		(197)	0
Adjusted retained surplus/(deficit)		(6,274)	1,858

The notes on pages 5 to 26 form part of this account.

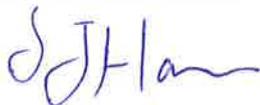
**Statement of Financial Position as at
31 March 2015**

		31 March 2015	31 March 2014
	NOTE	£000s	£000s
Non-current assets:			
Property, plant and equipment	13	112,124	97,591
Intangible assets	14	1,153	1,332
Investment property	16	0	0
Other financial assets		0	0
Trade and other receivables	20.1	1,936	2,018
Total non-current assets		115,213	100,941
Current assets:			
Inventories	19	713	253
Trade and other receivables	20.1	15,474	17,856
Other financial assets	22	0	0
Other current assets	23	0	0
Cash and cash equivalents	24	785	10,300
Sub-total current assets		16,972	28,409
Non-current assets held for sale	25	0	0
Total current assets		16,972	28,409
Total assets		132,185	129,350
Current liabilities			
Trade and other payables	26	(16,178)	(26,132)
Other liabilities	27	0	0
Provisions	33	0	0
Borrowings	28	(317)	(144)
Other financial liabilities	29	0	0
Total current liabilities		(16,495)	(26,276)
Net current assets/(liabilities)		477	2,133
Total assets less current liabilities		115,690	103,074
Non-current liabilities			
Trade and other payables	26	(188)	(208)
Other liabilities	27	0	0
Provisions	33	0	0
Borrowings	28	(1,120)	(676)
Other financial liabilities	29	0	0
Total non-current liabilities		(1,308)	(884)
Total assets employed:		114,382	102,190
FINANCED BY:			
Public Dividend Capital		6,435	213
Retained earnings		77,690	83,753
Revaluation reserve		30,257	18,224
Total Taxpayers' Equity:		114,382	102,190

The notes on pages 5 to 26 form part of this account.

The financial statements on pages 1 to 4 were approved by the Board on 28 May 2015 and signed on its behalf by

Chief Executive:



Date:

28.5.2015

Statement of Changes in Taxpayers' Equity
For the year ending 31 March 2015

	Public Dividend capital £000s	Retained earnings £000s	Revaluation reserve £000s	Total reserves £000s
Balance at 1 April 2014	213	83,753	18,224	102,190
Changes in taxpayers' equity for 2014-15				
Retained surplus/(deficit) for the year		(6,500)		(6,500)
Net gain / (loss) on revaluation of property, plant, equipment			13,027	13,027
Impairments and reversals			(557)	(557)
Transfers between reserves		437	(437)	0
New temporary and permanent PDC received - cash	11,222			11,222
New temporary and permanent PDC repaid in year	(5,000)			(5,000)
Net recognised revenue/(expense) for the year	6,222	(6,063)	12,033	12,192
Balance at 31 March 2015	6,435	77,690	30,257	114,382
Balance at 1 April 2013	0	5,220	0	5,220
Changes in taxpayers' equity for the year ended 31 March 2014				
Retained surplus/(deficit) for the year		1,858		1,858
Net gain / (loss) on revaluation of property, plant, equipment			4,319	4,319
Impairments and reversals			(1,662)	(1,662)
Transfers under Modified Absorption Accounting - PCTs & SHAs		92,242		92,242
Reclassification Adjustments				
Transfers between revaluation reserve & retained earnings reserve in respect of assets transferred under absorption		306	(306)	0
	213			213
New PDC received/(repaid) - PCTs and SHAs legacy items paid for by DH				
Net recognised revenue/(expense) for the year	213	94,406	2,351	96,970
Transfers between reserves in respect of modified absorption - PCTs & SHAs		(15,873)	15,873	0
Balance at 31 March 2014	213	83,753	18,224	102,190

Statement of Cash Flows for the Year ended 31 March 2015

	2014-15 £000s	2013-14 £000s
Cash Flows from Operating Activities		
Operating surplus/(deficit)	(2,924)	1,964
Depreciation and amortisation	3,569	2,968
Impairments and reversals	423	0
Interest paid	(40)	0
Dividend (paid)/refunded	(3,360)	0
(Increase)/Decrease in Inventories	(460)	(61)
(Increase)/Decrease in Trade and Other Receivables	2,464	(12,725)
Increase/(Decrease) in Trade and Other Payables	(11,554)	12,047
Provisions utilised	0	(205)
Increase/(Decrease) in movement in non cash provisions	0	(252)
Net Cash Inflow/(Outflow) from Operating Activities	<u>(11,882)</u>	<u>3,736</u>
Cash Flows from Investing Activities		
Interest Received	29	28
(Payments) for Property, Plant and Equipment	(3,685)	(343)
(Payments) for Intangible Assets	(7)	(1,204)
Net Cash Inflow/(Outflow) from Investing Activities	<u>(3,663)</u>	<u>(1,519)</u>
Net Cash Inform / (outflow) before Financing	<u>(15,545)</u>	<u>2,217</u>
Cash Flows from Financing Activities		
Gross Temporary and Permanent PDC Received	11,222	493
Gross Temporary and Permanent PDC Repaid	(5,000)	(280)
Capital Element of Payments in Respect of Finance Leases and On-SoFP PFI and LIFT	(192)	0
Net Cash Inflow/(Outflow) from Financing Activities	<u>6,030</u>	<u>213</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(9,515)</u>	<u>2,430</u>
Cash and Cash Equivalents (and Bank Overdraft) at Beginning of the Period	<u>10,300</u>	<u>7,870</u>
Cash and Cash Equivalents (and Bank Overdraft) at year end	<u>785</u>	<u>10,300</u>

NOTES TO THE ACCOUNTS

1. Accounting Policies

The Secretary of State for Health has directed that the financial statements of NHS trusts shall meet the accounting requirements of the Department of Health Group Manual for Accounts, which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the DH Group Manual for Accounts 2014-15 issued by the Department of Health. The accounting policies contained in that manual 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 Manual for Accounts permits a choice of accounting policy, the accounting policy which 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 by the Trust are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Accounting convention

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

1.2 Acquisitions and discontinued operations

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

1.3 Movement of assets within the DH Group

Transfers as part of reorganisation fall to be accounted for by use of absorption accounting in line with the Treasury FReM. The FReM does not require retrospective adoption, so prior year transactions (which have been accounted for under merger accounting) have not been restated. Absorption accounting requires that entities account for their transactions in the period in which they took place, with no restatement of performance required when functions transfer within the public sector. Where assets and liabilities transfer, the gain or loss resulting is recognised in the SOCNE/SOCNI, and is disclosed separately from operating costs.

