Maidstone and Tunbridge Wells NHS

NHS Trust

TRUST BOARD MEETING

Formal meeting, to which members of the public are invited to observe. Please note that questions from members of the public should be asked at the end of the meeting, and relate to one of the agenda items

10.30am – c.1pm WEDNESDAY 25TH MAY 2016 THE EDUCATION CENTRE, TUNBRIDGE WELLS HOSPITAL

A G E N D A – PART 1

	Item	Lead presenter	Attachment
5-1	To receive apologies for absence	Chairman	Verbal
5-2	To declare interests relevant to agenda items	Chairman	Verbal
5-3	Minutes of the Part 1 meeting of 27 th April 2016	Chairman	1
5-4	To note progress with previous actions	Chairman	2
5-5	Safety moment	Trust Secretary	Verbal
5-6	Chairman's report	Chairman	Verbal
5-7	Chief Executive's report	Chief Executive	3
5-8	Integrated Performance Report for April 2016	Chief Executive	
	 Safe / Effectiveness / Caring 	Chief Nurse	
	 Safe / Effectiveness (incl. HSMR) Safe (infection control) 	Medical Director Dir. of Infect. Prevention and Control	4
	 Well-Led (finance) 	Director of Finance	4
	 Effectiveness / Responsiveness (incl. DTOCs) 	Chief Operating Officer	
	 Well-Led (workforce) 	Director of Workforce	
	Presentation from a Clinical Directorate		
5-9	Review of the Kent Oncology Centre	Clinical Director / Gen. Manager,	Presentation
		Cancer & Haematology	
	Quality items		
5-10	Supplementary Quality and Patient Safety report	Chief Nurse	5
5-11	Quality Improvement Plan: closure report / next steps	Chief Nurse	6
5-12	Staffing (planned and actual ward staffing for April	Chief Nurse	7&8
	2016; & 6-monthly review of Ward & non-Ward areas)		
5-13	Safeguarding adults update (annual report to Board)	Chief Nurse	9
	Planning and strategy		
5-14	Discussion of the assumptions underlying the	Chief Operating Officer	10
	2016/17 Winter and Operational Resilience Plan (incl.		
	how elective activity will be increased)		
5-15	Assurance and policy	Ma Part Diseases	
5-15	Update on the review of Medical rotas	Medical Director	Verbal
= 10	Reports from Board sub-committees (and the Tru		
5-16	Audit and Governance Committee, 05/05 & 25/05	Committee Chairman	11
5-17	(incl. Audit & Gov Cttee Annual Report for 2015/16)	Committee Chairman	10
5-18	Quality Committee, 11/05/16 (incl. SIs) Trust Management Executive, 18/05/16	Committee Chairman Committee Chairman	12 13
5-19	Finance Cttee, 23/05/16 (to incl. approval of business cases)	Committee Chairman	14 & 15 (to
0.0	T mance Ottee, 20/00/10 (to incl. approval of business cases)	Committee Chairman	follow)
5-20	Charitable Funds Committee, 23/05/16	Committee Chairman	Verbal
	Annual Report and Accounts		
5-21	Approval of Ann. Report, 2015/16 (incl. Gov. Statement)		16
5-22	Approval of Annual Accounts, 2015/16	Chairman of Audit and	17
5-23	Approval of Manag. Representation Letter, 2015/16	Governance Committee	18
	Other matters		
5-24	The scheduling of Finance Cttee & Board meetings	Trust Secretary / Chairman	19
5-25	To consider any other business	•	
5-26	To receive any questions from members of the p	ublic	
5-27	To approve the motion that in pursuance of the Public Bodies (Admission to	Chairman	Verbal
	Meetings) Act 1960, representatives of the press and public now be excluded from the meeting by reason of the confidential nature of the business to be transacted	Ghaiman	verbai
		ic Centre, Maidstone Hospital	

Maidstone and Tunbridge Wells

NHS Trust

MINUTES OF THE MAIDSTONE AND TUNBRIDGE WELLS NHS TRUST BOARD MEETING (PART 1) HELD ON WEDNESDAY 27TH APRIL 2016, 10.30 A.M. AT TUNBRIDGE WELLS HOSPITAL

FOR APPROVAL

Present:	Kevin Tallett	Non-Executive Director/Vice-Chairman of Trust Board (Chairman of meeting)	(KT)
	Avey Bhatia	Chief Nurse	(AB)
	Sylvia Denton	Non-Executive Director	(SD)
	Glenn Douglas	Chief Executive	(GD)
	Sarah Dunnett	Non-Executive Director	(SDu)
	Angela Gallagher	Chief Operating Officer	(AG)
	Alex King	Non-Executive Director	(AK)
	Jim Lusby	Deputy Chief Executive	(JL)
	Steve Orpin	Director of Finance	(SO)
	Paul Sigston Steve Tinton	Medical Director Non-Executive Director	(PS) (ST)
In attendance:	Richard Hayden	Director of Workforce	(RH)
	Jim Lusby	Deputy Chief Executive	(JL)
	Sara Mumford	Director of Infection Prevention and Control	(SM)
	Kevin Rowan	Trust Secretary	(KR)
Observing:	Annemieke Koper	Staff Side representative	(AKo)
	Sarah Smith	Directorate Quality Manager, Kent Oncology Centre	(SS)
	Darren Yates	Head of Communications	(DY)
	Mark Bray	Ideal Health Consultants	(MB)

4-1 To receive apologies for absence

Apologies were received from Anthony Jones (AJ), Chairman of the Trust Board.

4-2 To declare interests relevant to agenda items

There were no declarations of interest.

4-3 Minutes of the Part 1 meeting of 23rd March 2016

The minutes were agreed as a true and accurate record of the meeting.

4-4 To note progress with previous actions

The circulated report was noted. The following actions were discussed in detail:

- Item 9-8i ("Ensure the Trust Board receives the outcome of the planned review of Medical rotas being led by the Medical Director"). It was noted that an update would be provided to the Trust Board in May 2016.
- Item 1-19ii ("Revise the Reservation of Powers and Scheme of Delegation to reflect the amendments made at the Trust Board on 27/01/16"). KT asked KR to be more definitive in relation the "...in the near future" statement in the report. KR stated that the action would aim to be completed within the next 2 weeks.
- Item 2-15 ("Circulate, to all Trust Board Members, the 'straw man' that has been developed to aim to improve flow/discharge, and address the capacity gap within the West Kent health and social care system"). JL proposed that the issue instead be discussed at the Trust Board 'Away Day' in June 2016. This was agreed. It was therefore agreed to close the action as worded.

- Item 3-8i ("Arrange for Trust Board Members to visit the new Acute Medical Unit at Tunbridge Wells Hospital"). KR reported that the intention was to arrange the visit on the same day as the May 2016 Board meeting.
- Item 3-9i ("Review the "Patterns of maternity care in English NHS trusts 2013/14" report published by the Royal College of Obstetricians and Gynaecologists in March 2016, and provide an appropriate response to the Trust Board"). PS reported that the Trust was not an outlier in any aspect of the report, although the Trust's method of data collection for Induction of Labour differed from others. PS continued that the Trust performed either at, or better than, national average on all other aspects. KT proposed that the metrics in the report be quantified in one of the Trust's formal reporting packs. PS instead proposed that the written briefing prepared in response be circulated to Trust Board Members. This was agreed.

Action: Circulate, to Trust Board Members, the written briefing prepared in response to the Royal College of Obstetricians and Gynaecologists' "Patterns of maternity care in English NHS trusts 2013/14" report (Trust Secretary, April 2016)

4-5 Safety moment

KT invited AG and others to comments on the Trust's preparations to ensure safe care during the industrial action by Junior Doctors that day (and on 26/04/16). AG reported that the Trust's plans included all of the areas affected, had been rigorously tested, and had been applied in an exemplary manner on 26/04/16. AG added that a number of elective procedures had however needed to be cancelled over the 2 days.

SD stated that she had discussed the Trust's preparations with AG on 25/04/16, and as far as she could see, the preparation had been excellent. PS added that the relationship between the Junior Doctors and Trust managers during the preparations had been very good. GD agreed, and commended the work undertaken by AG and her colleagues.

ST then asked for a comment as to how the Trust intended to recover the position regarding the elective activity that had been cancelled. AG added that there was a plan to recover this over the coming months, but the full extent of the cancellations would not be recovered.

4-6 Chairman's report

KT commended the bold decision to open the new Acute Medical Unit (AMU) at Tunbridge Wells Hospital (TWH), in response to the capacity pressures, and also highlighted the Trust's strong infection prevention and control performance.

4-7 Chief Executive's report

GD referred to the circulated report and highlighted the following points:

- There were some tentative signs of the winter pressures abating, and the opening of the new AMU had been helpful in establishing a positive momentum. There was still a long way to go, but the future looked more positive. Other local Trusts were still under considerable pressure
- The performance re Clostridium difficile, and SM's efforts in particular, should be commended
- There had been a significant 'spike' in A&E attendances, at the Trust, in Kent and Medway, and nationally, with double-figures increases being seen. The reasons were not understood, but if that level of attendance became the new norm, decisions regarding future planning would be affected

KT queried whether there were any particular patterns in the increased attendances. AG confirmed that no specific disease patterns were evident. SD asked how this compared with the 'spike' in GP attendances. GD replied that there did not appear to be a correlation, but the reasons for the increase in GP attendances were also unknown.

GD then continued, and highlighted that the Trust had been placed in a Kent and Medway 'footprint' for the development of a 5-year Sustainability and Transformation Plan (STP). GD continued that the Trust was also however involved in the discussions concerning developments within the so-called 'A21 corridor'. GD noted that the intention was to produce a draft STP by the end of June 2016, and it remained to be seen how much detail would be involved. AK asked

whether the STP included Social Services. GD confirmed this was the case, and stated that he would benefit from discussing this further with AK outside of the meeting.

GD then continued, and highlighted that a Learning Disabilities open day had been held in the A&E at TWH, which had been very positive.

4-8 Board Assurance Framework, 15/16: year-end review

KR referred to the circulated report and highlighted the following:

- The status of the Board Assurance Framework (BAF) had been reviewed by the Trust Management Executive (TME), Finance Committee, Audit and Governance Committee, and Trust Board at regular intervals in 2015/16
- The report described the year-end status of each of the objectives, in terms of whether they
 had been "Fully achieved", "Partially achieved" or "Not achieved". Explanations were provided
 for any objectives not considered (by the Responsible Director) to be "Fully achieved"

ST referred to objective 7 ("Senior workforce i.e. the need to ensure effective succession planning for key critical posts, to ensure the continual development of the Trust and its services") and expressed hope that the objective would not be rated 'red' for much longer. RH confirmed that plans were in place to address the issues. GD commented that he believed that the 'red' rating was harsh, as he would be able to describe a succession plan for all of the Executive Team.

SDu referred to objective 1 ("Quality i.e. failure to provide care and treatment within the upper quartile (as recognised by patients, staff & the CQC); & the need to improve the standard of the Trust's clinical governance arrangements"), and noted that a revised clinical governance structure was in place; but queried whether assurance existed that the new structure was fully effective, and provided the Trust with an improved structure. GD opined that the rating in the report had attempted to give a balanced view across both aspects of the objective.

KT then referred to the "amber" rating for objective 5 ("Culture"), and remarked that it should be possible to define the objective measures used. GD agreed, and noted that he and KR had discussed the need to refine the wording of the objectives for 2016/17. KR added that it had been recognised that a number of the objectives in 2015/16 were not 'SMART' (although some were, such as objective 4), and it was intended that future objectives be more specific and measurable.

ST remarked that despite the absence of 'green' ratings, he did not regard the overall BAF as reflecting a failing organisation, and was more reflective of the Trust setting challenging objectives.

SDu opined that the Trust would be able to report a more positive rating in relation to objective 6 ("Strategy") if more was done in relation to scenario planning. The point was acknowledged.

SD then referred back to objective 5, and to a discussion on the development of a 'cultural barometer' at the Workforce Committee, and asked RH for an update. RH reported that further work was required, but this was in development, and would proceed via the Workforce Committee.

AK commented that achieving a rating of "Fully achieved" could lead to complacency, and queried whether the rating should be re-named. KR replied that he preferred not to amend the wording of the rating, as this would be, in some cases, entirely appropriate; and his preference was therefore to focus attention on the wording of the future objectives, as noted earlier.

4-9 Integrated Performance Report for March 2016

GD referred to the circulated report and invited AG to highlight any key points.

Effectiveness / Responsiveness (incl. DTOCs)

AG referred to the circulated report and highlighted the following points:

 In March, the TME had discussed the de-escalation plan following the opening of the new AMU at TWH. Good progress had been made against the plan, in terms of managing patient flow and returning patents to ambulatory pathways. As a result, improved flow through the emergency pathways was being seen The Trust was performing better in relation to the A&E 4-hour waiting time target, but the focus
was now on increasing elective activity

SDu asked what the average length of stay (LOS) was on the new AMU. AG replied that the intention was for all patients to stay for a maximum of 48 hours, although there were had been some exceptions. SDu asked whether this was being monitored specifically. AG confirmed this was the case. SDu queried whether this warranted being reported specifically within the Performance Dashboard, given the importance of the functioning of the new AMU. AG confirmed that this would be possible. KT instead proposed that a report be submitted to the Board in June describing the impact of the new AMU on patient flow. This was agreed.

Action: Submit a report to the Trust Board, in June 2016, on the impact of the new Acute Medical Unit at Tunbridge Wells Hospital on patient flow (Chief Operating Officer, June 2016)

AG then continued, and highlighted the following points:

- The Trust Board had asked for more details on Cancer performance, and these had been included. 62-day waiting time target performance had improved slightly, but it had been agreed that the number of treatments would be increased to address the backlog, which would lead to a slight reduction in such performance
- A further Cancer Summit would be held in June, with all of the Multidisciplinary Team leads
- There was still a number of late referrals being seen from other Trusts

KT queried whether the outcome of the Cancer Summit could be reported to the Trust Board or Quality Committee. AG noted that a Quality Committee 'deep dive' had already been held on Cancer performance. SDu added that she was therefore reluctant to invite the Cancer Directorate to the Quality Committee again at the present time. KT clarified that he was only proposing that the outcome of the Summit be reported. SDu agreed it would be appropriate for AG to submit this. It was therefore agreed for the outcome to be reported to the Quality Committee.

Action: Arrange for the outcome of the Cancer Summit meeting scheduled for June 2016 to be reported to the Quality Committee (Trust Secretary / Chief Operating Officer, April 2016 onwards)

GD gave assurance that despite the performance, the Trust Lead Cancer Clinician and his colleagues were in control of the situation. AG added that efforts were being made to ensure that patients accepted the first appointment they were offered, which would improve the Trust's performance.

SD asked what the Performance was for the 2-week waiting time target. AG reported that the 95% performance had been achieved for February, and she understood that this had continued for March (although further validation was required). GD emphasised the fact that some patients that had been referred on the 2-week Cancer pathway were unaware of this, and therefore liaison had occurred with GPs to try to improve patients' awareness.

AG then reported that the report contained details of out of hours transfers, following a request at a previous Board meeting.

KT then asked whether AB, RH, PS, or SM wished to highlight any other points. It was confirmed that no further points warranted specific mention.

ST then referred to Clostridium difficile performance, and asserted that the Trust's transformation from one of the worst performing Trusts (in 2008) to one of the best in the country had been exceptional, and all involved i.e. GD, SM & the Board, should be congratulated. KT concurred.

Quality Items

4-10 Progress with the Quality Improvement Plan

AB referred to the circulated report and highlighted that data from the Intensive Care National Audit & Research Centre (ICNARC) showed that the Trust was below the national average for out of hours transfers from ICU, and therefore the status should be rated as 'Blue'.

4-11 Planned & actual ward staffing for March 2016

AB referred to the circulated report and highlighted the following points:

- There were 2 'amber' rated areas, but this was the first month were AB had been able to report that staffing levels had been overall 'green'
- From next month, 'care hours per patient day' data needed to be reported, in accordance with the recommendations from the Lord Carter efficiency review

KT asked what the algorithm was for the 'care hours per patient day' metric. AB replied that it considered the number of patients for each Nurse over a 24 hour period.

4-12 Trust Board Members' hospital visits

The circulated report was noted.

Planning and strategy

4-13 Confirmation of the Trust's final planning submissions, 2016/17

SO referred to the circulated report and highlighted the following points:

- The Plan had been discussed at the Finance Committee and Trust Board in March 2016
- Amendments had since been made, and a revised Plan had been circulated to Trust Board Members via email before submission to the Trust's regulators
- No response had yet been received from the regulators

KT asked about the contract negotiations for 2016/17. SO replied that there were 3 outstanding issues with the Trust's main commissioner, and discussions were continuing. SO added that the potential for the issues to require arbitration remained, but the Trust was hopeful of avoiding this.

4-14 Approval of the OBC for additional Radiotherapy LinAc bunker capacity at Tunbridge Wells Hospital

SO referred to the circulated report and highlighted the following points:

- The Finance Committee and Trust Board had previously received the Strategic Outline Case, and had supported this
- The final version of the Outline Business Case (OBC) had now been submitted. The value of the Case meant it needed to be submitted to the Trust's regulator for approval, but the Trust was also seeking external funding, which would have required external approval in itself
- Verbal support had been given from Commissioners, and written support was awaited
- SO commended the team involved in the preparation of the OBC
- The OBC was submitted for the Trust Board's approval

KT noted that the receipt of written confirmation of commissioner support would be a caveat to the Board's approval.

SD asked when the equipment would be operational, if the Case was approved. SO deferred to SS. SS replied that the intention was for the equipment to be operational in April 2018. SO clarified that the Case was for replacement equipment, and although it involved increased bunker capacity, the intention was not to increase capacity per se.

ST highlighted that the Finance Committee had recommended the Case for approval, on the basis that external finance would be available, but if that was not forthcoming, the Case would need to be re-appraised in the context of the Trust's other capital priorities.

KT queried whether the Trust needed to redact references to there being uncertainty over the future of Kent & Canterbury Hospital. GD confirmed that he was not aware of any plans to cease Cancer care at that hospital. It was therefore agreed to remove any such references from the OBC.

Action: Amend the OBC for additional Radiotherapy LinAc bunker capacity at Tunbridge Wells Hospital to reflect the agreements at the Trust Board on 27/04/16 (Director of Finance,

April 2016 onwards)

The OBC for additional Radiotherapy Linear Accelerator bunker capacity at TWH was approved, subject to the following conditions:

- Commissioner support being received in writing
- The OBC being amended to remove any references to there being uncertainty over the future of Kent & Canterbury Hospital

Other matters

4-15 Response to the national staff survey 2015

RH referred to the circulated report and highlighted that the response had been developed in conjunction with representatives from Staff Side.

KT remarked that it would be beneficial if specific dates were allocated to the proposed actions. RH acknowledged the suggestion.

Reports from Board sub-committees (and the Trust Management Executive)

4-16 Quality Committee, 13/04/16

SDu referred to the circulated report and invited questions or comments. None were received.

4-17 Trust Management Executive, 20/04/16

JL referred to the circulated report and invited questions or comments. None were received.

4-18 Finance Committee, 25/04/16

ST referred to the circulated report and invited questions or comments. None were received.

GD then asked SO to report the year-end financial position. SO reported that the Trust had reported a deficit of £23.4m, and the draft Accounts had been submitted to the Trust's External Auditors, who were on-site, and would remain on-site over the coming weeks, ahead of the Audit and Governance Committee meeting on 25/05/16. SO continued that the Trust's position was as expected, and all Accounts documentation had been submitted by the required deadlines.

KT added that he had approved the draft Annual Report from the Audit and Governance Committee earlier that day.

4-19 To consider any other business

KR proposed that the Trust Board delegate its authority to the 'Part 2' meeting being held later that day for the review and potential approval of the Memorandum of Understanding (MoU) for the Kent Transforming Pathology Service (KTPS). The authority was duly delegated.

4-20 To receive any questions from members of the public

There were no questions.

<u>4-21</u> To approve the motion that in pursuance of the Public Bodies (Admission to Meetings) Act 1960, representatives of the press and public now be excluded from the meeting by reason of the confidential nature of the business to be transacted

The motion was approved.

Maidstone and Tunbridge Wells

NHS Trust

Trust Board Meeting – May 2016

5-4 Log of outstanding actions from previous meetings

Chairman

Actions due and still 'open'

Ref.	Action	Person responsible	Original timescale	Progress ¹
9-8i (Sep 15)	Ensure the Trust Board receives the outcome of the planned review of Medical rotas being led by the Medical Director	Trust Secretary / Medical Director	September 2015 onwards (but then extended to March 2016)	It was agreed at the Board on 23/03/16 that the Medical Director would provide a verbal update to the Trust Board, in May 2016, on the latest situation regarding the review of Medical rotas (see action 3-4 below). The verbal update will hopefully indicate when
3-8i	Arrange for Trust Board	Chief Operating	March 2016	the outcome of the review can be scheduled to be reported
(Mar 16)	Members to visit the new Acute Medical Unit at Tunbridge Wells Hospital	Officer/Trust Secretary	onwards	A visit has been arranged between the Part 1 and 2 Board meetings on 25/05/16. Details have been circulated to Board Members by email
3-27i (Mar 16)	Arrange for the Patient	Trust Secretary	March 2016	
	Experience Committee to receive a presentation from the Integrated Discharge Team		onwards	A presentation has been arranged for the Patient Experience Committee meeting in June 2016

Actions due and 'closed'

Ref.	Action	Person responsible	Date completed	Action taken to 'close'
1-19ii (Jan 16)	Revise the Reservation of Powers and Scheme of Delegation to reflect the amendments made at the Trust Board on 27/01/16	Trust Secretary	May 2016	The amendments were made and the document has now been published on the Q-Pulse system
3-4 (Mar 16)	Provide a verbal update to the Trust Board, in May 2016, on the latest situation regarding the review of Medical rotas	Medical Director	May 2016	A verbal update has been scheduled for the Trust Board in May 2016
3-9v (Mar 16)	Arrange for the workforce metrics within the "Well-Led"	Director of Workforce	April 2016	The requested "Plan/Limit" data has been

¹ Not started On track Issue / delay Decision required

Ref.	Action	Person responsible	Date completed	Action taken to 'close'
	section of future "Integrated Performance Reports" to the Trust Board to include full details of the year-end "Plan/Limit"			added to the month 1, 2016/17 (which has been submitted to the Trust Board in May 2016)
3-14 (Mar 16)	Arrange for the Governance Gazette to be routinely circulated (as an attachment) via an all-users email, when published	Chief Nurse	April 2016	The April 2016 edition was circulated via an al- users email on 29/04/16
4-4 (Apr 16)	Circulate, to Trust Board Members, the written briefing prepared in response to the Royal College of Obstetricians and Gynaecologists' "Patterns of maternity care in English NHS trusts 2013/14" report	Trust Secretary	April 2016	The briefing was circulated to Trust Board Members by email on 27/04/16
4-9ii (Apr 16)	Arrange for the outcome of the Cancer Summit meeting scheduled for June 2016 to be reported to the Quality Committee	Trust Secretary / Chief Operating Officer	April 2016 onwards	The item has been scheduled for the 'main' Quality Committee in July 2016
4-14 (Apr 16)	Amend the OBC for additional Radiotherapy LinAc bunker capacity at Tunbridge Wells Hospital to reflect the agreements at the Trust Board on 27/04/16	Director of Finance	May 2016	The OBC was amended

Actions not yet due (and still 'open')

Ref.	Action	Person responsible	Original timescale	Progress
4-9i (Apr 16)	Submit a report to the Trust Board, in June 2016, on the impact of the new Acute Medical Unit at Tunbridge Wells Hospital on patient flow	Chief Operating Officer	June 2016	The item has been scheduled for the June 2016 Board meeting

Maidstone and Tunbridge Wells **NHS**

NHS Trust

Trust Board meeting – May 2016

5-7 Chief Executive's Report

Chief Executive

Summary / Key points

I wish to draw the points detailed below to the attention of the Board:

I have continued to focus on the delivery of patient safe care in our organisation by helping promote key areas of clinical practice with our staff. Our recent trust-wide learning has focused on the importance of sepsis screening and End of Life Care.

It is estimated that sepsis claims 36,800 UK lives annually, and carries a 35% mortality rate. The proper delivery of basic aspects of care, early on, reduces mortality significantly. Data shows that our Emergency Departments are providing excellent care with 100% compliance for sepsis screening and 73.5% of patients with identified sepsis receiving antibiotics in under one hour (with the majority of other patients receiving them within one hour and 15 minutes). It's vital we maintain this work and we are monitoring compliance with sepsis identification and screening.

An 'End of Life Care' audit has recently been published, and showed that we still have some work to do. The audit highlighted that, in some areas, documentation can be improved, and we need to ensure staff clearly document all care given. We are currently undertaking a 'clinical care' audit which will be followed with some actions and then a further audit.

We took part in Dying Matters Awareness Week in May. The focus of this year's event was `The Big Conversation' with an emphasis on 'Talking about dying won't make it happen!'.

End of Life Care Clinical Nurse Specialist, Neve Mann, and members of the Chaplaincy team and our Trust Ethicist held a stall in the main entrance at Maidstone Hospital to provide an opportunity for staff, patients and visitors to consider these important issues. Dying Matters is a coalition of 32,000 members across England and Wales which aims to help people talk more openly about dying, death and bereavement, and to make plans for the end of life.

MTW has been named as one of the best performing Trusts in the UK in the CHKS Top Hospitals Awards for 2016. The awards are based on the evaluation of 22 key indicators of safety, clinical effectiveness, efficiency, patient experience, quality of care and health outcomes. I would like to publicly say thank you to all our staff who work so hard to ensure the best possible care for our patients.

We have seen a four-fold increase in the number of colleagues using the Trust's Speak Out Safely (SOS) system. Between April last year and March this year, 46 members of staff used the system to `Speak Out Safely' about concerns they had.

We set up SOS to help colleagues raise legitimate concerns, in good faith, and have a clear process to follow about how to do this. We gave our staff an assurance too that their concerns would be fully investigated and dealt with by the Trust, with the individual raising the concern receiving feedback on the outcome of an investigation.

All 46 of the concerns colleagues raised with the Trust during 2015/16 were investigated and 34 of these cases resulted in further action being taken. This is a significant increase in the number of colleagues using the system and a genuinely good sign for the Trust. The previous year we had 12 instances where colleagues used our internal systems to raise concerns, so we've seen a near 400% increase in use. I am really pleased that staff feel we have a better, more user friendly system in place now for raising concerns.