Other transfers of assets and liabilities within the Group are accounted for in line with IAS20 and similarly give rise to income and expenditure entries.

For transfers of assets and liabilities from those NHS bodies that closed on 1 April 2013, Treasury agreed that a modified absorption approach should be applied. For these transactions and only in the prior-period, gains and losses are recognised in reserves rather than the SOCNE/SOCNI.

1.4 Charitable Funds

Under the provisions of IFRS10 *Consolidated Financial Statements*, those Charitable Funds that fall under common control with NHS bodies are consolidated within the entity's financial statements. In accordance with IAS 1 *Presentation of Financial Statements*, restated prior period accounts are presented where the adoption of the new policy has a material impact.

As the corporate trustee of Solent NHS Charity, the Trust has the power to exercise control. However the transactions of the charity are immaterial and have not been consolidated. Details of the transactions with the charity are included in note 37, Related Party Transactions.

1.5 Pooled Budgets

The Trust does not have any Pooled Budget arrangements.

1.6 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.6.1 Critical judgements in applying accounting policies

The Trust has made critical judgements in applying accounting policies. Any critical judgements made are detailed in the relevant accounting policy.

1.6.2 Key sources of estimation uncertainty

Other than the valuation of non current assets the Trust has made no assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Non current assets have been revalued following a full valuation exercise carried out by District Valuers who are RICS qualified.

1.7 Revenue

Revenue 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 revenue for the Trust is from commissioners for healthcare services. Revenue relating to patient treatment plans that are part-completed at the year end are apportioned across the financial years on the basis of percentage of treatment completed at the end of the reporting period compared to expected total treatment planned.

Where income is received for a specific activity that is to be delivered in the following year, that income is deferred.

The Trust receives income under the NHS Injury Cost Recovery Scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid e.g. by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit.

1.8 Employee Benefits

Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave 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

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is 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 scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the Trust commits itself to the retirement, regardless of the method of payment.

1.9 Other expenses

Other operating expenses are recognised when, and to the extent that, the goods or services have been received. They are measured at the fair value of the consideration payable.

1.10 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised if:

- 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 will be supplied to the Trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- 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, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Notes to the Accounts - 1. Accounting Policies (Continued)

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

Valuation

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

Land and buildings used for the Trust's services or for administrative purposes are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation less any impairment.

Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

Fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease 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. Gains and losses recognised in the revaluation reserve are reported as other comprehensive income in the Statement of Comprehensive Income.

Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

1.11 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only when 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 the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example 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, unless it meets specific conditions as detailed in note 1.35.

Notes to the Accounts - 1. Accounting Policies (Continued)

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
- the ability to measure reliably the expenditure attributable to the intangible asset during its development

Measurement

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

1.12 Depreciation, amortisation and impairments

Freehold land, properties under construction, and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the Trust expects to obtain economic benefits or service potential 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 their estimated useful lives

At each reporting period end, the Trust checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, 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.

A revaluation decrease 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.

Impairments are analysed between Departmental Expenditure Limits (DEL) and Annually Managed Expenditure (AME). This is necessary to comply with Treasury's budgeting guidance. DEL limits are set in the Spending Review and Departments may not exceed the limits that they have been set.

AME budgets are set by the Treasury and may be reviewed with departments in the run-up to the Budget. Departments need to monitor AME closely and inform Treasury if they expect AME spending to rise above forecast. Whilst Treasury accepts that in some areas of AME inherent volatility may mean departments do not have the ability to manage the spending within budgets in that financial year, any expected increases in AME require Treasury approval.

1.13 Donated assets

Donated non-current assets are capitalised at their fair value on receipt, with a matching credit to Income. They are valued, depreciated and impaired as described above for purchased assets. Gains and losses on revaluations, impairments and sales are as described above for purchased assets. Deferred income is recognised only where conditions attached to the donation preclude immediate recognition of the gain.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.14 Government grants

The value of assets received by means of a government grant are credited directly to income. Deferred income is recognised only where conditions attached to the grant preclude immediate recognition of the gain.

1.15 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Income. On disposal, the balance for the asset on the revaluation reserve is transferred to retained earnings.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead, it is retained as an operational asset and its economic life is adjusted. The asset is de-recognised when it is scrapped or demolished.

1.16 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.

The Trust as lessee

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate on interest on the remaining balance of the liability. Finance charges are recognised in calculating the Trust's surplus/deficit.

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.

Where a lease is for land and buildings, the land and building components are separated and individually assessed as to whether they are operating or finance leases.

The Trust as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Trust's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.17 Private Finance Initiative (PFI) transactions

The Trust has no PFI transactions.

1.18 Inventories

Inventories are valued at the lower of cost and net realisable value using the first-in first-out cost formula. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.19 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.

1.20 Provisions

Provisions are recognised when the Trust has a present legal or constructive obligation as a result of a past event, it is probable that the Trust will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury's discount rate of 2.2% in real terms (2.8% for employee early departure obligations).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

A restructuring provision is recognised when the Trust has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.21 Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the Trust pays an annual contribution to the NHSLA which in return settles all clinical negligence claims. The contribution is charged to expenditure. Although the NHSLA is administratively responsible for all clinical negligence cases the legal liability remains with the Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at note 33.

1.22 Non-clinical risk pooling

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

1.23 Carbon Reduction Commitment Scheme (CRC)

The Trust is not part of the Carbon Reduction Commitment Scheme.

1.24 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

1.25 Financial assets

Financial assets are recognised when the Trust becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

Notes to the Accounts - 1. Accounting Policies (Continued)

Financial assets are classified into the following categories: financial assets at fair value through profit and loss; held to maturity investments; available for sale financial assets, and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets at fair value through profit and loss

The Trust has no financial assets at fair value through profit and loss.

Held to maturity investments

The Trust has no maturity investments.

Available for sale financial assets

The Trust has no available for sale financial assets.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment.

1.26 Financial liabilities

Financial liabilities are recognised on the statement of financial position when the Trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

Loans from the Department of Health are recognised at historical cost. Otherwise, financial liabilities are initially recognised at fair value.

Financial guarantee contract liabilities

The Trust has no financial guarantee contract liabilities.

Financial liabilities at fair value through profit and loss

The Trust has no financial liabilities at fair value through profit and loss.

Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method, except for loans from Department of Health, which are carried at historic cost. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.27 Value Added Tax

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.28 Foreign currencies

The Trust's functional currency and presentational currency is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March. Resulting exchange gains and losses for either of these are recognised in the Trust's surplus/deficit in the period in which they arise.

1.29 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. Details of third party assets are given in Note 40 to the accounts.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.30 Public Dividend Capital (PDC) and PDC dividend

Public dividend capital represents taxpayers' equity in the Trust. At any time the Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received. 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 amount of assets is calculated as a simple average of opening and closing relevant net assets.

1.31 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 risk (with insurance premiums then being included as normal revenue expenditure).

1.32 Subsidiaries

Material entities over which the Trust has the power to exercise control are classified as subsidiaries and are consolidated. The Trust has control when it is exposed to or has rights to variable returns through its power over another entity. The income and expenses; gains and losses; assets, liabilities and reserves; and cash flows of the subsidiary are consolidated in full into the appropriate financial statement lines. Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with the Trust's or where the subsidiary's accounting date is not co-terminus.

Subsidiaries that are classified as 'held for sale' are measured at the lower of their carrying amount or 'fair value less costs to sell'.

From 2013-14, the Trust has reviewed the annual accounts of Solent NHS Charity, over which it considers it has the power to exercise control in accordance with IFRS10 requirements, and if it is deemed material has consolidated the accounts of the Charity with the Trust, see note 1.4.

1.33 Associates

The Trust has no associates.

1.34 Joint arrangements

The Trust has no joint arrangements.

1.35 Research and Development

Research and development expenditure is charged against income in the year in which it is incurred, except insofar as development expenditure relates to a clearly defined project and the benefits of it can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the SOCNE/SOCI on a systematic basis over the period expected to benefit from the project. It is revalued on the basis of current cost. The amortisation is calculated on the same basis as depreciation, on a quarterly basis.

1.36 Accounting Standards that have been issued but have not yet been adopted

The Treasury FReM does not require the following Standards and Interpretations to be applied in 2014-15. The application of the Standards as revised would not have a material impact on the accounts for 2014-15, were they applied in that year.

IFRS 9 Financial Instruments - subject to consultation

IFRS 13 Fair Value Measurement - subject to consultation

IFRS 15 Revenue from Contracts with Customers

2. Operating segments

From 1 April 2014 Trust activity has been organised into eight service lines as follows:

Child & Family Health Services	child development centre, family planning, children's respite, community health, paediatrics, child clinical psychology, school nursing, health visiting
Sexual Health Services	chlamydia screening, HIV outpatient services, sexual health promotion, termination of pregnancies, vasectomy services, sexual assault referral centre
Substance Misuse Services	substance misuse service
Dental	specialist dental care referrals
Adults Southampton	physiotherapy, community nursing, speech therapy, stoma care, palliative care, learning disabilities.
Primary Care & LTC	health promotion, community diabetes service, cardiac nurse service, podiatry, minor injuries, homeless healthcare, dermatology, phlebotomy service
Adults Portsmouth	occupational therapy, physiotherapy, community nursing, speech therapy, palliative care
Adult Mental Health	patient care and research into dementia, psychiatry

Each service has its own senior management team. The Chief Operating Decision Maker (COMD) of the Trust is the Trust Board which is required to approve the budget and all major operating decisions.

The year ending 31 March 21015 is the first full year of embedded service line reporting and therefore prior year comparators are not available.

The monthly performance report to the COMD reports the performance of each services operating contribution towards infrastructure and overhead costs against approved budgets. The financial information below is consistent with the monthly reporting.

	2014-15			Operating surplus / (deficit) £000s
	Revenue £000s	Employee Benefits £000s	Other Operating Costs £000s	
Child & Family Health Services	38,911	(28,789)	(2,048)	8,074
Sexual Health Services	27,398	(6,906)	(13,361)	7,131
Substance Misuse Services	9,555	(4,024)	(4,455)	1,076
Dental	8,023	(4,706)	(1,454)	1,863
Adults Southampton	26,342	(18,341)	(3,037)	4,964
Primary Care & LTC	18,411	(13,176)	(2,236)	2,999
Adults Portsmouth	24,751	(17,867)	(2,323)	4,561
Adult Mental Health	14,930	(10,376)	(1,129)	3,425
Discontinued Operations	650	(455)	(50)	145
Total Services	168,971	(104,640)	(30,093)	34,238
Infrastructure	7,967	(7,320)	(24,215)	(23,568)
Corporate Costs	10,331	(12,749)	(10,738)	(13,156)
Depreciation, amortisation, impairment			(4,014)	(4,014)
Operating surplus/(deficit)	187,269	(124,709)	(69,060)	(6,500)

3. Income generation activities

The Trust undertakes income generation activities with an aim of achieving profit, which is then used in patient care. None of the activities which generate income had full costs which exceeded £1m.