We know that many of our patients and their relatives contact the Trust to say thank you or provide us with positive feedback or comments about the service they have received. I'm very pleased to say that we have just launched a new facility whereby any member of staff can record patient compliments or comments.

This will allow us to collate and review this information to help improve and develop our services, in the same way that we aim to learn from concerns and complaints. Knowing what we get right will help us do more of the same.

Knowing how to manage a major incident and other emergencies is important, so the executive team, and I, joined executive colleagues from other hospitals across Kent at a training session earlier this month. The session was held at the County Showground and was put on by our own MTW Emergency Planning Team. We refreshed the principles of managing emergencies and learnt new developments in emergency management.

The MTW Research Team has worked in partnership with the Maidstone and Riverside Rotary Club at a stand in The Mall, in Maidstone, to promote a blood pressure trial called TIME. The Rotary Club very kindly agreed to our staff joining them as they shared important information with members of the public, relating to stroke and blood pressure. St John's Ambulance were also present and took blood pressure readings from willing passers-by.

The TIME study is sponsored by the British Heart Foundation and looks at whether it is better to take blood pressure tablets in the morning or the evening. Members of the public, who showed a lot of interest in the stand and the information, were given details about how they could join the study.

Four senior members of nursing staff from Derby Hospital visited the Trust to see our Dementia Activities/Keyworker role in operation on Mercer Ward, as they are looking to implement something similar at Derby Hospital. They instigated the visit after hearing Liz Champion, our Dementia Lead, presenting about this role at the DAA Dementia Friendly Hospitals Conference.

While here, they visited the ward, saw the role in action and also met with Liz, Kate Hallewell (ward manager) and Trudi Goble (dementia activities/keyworker) to discuss our implementation of the role and how they could potentially introduce a similar role in their own wards. They left saying they were inspired to get the role 'up and running' at Derby. What a great way to share best practice.

Congratulations to our recent staff and team of the month award recipients. Our most recent awards for outstanding endeavour have been presented to Ward 31, Helen Dasley and our South East General Histopathology EQA scheme team, audiology service manager Graham Weston-Smith, and the Portering team at Maidstone. In all instances, our colleagues showed the highest levels of hard work and professionalism.

Which Committees have reviewed the information prior to Board submission? $\ensuremath{\text{N/A}}$

Reason for submission to the Board (decision, discussion, information, assurance etc.)¹ Information and assurance

¹ All information received by the Board should pass at least one of the tests from 'The Intelligent Board' & 'Safe in the knowledge: How do NHS Trust Boards ensure safe care for their patients': the information prompts relevant & constructive challenge; the information supports informed decision-making; the information is effective in providing early warning of potential problems; the information reflects the experiences of users & services; the information develops Directors' understanding of the Trust & its performance

Maidstone and Tunbridge Wells NHS

NHS Trust

Trust Board meeting – May 2016

5-8 Integrated Performance Report for April 2016 Chief Executive

The enclosed report includes:

- The 'story of the month' for April 2016, which includes the latest position on Delayed Transfers of Care (DTOCs)
- Quality Exception Report
- Work Force update
- The Trust performance dashboard
- Integrated performance charts; and
- Financial performance overview and Finance Pack.

Details on recent recruitment and retention will be provided verbally at the meeting.

Which Committees have reviewed the information prior to Board submission?

Reason for receipt at the Board (decision, discussion, information, assurance etc.)¹ Discussion and scrutiny

¹ All information received by the Board should pass at least one of the tests from 'The Intelligent Board' & 'Safe in the knowledge: How do NHS Trust Boards ensure safe care for their patients': the information prompts relevant & constructive challenge; the information supports informed decision-making; the information is effective in providing early warning of potential problems; the information reflects the experiences of users & services; the information develops Directors' understanding of the Trust & its performance

'Story of the month' for April 2016

Within clinical operations the key areas of focus remain non-elective length of stay, non-elective flow, elective activity and cancer performance.

A&E attendances remained higher than plan and with an expected increase in non-elective admission reflecting the more accurate level of activity, previously skewed due to lack of capacity for all admissions. The emergency-standard performance for April is above the agreed trajectory at 91% and we continue to deliver the improvements set you in our recovery plan -improving flow through assessment and ambulatory areas, improving length of stay for all non-elective admissions and delivering the internal professional standards consistently in the Emergency Department. The Trust delivered a length of stay performance of 7.6 days in April against a phased target of 7.3%. The key areas remain specialty medicine and care of the elderly and work in ongoing to achieve the improvement needed to deliver a better flow.

The new Acute Medical Unit remains a positive enabler to improved flow and the additional capacity has been instrumental in supporting the increase in the number of elective cases taking place at TWH.

We continue to see an improvement in the level of with a reduction in the number of bed days lost in April compared to March. With the continued work of the integrated discharge team and the engagement of CHS Health Care there is an expectation that further improvement will occur during May.

Count of Hospital ID	Column Labels																										
Row Labels	Apr-	14 May	-14 Jui	n-14 Ju	ıl-14 Au	ug-14 Se	p-14 (Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15 A	Aug-15 S	ep-15 (Oct-15 N	ov-15 D	ec-15 J	an-16 F	eb-16 N	lar-16 A	or-16 Gra	and Total
A : Awaiting Assessment		8	6	2	3	5	7	3	2		11	17	' 17	15	6	15	21	15	17	15	10	5	7	3	8	1	219
B : Awaiting Public Funding			2		2	7	7	6	1		1	3	3 2	2		1	1	4	8	7	3	1			1	1	60
C : Awaiting Further Non-Acute NHS Care		18	38	40	46	31	33	30	25	19	21	18	8 28	32	34	39	48	33	30	20	6	3	8	15	18	17	650
Di : Awaiting Residential Home		2	2		9	4		1	6	10	5	3	6	18	1	11	27	28	26	22	16	21	15	15	27	32	307
Dii : Awaiting Nursing Home		3	3	2	9	2	20	13	16	8	17	12	30	40	21	38	90	57	52	56	40	73	53	80	73	58	866
E : Awaiting Care Package		2	11	9	6	8	8	13	26	15	11	18	10	7	7	20	16	27	17	32	26	43	28	36	36	28	460
F : Awaiting Community Adoptions		7	8	3	6	7	2	7	8	6	9	1	. 8	1	11	2	1		1	13	9	8	14	5	13	8	158
G : Patient of Family Choice		36	39	44	36	59	32	46	47	36	39	47	60	60	44	44	45	16	43	26	22	31	12	12	22	13	911
H : Disputes							1							2	1			1	3	1	1		1				11
I : Housing			2	6	2				2		2		1	3	4	3	1		1	13	12	9	3	5	1		70
Grand Total		76 1	111	106	119	123	110	119	133	94	116	119	162	180	129	173	250	181	198	205	145	194	141	171	199	158	3712
Trust delayed transfers of care	3.2%	4	1.5%	3.4%	4.8%	4.1	<mark>% 4</mark> .	4% 4	.8% 4	1.2%	3.6%	4.1%	3.4%	6.0%	5.5%	4.8%	6.8%	7.9%	7.1%	7.9%	6.6%	5.7%	6.0%	5.0%	5.8%	5.6%	5.5%

There is a planned underperformance in the Referral to Treatment (RTT) for quarter 1, reflecting the reduction of elective activity in quarters 3 & 4. The Trust is returning to normal levels of activity and patient booking across all specialties. We achieved a greater than planned reduction in the number of patients waiting over 18 weeks.

The performance on Cancer targets in March (reported a month in arrears) shows a continued underperformance on the 62 day target at 79.6% with a continued emphasis on increasing the number of treatments to reduce the overall number of patients waiting over 62 days. The MTW only performance improved greatly in the month to 84.5%. There were 7.5 breaches [11 patients] of the 104 day target. Of the 11 patients 4 originated from MTW only and 7 were referred from other Trusts. The majority of cancer two week wait breaches are due to patients choosing dates outside of breach, a situation which was compounded by the Easter holidays. The performance trajectory agreed with NHS Improvement is outlined below alongside current performance.

The 2 week-wait performance narrowly missed the 93% target this month and achieved 92.5%.

A clear action plan is in place to oversee the delivery and improvement to all cancer standards and this is monitored on a weekly basis with the cancer & surgical teams in particular.

Quality exception report

The MRSA screening dropped to 93% for April primarily related to new patients added to the Chronic Pain Unit (16 patients). This has now been rectified with the unit and patients are now being screened.

Falls remains our top patient safety priority and further information on actions being taken is provided in the Quality Report along with actions being taken to address the low performance for FFT in A&E.

Workforce

The budget establishment increased in April 2016 as a result of the opening of the new ward at Tunbridge Wells Hospital, transfer of Crowborough birthing centre to the Trust, permanent establishment of Foster Clarke and Whatman wards, impact of other agreed business cases and despite a net reduction of 83 WTE relating to the cessation of the KMHIS. Compared to last month, the budgeted establishment has increased by 122.1 WTE. Consequently, the number of vacancies in the Trust has increased. The Trust will continue to focus attention on recruitment and build on recent recruitment success as well as review all vacancies in order to reduce this number further.

Although the dependence upon temporary staff compared to last month improved, the dependence remained higher than planned and further work is ongoing to ensure, in line with NHS Improvement requirements, we reduce our dependence upon expensive agency and interim workers. The use of bank staff increased in April 2016 (333.3 WTE) compared to the previous month (280.8 WTE) and same period last year (308.0 WTE).

Sickness absence in the month was 4.3%, representing 0.6% deterioration on last month and 0.2% deterioration on the same period last year (4.1%).

Statutory and mandatory training compliance figure has been rebased to include all subjects and is above the Trust 85% target. However actions are in place to improve compliance further.

TRUST PERFORMANCE DASHBOARD

Position as at:

30 April 2016

0.4	Latest	Month	Year to	Date	YTD Va	ariance	Year	r End	Bench
Safe	Prev Yr	Curr Yr	Prev Yr	Curr Yr	From Prev Yr	From Plan	Plan/ <i>Limit</i>	Forecast	Mark
1-01 *Rate C-Diff (Hospital only)	5.11	9.2	5.1	9.2	4.1	- 4.6	11.5	10.6	
1-02 Number of cases C.Difficile (Hospital)	1	2	1	2	1	- 1	27	26	
1-03 Number of cases MRSA (Hospital)	0	0	0	0	0	0	0	0	
1-04 Elective MRSA Screening	99.0%	93.0%	99.0%	93.0%		-5.0%	98.0%	98.0%	
1-05 % Non-Elective MRSA Screening	98.0%	98.0%	98.0%	98.0%		3.0%	95.0%	98.0%	
1-06 **Rate of Hospital Pressure Ulcers	0.9	2.8	0.9	2.8	2.0	- 0.2	3.0	2.9	3.0
1-07 ***Rate of Total Patient Falls	6.3	6.8	6.3	6.8	0.5	0.6	6.2	6.2	
1-08 ***Rate of Total Patient Falls Maidstone	5.9	6.3	5.9	6.3	0.4			6.3	
1-09 ***Rate of Total Patient Falls TWells	6.6	7.2	6.6	7.2	0.6			7.2	
I-10 Falls - SIs in month	1	1	1	1	-				
-11 Number of Never Events	0	0	0	0	0	0	0	0	
1-12 Total No of SIs Open with MTW	27	22			- 5				
1-13 Number of New SIs in month	3	8	3	8	5	- 2			
1-14 **Serious Incidents rate	0.15	0.37	0.15	0.37	0.21	0.31	0.0584 - 0.6978	0.37	0.0584 - 0.6978
-15 Rate of Patient Safety Incidents - harmful	1.60	0.58	1.60	0.58	- 1.02	- 0.65	0 - 1.23	0.58	0 - 1.23
-16 Number of CAS Alerts Overdue	1	0			-1	0	0		
I-17 VTE Risk Assessment	95.4%	95.4%	95.3%	95.3%	0.0%	0.3%	95.0%	95.3%	95.0%
-18 Safety Thermometer % of Harm Free Care	96.6%	96.4%	96.6%	96.4%	-0.2%	1.4%	95.0%		93.4%
1-19 Safety Thermometer % of New Harms	2.43%	2.43%	2.43%	2.43%	0.00%	-0.6%	3.00%	2.43%	
-20 C-Section Rate (non-elective)	15.2%	12.9%	15.2%	15.1%	-0.07%	0.1%	15.0%	15.1%	

	Latest	Month	Year to	o Date	YTD Va	riance	Year	End	D	4
Effectiveness	Prev Yr	Curr Yr	Prev Yr	Curr Yr	From Prev Yr	From Plan	Plan/ <i>Limit</i>	Forecast	Bench Mark	4
-01 Hospital-level Mortality Indicator (SHMI)******	Prev Yr: Oct	13 to Sept 14	-	105.0	105.0	5.0	Lower con	fidence limit	100.0	4
-02 Standardised Mortality (Relative Risk)	Prev Yr: Oct	13 to Sept 14	96.0	103.0	7.0	3.0	to be	<100	100.0	
-03 Crude Mortality	1.4%	1.3%	1.4%	1.3%						
-04 **** Readmissions <30 days: Emergency	11.9%	10.8%	11.9%	11.2%	-0.7%	-2.4%	13.6%	11.2%	14.1%	
- ⁰⁵ ****Readmissions <30 days: All	10.9%	10.4%	10.4%	10.5%	0.0%	-4.2%	14.7%	10.5%	14.7%	L
-06 Average LOS Elective	3.3	3.3	3.3	3.3	0.0	0.1	3.2	3.2		
-07 Average LOS Non-Elective	7.6	7.9	7.6	7.9	0.3	1.0	6.8	6.8		
-08 ******New:FU Ratio	1.34	1.35	1.34	1.35	0.02	- 0.17	1.52	1.35		5
-09 Day Case Rates	84.0%	85.3%	84.0%	85.3%	1.2%	5.3%	80.0%	85.3%	82.2%	5
-10 Primary Referrals	9,001	9,185	9,001	9,185	2.0%	9.2%	104,825	111,532		5
-11 Cons to Cons Referrals	3,396	2,492	3,396	2,492	-26.6%	-27.6%	40,698	30,260		5
-12 First OP Activity	11,364	11,517	11,364	11,517	1.3%	3.0%	142,721	142,721		5
-13 Subsequent OP Activity	22,415	22,590	22,415	22,590	0.8%	3.0%	264,370	264,370		5
-14 Elective IP Activity	622	630	622	630	1.3%	-7.1%	8,755	8,755		5
-15 Elective DC Activity	3,139	3,365	3,139	3,365	7.2%	-0.2%	43,798	43,798		5
-16 Non-Elective Activity	3,805	4,197	3,805	4,197	10.3%	11.7%	46,109	46,109		5
17 A&E Attendances (Inc Clinics. Calendar Mth)	13,027	12,773	13,027	12,773	-1.9%	-4.9%	163,967	163,967		5
-18 Oncology Fractions	5,489	6,286	5,489	6,286	14.5%	9.5%	70,642	70,642		5
⁻¹⁹ No of Births (Mothers Delivered)	480	502	480	502	4.6%	2.3%	5,888	6,024		5
-20 % Mothers initiating breastfeeding	79.2%	71.7%	79.2%	71.7%	-7.5%	-6.3%	78.0%	78.0%		5
-21 % Stillbirths Rate	0.4%	0.00%	0.41%	0.00%	-0.4%	-0.5%	0.47%	0.00%	0.47%	5

		Latest	Month	Year to	o Date	YTD Va	ariance	Year	End	Bench	5-1
	Caring	Prev Yr	Curr Yr	Prev Yr	Curr Yr	From Prev Yr	From Plan	Plan/ <i>Limit</i>	Forecast		5-17
3-01	Single Sex Accommodation Breaches	0	0	0	0	0	0	0	0		5-1
3-02	*****Rate of New Complaints	1.69	1.24	1.69	1.24	-0.4	- 0.08	1.318-3.92	1.33		5-1
3-03	% complaints responded to within target	51.4%	73.0%	51.4%	73.0%	21.5%	-2.0%	75.0%	75.0%		5-2
3-04	****Staff Friends & Family (FFT) % rec care	84.0%	83.3%	84.0%	83.3%	-0.7%	4.3%	79.0%	83.3%	79.2%	5-2
3-05	*****IP Friends & Family (FFT) % Positive	96.9%	96.8%	96.9%	96.8%	-0.1%	1.8%	95.0%	96.8%	95.7%	5-2
3-06	A&E Friends & Family (FFT) % Positive	89.4%	89.5%	89.4%	89.5%	0.1%	2.5%	87.0%	89.5%	84.9%	5-2
3-07	Maternity Combined FFT % Positive	94.4%	94.1%	94.4%	94.1%	-0.2%	-0.9%	95.0%	95.0%	95.5%	5-2
3-08	OP Friends & Family (FFT) % Positive	77.3%	82.5%	77.3%	82.5%	5.1%			82.5%		5-2

* Rate of C.Difficile per 100,000 Bed days, ** Rate of Pressure Sores per 1,000 admissions (excl Day Case), *** Rate of Falls per 1,000 Occupied Beddays, **** Readmissions run one month behind, ***** Rate of Complaints per 1,000 occupied beddays. ***** New :FU Ratio is only for certain specialties -plan still being agreed so currently last year plan

Responsiveness Date From Prev Yr Curr Yr Prev Yr Curr Yr Prev Yr Curr Yr Prev Yr	ery Trajectory Year End Ben n/ Forecast Ma 5.0% 95.0% 80 5.0% 95.0% 80 0 0 0 No data 0 0 401 401 201 201 201 201 92% 92.0% 0 0 0 0 602 602 0 9.0% 99.0% 0 3.0% 92.0% 0 5.1% 74.3% 0 5.1% 74.3% 0 5.0% - 75.5 3.5% 3.5% 3.5% 60% 90.9% 80% 80% 86.7% 0 0.0% 61.8% 80%	overy Trajectory Year End Ian/ imit Forecast 95.0% 95.0% 0 0 0 0 0 0 0 0 0 0 1 401 201 201 92% 92.0% 0 0 602 602 99.0% 99.0% 93.0% 92.0% 93.0% 92.0% 93.0% 92.0% 93.0% 92.0% 93.0% 95.6% 96.0% 96.4% 85.1% 74.3% 85.0% - - 75.5 3.5% 3.5% 60% 90.9% 80% 86.7% 60.0% 61.8%	Recovery Tr Year Plan/ Limit 95.0% 0 401 201 92% 0 602 99.0% 93.0% 93.0% 93.0% 93.0% 93.0% 93.0% 95.1% 85.1% 85.0% - 3.5% 60%	is Trust iance From Plan 6.5% 0 61 - 128 0.4% 0 - 67 0.6% - 6 -1.0% -7.4% 0.4% 0.4% -10.8%	mains nonthly plan YTD Var From Prev Yr -0.5% 0 1,198 615 -6.8% - 3 1,813 -0.4% - 4 -3.1% -10.3% -2.6%	C/TDA Do 4hr Wait m Jarter to ate Curr Yr 91.5% 0 No data No data 1693 690 90.4% 0 2383 99.6% 3 92.0%	Five CQC ******A&E Year/Qu Da Prev Yr 92.0% 0 New New 495 75 97.3% 3 570	Curr Yr 91.5% 0 No data No data 1693 690 90.4%	Prev Yr 92.0% 0 New New 495 75	Underachieving Target Failing Target Responsiveness ¹ ******Emergency A&E 4hr Wait ² Emergency A&E >12hr to Admission ³ Ambulance Handover Delays >30mins ⁴ Ambulance Handover Delays >60mins ⁵ RTT Incomplete Admitted Backlog
Failing Target ************************************	Year End Ben n/ Forecast Ma 5.0% 95.0% 80 0 No data Ma 401 401 201 201 201 92.0% 0 0 602 90.0% 99.0% 9 3.0% 92.0% 3 3.0% 92.0% 3 3.0% 92.0% 3 5.0% - 75.5 3.5% 3.5% 60% 60% 90.9% 8 80% 86.7% 0 0.0% 61.8% 8.0%	Year End Ian/ imit Forecast 95.0% 95.0% 0 0 No data No data 401 401 201 201 92% 92.0% 0 0 602 602 99.0% 99.0% 9 3 93.0% 92.0% 93.0% 92.0% 93.0% 96.0% 96.0% 96.4% 85.1% 74.3% 85.0% - - 75.5 3.5% 3.5% 60% 90.9% 80% 86.7% 60.0% 61.8%	Year Plan/ Limit 95.0% 0 401 201 92% 0 602 99.0% 99.0% 93.0% 93.0% 93.0% 96.0% 85.1% 85.0% 3.5% 60%	iance From Plan 6.5% 0 - 61 - 128 0.4% 0 - 67 0.6% - 6 - 1.0% -7.4% 0.4% 0.4% - 10.8%	YTD Var From Prev Yr -0.5% 0 1,198 615 -6.8% - 3 1,813 -0.4% - 4 -3.1% -10.3% -2.6%	4hr Wait m Jarter to ate Curr Yr 91.5% 0 No data No data 1693 690 90.4% 0 2383 99.6% 3 92.0%	******A&E Year/Qu Da Prev Yr 92.0% 0 New New 495 75 97.3% 3 570	Curr Yr 91.5% 0 No data No data 1693 690 90.4%	Prev Yr 92.0% 0 New New 495 75	Failing Target Responsiveness ******Emergency A&E 4hr Wait Emergency A&E >12hr to Admission Ambulance Handover Delays >30mins Ambulance Handover Delays >60mins RTT Incomplete Admitted Backlog
Latest Month Year/Quarter to Date YTD Variance Ytd Plan 400 ********Emergency A&E 4hr Wait 92.0% 91.5% 92.0% 91.5% -0.5% 6.5% 95.1 400 ********Emergency A&E >12hr to Admission 0	Year End Ben n/ Forecast Ma 5.0% 95.0% 80 0 No data Ma 401 401 201 201 201 92.0% 0 0 602 90.0% 99.0% 9 3.0% 92.0% 3 3.0% 92.0% 3 3.0% 92.0% 3 5.0% - 75.5 3.5% 3.5% 60% 60% 90.9% 8 80% 86.7% 0 0.0% 61.8% 8.0%	Year End Ian/ imit Forecast 95.0% 95.0% 0 0 No data No data 401 401 201 201 92% 92.0% 0 0 602 602 99.0% 99.0% 9 3 93.0% 92.0% 93.0% 92.0% 93.0% 96.0% 96.0% 96.4% 85.1% 74.3% 85.0% - - 75.5 3.5% 3.5% 60% 90.9% 80% 86.7% 60.0% 61.8%	Year Plan/ Limit 95.0% 0 401 201 92% 0 602 99.0% 99.0% 93.0% 93.0% 93.0% 96.0% 85.1% 85.0% 3.5% 60%	iance From Plan 6.5% 0 - 61 - 128 0.4% 0 - 67 0.6% - 6 - 1.0% -7.4% 0.4% 0.4% - 10.8%	YTD Var From Prev Yr -0.5% 0 1,198 615 -6.8% - 3 1,813 -0.4% - 4 -3.1% -10.3% -2.6%	Jarter to ate Curr Yr 91.5% 0 No data No data 1693 690 90.4% 0 2383 99.6% 3 92.0%	Year/Qu Da Prev Yr 92.0% 0 New New 495 75 97.3% 3 570	Curr Yr 91.5% 0 No data No data 1693 690 90.4%	Prev Yr 92.0% 0 New New 495 75	Responsiveness ******Emergency A&E 4hr Wait 2 Emergency A&E >12hr to Admission 3 Ambulance Handover Delays >30mins 4 Ambulance Handover Delays >60mins 5 RTT Incomplete Admitted Backlog
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4-16 *Cancer 62 day wait - First Definitive - MTW 92.2% 84.9% 86.6% 79.5% -7.2% 85.0 4-17 *Cancer 104 Day wait Accountable New 7.5 New 75.5 New 75.5 - 4-18 Delayed Transfers of Care 5.5% 5.5% 5.5% 0.0% 2.0% 3.9 4-19 % TIA with high risk treated <24hrs	5.0% 75.5 - 75.5 3.5% 3.5% 60% 90.9% 80% 86.7% 0.0% 61.8% 8.0% 66.1%	85.0% - 75.5 3.5% 3.5% 60% 90.9% 80% 86.7% 60.0% 61.8%	85.0% - 3.5% 60%		7 70/				100.0%	
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INTEGRATED PERFORMANCE REPORT ANALYSIS - PATIENT SAFETY & QUALITY



Item 5-8. Attachment 4 - Integrated Performance Report for April 2016 INTEGRATED PERFORMANCE REPORT ANALYSIS - PERFORMANCE & ACTIVITY



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Item 5-8. Attachment 4 - Integrated Performance Report for April 2016



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Maidstone and Tunbridge Wells NHS

NHS Trust

Trust Board meeting – May 2016

Review of latest financial performance

Director of Finance

Summary / Key points

- The Trust had an adverse variance against plan at the end of April 2016 of £0.12m
- The Trust's net deficit to date (including technical adjustments) is £3.7m against the planned deficit of £3.6m.
- The Trust's planned deficit for 2016-17 (including technical adjustments) is £22.9m with delivery of £23m CIP programme
- The drivers of the variance in the month are as follows:
 - Pay underspent by £0.4m, corporate areas underspent by £0.2m due to vacancies not being covered and Clinical specialties underspent by £0.2m. T&O is the only clinical specialty adverse to budget (£140k adverse in the month)
 - Non Pay is underspent by £0.2m, £0.25m within Emergency and Medical Services Directorate due to a reduction in bad debt
 - Income is adverse to plan by £0.7m. Non Elective income is above plan by £0.4m (net of Non Elective Threshold), Elective income is adverse to plan by £0.5m and Fines and contract penalties are £0.4m adverse
- In April the Trust operated with an EBITDA deficit of £1m which was £0.2m adverse to plan.
- The Trust held £10.4m of cash at the end of April, an increase of £9.2m from the end of March. For 2016/17 the Trust is forecasting to draw against the Interim Revolving Working Capital Facility (IRWCF) £22.9m, with the expectation of July being the first month to draw £2m. The Trust also plans to draw £4.8m against the Single Currency Interim Revenue Support Facility subject to approval.