4. Revenue from patient care activities	2014-15 £000s	2013-14 £000s
NHS Trusts	0	0
NHS England	28,040	31,133
Clinical Commissioning Groups	105,532	108,534
Foundation Trusts	293	537
Department of Health	0	0
NHS Other (including Public Health England and Prop Co)	0	250
Non-NHS:		
Local Authorities	30,811	23,041
Private patients	357	115
Other	119	121
Total Revenue from patient care activities	165,152	163,731
5. Other operating revenue	2014-15 £000s	2013-14 £000s
Education, training and research	8,305	6,759
Receipt of donations for capital acquisitions	197	0
Non-patient care services to other bodies	5,197	8,167
Income generation	2,424	1,765
Rental revenue from operating leases	1,696	3,384
Other revenue	4,269	3,950
Total Other Operating Revenue	22,088	24,025
Total operating revenue	187,240	187,756

6. Operating expenses	2014-15 £000s	2013-14 £000s
Services from other NHS Trusts	3,077	3,265
Services from CCGs/NHS England	25	1,129
Services from other NHS bodies	1	0
Services from NHS Foundation Trusts	2,348	2,783
Total Services from NHS bodies*	5,451	7,177
Purchase of healthcare from non-NHS bodies	2,012	2,061
Trust Chair and Non-executive Directors	55	53
Supplies and services - clinical	18,926	21,786
Supplies and services - general	2,237	2,139
Consultancy services	2,084	1,942
Establishment	4,405	4,356
Transport	586	614
Business rates paid to local authorities	740	570
Premises	19,440	15,542
Legal Fees	484	400
Impairments and Reversals of Receivables	830	630
Depreciation	3,229	2,774
Amortisation	340	194
Impairments and reversals of property, plant and equipment	423	0
Audit fees	119	66
Other auditor's remuneration	79	63
Clinical negligence	379	389
Research and development (excluding staff costs)	2,598	686
Education and Training	847	1,000
Other	191	583
Total Operating expenses (excluding employee benefits)	65,455	63,025
 Employee Benefits		
Employee benefits excluding Board members	123,617	122,011
Board members	1,092	756
Total Employee Benefits	124,709	122,767
 Total Operating Expenses	190,164	185,792

*Services from NHS bodies does not include expenditure which falls into a category below

7. Operating Leases

The Trust occupies properties using operating lease arrangements with NHS and non NHS organisations.

7.1 Trust as lessee	Buildings £000s	Other £000s	2014-15 Total £000s	2013-14 £000s
Payments recognised as an expense				
Minimum lease payments			7,587	8,256
Total			7,587	8,256
Payable:				
No later than one year	5,860	242	6,102	8,666
Between one and five years	9,758	122	9,880	3,663
After five years	11,495	0	11,495	4,041
Total	27,113	364	27,477	16,370

Total future sublease payments expected to be received: £nil

7.2 Trust as lessor

The Trust receives rental income from a number of tenants for rental of properties.

	2014-15 £000	2013-14 £000s
Recognised as revenue		
Rental revenue	1,696	3,384
Total	1,696	3,384
Receivable:		
No later than one year	1,653	506
Between one and five years	0	0
After five years	0	0
Total	1,653	506

8.0 Employee benefits and staff numbers

8.1 Employee benefits

	Total £000s	2014-15 Permanently £000s	Other £000s
Employee Benefits - Gross Expenditure			
Salaries and wages	104,459	99,162	5,297
Social security costs	7,214	7,214	0
Employer Contributions to NHS BSA - Pensions Division	12,241	12,241	0
Other pension costs	1	1	0
Termination benefits	1,076	1,076	0
Total employee benefits	124,991	119,694	5,297
Employee costs capitalised	282	94	188
Gross Employee Benefits excluding capitalised costs	124,709	119,600	5,109

	Total £000s	Permanently £000s	Other £000s
Employee Benefits - Gross Expenditure 2013-14			
Salaries and wages	104,069	96,364	7,705
Social security costs	6,557	6,557	0
Employer Contributions to NHS BSA - Pensions Division	12,107	12,107	0
Other pension costs	0	0	0
Termination benefits	449	449	0
TOTAL - including capitalised costs	123,182	115,477	7,705
Employee costs capitalised	415	10	405
Gross Employee Benefits excluding capitalised costs	122,767	115,467	7,300

8.2 Staff Numbers

	2014-15			2013-14
	Total Number	Permanently employed Number	Other Number	Total Number
Average Staff Numbers				
Medical and dental	162	152	10	160
Administration and estates	761	737	24	744
Healthcare assistants and other support staff	777	760	17	714
Nursing, midwifery and health visiting staff	883	873	10	907
Nursing, midwifery and health visiting learners	30	30	0	38
Scientific, therapeutic and technical staff	613	601	12	600
Other	0	0	0	29
TOTAL	3,226	3,153	73	3,192
Of the above - staff engaged on capital projects	11	5	6	4

8.3 Staff Sickness absence and ill health retirements

	2014-15 Number	2013-14 Number
Total Days Lost	32,566	31,570
Total Staff Years	3,152	3,095
Average working Days Lost	10.33	10.20
	2014-15 Number	2013-14 Number
Number of persons retired early on ill health grounds	7	0
	£000s	£000s
Total additional pensions liabilities accrued in the year	391	0

8.4 Exit Packages agreed in 2014-15

Exit package cost band (including any special payment element)	2014-15			2013-14		
	*Number of compulsory redundancies	*Number of other departures agreed	Total number of exit packages by cost band	*Number of compulsory redundancies	*Number of other departures agreed	Total number of exit packages by cost band
	Number	Number	Number	Number	Number	Number
Less than £10,000	13	12	25	6	0	6
£10,000-£25,000	14	6	20	9	0	9
£25,001-£50,000	2	9	11	8	0	8
£50,001-£100,000	1	4	5	5	0	5
£100,001 - £150,000	0	0	0	0	0	0
£150,001 - £200,000	0	0	0	0	0	0
>£200,000	0	0	0	0	0	0
Total number of exit packages by type (total cost)	30	31	61	28	0	28
Total resource cost (£000s)	403	704	1,107	783	0	783

This note provides an analysis of Exit Packages agreed during the year. Redundancy and other departure costs have been paid in accordance with the provisions of the NHS redundancy arrangements. Other departures have been paid in accordance with the Mutually Agreed Resignation Scheme (MARS). Where the Trust has agreed early retirements, the additional costs are met by the Trust and not by the NHS Pensions Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

This disclosure reports the number and value of exit packages agreed in the year. Note: The expense associated with these departures may have been recognised in part or in full in a previous period.

8.5 Exit packages - Other Departures analysis

	2014-15		2013-14	
	Agreements	Total value of agreements £000s	Agreements	Total value of agreements £000s
	Number		Number	
Mutually agreed resignations (MARS) contractual costs	30	651	0	0
Contractual payments in lieu of notice	1	53	0	0
Total	31	704	0	0

This disclosure reports the number and value of other departures agreed in the year. Note: the expense associated with these departures may have been recognised in part or in full in a previous period

As a single exit package can be made up of several components each of which will be counted separately in this Note, the total number above will not necessarily match the total numbers in Note 8.4 which will be the number of individuals.

8.6 Pension costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The scheme is an unfunded, defined benefit scheme that covers NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is 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 scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS Body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

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

a) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2015, is based on valuation data as 31 March 2014, updated to 31 March 2015 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts, published annually. These accounts can be viewed on the NHS Pensions website. 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 scheme (taking into account its recent demographic experience), and to recommend the contribution rates.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012.

The Scheme Regulations allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

c) Scheme provisions

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained:

The Scheme is a "final salary" scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as "pension commutation".

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) has been used and replaced the Retail Prices Index (RPI).

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC's run by the Scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

9. Better Payment Practice Code**9.1 Measure of compliance**

	2014-15 Number	2014-15 £000s	2013-14 Number	2013-14 £000s
Non-NHS Payables				
Total Non-NHS Trade Invoices Paid in the Year	28,684	46,274	32,574	34,835
Total Non-NHS Trade Invoices Paid Within Target	23,961	37,341	28,962	28,893
Percentage of NHS Trade Invoices Paid Within Target	84%	81%	89%	83%
NHS Payables				
Total NHS Trade Invoices Paid in the Year	1,560	38,627	1,312	25,153
Total NHS Trade Invoices Paid Within Target	1,224	28,820	1,110	18,740
Percentage of NHS Trade Invoices Paid Within Target	78%	75%	85%	75%

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 a valid invoice, whichever is later.

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

The Trust had no claims made under this legislation and paid no compensation.

10. Investment Revenue

	2014-15 £000s	2013-14 £000s
Bank interest	29	28
Total investment revenue	29	28

11. Other Gains and Losses

	2014-15 £000s	2013-14 £000s
Gain/(Loss) on disposal of assets other than by sale (PPE)	(189)	(134)
Total	(189)	(134)

12. Finance Costs

	2014-15 £000s	2013-14 £000s
Interest		
Interest on obligations under finance leases	40	0
Total interest expense	40	0
Total	40	0

13.1 Property, plant and equipment

	Land	Buildings excluding dwellings	Assets under construction & payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
2014-15								
Cost or valuation:								
At 1 April 2014	24,168	72,088	131	2,897	97	2,753	435	102,569
Additions of Assets Under Construction	0	0	5,068	0	0	0	0	5,068
Additions Purchased	0	0	0	162	0	0	0	162
Additions - Purchases from Cash Donations & Government Grants	0	0	0	16	0	0	0	16
Additions Leased	0	0	0	0	0	810	0	810
Reclassifications	0	1,348	(1,956)	195	0	189	0	(224)
Disposals other than for sale	0	(36)	0	(34)	(27)	(29)	0	(126)
Upward revaluation/positive indexation	1,982	6,684	0	0	0	0	0	8,666
Impairments/negative indexation	(295)	(262)	0	0	0	0	0	(557)
At 31 March 2015	25,855	79,822	3,243	3,236	70	3,723	435	116,384
Depreciation								
At 1 April 2014	0	2,077	0	1,807	13	700	381	4,978
Disposals other than for sale	0	0	0	(9)	0	0	0	(9)
Upward revaluation/positive indexation	(70)	(4,291)	0	0	0	0	0	(4,361)
Impairments	70	353	0	0	0	0	0	423
Charged During the Year	0	2,260	0	304	9	644	12	3,229
At 31 March 2015	0	399	0	2,102	22	1,344	393	4,260
Net Book Value at 31 March 2015	25,855	79,423	3,243	1,134	48	2,379	42	112,124
Asset financing:								
Owned - Purchased	25,855	79,374	3,243	1,024	48	960	42	110,546
Owned - Donated	0	49	0	110	0	0	0	159
Held on finance lease	0	0	0	0	0	1,419	0	1,419
Total at 31 March 2015	25,855	79,423	3,243	1,134	48	2,379	42	112,124

Revaluation Reserve Balance for Property, Plant & Equipment

	Land	Buildings	Assets under construction & payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
At 1 April 2014	3,690	14,534	0	0	0	0	0	18,224
Movements (specify)	1,757	10,276	0	0	0	0	0	12,033
At 31 March 2015	5,447	24,810	0	0	0	0	0	30,257