The CIP performance in April delivered efficiencies of £1.27m which was £0.29m adverse to plan

Which Committees have reviewed the information prior to Board submission? Finance Committee

Reason for submission to the Board (decision, discussion, information, assurance etc.)¹ To note the Aprils position and actions needed to deliver the £22.9m annual plan

¹ All information received by the Board should pass at least one of the tests from 'The Intelligent Board' & 'Safe in the knowledge: How do NHS Trust Boards ensure safe care for their patients': the information prompts relevant & constructive challenge; the information supports informed decision-making; the information is effective in providing early warning of potential problems; the information reflects the experiences of users & services; the information develops Directors' understanding of the Trust & its performance

Item 5-8. Attachment 4 - Integrated Performance Report for April 2016



Trust Board Finance Pack

Month 1 2016/17



Maidstone and MHS Tunbridge Wells

Trust Board Pack for April 2016

1. Executive Summary

a. Executive Summaryb. Executive Summary KPI's

2. Financial Performance

a. Consolidated I&E b. Consolidated I&E Graphs

3. Expenditure Analysis

a. Run Rate Analysis £

4. Cost Improvement Programme

a. CIP Summary by directorate

5. Balance Sheet and Liquidity

a. Cashflow b. Balance Sheet

6. Capital

a. Capital Plan



Executive Summary



1a. Executive Summary April 2016

Headlines

The reported Trust position for April is a deficit of £3.7m which is £0.12m adverse to plan

The main drivers were: Clinical Income was £1.2m adverse to plan, this was despite a over performance in non elective activity (£0.4m favourable after accounting for increase in non elective threshold), Elective activity was lower (£0.5m adverse to plan) however significant outsourcing took plan in the month

Pay was £0.4m underspent, £0.2m from corporate areas. However there was an overall run rate reduction in agency of £0.6m between March 16 and April 16 (total temporary staffing reduced by £0.2m) with total pay expenditure also reducing by £0.6m between months.

Non Pay was £0.2m underspent in April, mainly driver by a reduction in bad debt (£0.25m within Emergency Services)

CIP plan for April was £1.55m with a delivery of £1.27m, £0.28m adverse to plan, mainly contract management

Financial Performance

Liquidity:

Cash at the end of the month was £10.4m. The Trust is expecting to draw down £2m in July

Income:

Risks:

Expenditure:

The Trust underperformed in April by £0.7m to plan. £1.2m of this underperformance relates to clinical income. Non Elective Activity in the month was above plan by £0.8m but the non elective threshold was £0.4m adverse to plan (net £0.4m favourable). Elective Activity was down by £0.5m and the Trust incurred financial penalties / fines of \pm 0.6m

The Trust was underspent by £0.6m, £0.4m against Pay and £0.2m on non pay

Financial Forecast

budget of £0.4m per month.

Opportunities:

Risk Rating:

Red as per NHSI government framework

Lord Carter efficiencies programme being led by the PMO team with clinicians and operational teams

Ability to deliver elective activity (backlog) within financial envelope (tariff)

Unidentified CIPS (£3.9m) phased from 1st July 16 equating to a reduction in

CQUINs are still being negotiated with the Commissioners, the main CQUINs with risk are: Flu vaccinations, Health and Well being and Antibiotic prescribing





1b. Executive Summary KPI's April 2016

update required



mtw

Financial Performance

Maidstone and MHS Tunbridge Wells

2a. Consolidated Income & Expenditure

Income & Expenditure April 2016/17

Agency -1.3 -1.4 0.1 -1.3 -1.4 0.1 -1.3.5 -1.7 Pay Reserves 0 -0.1 0.1 0 -0.1 0.1 1.3.5 -1.7 Total Pay -21.2 -21.6 0.4 -21.2 -21.6 0.4 -253.0 -253.0 -253.0 Drugs & Medical Gases -4.3 -3.8 -0.5 -4.3 -3.8 -0.5 -4.1.4 -4 Blood -0.2 -0.2 -0.0 -0.2 -0.2 -0.0 -0.2 -0.2 -0.0 -2.2 -6 0.4 -3.8 -0.5 -41.4 -4 Blood -0.2 -0.2 -0.0 -0.2 -0.2 -0.0 -0.2 -0.2 -0.0 -2.2 -0.6 -4.4 -31.6 -3.8 Supplies & Services - Clinical -2.2 -2.6 0.4 -2.2 -2.6 0.4 -31.6 -3.8 Supplies & Services - General -0.4 -0.5 0.0 -0.7 -0.7 -0.0 -8.1 7.1 Purchase of Healthcare from Non-NHS	2 2 7 0 9 6
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Commentary:

The Trust is ± 0.1 m adverse to plan with a deficit of ± 3.7 m.

Clinical Income is £1.2m adverse to plan

Elective income is £0.5m adverse, Non Elective is £0.8m favourable however fines and contract penalties are £0.9m adverse.

High Cost Drugs income has over performed by £0.7m which offsets the £0.5m overspend in Drug costs in month

Pay

The Trust is £0.4m underspent against budget, £0.3m adverse on temporary staffing and £0.7m favourable against substantive pay budgets. Medical pay is adverse to plan by £0.2m (mainly within Emergency Services and T&O), Nursing is £0.3m favourable (£0.2m in Emergency Services and Admin and Clerical are £0.2m favourable mainly within Corporate areas.

Non Pay

Non Pay is £0.2m favourable to plan, Drugs overspend (£0.5m) offset by income and Outsourcing elective activity (£0.1m) linked to income. Bad Debt reduction of £0.25m, and a favourable variance of £0.4m in clinical supplies and services. Non Pay Reserves - Includes £0.2m provision linked to Trust contingency (£2.8m for 12 months)

Maidstone and MHS Tunbridge Wells



2b. Consolidated Income & Expenditure Graph



Commentary:

The reported Trust position for April is £0.12m adverse to plan with a deficit of £3.7m

The plan assumes the £3.9m unidentified savings will be delivered from July (£0.4m per month). July and October assume the lowest plan primarily driven by the income profile (3 year historical working average)

The April deficit is the largest deficit reported in the last 12 months, March deficit significantly less due to technical adjustments of £13m

Expenditure Analysis

Maidstone and MHS Tunbridge Wells

NHS Trust

3a. Run Rate Analysis

Analysis of 13 Monthly Performance (£m's)

	· · ·	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16
Revenue	Clinical Income	25.3	25.5	28.1	29.0	26.3	27.3	27.3	26.3	26.4	25.5	25.7	26.9	26.6
	High Cost Drugs	1.5	2.0	2.2	1.9	1.8	2.8	2.5	2.8	2.8	2.7	2.6	3.1	2.8
	Other Operating Income	3.9	4.7	3.9	4.3	4.1	4.3	4.3	4.1	4.0	4.0	4.6	6.5	3.8
	Total Revenue	30.7	32.2	34.1	35.2	32.2	34.4	34.0	33.2	33.2	32.2	33.0	36.4	33.2
Expenditure	Substantive	-17.0	-17.3	-17.1	-16.8	-17.0	-17.1	-17.0	-17.5	-17.4	-17.3	-17.7	-18.1	-17.8
	Bank	-0.8	-0.8	-0.8	-0.8	-0.9	-0.8	-0.8	-0.8	-0.8	-0.9	-0.9	-1.1	-0.9
	Locum	-0.5	-0.6	-0.6	-0.7	-0.8	-0.8	-0.8	-0.6	-0.9	-1.0	-0.7	-0.6	-1.2
	Agency	-1.7	-1.8	-1.7	-2.0	-1.9	-1.9	-1.7	-1.6	-1.6	-1.4	-1.7	-1.9	-1.3
	Pay Reserves	0	0	0		0	0	0	0	0	0	0	0	(
	Total Pay	-20.0	-20.4	-20.3	-20.3	-20.5	-20.6	-20.2	-20.4	-20.6	-20.6	-21.0	-21.8	-21.2
Non-Pay	Drugs & Medical Gases	-3.0	-3.4	-3.4	-3.2	-3.1	-4.2	-3.7	-4.0	-4.1	-4.1	-3.9	-4.0	-4.3
	Blood	-0.2	-0.2	-0.2	-0.1	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2
	Supplies & Services - Clinical	-2.8	-3.0	-2.6	-2.9	-2.6	-2.8	-2.8	-3.0	-2.8	-2.5	-2.3	-2.3	-2.2
	Supplies & Services - General	-0.4	-0.5	-0.4	-0.5	-0.5	-0.4	-0.4	-0.5	-0.4	-0.6	-0.4	-0.7	-0.4
	Services from Other NHS Bodies	-0.5	-0.4	-0.2	-1.0	-0.6	-0.8	-0.4	-0.5	-0.6	-0.7	-0.6	-0.7	-0.7
	Purchase of Healthcare from Non-NHS	-0.2	-0.1	-1.2	-0.5	-0.6	-0.6	-0.8	-0.6	-0.7	-0.3	-0.7	-1.1	-0.8
	Clinical Negligence	-1.4	-1.4	-1.4	-1.4	-1.4	-1.4	-1.4	-1.4	-1.4	-1.4	-1.4	-1.4	-1.5
	Establishment	-0.3	-0.2	-0.4	-0.3	-0.4	-0.3	-0.4	-0.4	-0.3	-0.3	-0.4	-0.4	-0.2
	Premises	-1.7	-1.7	-1.8	-1.6	-1.6	-1.7	-2.0	-1.9	-1.8	-1.4	-1.0	-1.1	-2.1
	Transport	-0.1	-0.1	-0.1	-0.2	-0.1	-0.1	-0.2	-0.2	-0.1	-0.0	-0.1	-0.2	-0.1
	Other Non-Pay Costs	0.1	-0.6	-0.5	-0.6	-0.3	-0.6	-0.4	-0.3	-0.4	-0.5	-0.8	-0.8	-0.2
	Non-Pay Reserves	0	0	0	0	0	0	0	0	0	0	0	0	-0.2
	Total Non Pay	-10.3	-11.7	-12.2	-12.4	-11.2	-13.1	-12.7	-13.0	-12.8	-12.0	-11.8	-12.9	-12.9
	Total Expenditure	-30.3	-32.1	-32.5	-32.7	-31.7	-33.7	-32.9	-33.5	-33.4	-32.6	-32.8	-34.7	-34.1
EBITDA	EBITDA	0.5	0.1	1.6	2.4	0.5	0.7	1.1	-0.3	-0.2	-0.4	0.2	1.8	-1.0
		2%	0%	5%	7%	2%	2%	3%	-1%	-1%	-1%	1%	5%	-39
Other Finance Costs	Depreciation	-1.3	-1.4	-1.3	-1.3	-1.3	-1.3	-1.3	-1.3	-1.3	-1.3	-1.4	0.9	-1.4
	Interest	-0.1	-0.1	-0.1	-0.1	-0.1	-0.0	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
	Dividend	-0.4	-0.4	-0.4	-0.4	-0.3	-0.4	-0.4	-0.3	-0.2	-0.4	-0.4	0.1	-0.3
	PFI and Impairments	-1.1	-1.1	-1.1	-1.1	-1.1	-1.1	-1.1	-1.1	-1.2	-1.1	-1.4	-14.2	-1.1
		-2.9	-2.9	-2.9	-2.9	-2.9	-2.9	-2.9	-2.9	-2.8	-2.9	-3.2	-13.2	-2.9
Net Surplus / Deficit (-)	Net Surplus / Deficit (-)	-2.5	-2.8	-1.3	-0.5	-2.3	-2.1	-1.8	-3.2	-3.1	-3.3	-3.0	-11.5	-3.8
Technical Adjustments	Technical Adjustments	-0.1	-0.1	-0.1	-0.1	0.0	-0.1	-0.1	-0.1	-0.2	-0.1	-0.2	-12.8	-0.1
Surplus/ Deficit (-) to B/E Duty	Surplus/ Deficit (-) to B/E Duty	-2.4	-2.7	-1.2	-0.4	-2.4	-2.0	-1.7	-3.1	-2.9	-3.2	-2.8	1.3	-3.7



Cost Improvement Programme



4a. Directorate Performance

	Current Month				Year to Date	9	Annual Forecast			
	Actual	Plan	Variance	Actual	Plan	Variance	Actual	Plan	Variance	
	£m	£m	£m	£m	£m	£m	£m	£m	£m	
Cancer and Haematology	0.19	0.30	-0.11	0.19	0.30	-0.11	2.52	2.52	0.00	
Clinical Governance	0.01	0.00	0.00	0.01	0.00	0.00	0.04	0.04	0.00	
Corporate Directorates	0.00	0.00	0.00	0.00	0.00	0.00	0.71	0.71	0.00	
Critical Care	0.11	0.13	-0.03	0.11	0.13	-0.03	1.34	1.34	0.00	
Diagnostics, Therapies and Pharmacy	0.16	0.13	0.04	0.16	0.13	0.04	2.32	2.32	0.00	
Emergency and Medical Services	0.29	0.21	0.08	0.29	0.21	0.08	5.74	5.74	0.00	
Estates and Facilities	0.08	0.14	-0.06	0.08	0.14	-0.06	1.59	1.59	0.00	
Finance	0.01	0.03	-0.02	0.01	0.03	-0.02	0.42	0.42	0.00	
Head and Neck	0.05	0.09	-0.04	0.05	0.09	-0.04	1.03	1.03	0.00	
Informatics	0.04	0.03	0.01	0.04	0.03	0.01	0.35	0.35	0.00	
Nursing and Quality	0.00	0.00	0.00	0.00	0.00	0.00	0.02	0.02	0.00	
Paediatrics	0.04	0.03	0.01	0.04	0.03	0.01	0.87	0.87	0.00	
Private Patients Unit	0.01	0.01	0.00	0.01	0.01	0.00	0.28	0.28	0.00	
Surgery	0.10	0.12	-0.02	0.10	0.12	-0.02	1.33	1.33	0.00	
Trauma and Orthopaedics	0.12	0.25	-0.13	0.12	0.25	-0.13	2.85	2.85	0.00	
Women and Sexual Health	0.06	0.06	0.00	0.06	0.06	0.00	1.51	1.51	0.00	
Workforce and Communications	0.00	0.01	-0.01	0.00	0.01	-0.01	0.18	0.18	0.00	
Total	1.27	1.55	-0.29	1.27	1.55	-0.29	23.08	23.08	0.00	



mtw

Balance Sheet and Liquidity

Maidstone and MHS **Tunbridge Wells**

NHS Trust

5a. Cash Flow

Em	Act	ual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Veek commencing	April	02/05/2016	09/05/2016	16/05/2016	23/05/2016	30/05/2016	06/06/2016	13/06/2016	20/06/2016	27/06/2016	04/07/2016	11/07/2016	18/07/2016	25/07/2016	01/08/2016	08/08/2016	15/08/2016
Cash balances cfwd	9,892	8,445	9,212	32,925	21,029	8,188	7,281	5,479	24,457	7,791	6,114	5,107	26,464	7,404	5,127	4,520	686
LA overperformance 15/16 cfwd	-	-	-	-	-	-	-	-	-	-	500	500	500	500	500	1,000	1,000
LA overperformance 16/17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
xternal Financing - Revenue	-	-	-	-	-	-	-	-	-	-	-	2,000	2,000	2,000	2,000	2,000	2,000
xternal Financing - capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Asset Sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IHD Support	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
otal risk adjusted	9,892	8,445	9,212	32,925	21,029	8,188	7,281	5,479	24,457	7,791	5,614	2,607	23,964	4,904	2,627	1,520	- 2,314
	Forecast																
	F	F	F	F	F	F	F	F	F	F	F	F	F	F	F	F	F
												07/11/11/11					
/eek commencing	22/08/16	29/08/16	05/09/16	12/09/16	19/09/16	26/09/16	03/10/16	10/10/16	17/10/16	24/10/16	31/10/16	07/11/16	Nov	Dec	Jan	Feb	Mar
Veek commencing Cash balances cfwd	22/08/16 17,316	29/08/16 4,675	05/09/16 3,968	12/09/16 2,066	19/09/16 25,664	26/09/16 6,403	03/10/16 3,026	10/10/16 2,269	17/10/16 28,600	24/10/16 6,140	31/10/16 3,013	07/11/16 608	Nov 1,048	Dec 1,185	Jan 2,575	Feb 6,350	Mar 1,006
•																	
Cash balances cfwd	17,316	4,675	3,968	2,066	25,664	6,403	3,026	2,269	28,600	6,140	3,013	608	1,048	1,185	2,575	6,350	1,006
Cash balances cfwd SLA overperformance 15/16 cfwd	17,316 1,000	4,675	3,968 1,000	2,066	25,664 1,000	6,403 1,000	3,026 1,000	2,269 1,000	28,600 1,000	6,140 1,000	3,013	608 1,000	1,048 1,000	1,185	2,575 1,000	6,350 1,000	1,006 1,000
Cash balances cfwd LA overperformance 15/16 cfwd LA overperformance 16/17	17,316 1,000 -	4,675	3,968 1,000 -	2,066 1,000	25,664 1,000	6,403 1,000 -	3,026 1,000 -	2,269 1,000 -	28,600 1,000 -	6,140 1,000 -	3,013 1,000 -	608 1,000 -	1,048 1,000 -	1,185 1,000 -	2,575 1,000	6,350 1,000 -	1,006 1,000 -
cash balances cfwd ALA overperformance 15/16 cfwd ALA overperformance 16/17 Aternal Financing - Revenue	17,316 1,000 -	4,675	3,968 1,000 -	2,066 1,000	25,664 1,000	6,403 1,000 -	3,026 1,000 -	2,269 1,000 -	28,600 1,000 -	6,140 1,000 -	3,013 1,000 -	608 1,000 -	1,048 1,000 -	1,185 1,000 -	2,575 1,000	6,350 1,000 -	1,006 1,000 -
cash balances cfwd LA overperformance 15/16 cfwd LA overperformance 16/17 Xternal Financing - Revenue Xternal Financing - capital	17,316 1,000 -	4,675	3,968 1,000 -	2,066 1,000	25,664 1,000	6,403 1,000 -	3,026 1,000 -	2,269 1,000 -	28,600 1,000 -	6,140 1,000 -	3,013 1,000 -	608 1,000 -	1,048 1,000 -	1,185 1,000 -	2,575 1,000	6,350 1,000 -	1,006 1,000 -



26 week rolling forecast cash flow 2016/17

Commentary:

Total risk

adjusted

The cash balance at the end of April was £10.4m against a plan of £8.4m.

The Trust received a double block from WK CCG and Medway CCG in April. WK will be paying a slightly higher block in May and June, and then the remaining months will be reduced to bring the value back in line with the contract.

The forecast is assuming the receipt of £22.9m from the IRWCF, with the first draw in July.

mtw

Maidstone and MHS Tunbridge Wells

5b. Balance Sheet

April 2016

The Trust Balance Sheet is produced on a monthly basis and reflects changes in the asset values, as well as movement in liabilities	s.
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		April				
				March	Full	year
£m's	Reported	Plan	Variance	Reported	Plan	Forecast
Property, Plant and Equipment (Fixed Assets)	349.2	348.2	1.0	350.4	335.5	335.5
Intangibles	3.2	1.8	1.4	3.3	1.5	1.5
PFI Lifecycle	0.0	0.0	0.0	0.0	0.0	0.0
Debtors Long Term	1.2	1.2	0.0	1.2	1.2	1.2
Total Non-Current Assets	353.6	351.2	2.4	354.9	338.2	338.2
Current Assets						
Inventory (Stock)	6.7	8.3	(1.6)	8.3	8.3	8.3
Receivables (Debtors) - NHS	34.5	8.5	26.0	22.5	21.1	21.1
Receivables (Debtors) - Non-NHS	13.5	9.9	3.6	9.5	10.0	10.0
Cash	10.4	8.4	2.0	1.2	1.0	1.0
Assets Held For Sale	0.0	0.0	0.0	0.0	0.0	0.0
Total Current Assets	65.1	35.1	30.0	41.5	40.4	40.4
Current Liabilities						
Payables (Creditors) - NHS	(5.6)	(5.0)	(0.6)	(4.9)	(5.0)	(5.0)
Payables (Creditors) - Non-NHS	(64.5)	(31.5)	(33.0)	(38.1)	(33.0)	(33.0)
Capital & Working Capital Loan	(2.2)	(2.2)	0.0	(2.2)	(2.2)	(2.2)
Temporary Borrowing	0.0	0.0	0.0	0.0	0.0	0.0
Borrowings - PFI	(4.8)	(4.8)	0.0	(4.8)	(5.0)	(5.0)
Provisions for Liabilities and Charges	(1.9)	(2.3)	0.4	(2.3)	(1.0)	(1.0)
Total Current Liabilities	(79.0)	(45.8)	(33.2)	(52.3)	(46.2)	(46.2)
Net Current Assets	(13.9)	(10.7)	(3.2)	(10.8)	(5.8)	(5.8)
Finance Lease - Non- Current	(202.8)	(202.9)	0.1	(203.3)	(198.2)	(198.2)
Capital Loan - (interest Bearing Borrowings)	(14.5)	(14.5)	0.0	(14.5)	(44.6)	(44.6)
Interim Revolving Working Capital Facility	(16.9)	(16.9)	0.0	(16.9)	(16.4)	(16.4)
Provisions for Liabilities and Charges	(1.4)	(1.4)	0.0	(1.4)	(0.7)	(0.7)
Total Assets Employed	104.1	104.8	(0.7)	108.0	72.5	72.5
Financed By						
Capital & Reserves						
Public dividend capital	(203.2)	(203.2)	0.0	(203.3)	(203.3)	(203.3)
Revaluation reserve	(53.8)	(53.8)	0.0	(53.8)	(53.8)	(53.8)
Retained Earnings Reserve Total Capital & Reserves	152.9 (104.1)	152.2 (104.8)	0.7 0.7	149.1 (108.0)	184.6 (72.5)	184.6 (72.5)

Commentary:

Non-Current Assets

PPE - The month 1 depreciation is £1.4m. The in year capital spend for month 1 was £0.1m which is lower than the planned value of \pm 0.5m. The planned forecast outturn spend is \pm 15.2m.

Current Assets

NHS Receivables have increased since the year end balance by £1m2 to £34.5m. Debt over 90 days has also increased by £0.6m to £7.9m at the end of April. The total NHS invoiced debt at the end of April is £31.9m which is an increase from the reported March position of £23.4m, this increase is primarily due to invoices being raised instead of accrual postings.

Trade receivables have increased by £4m against the year end value of £9.5m to £13.5m. Invoiced Trade Receivables have decreased by £0.3m to £1.3m, the majority of debt relates to WGA (primarily KCC) £0.5m and Corporate Organisations £0.5m. Compucare Private Patient aged debt balance has increased since March from £1.1m to £1.2m.

Current Liabilities

Included within trade payables is £27.7m deferred income. Invoiced trade creditor balance at month end was £10.6m and invoiced NHS balance was £4.7m. Other balances include creditor accruals of £27.2m; Tax, NI, Pension and PDC are included in this category. The Trust also paid Tax, NI and the unitary payment due in March, on the 4th April. There are currently no restrictions being applied to supplier payments. However as the invoices are being paid these are adversely impacting on the Trust BPPC performance, which has deteriorated at the end of the financial year.

The Trust plan for 2016/17 forecasts a pre-technical deficit of £37.1m, with technical adjustments of £14.2m primarily relating to impairments of £13.5m, giving an adjusted financial performance deficit of £22.9m.

Capital Programme

Maidstone and MHS Tunbridge Wells

NHS Trust

6a. Capital Plan

Capital Projects/Schemes

	Current Month			Year to Dat	e	Annual Forecast	Committed	
	Actual	Plan	Variance	Actual	Plan	Variance	Plan	
	£m	£m	£m	£m	£m	£m	£m	£0
Estates	1	0	1	1	0	1	9,384	2
ICT	70	327	-257	70	327	-257	2,671	146
Equipment	8	135	-127	8	135	-127	2,581	143
PFI Lifecycle (IFRIC 12)	0	0	0	0	0	0	552	552
Donated Assets	0	0	0	0	0	0	800	24
Total	79	462	-383	79	462	-383	15,988	868
Less donated assets	0	0	0	0	0	0	-800	-24
Contingency Against Non-Disposal	0	0	0	0	0	0	0	0
Adjusted Total	79	462	-383	79	462	-383	15,188	844

Commentary:

The total resource for the 2016/17 capital programme is £15.9m, including PFI lifecycle and donated assets, which has been approved by the Trust Board and prioritised by the relevant lead Directors.

The Estates projects include significant investment for Backlog Maintenance of £2m, the majority of which relates to deferred 2015/16 schemes, and a new electrical substation at Maidstone Hospital at a cost of c£2.6m.

The OBC for the TWH Linac Bunkers has recently been approved by the Trust Board and has a capital value of c£7.3m phased over 2 years (£4m in 16/17), the case is due for submission to the NHSI.

The ICT schemes are grouped into 4 main categories for Infrastructure, Clinical, Non-Clinical schemes and the PAS replacement project. The list of equipment schemes currently exceed the funding available, a prioritisation is in progress and expected to be finalised by the end of June, taking consideration of schemes that were deferred from 15/16.

The Procurement Inventory project is well underway and being implemented in early 2016/17. There is a contigency allocation of £200k within



Maidstone and Tunbridge Wells NHS

NHS Trust

Trust Board meeting – May 2016

5-10 Clinical Quality And Patient Safety Report Chief Nurse

Summary / Key points

This report provides information on actions being taken to improve the position with falls prevention, Friends & Family response for Accident & Emergency.

Appended to this report is also the draft Safety Improvement Plan (Appendix 1) for the Board to comment on and approve. This has been developed in response to the National Sign Up to Safety Campaign as our commitment and focus.

Which Committees have reviewed the information prior to Board submission? Trust Management Executive

Reason for submission to the Board (decision, discussion, information, assurance etc.)

- 1. Information, assurance, discussion
- 2. To approve the draft Safety Improvement Plan

¹ All information received by the Board should pass at least one of the tests from 'The Intelligent Board' & 'Safe in the knowledge: How do NHS Trust Boards ensure safe care for their patients': the information prompts relevant & constructive challenge; the information supports informed decision-making; the information is effective in providing early warning of potential problems; the information reflects the experiences of users & services; the information develops Directors' understanding of the Trust & its performance

Quality Report – May 2016

The purpose of this report is to bring to the attention of the board any specific quality or patient safety issues that are either not covered within the integrated monthly performance report but require board oversight or are covered but require greater detail.

This report is intentionally brief, highlighting only those quality indicators / areas of work which require further explanation or acknowledgement. The Board is asked to note the content of this report and make any recommendations as necessary.