Additions to Assets Under Construction in 2014-15

	£000's
Buildings excl Dwellings	4,020
Plant & Machinery	118
IT - in-house & 3rd party software	930
Balance as at YTD	5,068

13.2 Property, plant and equipment prior-year

	Land	Buildings excluding dwellings	Assets under construction & payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
2013-14								
Cost or valuation:								
At 1 April 2013	0	1,363	656	3,009	31	1,891	541	7,491
Transfers under Modified Absorption Accounting - PCTs & SHAs	25,830	66,126	0	141	66	300	0	92,463
Additions of Assets Under Construction	0	0	1,257	0	0	0	0	1,257
Additions Purchased	0	0	0	181	0	24	0	205
Additions Leased	0	0	0	0	0	820	0	820
Reclassifications	0	280	(1,782)	0	0	503	35	(964)
Disposals other than for sale	0	0	0	(434)	0	(785)	(141)	(1,360)
Revaluation	0	4,319	0	0	0	0	0	4,319
Impairments/negative indexation charged to reserves	(1,662)	0	0	0	0	0	0	(1,662)
At 31 March 2014	24,168	72,088	131	2,897	97	2,753	435	102,569
Depreciation								
At 1 April 2013	0	30	0	1,789	0	1,100	511	3,430
Disposals other than for sale	0	0	0	(298)	0	(785)	(143)	(1,226)
Charged During the Year	0	2,047	0	316	13	385	13	2,774
At 31 March 2014	0	2,077	0	1,807	13	700	381	4,978
Net Book Value at 31 March 2014	24,168	70,011	131	1,090	84	2,053	54	97,591
Asset financing:								
Owned - Purchased	24,168	70,011	131	1,090	84	1,233	54	96,771
Held on finance lease	0	0	0	0	0	820	0	820
Total at 31 March 2014	24,168	70,011	131	1,090	84	2,053	54	97,591

13.3 Property, plant and equipment

The Trust received donated assets from NHS England, Southampton Clinical Commissioning Group, University Hospitals Southampton NHS Foundation Trust and League of Friends in the year.

Land and buildings are held at revalued amounts. A full valuation was carried out on the assets as at 31 March 2015 by District Valuers who are RICS qualified.

The economic lives of the property, plant and equipment range from:

	Min Life (yrs)	Max Life (yrs)
Buildings excluding dwellings	1	90
Plant & machinery	1	25
Transport equipment	5	10
Information technology	1	7
Furniture & fittings	5	10

14.1 Intangible non-current assets

	IT - in-house & 3rd party software £000's	Total £000's
2014-15		
At 1 April 2014	1,635	1,635
Additions Purchased	7	7
Reclassifications	224	224
Disposals other than by sale	(82)	(82)
At 31 March 2015	1,784	1,784
Amortisation		
At 1 April 2014	303	303
Disposals other than by sale	(12)	(12)
Charged during the year	340	340
At 31 March 2015	631	631
Net Book Value at 31 March 2015	1,153	1,153
Asset Financing: Net book value at 31 March 2015 comprises:		
Purchased	1,153	1,153
Total at 31 March 2015	1,153	1,153

Revaluation reserve balance for intangible non-current assets

The Trust does not hold any revaluation reserves for intangible non-current assets. No revaluation of intangible assets was carried out in the period.

14.2 Intangible non-current assets prior year

	IT - in-house & 3rd party software £000s	Total £000s
2013-14		
Cost or valuation:		
At 1 April 2013	809	809
Additions - purchased	240	240
Reclassifications	964	964
Disposals other than by sale	(378)	(378)
At 31 March 2014	1,635	1,635
Amortisation		
At 1 April 2013	487	487
Disposals other than by sale	(378)	(378)
Charged during the year	194	194
At 31 March 2014	303	303
Net book value at 31 March 2014	1,332	1,332
Net book value at 31 March 2014 comprises:		
Purchased	1,332	1,332
Total at 31 March 2014	1,332	1,332

14.3 Intangible non-current assets

The Trust received no donated intangible assets in the year.

The economic lives of the intangible assets range from:

	Min Life (yrs)	Max Life (yrs)
IT - in-house & 3rd party software	1	7

15. Analysis of impairments and reversals recognised in 2014-15

	Property Plant and Equipment £000s	Total £000s
Impairments and reversals taken to SoCI		
Changes in market price	423	423
Total charged to Annually Managed Expenditure	423	423
Total Impairments of Property, Plant and Equipment changed to SoCI	423	423

No impairment losses on Donated and Government Granted Assets is included above.

16. Investment property

The Trust has no investment property.

17. Commitments**17.1 Capital commitments**

Contracted capital commitments at 31 March not otherwise included in these financial statements:

	31 March 2015 £000s	31 March 2014 £000s
Property, plant and equipment	1,955	214
Intangible assets	145	97
Total	2,100	311

17.2 Other financial commitments

The Trust has entered into non-cancellable contracts (which are not leases or PFI contracts or other service concession arrangements), for ICT services. The payments to which the Trust is committed are as follows:

	31 March 2015 £000s	31 March 2014 £000s
Not later than one year	8,246	7,252
Later than one year and not later than five year	6,928	8,055
Later than five years	0	0
Total	15,174	15,307

18. Intra-Government and other balances

	Current receivables £000s	Non-current receivables £000s	Current payables £000s	Non-current payables £000s
Balances with Other Central Government Bodies	1,207	0	2,045	0
Balances with Local Authorities	3,459	0	978	0
Balances with NHS bodies inside the Departmental Group	9,951	0	4,265	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with Bodies External to Government	857	1,936	9,207	1,308
At 31 March 2015	15,474	1,936	16,495	1,308
prior period:				
Balances with Other Central Government Bodies	0	0	3,920	0
Balances with Local Authorities	3,304	0	995	0
Balances with NHS bodies inside the Departmental Group	13,416	0	12,020	0
Balances with Public Corporations and Trading Funds	0	0	97	0
Balances with Bodies External to Government	1,136	2,018	9,100	208
At 31 March 2014	17,856	2,018	26,132	208