Falls prevention

Falls prevention remains a key focus for the Trust. The current rate of falls remains higher than plan with a rate of 6.8 against a plan of 6.2 (per 1,000 occupied bed days). A number of strategies have been employed over the last year. These have started to have some impact in terms of the number of falls resulting in harm, with the number of Serious Incidents (SI) being declared decreasing over the last three months (Graph 1)



Graph 1

This decrease in fall SI is mirrored in the overall drop in total patient falls in the latter part of the year (Graph 2), however there is a noticable upward trend from February.





Falls was the subject of a 'deep dive' by the Quality Committee in February 2016, and as a result a number of actions are being considered and implemented. These include:

- Implementation of safety huddles for cultural change programme at ward level to include safety huddles and nurse visibility at night.
- Additional support for the Falls Prevention Practitioner focussing on specific wards with a higher rate of falls.
- Address key emerging themes when patients are being assisted to and from bathrooms and care whilst the patient is in the bathroom. Further consideration is being given to the potential for the use of movement alarms in bathrooms.
- Develop the role and contribution of Occupational Therapy in the falls prevention agenda

Following further discussions with the falls leads a Falls Prevention Committee is being established with executive leadership (along the same lines as the Infection Prevention Committee) whose role would be to take more strategic view of falls prevention and to support the falls leads to give this patient safety priority real focus and new energy. The Falls Prevention Committee would distil this local learning and match to national emergent themes to inform our falls prevention strategy and associated practice guidance.

The overall aim being to achieve and maintain a falls rate of 6.2 or less.

Friends & Family: Accident & Emergency.

The Friends & Family Test (FFT) is a national initiative which has been in place for some time. Nationally there have been challenges in gaining a good response rate from Accident & Emergency attendances to enable confidence in the scores achieved. The Trust's response rate for April was 4.6% against a national average of 13%.

Following discussion with the Matron and the team, the following strategy is being put in place (fully implemented from 16th May 2016).

- Specific responsibility for the Nurse in Charge of the shift for the collection of all FFT cards.
- FFT cards to be given to patients as part of the Quality Rounds
- Collection numbers to be reported and discussed as part of the Board Rounds (09.30, 12.30 and 16.00)
- Daily collection of cards by the Nurse in Charge at the end of each shift. Cards to be placed in an envelope with the number of returns noted on the outside.
- Matron to review the previous days cards each morning to include comments and themes.
- Weekly update to the team each Friday with a forward plan/target for the daily and weekly returns
- Review of the whole process in all areas by the new Deputy Chief Nurse

A daily target has been set for 35 returns/day. This would equate to circa 1000 cards per month providing a return rate of 20% which would be in excess of our plan for a response rate of 15%.

Safety Improvement Plan: 'Sign up to safety' campaign NHS England

The Safety Improvement plan (SIP) Appendix 1 outlines the Trusts plans for the next 3-5 years in relation to Quality and Safety. It provides clarity on what we want to achieve and when we want to achieve it by. This plan brings together all of our current work on quality and safety and will be used to explain to staff and patients what we intend to do.

The plan is based on MTW organisational history, levels of harm (informed by clinical negligence claims information); context and the aims are set out to meet the needs of our patients, our service users and of the whole organisation. MTW recognises that cultural change at all levels of the organisation is essential to embed a revised approach to the delivery of safe and quality care.

The focus of the Safety Improvement plan is on reducing harm by improving safety. This will be based on 3 elements: the data from legal services over claims data in the last 5 years, the data from safety and quality performance in the last 12 months and the feedback from the latest CQC report.

There will be 3 overarching elements which will be enablers for achieving this aim: patient safety culture and leadership, measurement and organisational safety framework. There will be 4 focused improvement domains: Handovers, Informed consent, Fetal heart monitoring (Maternity) and Inpatient Falls.

The Board is asked to consider the draft SIP (Appendix 1) for approval.

Appendix 1



Maidstone and Tunbridge Wells NHS Trust

Safety Improvement plan

Introduction

Over the last decade or so, the NHS in England has developed an understanding of the nature and scale of the problem in patient safety and the interventions that, when effectively implemented, can help to make care significantly safer. We have a National Reporting and Learning System (NRLS) which tells us about the types of incidents reported across the country, we have an alert system which informs the NHS about areas of concern and we have developed interventions in relation to medication safety, improving communication, understanding and measuring a safety culture, reducing harm associated with falls, pressure ulcers, infections, venous thromboembolism, sepsis and others.

There is clarity about what works; that a 'just' culture support safety, that risks associate with handover between units, hospitals and care settings can be addressed through simple communication tools, that a checklist used pre, during and post-surgery can significantly reduce harm and save lives¹

This Safety Improvement plan (SIP) outlines Maidstone and Tunbridge Wells NHS Trust (hereafter referred to as MTW) plans for the next 3-5 years in relation to Quality and Safety. It provides clarity on what we want to achieve and when we want to achieve it by. This plan brings together all of our current work on quality and safety and will be used to explain to staff and patients when we intend to do. The Clinical and Quality Strategy will strongly inform this Safety Improvement plan. It will also be used to explain how we will be coordinating all of the different external initiatives ensuring they add value to our work and not either seen as an 'add on' or isolated projects or add as a distraction to that which we are already doing. This plan will be discussed and used at all levels of the organisation from ward to board and equally it can be shared with those who come in to scrutinise our safety activity including regulators such as the Care Quality Commission and NHS Improvement.

This Safety Improvement plan is based on MTW organisational history, levels of harm, context and the aims are set out to meet the needs of our patients, our service users and of the whole organisation. MTW recognises that cultural change at all levels of the organisation is required to embed a revised approach to the delivery of safe and quality care. We will recognise our own strengths and areas for improvement within the organisation and use the pledges to guide us in driving change. We sign up to listening to patients, staff and carers, learning from what they say and from when things go wrong and ensuring meaningful action to make patient care safer and better.

¹ NHS England Sign up to Safety Campaign
Safety Improvement Team

The MTW safety Improvement plan is aligned with the Trust Strategy, Quality Strategy, Quality Improvement plan and is supported by MTW Trust Board. Avey Bhatia, Chief Nurse, has been identified as the executive sponsor and the Safety Lead has been identified as Jenny Davidson, Associate Director Quality Governance. The executive sponsor and Safety Lead will lead the implementation and monitoring of the Safety Improvement Plan. This will be supported by the work of the Safety Implementation Team

Safety Improvement team	
Board/senior leader	Avey Bhatia, Chief Nurse
Sign up to Safety Lead	Jenny Davidson, Assc. Director Quality Governance
Implementation team	Avey Bhatia Jenny Davidson Lead for each of the safety domains Chanel Alexander, Trust Solicitor Sarah Miles, Patient Safety Manager Patient representatives MTW Partners

The Safety improvement team will meet in person or by communication once a month to review, update and monitor the Safety Improvement Plan and will provide the Trust Management Executive, with a monthly update on progress and exceptions. The Safety Improvement Plan has been developed in conjunction with the Safety Improvement Team, Corporate Governance team and Trust Management Executive. Drafts have been shared for consultation with MTW staff and MTW partners including the Clinical Commissioning Groups and Healthwatch. The final Safety Improvement plan is supported by MTW Trust Board.

Working in Partnership

MTW recognises that in order to achieve these aims there needs to be collaboration with service users and the local Clinical Commissioning Groups (CCG's). Additionally MTW will be looking to work with outside agencies (such as the NHS England Patient Safety Collaborative) to provide guidance, support and shared learning.

Action	Implementation	Timeframe	Lead / team
Briefing for Patients	Produce leaflet for all service users developed in	June 2016	JD / patient
on their role in safety	conjunction with Patient Experience Committee		safety team
	members		
		June 2016	
	Review ability to include information within	June 2010	
	communications with patients (e.g. clinic letters,		
	hand held notes)		
	Publish clear briefing information on MTW website	June 2016	
	(and other social media)		
Publish Safety	Publish pledges and SIP on MTW website	March 2016	JD +
Pledges, Safety		C monthly	communications
Implementation Plan	Update progress report 6monthly on MTW website	6 monthly	team
(SIP) and progress			15
Monitor Patient	Review quality and safety performance indicators	Quarterly	JD
Feedback over 3			
years	Review trends from legal claims (arising from care	Quarterly	
	provided in the next 3 years)		
	Repeat MTW Patient Safety Culture survey (staff)	Annually	
	Review feedback Friends and Family test	Quarterly	
	SIP will be developed in conjunction with the	February	JD
Working with the	relevant CCG's	and March	
CCG	The Safety Improvement team will work	2016	
		Ongoing	
	collaboratively with the CCG to drive improvements	Ongoing	

Focus and Aims

The focus of the Safety Improvement plan is on reducing harm by improving safety. This will be based on 3 elements: the data from legal services over claims data in the last 5 years, the data from safety and quality performance in the last 12 months and the latest CQC report (published January 2015).

There will be 3 overarching elements which will be enablers for achieving this aim: patient safety culture and leadership, measurement and organisational safety framework. There will be 4 focused improvement domains: Handovers, Informed consent, Fetal heart monitoring (Maternity), Inpatient Falls.

Overarching elements

The MTW Safety Improvement plan recognises that there are 3 overarching elements which will need to be in place to enable the domains to be achieved: patient safety culture and leadership, measurement and organisational safety framework. Patient safety is complex and is driven by many different factors that need to be considered for change and improvements to occur.

Patient Safety Culture and Leadership

Culture is an essential component of achieving improvements in patient safety; in response to the serious issues and failures noted from the Mid Staffordshire NHS Foundation Trust Public Enquiry² Berwick identified culture as the singular most important element to change:

"culture will trump rules, standards and control strategies every single time, and achieve a vastly safer NHS will depend far more on major cultural change than on a new regulatory regime"³

Patient Safety Culture and Leadership activities in 2015:

³ A promise to learn-a commitment to act: improving the safety of patients in England. National Advisory Group on the Safety of Patents in England, chaired by Professor Don Berwick. August 2013

² *The Mid Staffordshire NHS Foundation Trust Public Enquiry.* Chaired by Sir Robert Francis QC. February 2013.

Cultural change activity	Outcomes	Lead
Patient Safety Think Tank	Established MTW current patient safety / cultural	Avey Bhatia, Chief
Multidisciplinary group for 1 year	position (culture survey)	Nurse
		•
	Developed and implemented patient safety	September 2014 –
	roadmap in response to current position	August 2015
Board engagement, leadership and	Presentation to Board December 2014, March	Avey Bhatia, Chief
support	2015 and November 2015	Nurse
MTW staff Patient Safety	MTW staff invited to conference to update on	Jenny Davidson,
Conference 3 rd July linking the Step	national and local patient safety issues, share	Assc. Dir. Quality
up to Safety campaign + staff	own ideas and good practice, learn from others.	Governance
engagement	Patient Safety Poster competition to engage staff	
		July 2015
'I provide safe quality care by'	Staff patient safety campaign to further staff	Jenny Davidson,
programme	engagement	Assc. Dir. Quality
		Governance
		November 2015
Patient Safety Educational	Validated educational programme introducing	Dr Jorge Da
programme	applied patient safety concepts, taxonomy of	Foncesca
	errors and leadership. Increased staff	
	engagement and awareness about patient safety	Commenced
		February 2015
Improvements to reporting usability	DATIX reporting page improved and shortened.	DATIX team
	Now available via quick link on tablets / ipads in	
	clinical areas	October 2015
Review of SI paperwork	SI paperwork reviewed and pilot report launched	Caroline Gibson
		December 2015
Review of SI investigation	Review undertaken and proposal presented. New	Sarah Miles / Jenny
approach and methodology	patient safety model agreed:	Davidson / Dr DJ
		Brown
	Band 4 admin support required	
		June 2015 –
	Request for directorates to nominate 3	January 2016
	investigators to become our expert pool	
	Bespoke RCA training	

Further Patient Safety Culture and Leadership activities planned

- Further MTW patient safety culture survey to assess progress
- RCA training rolled out across the Trust
- Ward based Improvement program / research

Measurement

The Safety Improvement Plan is a three year project to improve patient safety within the organisation. MTW recognises the importance of developing intelligence that will be timely, reliable, comprehensive and suitable. Currently, a considerable amount of data is collected in the form of quality and performance dashboards, survey information and governance information (complaints, incidents and claims). The intention is to develop this intelligence further. Berwick identified that the voices of staff and patients can be 'smoke detectors' and signal problems earlier than mortality rates do.

A comprehensive review will establish further improvements in how a blend of both quantitative and qualitative intelligent data can be used to inform staff, patients and the board more effectively. This review will be undertaken with key internal and external stakeholders in the form of a task and finish group. This work is expected to run from June 2016 to December 2016.

Qualitative measurements

A staff patient safety culture survey was undertaken in November 2014 and this informed the Patient Safety Think Tank roadmap which is currently being rolled out. Further culture surveys will be used to assess improvements over the next 3 years. Further qualitative data will be taken from existing Friends and Family tests and Trust patient surveys. QUEST scores are in use to triangulate data from wards acting as an early warning system warranting further review and support.

Executive and non-executive walkabouts enable real time testing of data, and patients story at board meetings also provide patient voice at the highest level of the organisation.

Quantitative measurements

Substantial amounts of data is provided that will be used to provide measures of improvements during this project. Data from incident reporting (DATIX), complaints, CQINs, legal claims, and patient safety thermometer provide data that will provide measurement of improvements for the safety domains. Nursing metrics, quality metrics and training records will also be used alongside audits to monitor improvements.

The recent implementation of an electronic observation system (Nervecentre) will enable electronic real time data on referrals and handovers.

Organisational safety framework

The organisation recognises the importance and value of providing a consistent approach to patient safety across all departments. An external governance review on the current clinical governance

framework, systems and culture commenced in April 2015 and was completed September 2015. This review included the current patient safety framework and systems to identify good practice and areas for improvement.

A new governance committee structure has been developed and agreed in response to the report recommendations. Further improvements have been agreed to the Serious Incident investigation process and are being implemented.

Organisational safety improvements	Outcomes	Lead
Improvements to reporting usability	DATIX reporting page improved and shortened. Now available via quick link on tablets / ipads in	DATIX team
	clinical areas	October 2015
Recommencement of the CLIPA meeting (Complaints, Legal,	Allows for proactive identification of emerging trends and triangulation of data between core	Jenny Davidson
Incidents, PALS, Audit)	clinical governance teams	October 2015
Review of SI paperwork	SI paperwork reviewed and pilot report launched	Caroline Gibson
		December 2015
Review of the SI panel and	The function and purpose of the revised panel will	Avey Bhatia, Chief
improvements proposed	ensure more assurance of the quality of the	Nurse
	investigation process and trust wide learning	
		February 2016
Review of SI investigation approach and methodology	Review undertaken and proposal presented. New patient safety model agreed:	Sarah Miles / Jenny Davidson
	Additional resources within patient safety team	June 2015 –
	established	January 2016
	Request for directorates to nominate 3	
	investigators to become our expert pool	
	Bespoke RCA training to be rolled out over 2016	

Safety improvement domains:

The following safety improvement domains have been identified are needed focused improvement as a result of a review of the data from legal services over claims against MTW through the NHS Litigation Authority data in the last 5 years, a review of the tends and themes from Serious Incidents and feedback from the CQC: Handover / communication, fetal assessment and identification of deviations from the norm (CTG interpretation), Patient decision making and informed consent & In

patient falls. These claims are from the '*low value, high volume*' (Failure / delay diagnosis; Failure to obtain informed consent), '*high value, high volume*' (Handover communication, Failure to monitoring or respond to abnormal fetal heart rate, obstetric)

These safety improvement domains will form the heart of the Safety Improvement Plan:

- > To improve communication during the handover process
- To improve the effectiveness of identifying and act upon deviations from normal during labour and birth
- To improve the quality of patient involvement in decision making and standards of obtaining informed consent
- > To reduce the number of In Patient Falls

The Safety Improvement plan will follow the PDSA (see appendix 2) 90 day cycle supported by the NHS England Sign up to Safety Campaign. The first of these 90 day cycles will be used to develop a 3 year plan for each of the domains in collaboration with the domain lead, Safety Improvement team, and TME.

1. To improve communication during escalation and handover

Lead: Outreach team

The safety improvement plan will consolidate work already undertaken to improve communication around escalating concerns with the aim of implementing a consistent structured approach to handover. This will involve 3 work streams:

- > Implement consistent and high quality escalation process, such as SBAR
- Provide teaching / facilitation and required tools / resources to promote clear communication and documentation of handovers and escalation of concerns
- > Implement 'safety huddles' to ensure multidisciplinary communication of concerns and issues

Outcome measures will include a reduction in incidents, complaints and claims involving poor communication during escalation, record keeping audits, staff evaluation / feedback.

2. To improve the quality of patient involvement in decision making and informed consent

Lead: Chanel Alexander, Trust Solicitor

The safety improvement element will involve 5 work streams:

- A review and consolidation of a standardised high quality consenting process and documentation (consent forms and patient literature) system across MTW
- > Review of the decision making and consent training of all staff groups
- Commitment and implementation of Patient advocates to assist in ensuring patients are central to the decision making process and their voice are heard
- Bespoke in-house training to be delivered to each staff group on the importance of, and effective and efficient ways to obtain, informed consent from patients
- > Frequent and responsive auditing on patient involvement in decision making

Outcome measures will include a reduction in incidents, complaints and claims involving a failure to obtain informed consent for medical procedures; record keeping audits; patient literature audits; improved scoring on consent relating modules of staff e-learning refresher training packages, staff evaluation / feedback

3. To improve the effectiveness of identifying and act upon deviations from normal during labour and birth

Lead: Jenny Cleary, Head of Midwifery

The safety improvement element will focus on education and training:

- Undertake a comprehensive Training Needs Analysis to provide clarity on the training requirements for all maternity staff
- Development of a bespoke maternity training package with a focus on fetal monitoring and labour and birth care with a variety of learning approaches and environments (including small group, e-learning, scenario based training)
- Development of regular skills drills in all birth settings, home, birth center and labour ward, including facilitated structured de-briefing for simulated and real urgent and emergency situations
- Integrating learning from real serious incidents within training programs to ensure lessons are shared and improved practice is embedded

Outcome measures: a reduction in incidents, complaints and claims relating to maternity care specifically fetal monitoring and the poor identification of deviations from the norm or deteriorating clients. An improvement in staff confidence and performance in normal labour care, when deviations occur and fetal monitoring.

4. To reduce the number of In Patient Falls

Lead: Guat Rickwood, Falls prevention lead nurse

The safety improvement element will involve the following work stream:

- > PDSA culture and behaviour ward intervention pilot research project
- > Scale up of the elements of this project after review
- > Trust wide Falls prevention group with executive level support and leadership

Outcome measures: a reduction in incidents relating to patient falls (year-end rate of 6.2). An improvement in staff confidence and engagement in reducing patient harm and proactively managing risks in ward area.

Appendix 1

MTW Safety Pledges:

Put Safety First - Commit to reduce avoidable harm in the NHS by half and make public the goals and plans developed locally*

- 1) Develop a roadmap for the development of a 'just' patient safety culture within the organisation
- 2) Review the incident reporting structures within the organisation, identify where changes are required and make improvements to increase incident reporting levels and quality
- 3) Ensure openness to learning from falls incidents to reduce the levels of falls through frequent review and action led by the Trust Falls group
- 4) Further raise the profile of Patient Safety both internally within the organisation and externally to the local community through;
 - a. Enhancing communication about and profile of patient safety internally within the Trust
 - b. Providing regular communications externally about patient safety through the MTW Website and other methods of communication

Continually learn – Make our organisation more resilient to risks, by acting on the feedback from patients and by constantly measuring and monitoring how safe our services are by;*

- 1) Develop, implement and deliver a strategy organisational wide which enables learning from incidents, complaints, clinical audit and claims
- 2) Actively use the feedback gained from the Friends and Family survey to promote improvements at departmental level
- 3) Develop, implement and share the learning from an annual survey of the organisation's safety culture

Honesty – Be transparent with people about our progress to tackle Patient Safety issues and support staff to be candid with patients and their families if something goes wrong*

- 1) Further proactively encourage staff to report their concerns through the Speak Out Safely policy
- 2) Implement an education program and resources to support staff in line with the Being Open policy, the Duty of Candour regulations and the 'just' culture.
- 3) Publish the learning from Serious Incidents and complaints publically
- 4) Increase shared learning Trust wide by improving feedback to staff who have reported safety incidents
- 5) Use the feedback from the weekly executive walkabouts to respond to safety concerns.

Collaborate – Take a leading role in supporting local collaborative learning, so that improvements are made across all of the local services that our patients use*

- 1) Involve service users in the design and development of services through service user forums and inviting service user representatives to key meetings in the organisation.
- 2) Ensure service users participate in projects to review and improve the care provided.
- 3) Share the experiences and learning through published patient story case studies.
- 4) Work in partnership with our community and Commissioners to improve patient pathways and safety
- 5) Develop a Patient Safety strategy
- 6) Undertake regular collaborative sharing events with neighbouring Trusts and the local health providers.

Support – Help people understand why things go wrong and how to put them right. Give staff the time and support to improve and celebrate the progress*

- 1) Promote Patient Safety and Incident Investigation training to support staff to review how incidents occur, fostering open learning to reduce the risk of reoccurrence within a 'just' culture framework
- 2) Develop and implement a Patient Quality and Safety recognition programme for staff to celebrate and share good practice
- 3) Further develop effective support services for any staff involved in incidents.

Appendix 2: PDSA cycles



PDSA is a quality improvement tool that is useful for implementing some types of healthcare change using rapid small-step change cycles.

While PDSA is an effective change tool and is often referred to as a "rapid change cycle", in reality it takes considerable preparation and time to properly complete the model's steps (Baxley, Bennett, Pumkam, Crutcher & Helms, 2011). Spending adequate time in each phase is imperative for successful change (Powell, Rushmer & Davies, 2009; Walley & Gowland, 2004).

The PDSA model involves four cyclic stages (Duffy & Moran, 2009; Spence & Cappleman, 2011; Walley & Gowland, 2004):

- Plan- hypothesis formation
- Do- implement the new process with data collection
- Study- interpret the results
- Act- decide what to do next based on the results

Maidstone and Tunbridge Wells

Trust Board meeting – May 2016

5-11 Quality Improvement Plan: closure report / next steps Chief Nurse

Summary / Key points

The enclosed report is a final 'closure' report for the CQC action plan.

It details the two compliance actions which still have elements requiring completion but with sufficient assurance in place. The report also provides (Appendix 1) details on the framework that has been developed for ongoing assessment, which has now been tested in one Directorate (Critical Care).

Which Committees have reviewed the information prior to Board submission? Trust Management Executive

Reason for submission to the Board (decision, discussion, information, assurance etc.)¹ Assurance

¹ All information received by the Board should pass at least one of the tests from 'The Intelligent Board' & 'Safe in the knowledge: How do NHS Trust Boards ensure safe care for their patients': the information prompts relevant & constructive challenge; the information supports informed decision-making; the information is effective in providing early warning of potential problems; the information reflects the experiences of users & services; the information develops Directors' understanding of the Trust & its performance

CQC Quality Improvement Plan

Closure Report May 2016

Following a CQC inspection in October 2014 and subsequent report published January 2015 the Trust developed a Quality Improvement Plan. This plan outlined the Enforcement notice and Compliance Actions and provided a monthly monitor of progress against a comprehensive action plan. There have been 14 monthly reports, with the last 2 being an exception report as the final elements are being completed. Progress on the delivery of improvements has been reported to TME, MTW staff, external stakeholders and the Trust Board for assurance on a monthly basis for a year.

There has been steady progress with this plan for over a year with the majority of actions competed within the first 8 months. Staff have been fully engaged and keen to embrace every opportunity for improving and developing the services and care we provide.

The trust was served with an Enforcement notice during the CQC inspection, relating to water sampling for legionella for the Maidstone site. A subsequent review of this aspect by the CQC led to the enforcement notice being lifted in 2015 after new robust process and governance around water testing were swiftly put in place.

Of the 18 compliance actions 16 have been completed fully with the 2 partially outstanding compliance actions having completed the majority of the elements required. These elements are outlined below and will continue to be monitored through TME. The 'should do' actions outlined by the CQC have been locally reviewed and developed, with completed actions collated centrally.

Evidence of competed actions has been collected in a variety of ways; through documentary evidence, assurance from leads, observational review, photographic evidence and reports. Where able paper / IT based evidence is held centrally on a database within the central clinical governance team. This collection of evidence continues.

Continual internal assurance

From January 2016 a forward plan for continual internal assurance was developed. This is outlined in the paper 'Care Quality Commission; meeting regulations and continual assurance; Process and procedure' (appendix 1). This document outlines how we will assure ourselves that we are meeting the required regulations and have continually assessed how we are performing against CQC standards. The document has 2 main sections: the process of how we will provide assurance of meeting regulations and the process of how we will continually assure ourselves that we meet CQC standards. This will enable us to be fully aware of where improvements need to be made and make the core questions 'business as usual' within daily working practices for all staff. This approach has been discussed with the CQC and has been welcomed and supported by them and good practice.

The continual assurance plan commenced in April 2016 co-ordinated and led by the Clinical Governance team. A rolling program of reviews is planned on a month by month basis based on Directorates. In a similar way to the main CQC inspections the internal process collates data from a variety of sources and develops key lines of enquiry (KLOE).

In addition we download the specialty relevant KLOE from the CQC website, use the Care Assurance Audit framework and principles of the 12 steps audit. A team of clinical and non-clinical staff (all volunteers following a period of internal advertising) form the review team (from June this will be extended to include members from Healthwatch and CCG) and undertake the site/department review which includes interviewing staff, talking with patients and relatives, observation and testing in practice (from SI's, complaints, QIP for example).

A report is written and shared with the site/department for them to consider recommendations and develop a plan for addressing any issues arising.

Trust Management Executive will monitor the process and outputs and a report will also go to Trust Clinical Governance Committee.

In April we reviewed Critical Care as a pilot and provided a report that is currently with the leads for the department for factual accuracy checking.

Members of the TME / board are very much encouraged and would be welcomed to be part of the review team.

Safety Improvement Plan

MTW's commitment to ongoing safety improvement is detailed in its draft Safety Improvement Plan. The four key areas of focus have been derived following analysis of the last 5 years claims data and our own intelligence on safety priorities.

Exception report: May 2016

Compliance Action 9: due regard to patient cultural and linguistic background or disability

The new translation service will be fully implemented on 1st June with staff cascade training currently underway. The substantive Staff Engagement and Equality lead is leading on the outstanding actions for this compliance action.

Compliance action 14: children's services engagement and involvement with the surgical directorate

The Clinical Director has given assurance that the outstanding audit relating to Paediatric in-patient being under shared care between Paediatrics and Speciality Teams is on track and will be completed in May 2016.

Outstanding actions

Rating below relate to the progress of the enforcement/compliance action as a whole based on the date of **overall completion**. There is an element of judgment on the RAGB rating, based on the update and evidence provided and discussions.

The table below provides a summary of any issues arising.

KEY to progress rating (RAGB rating)

Ker to progress ruling (KAOD ruling)			
	Blue	Fully Assured	
	Amber	Not running to time and / or more assurance required	
	Green	Running to time, in progress / not running to time but sufficient assurance of progress	
	Red	Not assured / actions not delivering required outcome	

Compliance action 9				CA9	
Issue: The provider did not ensure		•	o service users v	vith due rega	rd to the
cultural and linguistic background	-				
Lead: Richard Hayden, Deputy		Operational Lead: Jo Petch,	Staff Engageme	nt and Equal	ity lead
Director Human Resources					
Actions	Monthly	summary update on progress	Evidence required	Action completion date	Rating
1. Appoint a dedicated lead for Equality and Diversity for Trust	Chief Nurse is E&D Board LeadE&D LeadAppointed2. Trainingrecords agarecords agaE&D training 89% compliant against 85%E&D awaretarget (April 2015).programmeBenchmarking & intelligence from partner3. New E&DTrust to inform awareness programme andStrategyroll out plan that is both department specific4. Detailedand generic. This will be developed by thesubstantive E&D Lead.WF strategy approved June 2015.5. EvaluationE&D priorities included & supported byservice andproject plan approved Workforce Committeeservice andSeptember 2015staff (staffBME Forum second meeting 21/9/15. SECstaff (staffBME Chair in attendance. Trust WRES datasurvey),reviewed. Trust has partnered withpatients,Stonewall to support LGBT staff. DataHealthwato		Appointed	1/9/15 (for interim) New date substantive 1/04/16	
2. Develop an E&D awareness programme for all staff			E&D awareness programme 3. New E&D Strategy	1/10/15 New date 31/07/16	
3. Review and develop new E&D strategy for organisation, in collaboration with MTW staff and partner organisations			service and feedback from staff (staff survey),	1/9/15	
 Ensure current process for accessing translation services is communicated to all staff 	– Recircula	munication circulated January 2015 ated July 2015. Translation service being re-procured	groups (with actions developed and	1/2/15	
5. Identify an existing NHS centre of excellence and buddy with them to ensure best practice and learning implemented in a timely fashion	with Leice	nd agreed contact for best practice ster Partnership Trust. Work will ess until lead is in post	monitored as required)	1/6/15	
6. Conduct a comprehensive review of all existing Trust practices in relation to E&D requirements - for example information, translation, clinical practices, food, facilities	commissic Priority Pla grading pla 30/9/15. Comprehe	essment with intention to on external support an to be finalised linked to EDS2 an. WRES data presented to Board insive review will be undertaken by e postholder		1/4/16 New date 31/07/16	
7. Develop links with local support groups and communities to engage them in the improvement plan for the Trust with assistance from Healthwatch		essment with patient and Carers ealthwatch will also act as final for EDS2		1/10/15	
8. Ensure appropriate organisational governance with assurance to Trust Board in relation to Equality and Diversity		ent of new Diversity Management rst meeting 30 October 2015.		1/9/15	

Action Plan running to time:

Assurance statement : In progress

Areas of concern for escalation:

EDS is likely to take longer to complete than 31/7/16

YES

Compliance action	ו 14			CA14	
Issue: The clinical gove	ernance strategy within	children's serv	ices did not ensure engag	gement and involv	rement
with the surgical direct	orate				
Lead: Hamudi Kisat, Cl	linical Director &	Operationa	Lead: Hamudi Kisat, Cli	inical Director & Jo	onathan
Jonathan Appleby, Clin		Appleby, Clin			
Actions	Monthly summary upda		Evidence required	Action completion date	Rating
1. Meeting between senior clinicians and managers Children's services directorate and Surgical directorates to establish clear roles and responsibilities of the care of children on the paediatric ward 2. Standard Operating Procedure for care of children on surgical pathway on paediatric	Clinical Director attende meeting to present pape SOP completed and circu	ers	 Minutes of joint meeting Standard Operating Procedure Audit of practice MTW Clinical Governance Strategy Agenda, Minutes and attendance records from CG meetings 	1/5/15 1/6/15 New date: 1/9/15	
wards 3. Implementation of the SOP into routine daily practice	Patients admitted to Inp now shared care betwee and Speciality Teams Audit planned and await Assurance given this is st	en Paediatrics ing results. till on track.		1/8/15 Clinical Director: Audit allocated but results not expected until May 2016	
4. Trust to develop a consistent approach to Clinical Governance through MTW Clinical Governance Strategy developed in collaboration with internal and external stakeholders	New Governance framew developed and agreed w implementation commen December 2015	vith		1/9/15 New date: 1/12/15	
	to support update (lis	st): SOP			
Assurance statemen	t:				
Awaiting audit result	ts to assure implemen	itation of new	process		
Areas of concern for	escalation:				
None					

Appendix 1

Maidstone and Tunbridge Wells NHS Trust

Care Quality Commission

Meeting regulations & continual assurance

Process and Procedure

THE PROCESS BY WHICH WE ASSESS OUR COMPLIANCE WITH CQC REGULATIONS AND CONTINUAL ASSURANCE OF QUALITY STANDARDS

Table of contents

- 1. Introduction
- 2. Purpose of document / process
- 3. Scope
- 4. Definitions
- 5. Meeting Regulations
- 6. Continual Assurance plan
- 7. Ownership and Responsibilities
- 8. Monitoring Compliance and Effectiveness

1. Introduction

The Care Quality Commission (CQC) is the independent regulator of health and adult social care in England. Their role is to monitor, inspect and regulate services to make sure they meet fundamental standards of quality and safety. They assess services against five key questions:

- 1. Are they safe?
- 2. Are they effective?
- 3. Are they caring?
- 4. Are they responsive to people's needs?
- 5. Are they well led?

Inspections can be pre-announced and unannounced. These inspections will be based around a framework of the five key questions, key lines of enquiry, feedback from people who use the service and the public and intelligent monitoring.

Inspections always include review of core services as they are considered to carry the greatest risk and cover the majority of the services people use. This includes: Urgent and emergency services, Medical care (including older peoples care), Surgery, Critical Care, Maternity and Gynecology, Services for children and young people, End of life care and Outpatients and diagnostic imaging. Other areas inspected may be chosen due to concerns raised in previous inspection or form intelligence gathered or information provided by other regulators, where a complaint has been received, where they have not inspected for a long time or where service is considered to be outstanding. Information that informs the CQC are ongoing relationships between themselves and us, national and locally available data, specific information requested by them prior to an inspection and information collected during the inspection.

2. Purpose of document / process

This document will outline how we will assure ourselves that we are meeting the required regulations and have continually assessment of how we are performing against CQC standards. It will outline the process we will follow to monitor and assure service users, the public, staff and the CQC that we continually review, monitor and improve our services.

The document will have 2 main sections, the process of how we will provide assurance of meeting regulations and the process of how we will continually assure ourselves that we meet CQC standards. This will enable us to be fully aware of where improvements need to be made and make the core questions 'business as usual' within daily working practices for all staff.

The reference documents that inform this document are:

Care Quality Commission. How the CQC regulates: NHS and independent acute hospitals. Provider handbook. March 2015

Care Quality Commission. Guidance for providers on meeting the regulations. Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 (part 3). Care Quality Commission (Registration_ Regulations 2009 (Part 4). March 2015

3. Meeting Regulations

Summary: Health and Social Care Act 2008 (regulated activities) Regulations 2014:

Leads will be allocated regulations to review. They will be asked to identify what data they could provide or gather to provide assurance of current standing (using RAGB status). Where issues are identified support and focus will be provided and ongoing review will continue until regulation compliance can be assured as much as possible (acknowledging the judgement nature of the CQC inspection).

Population	Paper based data	Test in practice	Load
Regulation 4 : Service is provided by an	Paper based data HR: recruitment, induction, ongoing	Individual spot check	Lead Richard
appropriate person	appraisal and training	individual spot check	Hayden
5: Fit and proper persons:	HR: recruitment, induction, ongoing	Individual spot check	Kevin Rowan
Directors	appraisal and training	namada spor chock	Revin Rowan
6: appropriate person	HR: recruitment, induction, ongoing	Individual spot check	Richard
responsible for supervising the	appraisal and training		Hayden
management of regulated	approximation and the second second		
activity			
7: Requirements relating to	HR: Recruitment, Professional	Registered manager spot	Richard
registered managers	registration as required	check	Hayden
8: General	Training records		Learning &
			Development
9: Person-centered care	Clinical guidelines	Review of clinical care	ADN's
	Access policy	documents	
	Consent policy	Feedback from patients /	НОМ
	Consent audit	service users	
	MCA policy and training		AD Gov
	PLACE audit		AD GOV
	Hydration and nutrition audit		
	Care Assurance audit		
	Complaints information Patient survey		
	F&F		
	Patient leaflets		
	MTW internet		
10: Dignity and Respect	Clinical guidelines	Discussion with staff and	ADN's
3,3,4,4,4,4,4,4,4,4,4,4,4,4,4,4,4,4,4,4	Admissions policy	patients	
	Care assurance audit	Spot check ward areas	НОМ
	Mix Sex breach (Trust dashboard)	Translation services in use	
	E&D training / awareness		
	Equality and Diversity Strategy		
	HR: recruitment		AD Gov
	Dementia Strategy		
	Complaints and PALS info		
11. Need for consent	Consent policy	Discussion with staff and	Chanel
	MCA policy and training Translation services SOP	patients	Alexander
	Translation services SOP	Spot check ward areas	
12. Safe care and treatment	Health and Safety assessments	Translation services in use Review of clinical notes	ADN's
12. Sale care and treatment	and audits	(PEWS/EWS + risk	ADN S
	HR: recruitment, induction, ongoing	assessments)	
	appraisal and training	Discussion with staff and	НОМ
	MCA policy (incl DOLS) + training	patients	
	Safety Thermometer	Safeguarding lead	
	Health and safety assessment and	Review of medical equipment	AD Gov
	audit	in use (+ ability to use +	
	Medical equipment checks + SOP +	training logs)	
	training records	Supervision of staff in training	
	Induction and mandatory training on	Observations of infection	
	incident reporting and emergency /	control procedures in practice	

Table 1: Regulation

Regulation	Paper based data	Test in practice	Lead
	contingency planning Emergency planning policy Medicines management policy Infection control policy + training Discharge policy	Discharge planning	
13. Safeguarding service users	Safeguarding (including MCA and DOLS) policy Includes evidence of consultation with public about what 'degrading' means Induction and mandatory training records for Safeguarding Joint safeguarding meetings / partnership working MCA training records Safeguarding incidents and investigations Equality and diversity strategy + training records Security policy	Safeguarding lead Discussion with staff and patients Discussion with security staff Observations of patient care in regards to attending continence needs and negligence	Karen Davis
14. Meeting nutritional and hydration needs	Nutrition and hydration policy PLACE audit	Review of clinical notes Discussion with staff and patients Observation of meal times	John Kennedy
15. Premises and equipment	Cleaning audits Cleaning policy Security policy + training records Premises / estates review Medical devices / equipment policy and training Renewal and maintenance and replacement process Estates process (electrical, water, mechanical) assurance Facilities planning	Observation of all areas of the hospitals Discussion with staff	Jeanette Rooke
16. Receiving and acting on complaints	Complaints policy and SOP Complaints performance Complainants survey Trust dashboard Complaints reports including identification of trends	How to make a complaint leaflet Discussion with patients and staff	Angela Savage
17. Good Governance	Clinical Governance strategy and process Audit reports F&F / patient surveys Governance report H&S audit reports Reg 17 report Information Governance policy HR policy Medical records policy	Discussion with staff	AD Gov John Kennedy Richard Hayden
18. Staffing	Planned v's actual Mandatory training records Induction Professional supervision HR: NMC and GMC register	Discussion with staff	John Kennedy
19. Fit and proper persons employed20. Duty Candour	HR: recruitment, induction, ongoing appraisal and training Being Open and Duty of Candour policy Duty of Candour audit Investigations with supporting evidence of process Training records	Discussion with Staff Discussion with staff and patients	Richard Hayden Sarah Miles

Regulation	Paper based data	Test in practice	Lead
20a. Display performance assessments	Display of CQC assessment on Website	Observation	Comms
8355351161113	WEDSILE		

Summary: Meeting CQC (Registration) Regulations

Leads will be allocated regulations to review. They will be asked to identify what data they could provide or gather to provide assurance of current standing (using RAGB status). Where issues are identified support and focus will be provided and ongoing review will continue until regulation compliance can be assured as much as possible (acknowledging the judgement nature of the CQC inspection).

Table 2: Registration regulation	pn		
Regulation	Paper based data	Test in practice	Lead
12. Statement of Purpose	Sent and to CQC + CQC notified of any changes	observation	Kevin Rowan
13. Financial position	Assurance of financial resources including indemnity	Discussion with finance team	Steve Orpin
14. Notice of Absence	Communication with CQC		Kevin Rowan
15. Notice of Changes	Communication with CQC		Kevin Rowan
16. Notification of death of service user	Notifications of death of those which occurred whilst services were being provided in the carrying on of a regulated activity Have, or may have had, resulted from the carrying on of a regulated activity		Kevin Rowan
17. Notification of death or unauthorised absence of a service user who is detained or liable to be detained under the Mental Health Act 1983	Communication with required authorities and organisations Policy Training records	Discussion with staff in practice	John Kennedy
18. Notification of other incidents	Serious incidents	Discussion with staff in practice	Sarah Miles

Table 2: Registration regulation



4. Continual Assurance plan

Monthly gathering of information from 4 main sources will allow for continual oversight. The monthly reviews will enable identification of areas of good performance and areas of concern for further investigation – these will become Key Lines of Enquiry (KLOE) that will inform the monthly directorate data reviews and internal CQC style inspections

Source	Data / information	Data Source
Local feedback and concerns	Complaints and PALS	Complaints and PALS team
	Anonymous reporting	ADQG
	Feedback from CQC about concerns	CQC contact
	raised directly with them	
	Feedback from CCG's and	CQC and Healthwatch contact
	Healthwatch	
	Minutes from Directorate Clinical	ADQG
	Governance Meetings	
	Specific specialist data	From Directorate or Specialty
Local and National data and	Patient Safety Incidents	Patient safety team
relevant specialty specific /	Serious incidents	Patient Safety team
Royal College guidance	Patient and staff surveys (incl F&F)	Survey team and HR
	Mortality data (incl Dr Foster)	Health informatics and ADQG
	Performance & Quality dashboard	Health informatics
	National and local clinical audits	Clinical Audit team
	National guidelines	CQC lead
	Internal audits including Care	
	Assurance Audits and PLACE audits	Health informatics
	Waiting times	Deputy Chief Nurse
	Planned verses actual staffing	From ward manager/general manager
	Rota's	
CQC Reports and QIP from	CQC report	ADQG
previous assessments	QIP	ADQG
	Policies, Documents, Audits and	Clinical Governance assistance
	Clinical guidelines	
	Patient information, correspondence	Sample evidence from directorate
	and leaflets	
Internal auditing and	Observational audits	Clinical Audit / Healthwatch
observations	Executive / non-executive walk-abouts	Trust Secretary
	Discussions with staff and patients	Healthwatch / CCG
	Review of clinical care records	Clinical Governance Team

Table 3: Intelligence and data

Internal 'CQC style' inspections

There are 3 main ways that the inspections could be structured; via individual directorates, through patient pathways or a trust wide review for each domain. It is proposed that a Directorate is reviewed each month, but that this is re-visited after a year (and / or in light of the new CQC inspection regime when published). There is flexibility on which directorate is inspected based on intelligence or direction from TME but below is a provisional timetable:

Month	Directorate
April	Critical Care
May	Children's Services
June	Trauma and Orthopedics
July	Urology, Head & Neck, Gynae Oncology surgery

Table 4: Provisional timetable for inspection months

Month	Directorate
September	Emergency services
October	General surgery
November	Women's and Sexual health
December	Medical services
January	Diagnostics, Therapies and Pharmacy
February	Cancer and Hematology
March	Estates and Facilities / Corporate / Clinical Governance

There will then be a CQC style inspection during 1 day in the month that will cover aspects of 'Internal auditing and observations'. It is acknowledged that this will not be as comprehensive as the CQC inspection but will provide a snapshot in time of a specific directorate. The inspection will be undertaken by a small team that will include invitations for representation from Healthwatch and CCG. A report will be written and actions identified. The report will be presented to the Directorate, a summary to the Trust Clinical Governance committee and to TME with a central action log that will be overseen by TME.

Inspection team

Core members:

Chief Nurse or Deputy Chief Nurse Medical Director or Deputy Medical Director Associate Director Quality Governance Trust Health and Safety Advisor Representative from Healthwatch Representative from CCG Representative from Corporate Nursing or Clinical Governance Teams Matron / senior nurse / midwife Doctor

Additional members will be able to join for inspections outside of the directorate

Monitoring and inspection process

Directorates informed 2 months in advance of inspection

4 weeks prior to inspection the clinical / performance / intelligence data of that directorate (by specialty or ward as appropriate and available) from the previous 6 months will be requested from data sources (see table 3).

2 weeks prior to inspection the data gathered will be reviewed and triangulated to identify trends and areas of concern. Such areas will form the focal point of the inspection and specific questions related to these concerns will be drawn up as KLOE for the inspection / testing in practice. Trust Health and Safety Advisor and ADQG will review the KLOE and plan which wards / departments they will inspect within directorate. Information sent to inspection team (see above) outlining the plan for the 1 day inspection (times and locations). The KLOE will be mapped against the CQC 5 domains.

1 week before the ward managers / department managers in Directorate will be reminded an inspection will be taking place the following week but not the exact time or place

Day of inspection:

Inspection team will work in pairs and cover the identified areas with a check sheet developed from the KLOE (see appendix 1). The inspection will include the following (not exhaustive):

- Ward / department managers will be asked to produce supporting evidence on request (for example of changes as a result of SI's or complaints)
- Review of current Care Assurance Audit
- Tour of the ward/clinical area (using 15 steps approach)
- Clinical area observations of care, communication, safeguarding, infection control processes
- Spot audits of at least 4 patients' documentation
- Discussion with at least 4 patients
- Individual interviews with at least 4 members of staff
- Review of clinical policy or guidelines relevant to the area

The inspection team will provide feedback to the leads in the area as they find them. Any concerns during inspection that require immediate response / action will be escalated to the appropriate person.

The inspection team will meet later in the afternoon to share findings with each other.

Within 48hrs the Trust Health and Safety Advisor or ADQG will meet with the CD and matron/s for the area and share initial impressions.

2 weeks later a report outlining good practice and recommendations for improvement will be produced and shared with the directorate. The Trust Health and Safety Advisor or ADGC will attend the Directorate Clinical Governance meeting and share and discuss the findings.

The Directorate will be asked to provide a response or action plan. Both the report and action plan will be reported to Trust Clinical Governance Committee. A summary report will be reported to Trust Management Executive

5. Responsibilities

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Responsible person	Responsibilities						
TME (Chair)	Review of monthly reports and oversight of action plan.						
	Receive escalated concerns						
Chief Nurse	Executive oversight of process described above						
AD Quality Governance	Implementation and central management of the process						
	described above.						
	Compiling a monthly report for TME, CGC and Directorate						
	Updating of action plan progress for TME						
	Escalate concerns to TME						
AD Quality Governance / Trust	Leading with the requests for data						
Health and Safety Advisor	Arranging the inspection team and inspection process						
	Assisting with data review and development of KLOE						
	Assisting with the writing of reports, recommendations and						
	dissemination / dialogue with directorates						
Clinical Director / General	Provide leadership and promote engagement with the process						
Manager / Matron (Directorates)	above.						
	Responsible for quality and timeliness of data submitted						
	Responsible for ensuring the completion of the action plan						
	agreed following assessment						
Identified leads	To undertake a review of areas of responsibility, provide overview						
	of position, identify and rectify any concerns. Escalate any issues						
	that are unable to be resolved						
All Staff	To engage in the process and actions required for improvements						

- 6. Monitoring Compliance and Effectiveness
 - A monthly report will be submitted to the directorate reviewed and to Trust Clinical Governance Committee including an agreed action plan. The Directorate will monitor the completion of the action plan and provide assurance to the Trust Clinical Governance Committee
 - > Monthly summary update will be provided to Trust Management Executive
 - Annual assurance report to Quality Committee

Appendix 1

Internal assurance CQC inspection

Date and	time of visit		
Hospital	Site		
Area / wa	ard visited		
Domain	Key Line of Enquiry	Evidence to be reviewed	Comment / feedback

Name of reviewer 1:		
Name of reviewer 2:		

Maidstone and Tunbridge Wells NHS

NHS Trust

Trust Board meeting – Replace this text with the month 2016

5-12 Planned & actual ward staffing for April 2016; and six monthly review of Ward and non-Ward areas Chief Nurse

Summary / Key points

The attached paper shows the planned v actual nursing staffing as uploaded to UNIFY for the month of April 2016. This data is also published via the NHS Choices website and the Trust website as directed by NHS England and the National Quality Board.

The fill rate percentage is the actual hours used compared to the hours set in the budgeted establishment. That is, the budgeted establishment sets out the numbers of Registered Nurses and Clinical Support Workers based on an average acuity and dependency (or planned case mix for elective units). When units are faced with increased acuity and/or dependency, in escalation or undergo a service change that is not currently reflected in the budget, this is represented by an 'overfill'. Financial and key nurse-sensitive indicators have also been included as an aid to triangulation of both efficient and effective use of staff.

This is evident in a number of areas where there has been an unplanned increase in dependency. A number of wards have required additional staff, particularly at night, to manage patients with altered cognitive states, increased clinical dependency or with other mental health issues. Notable in this respect are Stroke – Maidstone, Mercer, Ward 10, Ward 11, and Ward 20.

Stroke – Maidstone had a number of patients with significant confusion due to brain injury and associated falls risks. Mercer Ward had a number of patients with a history of repeat falls for whom motion sensors were either inappropriate or would make the confusion worse. Ward 10 and 20 both had patients with mental health issues, with Ward 20 having a formal requirement for and RMN presence for the latter part of the month.

Ward 11 had a number of patients with tracheostomy with one patient in particularly being confused and attempting to remove his own tracheostomy tube if left unsupervised.

All enhanced care needs are supported by an appropriate risk assessment, reviewed and approved by the Matron.

Escalation areas account for the remainder of the over-fill. These areas remain the same; namely AMU (UMAU), SAU and to a lesser extent MSSU.

A couple of areas had a fill rate less than plan. Where this occurred it was either due to decreased activity such as the ICU at Maidstone, or a considered risk such as CCU at Maidstone.

CCU at Maidstone is co-located with Culpepper ward, and as such staff move between the two areas as required during the course of a shift.

NNU took a considered approach with the care support staff. The staffing was managed (with an increase in RN from existing establishment) to ensure appropriate, safe and cost effective staffing at night.

W2 has been allocated an overall RAG rating of amber despite planned vs. actual numbers being good. The reasons for this are that this ward has increased its bed base from 22 to 30 beds and thus have vacancies which are being recruited to. The ward is currently using agency staff to cover shifts and still have some overseas nurses requiring support. The ward is also undergoing a change in ward manager leadership.

When the fill rate is only marginally over 100% by +/- 5% this is normally related to working patterns which required staff to work an additional shift periodically as long shifts result in a staff

member either working over or under their contracted hours in any given month. Accident & Emergency (A&E) Departments overall fill rates are good against planned staffing levels. Maidstone A&E had a decreased fill rate for clinical support workers as unable to fill the shifts. However staffing support was sought from AMU/UMAU if and when required.

The RAG rating for the fill rate is rated as:

Green: Greater than 90% but less than 110%

Amber Less than 90% OR greater than 110%

Red Less than 80% OR greater than 130%

The principle being that any shortfall below 90% may have some level of impact on the delivery of care. However this is dependent on both acuity and dependency. Acuity is the term used to describe the clinical needs of a patient or group of patients, whilst dependency refers to the support a patient or group of patients may need with activities such as eating, drinking, or washing.

High fill rates (those greater than 110%) would indicate significant changes in acuity and dependency. This results in the need for short notice additional staff and as a consequence may have a detrimental impact on the quality of patient care.

The exception reporting rationale is RAG rated according to professional judgement against the following expectations:

- The ward maintained a nurse to patient ratio of 1:5 1:7
- Acuity and dependency within expected tolerances
- Workforce issues such as significant vacancy
- Quality & safety data
- Overall staffing levels
- Risks posed to patients as a result of the above

The **overall** RAG status gives an indication of the safety levels of the ward, compared to professional judgement as set out in the Staffing Escalation Policy. The arrow indicates improvement or deterioration when compared to the previous month. The thresholds for the overall rating are set bout below:

The key underlying reasons for amber overall ratings are vacancy resulting in an adverse shift of the RN to CSW ratios and high levels of acuity and dependency.

The UNIFY template for capturing Care Hours Per Patient Day (CHPPD) will be made available from 1st June 2016. We are preparing and will be ready to submit data on bed and patient numbers in addition to usual planned vs. actual.

This template will also include the newly budgeted wards going forward i.e What man and Foster Clarke.

RAG	Details
	Minor or No impact: Staffing levels are as expected and the ward is considered to be safely staffed taking into consideration workloads, patient acuity and skill mix.
	RN to patient ratio of 1:7 or better Skill mix within recommended guidance Routine sickness/absence not impacting on safe care delivery Clinical Care given as planned including clinical observations, food and hydration needs met, and drug rounds on time.
	OR
	Staffing numbers not as expected but reasonable given current workload and patient acuity.
	Moderate Impact: Staffing levels are not as expected and minor adjustments are made to bring staffing to a reasonable level.
	OR Staffing numbers are as expected, but given workloads, acuity and skill mix additional staff may be required.
	Requires redeployment of staff from other wards RN to Patient ratio >1:8
	Elements of clinical care not being delivered as planned
	Significant Impact: Staffing levels are inadequate to manage current demand in terms of workloads, patient acuity and skill mix.
	Key clinical interventions such as intravenous therapy, clinical observations or nutrition and hydration needs not being met.
	Systemic staffing issues impacting on delivery of care. Use of non-ward based nurses to support services RN to Patient ratio >1:9
	Need to instigate Business Continuity
Which Committe	ees have reviewed the information prior to Board submission?