19. Inventories

	Drugs £000s	Consumables £000s	Total £000s
Balance at 1 April 2014	42	211	253
Additions	9,219	3,266	12,485
Inventories recognised as an expense in the period	(8,864)	(3,161)	(12,025)
Balance at 31 March 2015	397	316	713

20.1 Trade and other receivables

	Current 31 March 2015 £000s	31 March 2014 £000s	Non-current 31 March 2015 £000s	31 March 2014 £000s
NHS receivables - revenue	7,272	12,220	0	0
NHS prepayments and accrued income	2,679	1,196	0	0
Non-NHS receivables - revenue	4,807	4,093	0	0
Non-NHS prepayments and accrued income	989	1,238	1,936	2,018
Provision for the impairment of receivables	(1,721)	(891)	0	0
VAT	1,207	0	0	0
Other receivables	241	0	0	0
Total	15,474	17,856	1,936	2,018
Total current and non current	17,410	19,874		
Included in NHS receivables are prepaid pension contributions:	0			

The great majority of trade is with Clinical Commissioning Groups and NHS England, as commissioners for NHS patient care services. As Clinical Commissioning Groups and NHS England are funded by Government to buy NHS patient care services, no credit scoring of them is considered necessary.

Other trade receivables are reviewed on a regular basis with the person responsible. Provisions are established if debtors exceed the following time intervals past their agreed terms - after 90 days 100%. Any overdue debts are actively pursued by specialised teams.

20.2 Receivables past their due date but not impaired	31 March 2015 £000s	31 March 2014 £000s
By up to three months	4,091	7,288
By three to six months	1,607	332
By more than six months	1,002	374
Total	6,700	7,994

20.3 Provision for impairment of receivables	2014-15 £000s	2013-14 £000s
Balance at 1 April 2014	(891)	(261)
Amount recovered during the year	510	0
(Increase)/decrease in receivables impaired	(1,340)	(630)
Balance at 31 March 2015	(1,721)	(891)

No collateral is held against these debts.

21. **NHS LIFT investments**
The Trust has no NHS LIFT investments.

22. **Other Financial Assets**
The Trust has no other financial assets.

23. **Other current assets**
The Trust has no other current assets.

24. Cash and Cash Equivalents	31 March 2015 £000s	31 March 2014 £000s
Opening balance	10,300	7,870
Net change in year	(9,515)	2,430
Closing balance	785	10,300
Made up of		
Cash with Government Banking Service	752	10,253
Commercial banks	12	24
Cash in hand	21	23
Cash and cash equivalents as in statement of financial position	785	10,300
Cash and cash equivalents as in statement of cash flows	785	10,300
Patients' money held by the Trust, not included above	5	32

25. **Non-current assets held for sale**
The Trust has no non-current assets held for sale.

26. Trade and other payables	Current		Non-current	
	31 March 2015 £000s	31 March 2014 £000s	31 March 2015 £000s	31 March 2014 £000s
NHS payables - revenue	807	748	0	0
NHS accruals and deferred income	3,442	11,272	0	0
Non-NHS payables - revenue	1,373	2,833	0	0
Non-NHS payables - capital	1,838	258	0	0
Non-NHS accruals and deferred income	6,608	7,056	188	208
Social security costs	1,053	1,070	0	0
PDC Dividend payable to DH	16	0		
VAT	0	146	0	0
Tax	992	1,044	0	0
Other	49	1,705	0	0
Total	16,178	26,132	188	208
Total payables (current and non-current)	16,366	26,340		

Included above:

outstanding Pension Contributions at the year end 6 1,660

27. **Other liabilities**
The Trust has no other liabilities.

	Current		Non-current	
	31 March 2015 £000s	31 March 2014 £000s	31 March 2015 £000s	31 March 2014 £000s
Finance lease liabilities	317	144	1,120	676
Total	317	144	1,120	676
Total other liabilities (current and non-current)	1,437	820		

Borrowings / Loans - repayment of principal falling due in:

	31 March 2015	
	Other £000s	Total £000s
0-1 Years	317	317
1 - 2 Years	1,069	1,069
2 - 5 Years	51	51
Over 5 Years	0	0
TOTAL	1,437	1,437

29. **Other financial liabilities**
The Trust has no other financial liabilities.

	Current		Non-current	
	31 March 2015 £000s	31 March 2014 £000s	31 March 2015 £000s	31 March 2014 £000s
Opening balance at 1 April 2014	1,861	1,126	208	225
Deferred revenue addition	1,461	1,659	0	0
Transfer of deferred revenue	(1,882)	(924)	(21)	(17)
Current deferred Income at 31 March 2015	1,440	1,861	187	208
Total deferred income (current and non-current)	1,627	2,069		

31. **Finance lease obligations as lessee**
The finance leases relate to IT equipment.

	Minimum lease payments		Present value of minimum	
	31 March 2015 £000s	31 March 2014 £000s	31 March 2015 £000s	31 March 2014 £000s
Within one year	345	175	317	144
Between one and five years	1,176	560	1,069	676
After five years	50	174	51	0
Less future finance charges	(134)	(89)		
Minimum Lease Payments / Present value of minimum lease payments	1,437	820	1,437	820
Included in:				
Current borrowings			317	144
Non-current borrowings			1,120	676
			1,437	820

32. **Finance lease receivables as lessor**
The Trust has no finance lease receivables as lessor.

33. **Provisions**
The Trust has no provisions.

£916,265 is included in the provisions of the NHS Litigation Authority at 31 March 2015 (£317,964 at 31 March 2014) in respect of clinical negligence liabilities of the Trust.