N/A

Reason for submission to the Board (decision, discussion, information, assurance etc.)¹ Assurance

¹ All information received by the Board should pass at least one of the tests from 'The Intelligent Board' & 'Safe in the knowledge: How do NHS Trust Boards ensure safe care for their patients': the information prompts relevant & constructive challenge; the information supports informed decision-making; the information is effective in providing early warning of potential problems; the information reflects the experiences of users & services; the information develops Directors' understanding of the Trust & its performance

		Average fill rate	Average	Average fill rate	Average								Financial rev	
Hospital Site name	Ward name	N/A registere d	fill rate N/A care staff (%)	N/A registere d	fill rate N/A care staff (%)	FFT Response Rate	FFT Score % Positive	Falls	PU ward acquired	Overall RAG Status	Comments	Budget £	Actual £	Variance £ (overspend
	Acute Stroke	nurses/m 107.3%	112.5%	<u>nurses/m</u> 95.8%	180.0%	26.2%	90.9%	5	0		20 nights of enhanced care needs. Named patients. 3 patients with significant confusion states, brain injury confusion/aggression and falls risk.	117,774	118,695	(921)
MAIDSTONE MAIDSTONE	Romney	101.1%	100.0% 98.3%	100.0% 97.8%	108.3% 113.3%	0.0%	0.0%	3	0		Enhanced care needs for 2 nights. Named	73,956	87,383 83,797	(13,427)
MAIDSTONE	Coronary Care Unit (CCU)		N/A	98.3%	N/A	46.4%	100.0%	0	0		patients. Reduced fill rate for RN days an accepted risk based on acuity and dependency. CCU is co- located on Culpepper Ward. So Culpepper able			
MAIDSTONE											to cross-cover as required.	101,880	106,600	(4,720)
MAIDSTONE	Culpepper	98.3%	100.0%	98.3%	103.3%	62.9%	95.5%	1			Enhanced care needs for observation required at night.			
MAIDSTONE	John Day	95.1%	127.1%	98.3%	151.7%	9.7%	100.0%	6	3		night. Consideration being given to review of skill mix	153,205	154,268	(1,063)
MAIDSTONE	Intensive Treatment Unit (ITU)	89.9%	N/A	87.9%	N/A	66.7%	100.0%	0	0		Accepted reduced fill rate due to low occupancy and acuity during the month.	164,622	169,731	(5,109)
MAIDSTONE	Pye Oliver	95.8%	105.6%	100.0%	100.0%	19.7%	92.3%	1	1			113,539	120,175	(6,636)
MAIDSTONE	Chaucer	97.3%	94.4%	99.3%	106.7%	40.9%	88.9%	3	0			140,998	138,224	2,774
MAIDSTONE	Lord North	98.7%	100.0%	98.9%	93.3%	35.2%	100.0%	3	0			88,631	100,510	(11,879)
MAIDSTONE	Mercer	104.8%	116.1%	89.2%	148.4%	2.5%	100.0%	12	2		Enhanced care needs at night for high falls risk patients. 4 named patients with complex needs and confusional states. 3 had a history of repeat falls, 2 of which were not suitable for motional alarms. 1 patient had to be nursed in a side room for clinical reasons.	98,103	107,061	(8,958)
MAIDSTONE	Edith Cavell (MOU)	94.3%	108.3%	100.0%	113.3%	0.0%	0.0%	6	0		Enhanced care needs at night for four nights.	59,633	59,674	(41)
MAIDSTONE TWH	Urgent Medical Ambulatory Unit (UMAU)	91.9%	106.3%	125.6%	233.3%	2.9%	91.7%	0	0		Trolley bay escalated at night.	120,818	129,159	(8,341)
тwн	Stroke (W22) Coronary Care Unit (CCU)	95.0% 96.7%	91.3% 80.0%	96.0% 98.9%	101.1% N/A	0.0% 55.0%	0.0% 100.0%	7	0		Accepted risk.	239,964 59,970	173,841 70,170	66,123 (10,200)
тwн	Gynaecology	96.5%	104.3%	100.0%	100.0%	45.7%	98.4%	1	0			65,124	67,067	(1,943)
гwн	Intensive Treatment Unit (ITU) Medical	108.3%	96.7%	107.5%	N/A			1	1		Ambulatory care bays escalated at night.	179,175	190,072	(10,897)
тwн	Assessment Unit	98.2%	99.2%	123.9%	98.9%	0.0%	0.0%	7	1			169,723	184,980	(15,257)
тwн	SAU	112.5%	91.7%	113.3%	116.7%			1	0		Escalated at night, and support to Recovery	87,702	107,647	(19,945)
тwн	Ward 32	95.2%	90.3%	96.8%	93.5%	3.2%	100.0%	1	0			119,870	130,178	(10,308)
тwн	Ward 10	90.5%	124.2%	91.7%	198.3%	12.1%	100.0%	0	0		4 patients required enhanced care at night. Named patients reviewed by Matron.	124,883	128,164	(3,281)
тwн	Ward 11	99.0%	423.3%	98.3%	163.3%	23.6%	93.3%	1	0		Enhanced care needs and observation required at night. 1 patient throughout the month, plus 2 for short periods. 4 Tracheostomy patients in the last week of the month. Reviewed.	125,797	134,360	(8,563)
тwн	Ward 12	102.5%	103.0%	90.0%	101.7%	14.6%	100.0%	0	0			119,351	107,549	11,802
тwн	Ward 20	.110.5%	115.0%	115.0%	118.9%	21.7%	100.0%	14	1		Cohort nursing for falls risks, RMN requirement from 19th of the month for named patient. Same patient required CSW support prior to 19th	129,511	142,927	(13,416)
тwн	Ward 21	110.0%	94.4%	92.7%	133.3%	30.3%	100.0%	5	3		RN fill rate down on 15 nights. Bank CSW cover considered acceptable risk.	137,841	134,233	3,608
	Ward 2	106.0%	105.0%	1.12.5%	110.0%	0.0%	0.0%	18	0		Ward manager changes, beds increased from 22 to 30 (W22 move down) numbers of overseas nurses still requiring support. Using high numbers of agency staff, issues with skill mix. Matron providing dedicated support	110,790	143,614	(32,824)
	Ward 30	85.6%	124.1%	91.7%	151.7%	17.1%	94.7%	2	0		Unable to fill RN Shifts during the day (Agency DNA). RN:CSW ratio change an accepted risk to enable care delivery.	119,527	123,526	(3,999)
TWH	Ward 31	102.2%	100.7%	98.3%	97.8%	22.2%	90.0%	9	3		·····	124,656	133,328	(8,672)
тwн тwн	Ante-Natal	103.3%	93.3%	101.7%	100.0%			0	0					
тwн	Delivery Suite	99.3%	95.0%	99.6%	100.0%	30.0%	94.1%	0	0			638,885	657,827	(18,942)
	Post-Natal	106.7%	100.0%	100.0%	100.0%			0	0					. ,,
TWH TWH	Gynae Triage	100.0%	103.3%	100.0%	100.0%	0.0%	0.0%	0	0		Escalated into Woodlands at night	12,409	11,617	792
TWH TWH	Hedgehog Birth Centre	108.3%	86.0% 100.0%	118.9%	173.3% 96.7%	12.5%	100.0%	0	0		••••••••••	206,904 62,135	204,297 65,824	2,607
ТWH	Neonatal Unit	116.5%	60.0%	100.6%	96.7% 96.7%			0	0		CSW fill rate accepted risk, as increased RN support. 1 CSW on LTS (only have 1 per shift). Available staff used to ensure cover at night.	166,841	160,169	6,672
MAIDSTONE	MSSU	112.8%	78.8%	100.0%	N/A	0.0%	0.0%	0	0		CSW fill rate accepted risk, as increased RN to support increased elective work.	43,315	41,155	2,160
тwн	Peale	94.6%	133.3%	98.9%	N/A	13.3%	100.0%	1	0		18 shifts of enhanced care needs. RN:CSW ratio adjusted to enable this during the day.	87,096	80,993	6,103
ТWH	SSSU	103.3%	120.0%	N/A	N/A	0.0%	0.0%	2	0		Supporting escalation	23,263	18,967	4,296
MAIDSTONE	A&E	100%	71.7%	98.80%	106.70%	3.5%	92.8%	3	0		12 CSW shifts not covered. Cross-cover as required from UMAU/AMU	197,392	208,339	(10,947)
ТWH	A&E	101.2%	107.00%	105.8%	88.9%	5.8%	87.5%	1	0		CSW fill rate accepted risk, as CDU and bays j-m de-escalated on 15 nights Total Established Wards	298,273 4,964,803		(33,919) (163,510)
			RAG Key Underfill		Over fill						Additional Capacity beds Other associated nursing costs Total		192,529 2,566,071 7,886,913	-16,297 467,350 287,543

RAG Key Underfill Over fill

Maidstone and Tunbridge Wells

NHS Trust

Trust Board meeting – May 2016

5-12 Staffing: 6-monthly review of Ward & non-Ward areas Chief Nurse

The National Quality Board stipulates that Nurse/Midwifery staffing reviews should be presented to Trust Boards twice a year. These reviews are comprehensive, reviewing the methodology used to set establishments and the national guidance for the specific areas.

The last review occurred in November 2015 and is therefore now due.

Which Committees have reviewed the information prior to Board submission?
N/A

Reason for submission to the Board (decision, discussion, information, assurance etc.)¹ Review and assurance

¹ All information received by the Board should pass at least one of the tests from 'The Intelligent Board' & 'Safe in the knowledge: How do NHS Trust Boards ensure safe care for their patients': the information prompts relevant & constructive challenge; the information supports informed decision-making; the information is effective in providing early warning of potential problems; the information reflects the experiences of users & services; the information develops Directors' understanding of the Trust & its performance



Nurse establishment review as part of budget setting and business planning

Trust Board May 2016

Avey Bhatia (Chief Nurse)

taking

PATIENT FIRST - RESPECT - INNOVATION - DELIVERY - EXCELLENCE

Overview

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Maidstone and Tunbridge Wells

- The National Quality Board stipulates that nurse / midwifery staffing reviews should be presented to Trust Boards twice a year. These reviews are comprehensive, reviewing the methodology used to set establishments and the national guidance for the specific areas.
- As part of business planning and budget setting, establishments for every ward (except gynae and The Wells Suite) intensive care units, paediatrics, theatres and A&E have been reviewed with directorates ensuring robust roster plans are in place (Appendix 1 & 2)
- This has been completed in conjunction with a review of the current bed base (including escalation beds)
- The Chief Nurse and Deputy Director of Finance have now completed reviews for each areas listed above with the ward / unit managers and the matrons.

Approach for setting 2016/17 Establishments

taking

Maidstone and Tunbridge Wells

- Nurse patient ratios are dependent on type of ward, patient throughput, acuity, dependency, geography, professional judgement and evidence based
- Bottom up review based on ward rotas to ensure alignment between what is worked and funded establishment
- Registered/unregistered ratio (shown on the establishment sheets)
- 22% headroom includes mandatory training, sickness and annual leave
- Ratio based on un-standardised shift patterns (early, late and night)
- Vacancies budgeted for at mid point plus agency premium (1.55) for a specified time period depending on recruitment timeframe, based on planning discussions
- Maternity leave included within budgets, where known review budgeting for maternity leave centrally
- The use of enhanced care 'specialling' has been reviewed as part of the establishment reviews with each ward manager and matron
- In addition to this approach there is a safe staffing policy and an escalation policy for operational changes in year that may result in establishments being reviewed

PATIENT FIRST - RESPECT - INNOVATION - DELIVERY - EXCELLENCE
Conclusion & Next Steps



- The ward changes throughout 2015/16 are now reflected in the budget and business plan
- Budgets are based on ward rotas
- The ward / departments have budgets in line with safe staffing levels
- A&E and W21 may require further review in line with national guidance
- Budget sign off by Chief Nurse, ADNs, Matrons and Ward Managers, rotas to be used from the 1st April and included as part of the overall financial plan
- Ensure that agreed rotas as part of budget setting correlate with the rostering system
- New policy being launched for Enhance Care

taking

PATIENT FIRST - RESPECT - INNOVATION - DELIVERY - EXCELLENCE

Maidstone and Tunbridge Wells NHS Trust Appendix 1 Ward Nursing Staff Analysis

2016/17 Proposed WTE v April 16 Staff in Post and nurse to patient ratios

Directorate	Cresistry	Ward	Cost	Tupo of Word	Nurse Crede	e Grade Shift Headcount Proposed [1] WTE Proposed v M1 (April 16) Staff in Post Contracted			Nursing Ratio Proposed (Qualified RGN to Beds)				Notes						
Directorate	Specialty	waru	Centre Code	Type of Ward	Nurse Grade	Other	E L	N	Propo	osed	In	Post	Vacancy Esta		Bed Numbers	E	L	N	NOLES
DSURGERY	SURGERY	MAIDS SHORT STAY SURG UNIT	NE751	Daycase (Mon to Fri)	Qualified - RGN Ungualified - CSW	1	3 3 2 2	2	9.68 3.90	13.58	10.00 3.83	13.83	(0.32) 0.07	(0.25)	18	1 to 6	1 to 6	1 to 9	Currently Mon- Fri 24 hours. Sat day used for escalation. Proposed to also use sat day for escalation.
		MAIDS SHORT STAY		,	Qualified - RGN		3 3		0.76		0.00		0.76						
DSURGERY	SURGERY	SURG UNIT (Sat Day Escalation)			Unqualified - CSW		2 2		0.38	1.13	0.00	0.00	0.38	1.13	18	1 to 6	1 to 6	Day Only	Staffing for Saturday daytime only
DSURGERY	SURGERY	CORNWALLIS WARD [NEW SURGERY]	NS959	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	2 0	4 4 2 2	3	19.01 9.09	28.10	17.48 8.62	26.10	1.53 0.47	2.00	19	1 to 4.8	1 to 4.8	1 to 6.3	Major / complex elective surgery ward
DSURGERY	SURGERY	PEALE WARD (SURGERY)	NE959	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	1	4 4	3 0	19.73 2.73	22.46	18.28 4.20	22.48	1.45	(0.02)	13	1 to 3.3	1 to 3.3	1 to 4.3	(7 siderooms) Complex major surgery and step down from ICU, Some flexibility to take down at the weekends (well managed budget)
DSURGERY	SURGERY	WARD 10 PEMBURY	NG130	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	2 0	6 5 4 3	4	27.88 15.26	43.13	16.75 21.64		11.13 (6.38)	4.74	30	1 to 5	1 to 6	1 to 7.5	Emergency surgery
DSURGERY	SURGERY	WARD 11 PEMBURY	NG131	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	1 0	6 6 3 2	4	28.84 12.18	41.03	18.50 13.22		10.34 (1.04)	9.31	30	1 to 5	1 to 5	1 to 7.5	Emergency surgery / High numbers of trachy patients
DSURGERY	SURGERY	SURGICAL ASSESSMENT UNIT	NE701	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	0	3 3 1 1	2	13.89 5.53	19.42	18.60 12.59		(4.71) (7.06)	(11.77)	7	1 to 2.3	1 to 2.3	1 to 3.5	This is the Surgical Assessment unit at TWH which is run 24/7
DSURGERY	SURGERY	SURGICAL ASSESSMENT UNIT ESCALATION TWH		Inpatient (24-7)	Qualified - RGN Ungualified - CSW		1 1	1	5.24	10.48	0.00	0.00	5.24 5.24	10.48	6	1 to 6	1 to 6	1 to 6	This is the escalation staffing for 6 beds now in the budget and recruited
DSURGERY	SURGERY	SHORT STAY SURGICAL UNIT TWH	NE901	Daycase (Mon to Fri)	Qualified - RGN Unqualified - CSW	0	3 3 1 1	0	5.86	7.81	3.00	5.40	2.86	2.41	18	1 to 6	1 to 6	Day Only	
									24.24		44.96		6.00						
DEMERGMED	MEDICINE1	WARD 2 TWH	NG442	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	1 0	5 4 4 4	4	21.34 17.45	38.80	14.36 20.35	34.71	6.98 (2.90)	4.09	30	1 to 6	1 to 7.5	1 to 7.5	New ward-Patients moved from Ward 22 (Elderly)
DEMERGMED	MEDICINE1	STROKE UNIT TWH	NC201	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	3 0	7 6 6 5	_	30.61 21.90	52.51	24.50 17.34		6.11 4.56	10.67	32	1 to 4.6	1 to 5.3	1 to 6.4	New- This is described as NEW stroke unit
DEMERGMED	AESITEMAID	ACCIDENT & EMERGENCY (MAI)	NA351	A&E	Qualified - RGN Unqualified - CSW	2 0	8 10 1 2	7	48.24 6.83	55.08	41.65 8.92	50.57	6.59 (2.09)	4.51		1 to 4 Majors	1 to 3 Resus		
DEMERGMED	AESITETW	ACCIDENT & EMERGENCY (TWH)	NA301	A&E	Qualified - RGN Unqualified - CSW	3 0	10 11 4 3	10 2	61.24 15.14	76.39	47.36 15.37	62.73	13.88 (0.23)	13.66		1 to 4 Majors	1 to 3 Resus		
DEMERGMED	MEDICINE1	WARD 21 PEMBURY	NG231	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	1	6 5 3 3	5	29.92 13.89	43.81	27.61 13.96	41.57	2.31	2.24	30	1 to 5	1 to 6	1 to 6	Respiratory ward with level 2 respiratory patients requiring non- invasive ventilation - consideration of business case in the future to attract high dependancy tariff
DEMERGMED	CARDIOLOGY	CORONARY CARE UNIT (TWH)	NP301	Inpatient (24-7)	Qualified - RGN Ungualified - CSW	1 0	3 3 1 1	3 0	16.66 2.73	19.39	11.17 4.00	15.17	5.49 (1.27)	4.22	8	1 to 2.7	1 to 2.7	1 to 2.7	
DEMERGMED	MEDICINE1	WARD 12 PEMBURY	NG132	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	1	6 5 3 3	4	27.42 13.55	40.97	19.40 15.95		8.02	5.62	30	1 to 5	1 to 6	1 to 7.5	
DEMERGMED	CARDIOLOGY	CATHETER LABORATORY (TWH)	NP501	Daycase (Mon to Fri)	Qualified - RGN Unqualified - CSW	1	5 0 1 0	0	6.66 1.22	7.88	6.40 1.00	7.40	0.26	0.48	13				Unit operates from 08:00 to 16:00
DEMERGMED	MEDICINE1	WARD 20 PEMBURY	NG230	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	1	5 5 4 3	4	25.37 17.76	43.13	20.24	40.48	5.13 (2.48)	2.65	30	1 to 6	1 to 6	1 to 7.5	
DEMERGMED	MEDICINE1	JOHN DAY RESPIRATORY WARD	NT151	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	1	7 7 3 3	6	36.53 13.89	50.42	31.75 12.40	35.15	4.78 1.49	6.27	31	1 to 4.4	1 to 4.4	1 to 5.2	Respiratory ward with level 2 patients requiring non invasive ventilation
DEMERGMED	MEDICINE1	MERCER WARD (MAI)	NJ251	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	1	4 4 4 3		20.13 16.75	36.88	20.13 16.75	36.88	0.00	0.00	28	1 to 7	1 to 7	1 to 9.3	Includes a Dementia Care Worker in 'other' shift
DEMERGMED	MEDICINE1	CULPEPPER WARD (MAI)	N\$551	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	1	5 5 2 2	4	25.71 8.31	34.02	19.78 7.72	27.50	5.93 0.59	6.52	19	1 to 3.8	1 to 3.8	1 to 4.8	Cardiology ward
DEMERGMED	MEDICINE1	ROMNEY COMMUNITY WARD MAI	NC851	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	1	3 3 3 3	2	14.06 13.21	27.27	11.40 11.51	22.91	2.66 1.70	4.36	22	1 to 7.3	1 to 7.3	1 to 11	
DEMERGMED	MEDICINE1	CHAUCER WARD [NEW MEDICAL]	NK959	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	1 0	5 5 4 4	5 3	27.53 18.45	45.98	23.52 15.42	38.56	3.59 3.41	7.00	33	1 to 6.6	1 to 6.6	1 to 6.6	

Directorate	Specialty	Ward	Cost Centre	Type of Ward	Nurse Grade	Vacancy / (Over			WTE Propo	osed v M1	(April 16)	Staff ir		l Bed Numbers		Ratio Prop ed RGN to E		Notes
Directorate	openancy	mana	Code	Type of Mara		Other	E L	. N	Propo	sed	In Post	t	Vacancy / (Over Estab)	bea maniferio	E	L	N	
DEMERGMED	MEDICINE1	FOSTER CLARKE WINTER WD MAI	NR359	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	1 0	4 4 4 3		19.45 14.92	34.36	10.00 12.35 22	2.35	9.45 2.57 12.01	28	1 to 7	1 to 7	1 to 9.3	
DEMERGMED	MEDICINE1	PYE OLIVER WARD [MEDICAL]	NK259	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	1 0	5 4 4 3	_	23.66 14.92	38.58	16.03 12.71 28	8.74	7.63 2.21 9.84	28	1 to 5.6	1 to 7	1 to 7	Uplift of addittional support worker at night
DEMERGMED	AESITEMAID	URGENT MED AND AMBULATORY UNIT	NG551	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	2 0	8 8 4 4	_	29.82 12.25	42.06	22.56 14.29 36	6.85	7.26 (2.04) 5.21	22	1 to 2.8	1 to 2.8	1 to 7.3	08:00- 20:00 7 days. Includes 14 beds and 8 trolleys
DEMERGMED	MEDICINE1	STROKE UNIT MAID	NK551	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	1 0	5 5 4 2		25.71 12.10	37.81	14.47 12.12 26	6.59	11.24 (0.02) 11.22	26	1 to 5.2	1 to 5.2	1 to 6.5	
DEMERGMED	AESITEMAID	EDIT CAVELL WARD MOU [MEDICAL]	NS459	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	0	2 2 2 2	_	11.48 10.48	21.95	7.59 8.60	6.19	3.89 1.88 5.76	12	1 to 6	1 to 6	1 to 6	
DEMERGMED	AESITETW	MEDICAL ASSESSMENT UNIT TWH	NA901	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	2 0	9 9 4 4	5	39.11 18.33	57.44	37.53 22.43 59	9.96	1.58 (4.10) (2.52)	38	1 to 4.2	1 to 4.2	1 to 7.6	New ward AMU (22 beds+ 16 ambulatory)
DEMERGMED	MEDICINE1	WARD 22 PEMBURY	NG232	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	0	0 0		0.00	0.00	0.00 0.00 0	0.00	0.00 0.00	0				Old code- now NC201. Patents moved to ward 2
DEMERGMED	MEDICINE1	WHATMAN WINTER WARD MAI	NS859	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	1 0	5 4 4 3	4	23.66 12.41	36.07	1.00 0.00 1	L.00	22.66 12.41 35.07	28	1 to 5.6	1 to 7	1 to 7	Escalation Ward
DEMERGMED	CARDIOLOGY	CATHETER LABORATORY (MAI)	NP551	Daycase (Mon to Fri)	Qualified - RGN Unqualified - CSW	1 0	4 0 1 0		5.25 1.22	6.47	4.00 1.00 5	5.00	1.25 0.22 1.47	7				RGN supervisor 2/5 days
DTRAUMAORTH	TRAUMAORTH	WARD 30 PEMBURY	NG330	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	0	7 6 4 2	_	27.59 16.01	43.59	22.82 14.03	6.85	4.77 1.98 6.74	30	1 to 4.3	1 to 5	1 to 7.5	
DTRAUMAORTH	TRAUMAORTH	WARD 31 PEMBURY	NG331	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	0	6 5 5 4	_	26.32 19.96	46.28	15.32 19.43 34	4.75	11.00 0.53 11.53	30	1 to 5	1 to 6	1 to 7.5	
#N/A	#N/A	#N/A							12.16		17.07		(2.04)					
DCRITICALCARE	CRITICALCARE	INTENSIVE CARE (TWH)	NA201	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	1	8 8 1 1	. 1	43.46 4.09	47.55	4.00	1.37	(3.91) 0.09 (3.82)	9	1 to 1.1	1 to 1.1	1 to 1.1	Excludes Educator post in Shift numbers
DCRITICALCARE	CRITICALCARE	INTENSIVE CARE (MAI)	NA251	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	1 0	8 8 1 0	0	43.12 0.07	43.19	1.00	9.81	4.31 (0.93) 3.38	9	1 to 1.1	1 to 1.1	1 to 1.1	Excludes Educator post in Shift numbers
DCRITICALCARE	CRITICALCARE	THEATRES (TWH)	TA101	Theatre	Qualified - RGN Unqualified - CSW	0	0 0	0	95.40 34.14	129.55	34.24	04.09	25.55 (0.10) 25.46					In line with Theatres guidelines
DCRITICALCARE	CRITICALCARE	THEATRES (MS)	TC151	Theatre	Qualified - RGN Unqualified - CSW	0	0 0	_	53.92 14.25	68.18	53.17 11.47 64	4.64	0.75 2.78 3.54					In line with Theatres guidelines
#N/A DCANCER	#N/A CANCERCENTRE	IIN/A LORD NORTH WARD (MAI)	NF651	Inpatient (24-7)	Qualified - RGN Qualified - RGN Ungualified - CSW	1	5 4 1 1	3	22.98 6.18	0.00 29.16	22.32 6.72	9.04	0.00 0.00 0.66 (0.54) 0.12	18	#DIV/01 1 to 3.6	#DIV/01 1 to 4.5	Day Only 1 to 6	
DCANCER	CANCERCENTRE	CHARLES DICKENS WARD (MAI)	NF751	Daycase (Mon to Fri)	Qualified - RGN Unqualified - CSW	1	9 2 2 2		15.27 5.01	20.28	13.20 6.00	9.20	2.07 (0.99) 1.08	20	1 to 2.2	1 to 10	Day Only	16 Chemotherapy chairs & 4 non chemotherpay chairs
DCANCER	CANCERCENTRE	HAEMATOLOGY DAY UNIT (TWH)	NC601	Daycase (Mon to Fri)	Qualified - RGN Unqualified - CSW	1 0	6 1 1 1	0	9.05 1.95	11.00	6.72	9.39	2.33 (0.72) 1.61	10	1 to 1.7	1 to 10	Day Only	Chairs
#N/A DPAEDIATRICS	HN/A CHILDREN	RIVERBANK (PAEDS WARD) MAI	NK151	Daycase (Mon to Fri)	Qualified - CSW Qualified - RGN Unqualified - CSW	0	3 3 1 1	_	5.61 1.87	0.00 7.48	0.00 0 6.68 9 2.57	9.25	0.00 0.00 (1.07) (0.70) (1.77)	23	#DIV/01 1 to 7.7	#DIV/01 1 to 7.7	Day Only Day Only	
DPAEDIATRICS	CHILDREN	HEDGEHOG WARD PEM PREV TIGER	ND702	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	0	10 10 4 3	_	39.79 10.25	50.04	34.95 10.02	4.97	4.84 0.23 5.07	38	1 to 3.8	1 to 3.8	1 to 6.3	This cost centre includes Hedgehog ward (inpatient 24/7) and Woodlands Day Centre (Daycase Mon-Sun)

Maidstone and Tunbridge Wells NHS Trust Appendix 2 Ward Nursing Staff Analysis

2016/17 Proposed WTE v 2015/16 Budgeted WTE

Directorate	Department	Ward	Cost Centre Code	Type of Ward (Proposed)	Nurse Grade	2015/16 Budget (Jan 16) WTE	15/16 Funded Beds	2016/17 Proposed Budget (WTE)	2016/17 Funded Beds	WTE Change	Comment
DSURGERY	SURGERY	MAIDS SHORT STAY SURG UNIT	NE751	Daycase (Mon to Fri)	Qualified - RGN Unqualified - CSW	10.03 3.90	18.00	9.68 3.90	18.00	-0.35 0.00	Budget adjusted to reflect actual shift pattern
DSURGERY	SURGERY	MAIDS SHORT STAY SURG UNIT (Sat Day Escalation)	NE751	Saturday Escalation	Qualified - RGN Unqualified - CSW	0.00		0.76 0.38	Sat Day	0.76 0.38	Budget set to reflect Saturday (Day) opening
DSURGERY	SURGERY	CORNWALLIS WARD [NEW SURGERY]	NS959	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	19.01 9.09	19.00	19.01 9.09	19.00	0.00	
DSURGERY	SURGERY	PEALE WARD (SURGERY)	NE959	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	19.73 2.73	13.00	19.73 2.73	13.00	0.00	
DSURGERY	SURGERY	WARD 10 PEMBURY	NG130	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	27.87 15.26	30.00	27.88 15.26	30.00	0.01	Budget adjusted to reflect actual shift pattern
DSURGERY	SURGERY	WARD 11 PEMBURY	NG131	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	27.84 12.18	30.00	28.84 12.18	30.00	1.00 0.00	Budget adjusted to reflect actual shift pattern
DSURGERY	SURGERY	DAY SURGERY WARD (14A) PEM	NE701	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	13.89 6.46	7.00	13.89 5.53	7.00	0.00 -0.93	Budget adjusted to reflect actual shift pattern
DSURGERY	SURGERY	SURGICAL ASSESSMENT UNIT ESCALATION TWH	0	0	Qualified - RGN Unqualified - CSW	0.00		5.24 5.24	6.00	5.24 5.24	Increased to fund escalation area
DSURGERY	SURGERY	SHORT STAY SURGICAL UNIT TWH	NE901	Daycase (Mon to Fri)	Qualified - RGN Unqualified - CSW	5.86 1.95	18.00	5.86 1.95	18.00	0.00	
#N/A DEMERGMED	#N/A MEDICINE1	#N/A WARD 2 TWH	0 NG442	0 Inpatient (24-7)	Qualified - CSW Qualified - RGN Ungualified - CSW	35.16 23.66	30.00	21.34 17.45	30.00	-13.82 -6.21	Ward reconfigoration
DEMERGMED	MEDICINE1	STROKE UNIT (PREV WD14) TWH	NC201	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	17.65 8.85	32.00	30.61 21.90	32.00	12.96 13.05	Ward reconfigoration
DEMERGMED	AESITEMAID	ACCIDENT & EMERGENCY (MAI)	NA351	A&E	Qualified - RGN	42.66	0.00	48.24 6.83	0.00	5.58 -0.33	Budget adjusted to reflect actual shift pattern and includes 4.00WTE Paediatric Nurses (agreed business
DEMERGMED	AESITETW	ACCIDENT & EMERGENCY (TWH)	NA301	A&E	Unqualified - CSW Qualified - RGN Unqualified - CSW	7.16 63.98 20.74	0.00	61.24 15.14	0.00	-0.33 -2.74 -5.60	case) Budget adjusted to reflect actual shift pattern
DEMERGMED	MEDICINE1	WARD 21 PEMBURY	NG231	Inpatient (24-7)	Qualified - RGN Ungualified - CSW	30.72 13.39	30.00	29.92 13.89	30.00	-0.80 0.50	
DEMERGMED	CARDIOLOGY	CORONARY CARE UNIT (TWH)	NP301	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	14.99 2.12	8.00	16.66 2.73	8.00	1.67 0.61	
DEMERGMED	MEDICINE1	WARD 12 PEMBURY	NG132	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	26.06 14.99	30.00	27.42 13.55	30.00	1.36 -1.44	
DEMERGMED	CARDIOLOGY	CATHETER LABORATORY (TWH)	NP501	Daycase (Mon to Fri)	Qualified - RGN Unqualified - CSW	7.00 1.00	13.00	6.66 1.22	13.00	-0.34 0.22	
DEMERGMED	MEDICINE1	WARD 20 PEMBURY	NG230	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	25.37 19.30	30.00	25.37 17.76	30.00	0.00 -1.54	
DEMERGMED	MEDICINE1	JOHN DAY RESPIRATORY WARD MAI	NT151	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	25.57 13.32	28.00	36.53 13.89	31.00	10.96 0.57	Ward reconfigured 1516 budget on Old Chaucer report
DEMERGMED	MEDICINE1	CHAUCER WARD [NEW MEDICAL]	NK959	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	18.76 8.73	33.00	27.53 18.45	33.00	8.77 9.72	Ward reconfigured 1516 budget on Old Chaucer report
DEMERGMED	AESITEMAID	EDIT CAVELL WARD MOU [MEDICAL]	NS459	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	0.00	12.00	11.48 10.48	12.00	11.48 10.48	Ward reconfigured 1516 budget on Old Chaucer report
DEMERGMED	MEDICINE1	CHAUCER WARD (OLD REPORT)	NS451	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	30.88 23.82	54.70	0.00	0.00	-30.88 -23.82	Report disbanded - See New Chaucer, Edith Cavell and John Day Ward

Directorate	Department	Ward	Cost Centre Code	Type of Ward (Proposed)	Nurse Grade	2015/16 Budget (Jan 16) WTE	15/16 Funded Beds	2016/17 Proposed Budget (WTE)	2016/17 Funded Beds	WTE Change	Comment
DEMERGMED	MEDICINE1	MERCER WARD (MAI)	NJ251	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	20.59 17.20	28.00	20.13	28.00	-0.46 -0.45	
DEMERGMED	MEDICINE1	CULPEPPER WARD (MAI)	N\$551	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	25.38 8.57	19.00	25.71 8.31	19.00	0.33 -0.26	
DEMERGMED	MEDICINE1	ROMNEY COMMUNITY WARD MAI	NC851	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	14.55 13.55	22.00	14.06 13.21	22.00	-0.49 -0.34	
DEMERGMED	MEDICINE1	FOSTER CLARKE WINTER WD MAI	NR359	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	0.00 0.00	28.00	19.45 14.92	28.00	19.45 14.92	New Funded Ward
DEMERGMED	MEDICINE1	PYE OLIVER WARD [MEDICAL]	NK259	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	24.81 11.75	28.00	23.66 14.92	28.00	-1.15 3.17	Increase by 1 CSW at night
DEMERGMED	AESITEMAID	URGENT MED AND AMBULATORY UNIT	NG551	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	29.75 14.11	22.00	29.82 12.25	22.00	0.07 -1.86	
DEMERGMED	MEDICINE1	STROKE UNIT MAID	NK551	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	26.42 10.59	26.00	25.71 12.10	26.00	-0.71 1.51	
DEMERGMED	AESITETW	MEDICAL ASSESSMENT UNIT TWH	NA901	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	0.00	38.00	39.11 18.33	38.00	39.11 18.33	New Funded Ward
DEMERGMED	MEDICINE1	WARD 22 PEMBURY	NG232	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	16.45 17.45	0.00	0.00	0.00	-16.45 -17.45	Ward now moved under Stroke Unit
DEMERGMED	MEDICINE1	WHATMAN WINTER WARD MAI	NS859	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	0.00	28.00	23.66 12.41	28.00	23.66 12.41	New Funded Ward for 8 months of the year
DEMERGMED	CARDIOLOGY	CATHETER LABORATORY (MAI)	NP551	Daycase (Mon to Fri)	Qualified - RGN Unqualified - CSW	5.17 1.00	7.00	5.25 1.22	7.00	0.08	
DEMERGMED	MEDICINE1	NEURO REHAB WARD (TCH)	NC901	0	Qualified - RGN Unqualified - CSW	12.78 7.40	0.00	0.00	0.00	-12.78 -7.40	Ward now moved under Stroke Unit
DTRAUMAORTH	TRAUMAORTH	WARD 30 PEMBURY	NG330	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	27.25 14.55	30.00	27.59 16.01	30.00	0.34	
DTRAUMAORTH	TRAUMAORTH	WARD 31 PEMBURY	NG331	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	26.90 20.16	30.00	26.32 19.96	30.00	-0.58 -0.20	
DCRITICALCARE	CRITICALCARE	INTENSIVE CARE (TWH)	NA201	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	44.46 5.24	0.00	43.46 4.09	9.00	-1.00 -1.15	Budget adjusted to reflect actual shift pattern
DCRITICALCARE	CRITICALCARE	INTENSIVE CARE (MAI)	NA251	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	44.73 1.22	0.00	43.12 0.07	9.00	-1.61 -1.15	Budget adjusted to reflect actual shift pattern
DCRITICALCARE	CRITICALCARE	THEATRES (TWH)	TA101	THEATRES	Qualified - RGN Unqualified - CSW	94.78 35.34	130.12	95.40 34.14	129.55	0.62 -1.20	
DCRITICALCARE	CRITICALCARE	THEATRES (MS)	TC151	THEATRES	Qualified - RGN Unqualified - CSW	55.18 13.23	68.41	53.92 14.25	68.18	-1.26 1.02	
#N/A DCANCER	#N/A CANCERCENTRE	HN/A LORD NORTH WARD (MAI)	0 NF651	0 Inpatient (24-7)	Qualified - RGN Qualified - RGN Unqualified - CSW	23.95 6.91	18.00	22.98 6.18	18.00	-0.97 -0.73	
DCANCER	CANCERCENTRE	CHARLES DICKENS WARD (MAI)	NF751	Daycase (Mon to Fri)	Qualified - RGN Unqualified - CSW	14.80 6.20	20.00	15.27 5.01	20.00	0.47 -1.19	
DCANCER	CANCERCENTRE	HAEMATOLOGY DAY UNIT (TWH)	NC601	Daycase (Mon to Fri)	Qualified - RGN Unqualified - CSW	9.00 2.00	10.00	9.05 1.95	10.00	0.05 -0.05	
#N/A DPAEDIATRICS	#N/A CHILDREN	RIVERBANK (PAEDS WARD) MAI	0 NK151	0 Daycase (Mon to Fri)	Qualified - RGN Unqualified - CSW	6.68 2.57	0.00	5.61 1.87	23.00	-1.07 -0.70	
DPAEDIATRICS	CHILDREN	HEDGEHOG WARD PEM PREV TIGER	ND702	Inpatient (24-7)	Qualified - RGN Unqualified - CSW	42.95 11.37	0.00	39.79 10.25	38.00	-3.16 -1.12	

Maidstone and Tunbridge Wells NHS

NHS Trust

Trust Board meeting – May 2016

5-13 Safeguarding Adults Report

Chief Nurse

Summary / Key points

The Trust is required to produce an annual Safeguarding Adults report, which should have oversight by a committee of the Board and cover the key elements of safeguarding including the provision of policies, procedures, training and safeguarding alerts.

The report provides assurance that statutory requirement are met, particularly in relation to the Mental Capacity Act and the Deprivation of Liberty Safeguards

The report has been prepared by the Safeguarding Adults Matron with oversight of the Safeguarding Adults Committee. The full report was presented to, and discussed by the Trust Management Executive Committee in April 2016 and Quality Committee in May 2016. Below is a summary providing the board with the key information for assurance:

Safeguarding Adults Report Summary:

The report covers the Financial Year April 2015 - end March 2016.

The report is shared with the Kent and Medway Safeguarding Adults Board as our annual report to our Multi-agency partners.

Key messages are that the Trusts policies and procedures in relation to Safeguarding Adults at Risk of Harm and the Mental Capacity Act and Deprivation of Liberty Safeguards have been reviewed this year. This, so as to bring them in line with national changes in legislation and local changes in relation to update policies, procedures and guidance

Staff in the Trust continue to raise Safeguarding Alerts appropriately and this is seen as an indicator that the current training provided is enabling staff to feel confident to raise these alerts to our multi-agency partners.

The way in which training is delivered was changed in January 2015 in order that we can deliver Level 2 Safeguarding, MCA awareness to clinical staff at Trust Clinical Induction on their first day in the Trust.

Level 3 Safeguarding Adults Training (non-mandatory); a one day course has been offered since May 2015. This enables staff to explore the subject matter in greater depth.

Trust staff remain keen to learn from allegations of abuse and put in place remedial actions when investigations highlight any shortcomings in practice.

The Trust awaits the outcome of Consultation 222 in relation to the Mental Capacity Act and Deprivation of Liberty Safeguards and in the meantime we continue to work to ensure that practitioners uphold the tenets and principles of the Mental Capacity Act 2007.

The DOLS applications, process and administration remains a challenge for Trust staff.

Our ability to respond & develop good practice within the Trust for People with a Learning Disability (PWLD) is currently under review to enable us to strengthen this area of work within the Trust.

Which Committees have reviewed the information prior to Board submission?
Trust Management Executive; Quality Committee

Reason for submission to the Board (decision, discussion, information, assurance etc.)¹

Information and assurance

¹ All information received by the Board should pass at least one of the tests from 'The Intelligent Board' & 'Safe in the knowledge: How do NHS Trust Boards ensure safe care for their patients': the information prompts relevant & constructive challenge; the information supports informed decision-making; the information is effective in providing early warning of potential problems; the information reflects the experiences of users & services; the information develops Directors' understanding of the Trust & its performance

Maidstone and Tunbridge Wells NHS

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Trust Board meeting – May 2016

5-14 Discussion of the assumptions underlying the 5-14 Winter Plan and Operational Resilience Plan 2016/17 Chief Operating Officer (inc. how elective activity will be increased)

Summary / Key points

The enclosed report provides information on the proposed Winter Plans for 2016/17 and the governance structure to support operational delivery and communication.

The key objectives are:

- Winter Plan is understood by the organisation
- Maintain quality indicators over the winter period
- Ensure delivery of A&E, RTT and Cancer standards
- Maximise elective activity over this period
- Ensure patients who no longer require acute care are discharged in a safe and timely way
- Safe staffing levels are observed in all clinical areas
- Health and Social Care partners are involved in all aspects of planning
- Maximising the impact of new services and pathways developed over the past year

Which Committees have reviewed the information prior to Board submission? $\ensuremath{\mathsf{N/A}}$

Reason for submission to the Board (decision, discussion, information, assurance etc.)¹ Discuss and support further development of the proposals outlined in the draft winter plan noting that it will be subject to further iterations

¹ All information received by the Board should pass at least one of the tests from 'The Intelligent Board' & 'Safe in the knowledge: How do NHS Trust Boards ensure safe care for their patients': the information prompts relevant & constructive challenge; the information supports informed decision-making; the information is effective in providing early warning of potential problems; the information reflects the experiences of users & services; the information develops Directors' understanding of the Trust & its performance

1. Introduction

This plan has been produced to ensure operational resilience for the winter period 2016/17. Provision of sufficient inpatient capacity over the winter period to meet increased service demands for both non-elective and elective patients will positively impact on the quality of care delivered and support achievement of the Trust's operational and financial plans.

The objectives of the 16/17 winter plan are:

- The Winter Plan is understood by the organisation
- A Programme Board is established to agree and implement plan
- To support principle of 'Right patient, Right bed, Right time'
- Maintain key quality indicators HAPU's, falls, HCAI's
- Continue to embed SAFER principles
- Ensure delivery of ED, RTT and Cancer standards
- Ensure MFFD patients are discharged in a safe and timely way
- Ensure DToC rate is <5% (CQC standard is <3.5% but this has not been achieved in 2 years)
- All clinical areas have safe staffing levels
- Elective work is undertaken in line with plan

These objectives are based on the experiences from the past 2 years, both of which gave significant challenge to the Trust. It is proposed to establish a Winter Planning & Resilience Programme for this winter to ensure the lessons learnt from previous years are incorporated into the plan. The plan will involve all stakeholders, both internal and external to the Trust in order to give a framework to ensure safe and effective services are run during this period.

External stakeholders are critical to the success of this plan. It is expected that health and social care partners will also require the Trust's involvement in their planning to ensure health economy plans are joined up and deliver the required level of service, without delays or duplication.

This plan should be read in conjunction with the following Trust plans:

- Major Incident Plan
- Pandemic Influenza Plan
- Trust Escalation Policy
- Business Continuity Plans
- Operational Recovery & Resilience Plan

1.2 Key Winter Pressures

Pressures for the Trust during the winter are due predominantly to two factors. Firstly, an increase in complexity and acuity of patients attending ED and then requiring admission. These patients need a longer hospital stay and increased support on discharge. The additional support services required are not always able to be provided in a timely way due to capacity and resource shortfalls experienced during the winter. This leads to a rise in Medically Fit For Discharge (MFFD) patients, Delayed Transfers of Care (DToC) and length of stay (LOS) creating a capacity challenge for the Trust which manifests in long ED waits and ambulance delays.

Other factors to consider are:

- Impact on elective work as number of 'stranded' medical patients increase
- Higher levels of infection within the community with subsequent increase in demand for services, inability to discharge to community hospitals and care homes
- Unplanned staff absence due to infections such as seasonal flu and Norovirus
- Bank Holiday impact on service
- Reduction in available temporary staff as escalation areas open
- Impact of severe weather

1.2 Demand and Capacity

1.2.1 Bed Modelling

Remodelling of 'core' inpatient beds to ensure sufficient specialty capacity to meet both the non-elective needs and elective requirements 85% of the time was undertaken in early 2016.

The tables below show the current 'core' bed base, by specialty, and the available escalation capacity to be used for winter.

The Winter Plan will evidence the order in which beds will be escalated (and de-escalated) over the winter to ensure the minimum impact on routine services, staff requirements and elective activity.

Summary - Assessment of Bed Requirement

Requirement for core beds has been based on the recommended 85th percentile of the variation in demand April -

November 2015

An assessment of the additional beds required for Winter pressures has been calculated using the 95th percentile of the variation in demand during December - February 2014.

Tunbridge Wells Hospital Summary

			Winter Beds					
		% Days within	for 85% of		%	Beds	Requirement	
Directorate	Bedstock	allocation	days	Variance	Elective	Requirement	95% of Days	Additional
Emergency & Medical Services	182	28%	201	-19	3%	6	248	47

Tunbridge Wells Bedstock	Core	Escalated	Total
New Ward - AMU	22	16	38
Ward 2	30	0	30
Ward 20	30	0	30
Ward 21	30	0	30
Ward 22	22	0	22
Ward 12	30	0	30
Acute Stroke Unit	10	0	10
Tonbridge Cottage	0	0	0
CCU	8	0	8
Cath Lab	0	10	10
Recovery	0	6	6
The Wells Suite	0	17	17
Total	182	49	231

Maidstone Hospital Summary

				Winter Beds				
			Requirement			Elective		
		% Days within	for 85% of		%	Beds	Requirement	
Directorate	Bedstock	allocation	days	Variance	Elective	Requirement	95% of Days	Additional
Emergency & Medical Services	239	88%	235	4	3%	6	291	56

Maidstone Bedstock	Core	Escalated	Total
Culpepper	13	0	13
Stroke Unit	26	0	26
CCU	6	0	6
Mercer	26	0	26
New Ward John Day (inc J			
Saunders)	31	0	31
Chaucer	33	0	33
Urgent Medical & Ambulatory Care			
(UMAU)	14	8	22
Foster Clarke	28	0	28
Pye Oliver	28	0	28
Edith Cavel Unit	12	0	12
Romney	22	0	22
Maidstone Cath Lab	0	3	3
Whatman	0	28	28
Total	239	39	278

Summary - Assessment of Bed Requirement

Requirement for core beds has been based on the recommended 85th percentile of the variation in demand April - November 2015

An assessment of the additional beds required for Winter pressures has been calculated using the 95th percentile of the variation in demand during December 2015 - February 2016.

Tunbridge Wells Hospital Summary

			Winter Beds					
Directorate	Bedstock	% Days within allocation	Requirement for 85% of days	Variance	% Elective	Elective Beds Requirement	Requirement 95% of Days	Additional
Trauma & Orthopaedics	69	79%	71	-2	24%	17	76	5

Tunbridge Wells Bedstock	Core	Escalated	Total
Ward 31	30	0	30
Ward 30	30	0	30
TW32	9	0	9
Total	69	0	69

Summary - Assessment of Bed Requirement

Requirement for core beds has been based on the recommended 85th percentile of the variation in demand April - November 2015 An assessment of the additional beds required for Winter pressures has been calculated using the 95th percentile of the variation in demand during December 2015- February 2016.

Tunbridge Wells Hospital Summary

			Winter Beds					
	Requirement Elective Beds % Days within for 85% of Elective Beds							
Directorate	Bedstock	allocation	days	Variance	% Elective	Requirement	Requirement 95% of Days	Additional
Surgery Services	69	60%	76	-7	8%	6	91	15

Tunbridge Wells Bedstock	Core	Escalated T	otal
Ward 10	30	0	30
Ward 11	30	0	30
Surgical Assessment Unit	9	0	9
Total	69	0	69

Maidstone Hospital Summary

			Core B	eds			Winter	Beds
		% Days within	Requirement for 85% of			Elective Beds	Requirement	
Directorate	Bedstock	allocation	days	Variance	% Elective	Requirement	95% of Days	Additional
Surgery Services	32	33%	42	-10	70%	29	46	4

Maidstone Bedstock	Core	Escalated Tot	tal
Cornwallis	19	0	19
Peale	13	0	13
Short Stay Surgery Unit	0	6	6
Total	32	6	38

1.3 Planning and Implementation

1.3.1

MTW winter escalation period will run from 1st November 2016 to 31st March 2017. This is a month later than planned in previous years but the lessons learn from past winters are that the Trust is unable to close escalation areas before the end of March, indeed if this was achieved it would be a significant improvement. Financial plans for escalation areas reflect this change for 16/17.

1.3.2

Timetable

May 2016	Discussion paper presented to Trust Board	Chief Operating Officer (COO)
June 2016	Discussion paper presented to TME	COO
	Discussion at Clinical Ops	COO
July 2016	Establish and agree TOR for Winter Planning Programme Board	COO
	Arrange meeting schedule with Stakeholders	Corporate Admin
August 2016	Start Winter Planning Programme Board meetings	COO
September 2016	Receive plans form local health and social care partners	DOO Urgent Care
October 2016	Test plan and agree contingency	Emergency Planning Manager DOO Urgent Care
November 2016	Implement plan	Trustwide

1.4 Actions taken to improve patient flows in 16/17

A number of new services and pathways have been implemented during this year, which has led to more efficient use of capacity. These include:

- Ambulatory Emergency Care (AEC) pathways to reduce the number of nonelective patients needing admission
- Integrated Discharge Team (IDT) which brings together into one management team social services, hospital and community discharge teams to avoid duplication, reduce 'hand offs' and reduce LOS and DTOC
- CHS appointed to work with the Trust and families / carers to facilitate discharge patients needing placement or domiciliary care within 5 days of referral

- Ring fencing of surgical capacity at Maidstone for elective activity
- Opening of new ward at TWH in March
- Repatriation of stroke rehabilitation services from Tonbridge Cottage Hospital to TWH to allow all stroke care to be delivered in one area, improving communication, stroke performance standards, patient experience and reducing LOS

1.5 Risks and Contingency plans

A Risk Register will be compiled as part of the governance framework supporting the Winter Planning Programme Board. An event was held in April to reflect on the experiences of winter 15/16 and key learning recorded. This evidence will be reviewed by the Winter Planning Programme Board to ensure lessons learn are acted upon for this year.