	31 March 2015 £000s	31 March 2014 £000s
Contingent liabilities		
NHS Litigation Authority legal claims	9	17
Net value of contingent liabilities	9	17

Contingent assets
The Trust has no contingent assets.

35. Financial Instruments**35.1 Financial risk management**

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with Clinical Commissioning Groups and NHS England and the way those Clinical Commissioning Groups and NHS England are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the board of directors. Trust treasury activity is subject to review by the Trust's internal auditors.

Currency risk

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk

The Trust borrows from government for capital expenditure, subject to affordability as confirmed by the Trust Development Agency. The borrowings are for 1 – 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. The Trust therefore has low exposure to interest rate fluctuations.

Credit risk

Because the majority of the Trust's revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2015 are in receivables from customers, as disclosed in the trade and other receivables note.

Liquidity risk

The Trust's operating costs are incurred under contracts with Clinical Commissioning Groups, which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. The Trust is not, therefore, exposed to significant liquidity risks.

35.2 Financial Assets	Loans and receivables £000s	Total £000s
Receivables - NHS	8,871	8,871
Receivables - non-NHS	4,037	4,037
Cash at bank and in hand	785	785
Total at 31 March 2015	13,693	13,693
Receivables - NHS	13,416	13,416
Receivables - non-NHS	4,423	4,423
Cash at bank and in hand	10,300	10,300
Total at 31 March 2014	28,139	28,139
35.3 Financial Liabilities	Other £000s	Total £000s
NHS payables	3,553	3,553
Non-NHS payables	8,873	8,873
Total at 31 March 2015	12,426	12,426
NHS payables	12,020	12,020
Non-NHS payables	9,991	9,991
Total at 31 March 2014	22,011	22,011

36. Events after the end of the reporting period

There have been no events after the end of the reporting period.

37. Related party transactions

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 Department of Health 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 Department. These entities are:

	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£000s	£000s	£000s	£000s
NHS England	4	28,344	923	4,749
<u>Clinical Commissioning Groups</u>				
NHS Southampton	8	31,576	34	105
NHS Portsmouth	4	52,092	93	458
NHS West Hampshire	0	8,016	71	960
NHS South Eastern Hampshire	0	5,510	23	252
NHS Fareham & Gosport	0	5,160	0	349
NHS North Hampshire	32	1,945	0	0
NHS North East Hampshire & Farnham	0	1,227	26	14
<u>NHS Trust and Foundation Trust</u>				
Hampshire Hospitals Foundation Trust	2,744	74	190	34
Portsmouth Hospitals NHS Trust	4,521	2,985	562	1,292
University of Southampton NHS Foundation Trust	2,174	3,219	352	474
Southern Health NHS Foundation Trust	1,539	1,781	215	507
NHS Litigation Authority	379	0	1	0
NHS Property Services Ltd	7,566	1,443	354	823
Community Health Partnerships	2,010	0	736	0
Solent NHS Charity	0	3	0	0

In addition, the Trust has had a number of material transactions with other government departments and other central and local government bodies. Most of these transactions have been with HM Revenue and Customs, NHS Pensions Agency, Portsmouth City Council, Southampton City Council and Hampshire County Council.

The Trust has also received revenue from Solent NHS Charity of which the NHS Trust Board is the Corporate Trustee.

38. Losses and special payments

There were 10 cases of losses and special payments totalling £39,888 accrued during 2014-15 (11 cases totalling £13,312 during 2013-14).

39. Financial performance targets

The Trust has a duty to achieve breakeven or a surplus in each accounting period.

39.1 Breakeven performance

	2011-12 £000s	2012-13 £000s	2013-14 £000s	2014-15 £000s
Turnover	193,935	192,146	187,756	187,240
Retained surplus/(deficit) for the year	1,863	776	1,858	(6,500)
Adjustment for:				
Adjustments for impairments	0	0	0	423
Adjustments for impact of policy change re donated/government grants assets	0	0	0	(197)
Break-even in-year position	1,863	776	1,858	(6,274)
Break-even cumulative position	1,863	2,639	4,497	(1,777)

Adjustments are made in respect of accounting policy changes (impairments and the removal of the donated asset and government grant reserves) to maintain comparability year to year.

	2011-12 %	2012-13 %	2013-14 %	2014-15 %
Materiality test (i.e. is it equal to or less than 0.5%):				
Break-even in-year position as a percentage of turnover	0.96	0.40	0.99	-3.35
Break-even cumulative position as a percentage of turnover	0.96	1.37	2.40	-0.95

39.2 Capital cost absorption rate

The dividend payable on public dividend capital is based on the actual (rather than forecast) average relevant net assets and therefore the actual capital cost absorption rate is automatically 3.5%.

39.3 External financing

The Trust is given an external financing limit which it is permitted to undershoot.

	2014-15 £000s	2013-14 £000s
External financing limit (EFL)	16,884	(600)
Cash flow financing	15,545	(2,217)
Finance leases taken out in the year	810	820
External financing requirement	<u>16,355</u>	<u>(1,397)</u>
Under/(over) spend against EFL	<u>529</u>	<u>797</u>

39.4 Capital resource limit

The Trust is given a capital resource limit which it is not permitted to exceed.

	2014-15 £000s	2013-14 £000s
Gross capital expenditure	6,054	2,522
Less: book value of assets disposed of	(63)	(134)
Less: donations towards the acquisition of non-current assets	(17)	0
Charge against the capital resource limit	<u>5,974</u>	<u>2,388</u>
Capital resource limit	<u>6,793</u>	<u>4,344</u>
(Over)/underspend against the capital resource limit	<u>819</u>	<u>1,956</u>

40. Third party assets

The Trust held £4,970 cash and cash equivalents at 31 March 2015 (£31,567 at 31 March 2014) which relate to monies held by the Trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.