The key risks are:

- Staffing vacancies (medical and nursing)
- Financial implication of reduced elective work
- Failure to achieve A&E, RTT and Cancer standards
- Unable to undertake planned elective activity due to unplanned escalation

1.6 Governance and Stakeholder Engagement

An Engagement Plan outlining communication with internal and external stakeholder will be compiled and shared with staff and patient representatives. The aim is to ensure the Winter Plan is understood by everyone who needs to use it, including wards and departments, and that all staff are aware of the actions required at each escalation trigger points

1.7 Next Steps

Progress against plan will be monitored by the COO at the monthly Programme Board. An update will be presented to the Trust Board in October for assurance. Maidstone and Tunbridge Wells NHS

NHS Trust

Trust Board meeting - May 2016

5-16Summary report from Audit and Governance
Committee, 05/05/16 & 25/05/16Committee Chair (Non-
Executive Director)

The Audit and Governance Committee met on 5th May 2016

1. The key matters considered at the meeting were as follows:

- The actions from the previous meeting were reviewed, which prompted a request for the Chairs of the Workforce and Finance Committees to consider introducing the receipt of 6monthly updates on relevant Internal Audit reviews
- The year-end review of the Board Assurance Framework was discussed, and it was noted that the report did not contain any surprises, given the performance reported in-year. The discussion of risk that the report prompted did however lead to an action to investigate whether the potential risk of blocking of Majors/Resuscitation beds in A&E (at Maidstone Hospital) was reflected in the Trust's current Risk Register
- The Committee discussed the potential approaches to "risk appetite" that could be adopted by the Trust, and it was agreed that the Committee's preferred approach was to focus on determining what risk score/rating was acceptable for each particular risk (i.e. a target risk score). It was agreed to amend the draft Risk Policy to reflect this approach, prior to the Policy being debated at other forums
- The Internal Audit Annual Report for 2015/16 was reviewed, which included the draft Head of Internal Audit Opinion
- A report on progress with actions from previous Internal Audit reviews was also reviewed, and it was agreed to arrange for the Director of Health Informatics and Director of ICT Audit to submit a report to the Committee in August 2016 on the status of outstanding recommendations from KMHIS Internal Audit reviews
- A Counter Fraud update was received and reviewed, and the Work Plan for 2016/17 was approved
- A 'Progress and emerging issues report' was received from external audit, which included reports outlining "...how the Audit and Governance Committee gains assurance from management" and an understanding of the management processes in place to prevent and detect fraud and to ensure compliance with laws and regulation
- The External audit fee letter for 2015/16 was received, and it was noted that the fee had been set (by the Audit Commission) at £75,069, which compared to a fee of £100,092 for 2014/15
- The Trust's draft Annual Report for 2015/16 (including the Governance Statement) was reviewed. No comments were made, and the Report will be subjected to final review at the Audit and Governance Committee on 25/05/16
- The Trust's draft Annual Accounts for 2015/16 were also reviewed, and following the conclusion of the external audit, will be subjected to final review at the Committee on 25/05/16
- The Audit and Governance Committee Annual Report for 2015/16 was approved, but it was agreed that the Trust Secretary should consider including examples of how the Committee had 'made a difference'. The NHS Audit Committee Handbook recommends that the report be issued to all members of the Trust Board in advance of the meeting to agree the Annual Report and Accounts. The report is therefore enclosed, in Appendix 1
- The latest Single Tender Waivers data were reviewed, and it was agreed that the Deputy Director of Finance (Financial Governance) should conduct a 'spot analysis' on the total quantum of Estates tender waivers, and circulate this to Committee members
- A report giving details of gifts, hospitality and sponsorship declared was received for the first time. The report was commended, but it was agreed that the Trust Secretary should review the details of the Trust's contractual relationships with Boehringer Ingelheim and Pierre Fabre Ltd, to ascertain the existence of any concerns, in the light of the declarations

- 2. The Committee received details of the following Internal Audit reviews:
 - "Estates Procurement" (which received a "Limited Assurance" conclusion)
 - "E-Expenses" (which received a "Reasonable Assurance" conclusion)
 - "Use of Temporary Staff" (which received a "Reasonable Assurance" conclusion)
 - "Critical Financial Assurance Payroll" (which received a "Reasonable Assurance" conclusion)
 - "Critical Financial Assurance Financial Accounting" (which received a "Reasonable Assurance" conclusion)
 - "Critical Financial Assurance Non Pay Expenditure" (which received a "Reasonable Assurance" conclusion)
 - "Assurance Framework and Risk Management" (which received a "Reasonable Assurance" conclusion)
 - "Information Governance Toolkit: Part 2" (which received a "Reasonable Assurance" conclusion)
- 3. The Committee was also notified of the following "Urgent" priority outstanding actions from Internal Audit reviews:
 - "Data Centre Facilities Review (Frame Server Room Assessment)" (1 outstanding action)
 - "Server Management Review" (2 outstanding actions)
 - "Review of Private Patients Income" (1 outstanding action)

4. The Committee agreed that (in addition to any actions noted above):

- The Trust Secretary should liaise with the Chair of the Committee to consider how better to structure the "Safety Moments" at Trust Board and sub-committee meetings
- The Head of Internal audit should provide the draft reports of the "Cash Collection Processes"; "Data Quality" and "Cost Improvement Plans" Internal Audit reviews to the Trust's External Auditor
- 5. The issues that need to be drawn to the attention of the Board are as follows:
 - The Audit and Governance Committee will meet on 25/05/16, before the Trust Board, to review the final Annual Report and Accounts, and consider the findings from the external audit. A verbal update on the outcome will be reported to the Trust Board on 25/05/16

Which Committees have reviewed the information prior to Board submission? N/A

Reason for receipt at the Board (decision, discussion, information, assurance etc.)¹ Information and assurance

¹ All information received by the Board should pass at least one of the tests from 'The Intelligent Board' & 'Safe in the knowledge: How do NHS Trust Boards ensure safe care for their patients': the information prompts relevant & constructive challenge; the information supports informed decision-making; the information is effective in providing early warning of potential problems; the information reflects the experiences of users & services; the information develops Directors' understanding of the Trust & its performance

Appendix 1: Audit and Governance Committee Annual Report 2015/16

1. Introduction

This report summarises the key work areas of the Audit and Governance Committee during the period April 2015 to March 2016. The report supports the primary role of the committee in ensuring the adequacy and effective operation of the organisation's overall internal control system. The format of the report is informed by the guidance contained with the NHS Audit Committee Handbook (2014), and highlights work and outcomes in the following areas: Meetings and administration; 3. Governance, Risk Management and Internal Control, Internal Audit, External Audit, Audit and Governance Committee assessment; and Audit and Governance Committee statement / declaration.

2. Meetings and administration

During 2015/16, the Audit and Governance Committee met five times, on: 07/05/15, 27/05/15 (to recommend the approval of the Annual Accounts for 2014/15), 06/08/15, 12/11/15 and 22/02/16.

All of the Trust's Non-Executive Director (apart from the Chairman of the Trust Board) are members of the Audit and Governance Committee. The membership of the Committee during 2015/16 was as follows:

- Sylvia Denton, Non-Executive Director
- Sarah Dunnett, Non-Executive Director
- Alex King, Non-Executive Director
- Kevin Tallett, Non-Executive Director. Mr Tallett was the Chairman of the Committee throughout 2015/16
- Steve Tinton, Non-Executive Director. Mr Tinton was the Vice-Chairman of the Committee throughout 2015/16

	07/05/15	27/05/15	06/08/15	12/11/15	22/02/16
Sylvia Denton	Apologies	\checkmark	Apologies	\checkmark	Apologies
Sarah Dunnett	Apologies	✓	Apologies	✓	✓
Alex King	Apologies	\checkmark	Apologies	Apologies	Apologies
Kevin Tallett	✓	✓	\checkmark^2	✓	✓
Steve Tinton	\checkmark	\checkmark	Apologies	\checkmark	Apologies

Attendance at each Audit and Governance Committee meeting in 2015/16 is shown below:

The Committee's Terms of Reference were reviewed and agreed at the Audit and Governance Committee meeting on 12/11/15, and approved by the Trust Board on 25/11/15. The Terms of Reference will next be reviewed at the November 2016 Audit and Governance Committee (and then be submitted for approval to the Trust Board in the same month).

The Terms of Reference deliberately do not incorporate clinical audit processes, as this is left to the oversight of the Quality Committee and Trust Clinical Governance Committee.

3. Governance, Risk Management and Internal Control

a. Board Assurance Framework and Risk management

The Board Assurance Framework (BAF) is the document through which the Trust Board is apprised of the principal risks to the Trust meeting its objectives, and to the controls in place to manage those risks. The format of the BAF was revised in 2015/16, and the revised BAF was reviewed at the Audit and Governance Committee at its meetings on 06/08/15, 12/11/15 and 22/02/16. A 'closure' report for the 2015/16 objectives is scheduled to be received at the Audit and Governance Committee on 05/05/16. The Audit and Governance Committee at its meetings on

² The meeting on 6th August 2015 was not quorate

06/08/15, 12/11/15 and 22/02/16. The annual Internal Audit review of "Assurance Framework & Risk Management", undertaken at the end of 2015/16, resulted in a "reasonable assurance" conclusion, noting that "The BAF and Risk Management processes have been subject to regular review by the Trust, including at the Audit and Governance Committee and the Trust Management Executive"; "Clear risk management processes are in place to support the identification and management of risks"; and "A robust reporting structure to the Trust Board is in place".

b. Counter fraud

The Audit and Governance Committee has reviewed activity relating to counter fraud measures in 2015/16, via reports from the Local Counter Fraud Specialist (LCFS). The 2015/16 Counter Fraud Work Plan was approved at the meeting held on 06/08/15, whilst the Annual Report of Counter Fraud Activity for 2014/15 was received at the meeting on 07/05/15.

c. Relationships with the Trust Board

The reporting from the Committee to the Trust Board takes place via a written summary report of each meeting, presented by the Committee Chairman. The report is based on a template, and covers the key matters considered at the meeting; details of the Internal Audit reviews that were discussed; the "high" priority outstanding actions from Internal Audit reviews; and any issues that need to be drawn to the attention of the Board.

In 2015/16, the Audit and Governance Committee was appointed (by the Trust Board) as the Trust's "Auditor Panel", to advise the Board on the selection, appointment and removal of external auditors, for appointments for 2017/18 onwards. Formal processes to enable the Committee to fulfil this role will be finalised during 2016/17.

d. Head of Internal Audit Opinion (HoIA)

The Head of Internal Audit Opinion (HoIA) for 2015/16 states that "there is "reasonable" assurance that Maidstone and Tunbridge Wells NHS Trust has a generally sound system of internal control, designed to meet the organisations objectives and that controls are generally being applied consistently. However, some weaknesses in the design and/or inconsistent application of control, put the achievement of particular objectives at risk".

e. Governance Statement

The Governance Statement for 2015/16 was reviewed at the Audit and Governance Committee on 05/05/16, as part of the draft Annual Report and Accounts for 2015/16.

Based on this, the detailed work of the Audit and Governance Committee summarised above, and its Internal and External Auditor work programme, the Governance Statement is consistent with the view of the Audit and Governance Committee on the Trust's system of Internal Control, and the Committee supports the Trust Board's approval of the Statement, which is scheduled to take place on 25/05/16.

4. Internal Audit

The 2015/16 Internal Audit plan was agreed by the Audit and Governance Committee at its meeting on 12/02/15. The output from the plan is listed below.

Suctor	Assurance Level				
System	Substantial	Reasonable	Limited	No	
CQC – Patient at Risk Protocol		\checkmark			
Cost Improvement Plans		\checkmark			
Private Patient Income			~		
Discharge Processes		\checkmark			
Data Accuracy	~				
Estates Procurement			~		
Server Management Review			✓		
Use of Nurse Specials			✓		

Sustam	Assurance Level				
System	Substantial	Reasonable	Limited	No	
Windows 7 Review		✓			
Information Governance Toolkit		\checkmark			
Friends and Family Test		✓			
E-Expenses		✓			
Use of Temporary Staff		√			
Critical Financial Assurance – Payroll		✓			
Critical Financial Assurance – Financial Accounting		✓			
Critical Financial Assurance – Non Pay Expenditure		\checkmark			
Assurance Framework and Risk Management		✓			
Cash Collection Processes			✓		
Additional Consultant Payments			✓		
Data Quality		√			
Achievement of Best Practice Tariffs		✓			
Cost Improvement Plans		✓			
Consultant Job Plans		TBC *			
Data Interrogation	TBC *				

* These reviews had not been completed at the time of this Annual Report

In 2016/17, the Committee intends to undertake a formal assessment of the performance of the Trust's Internal Auditor.

The Committee reviews the reliability and quality of clinical information systems via the Internal Audit process. In particular, an audit of data relating to "Data Quality" was included in the 2015/16 Plan, and similar audits will continue to be an annual feature of such Plans.

5. External Audit

On 06/08/15, the Audit and Governance Committee received the Annual Audit Letter for 2014/15. The "Key areas for Trust attention" were as follows:

- "The Trust continues to face significant financial challenge, particularly due to the financial issues identified in 2013/14 and the significant increase in activity over the winter months.
- "The Trust delivered a £157k surplus in 2014/15, after receiving £12m support funding from the TDA. It is forecasting an in year annual deficit until 2016/17, albeit the planned deficit decreases each year. Breakeven is planned in 2017/18".
- "The Trust will fail the statutory three year cumulative break even in 2017/18. The Trust has made good progress in addressing the financial issues identified in 2013/14. It has made improvements in its financial planning processes, reporting to Board and budget setting arrangements. For 2015/16, cost improvement programmes are in place to meet the £ 21.5m target and the challenge for the Trust is to ensure that savings are recurrent".
- "In common with other Trusts, the Trust has continued high levels of agency staff. There has been a recent government drive to curtail this and the Trust recognises its plans must include the continuing challenge to recruit permanent staff. It submitted a five year financial strategy, "Moving forward 2015/16-2019/20", to the TDA in May 2015/16 and is currently working to develop a detailed strategic plan of exactly how it will move from the current financial position to breakeven. The Trust has a significant capital programme in place, including the establishment of a new ward at Tunbridge Wells hospital in 2015/16, to support the expected activity levels.
- "The Trust was subject to a CQC inspection in 2014/15 and has responded well to the visit with a clear action plan in place to address recommendations made".

The overall value for money conclusion within the Letter was that "On the basis that the Trust required £12 million financial support to deliver a balanced budget and continues to face significant financial challenges, we issued a qualified value for money conclusion. This was on an except for basis recognising that our work, having regard to the guidance on the specified criteria published by the Audit Commission, has found that in all other significant respects the

Trust has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2015.".

The External Audit plan and fee for 2015/16 was approved by the Audit and Governance Committee on 22/02/16, and as is noted above, in 2015/16, the Committee was appointed (by the Trust Board) as the Trust's "Auditor Panel", to advise the Board on the selection, appointment and removal of external auditors, for appointments for 2017/18 onwards. The appointment was made in accordance with Schedule 4, Paragraph 1 of the Local Audit and Accountability Act 2014.

In 2016/17, the Committee intends to undertake a formal assessment of the performance of the Trust's External Auditor.

6. Audit and Governance Committee assessment

The Committee agreed the approach for undertaking a self-assessment at its meeting on 12/11/15, and this assessment will be undertaken in 2016/17. The findings will be discussed during that year, and any relevant actions will be agreed.

7. Adding value / 'making a difference'

The following are examples of where the Audit and Governance Committee added value / 'made a difference' during 2015/16:

- The Committee requested that a high-level 'RACI' (Responsible, Accountable, Consult, Inform) matrix be developed, in the context of some limited assurance Internal Audit reviews (in 2014/15), which seemed to illustrate the need for such a matrix. The Director of Finance duly submitted a RASCI matrix (with the 'S' relating to 'Support') to the Committee in May 2015, which was well-received
- The Medical Director was invited to the Committee in May 2015 to respond to concerns arising from the latest Internal Audit review of Consultant Job Planning. The response noted that the relevant Policy has been reviewed and reissued; there was no single point of contact for co-ordinating the process, as it was felt appropriate that Job Planning sits within Directorates; and Job Plans were in place for all Directorates. Details of the Job Plans for the vast majority of Consultants were submitted to the Committee
- The Committee acted on the findings from the External Auditor's "Benchmarking your Annual Report" report, and asked the Trust Secretary to review the Annual Reports from other Trusts, to assess whether examples of good practice could be adopted. The Trust's Annual Report for 2015/16 was duly changed, to include: a sentence regarding the overall skill-mix on the Board; Trust Board Members' biographies (to demonstrate the range of backgrounds / skills on the Board); reference to the Trust Board's 'away days'; improved 'sign-posting' (to the Trusts website, external surveys etc.); and improved reference to stakeholders (including the Trust Membership)
- The Committee has proposed a number of amendments to the format and content of the BAF, which have helped improve the BAF document, and underlying process
- The Committee undertook detailed reviews of the Trust's Standing Orders, Standing Financial Instructions and Reservation of Powers and Scheme Of Delegation, and "approved" the documents prior to them being submitted to the Trust Board for "ratification"
- The Committee reviewed and commented on the draft "Gifts, Hospitality, Sponsorship and Interests Policy And Procedure" prior to it being "approved" by the Trust Management Executive, and "ratified" by the Trust Board
- The Director of Workforce and Communications was invited to the Committee in November 2015 to respond to the point raised in the "Use of Temporary Medical Staff" Internal Audit review that "The Trust did not have an approved and up to date policy/procedure for requesting, booking and approving temporary medical staff". Assurance was given that although the review findings were accurate (in that the Trust did not have an approved and up to date policy and procedure when the audit was conducted), the Trust did have a Temporary Staff Booking Principles and Controls Policy which had been previously approved (although this was also slightly out of date). The Committee was also informed

that the correct processes for requesting, booking and approving temporary staff had been circulated Trust-wide on a number of occasions over the past 4 years; and the finalisation of the new Policy and Procedure had been consciously delayed in order to ensure that the national changes regarding the use of agency and temporary staff were able to be included.

8. Audit and Governance Committee statement / declaration

The Audit and Governance Committee can confirm that:

- The Trust's Governance Statement for 2015/16 is consistent with the view of the Audit and Governance Committee on the Trust's system of internal control, and the Audit and Governance Committee supports the Trust Board's approval of the Statement
- The Committee has reviewed and used the Board Assurance Framework and believes that it is fit for purpose and that the 'comprehensiveness' of the assurances and the reliability and integrity of the sources of assurance are sufficient to support the Trust Board's decisions and declarations
- The system of risk management in the Trust is adequate in identifying risks and allowing the Trust Board to understand the appropriate management of those risks
- There are no areas of significant duplication or omission in the systems of governance in the Trust that have come to the Audit and Governance Committee 's attention and not been adequately resolved
- There has been no major breakdown in internal control that has led to a significant loss in one form or another for 2015/16; and that
- There have been no major weakness in the governance systems that has exposed, or continues to expose, the Trust to an unacceptable risk

Kevin Tallett, Chairman, Audit and Governance Committee Maidstone and Tunbridge Wells NHS Trust May 2016 Maidstone and Tunbridge Wells **NHS**

NHS Trust

Trust Board Meeting - May 2016

5-17	Summary report from Quality Committee 11/05/16	Committee Chair (Non-
5-17	Summary report from Quality Committee, 11/05/16	Executive Director)

The Quality Committee met on 11th May 2016. It was 'main' meeting.

The key matters considered at the meeting were as follows:

- The **latest Stroke care performance** was reported. The report that was received is enclosed at Appendix 1, and has been included as a result of a previous request from the Board.
- An update on the future of the Stroke service was also given, & frustration was expressed at the limited progress that had been made via the Kent and Medway Stroke Review
- A report was submitted describing the findings from each of the national Healthcare Quality Improvement Partnership (HQIP) clinical audits the Trust currently participated in (this had been an action from the previous meeting). Concern was expressed at the poor performance on the First National audit of Inpatient Falls (2015); and the National End of Life Care Audit (2015). The Trust's non-compliance with the recommendations of the NCEPOD report "Gastrointestinal Haemorrhage: Time to Get Control?" was also discussed, and it was agreed that an update would be given at the 'main' Quality Committee in July
- The second assurance report from the Trust Clinical Governance Committee was reviewed in detail. The Chair of that Committee (the Medical Director) introduced the key issues, which included the fact that two "Preventing Future Deaths" (PFD) reports had been issued to the Trust by HM Coroner. It was also reported that the Coroner had confirmed that an Inquest would be held, in October 2016, into the death of Mrs Frances Cappuccini
- The Clinical Directors and/or Matrons were then invited to report any issues from the Directorate sections of the report. The key points reported were as follows:
 - Concerns had been raised by some patients regarding the difficulties in **parking** at Tunbridge Wells Hospital. The Chief Operating Officer gave a verbal update on the latest efforts to improve the situation, and it was agreed that a further update would be given to the Committee in July
 - The new AMU at Tunbridge Wells Hospital had helped improve patient flow
 - Provisional Patient Reported Outcome Measures (PROMs) data for Orthopaedics had been received, and was positive
 - **Capacity issues** were raised by a number of Directorates, and the latest position regarding the Business Case for an additional 5 beds on Hedgehog Ward was noted
 - **Workforce-related** issues were also were raised by a number of Directorates, and this prompted a query as to whether a representative from the Human Resources (HR) Department should be invited to the Committee in future, given such issues
 - **Emergency Laparotomy data** from those patients that had to be admitted to ICU, showed a mortality rate of 6.9%, compared to a national average of over 15%
- The summary report from the **Patient Experience Committee**, 07/03/16, was noted
- An update on Serious Incidents (SIs) was given, which included the fact that there were fewer SIs open at present. It was also noted that the SI Panel was changing its name to the "Learning and Improvement Committee", to reflect the Committee's role in promoting learning
- The draft Quality Accounts 2015/16 were reviewed, and the Chief Nurse noted she had discussed the need to make the objectives for 2016/17 more specific and measurable.
- The unapproved minutes of the Quality Committee 'deep dive' meeting, 13/04/16 were noted
- The Safeguarding Adults Annual Report for 2015/16 was reviewed. The Chief Nurse reported that Adult Safeguarding now had the same legal status as Child Safeguarding, so the Trust's Policies needed to be updated to reflect this. It was also reported that the Chief Nurse met with the CCG's Leads for Adult (and Children's) Safeguarding each month, to assess whether there were any areas for concern. The need to review the future resourcing requirements for Adult Safeguarding was noted.

1. The Committee agreed that (in addition to any actions noted above):

- The Chief Nurse would submit a report on Nursing documentation to the 'main' Quality Committee in November 2016 (it had been noted that documentation had been a key factor in the Trust's poor performance on the First National audit of Inpatient Falls; and the National End of Life Care Audit)
- The Chief Nurse would liaise with Age UK to ensure that the Trust's patient survey methodology was appropriate in relation to encouraging participation from elderly patients (this arose from a discussion of the proposed objective in the Quality Accounts to improve the use of patient experience-related feedback)
- 2. The issues that need to be drawn to the attention of the Board are as follows:
 - A query was raised as to whether a representative from the HR Department should be invited to the Committee in future, given the number of workforce-related issues raised

Which Committees have reviewed the information prior to Board submission?
N/A

Reason for receipt at the Board (decision, discussion, information, assurance etc.)¹ Information and assurance

¹ All information received by the Board should pass at least one of the tests from 'The Intelligent Board' & 'Safe in the knowledge: How do NHS Trust Boards ensure safe care for their patients': the information prompts relevant & constructive challenge; the information supports informed decision-making; the information is effective in providing early warning of potential problems; the information reflects the experiences of users & services; the information develops Directors' understanding of the Trust & its performance

Appendix 1: Update on Stroke care performance reported to 'main' Quality Cttee on 11/05/16

Maidstone and Tunbridge Wells NHS

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QUALITY COMMITTEE - MAY 2016

5-5 UPDATE ON STROKE CARE PERFORMANCE

CLINICAL DIRECTOR, EMERGENCY AND MEDICAL SERVICES

The enclosed report provides information on:

- Current stroke performance against national benchmarks
- Actions being taken to maintain and further improve standards

Reason for receipt at the Quality Committee (decision, discussion, information, assurance etc.) Information and assurance

1. Introduction

Following the initial Quality & Safety Committee's 'Deep Dive' into the Trust Stroke services in July 2014, updates have been requested and produced for presentation at each Quality Committee. This provides both an update on the transformation of stroke services across the Trust in addition to regional benchmarking. The paper also allows assurance on the quality of care being delivered within the Trust. As from May 2015, a more compact report showing Stroke headlines was requested to replace the full paper. This is the sixth short headline paper to be presented to the Quality Committee.

2. Performance Standards

Information is now collected monthly by the Trust to give internal assurance about delivery against the Sentinel Stroke National Audit Programme (SSNAP). The Trust continues to review its own targets to continue to drive improvements within stroke care, adhere to national standards and drive excellence in stroke care.

2.1 CT scan performed in under an hour:

- Data for scanning within 1 hour has continued to be very successful with Tunbridge Wells Hospital (TWH) scanning 80% within the hour and Maidstone (MH) scanning 75% in the month of March. The national average remains static at 47.4% with a SSNAP "A" Level requiring 48% of patients to be scanned with an hour. Both sites are significantly above this target and sustaining a high performance.
- 12 hour scanning also shows a static position with TWH scanning 100% within 12 hours and MH remaining consistent at 96.4%. National average currently sits at 91%, with a Level A consisting of 95% of patients being scanned within 12 hours. Both sites have shown they are performing well in the upper quartile for this target.
- SSNAP results covering data collected October December 2015 showed that both sites achieved a SSNAP level A for this indicator.

2.2 Proportion of all stroke patients given thrombolysis (all stroke types) and 2.3 Percentage of thrombolysed patients with a door-to-needle time <60mins is as follows:

- March data indicates that there was a reassuring 10% of patients' thrombolysed at TWH.
 The month saw 100% thrombolysed within 60 minutes. This equated to 2/2 patients.
 - At MH a similar picture showed 10.7% of patients were thrombolysed, which equated to 3 patients, 2 of whom achieved the 60 minute door to needle target, bringing the total to 67% of patient thrombolysed within an hour.
- Thrombolysis rates and the 60 minute door to needle target appears to have stabilised since December with encouraging door to needle times.
- SSNAP Results covering data from October December 2015 showed that both teams are
 performing at a SSNAP level D. This has been a marked improvement since the quality and
 safety reports commenced, and can be further improved by ensuring senior specialists
 receive the patients at the front door as outlined below as from the previous report.
- Ensuring there are highly trained nurses available on the stroke bleep is paramount. Currently there are challenges regarding stroke nurse bleep holders due to the national shortages in nurses, with key individuals requiring further training to perform the role. It is not an option to train newly qualified nurses due to the skills required of the nurses. The higher skilled the nurse and stroke team the quicker the Door to Needle is likely to be, dependent upon complications and contra-indications.

2.4 Proportion of Patients admitted to the stroke unit within four hours:

 March data within this performance indicator shows that MH admitted 71.4% of stroke patients to the stroke unit within 4 hours, which is the highest performing month yet. TWH achieved 40% and is expected to significantly increase after stroke rehabilitation at Tonbridge cottage returned to main site at the end of March. This target will still be heavily reliant on having a stroke ring fenced bed, ideally 2 for the best chance of achieving best practice tariff. SSNAP data for October – December 2015 resulted in the expected E level for TWH, with Maidstone remaining stable at a Level C.

2.5 Assessment by a stroke physician within 24 hours:

 Monthly data from March indicates specialist assessments were completed within 24 hours in 85% of cases at TWH due to 7 day consultant ward rounds and 74.3% at MH. The national average for this indicator is 78.6% The indicator is heavily reliant upon a 7 day consultant service.

2.6: Current 80/90 Performance

The 80/90 data for the period 15/16 ended with a final YTD of 81.4% The new year 16/17 commencing April 2016 is looking promising with current performance at 90.9%. The repatriation of stroke rehabilitation back to the main site at TWH has certainly increased the trusts likelihood of achieving a higher performing 80/90, as long as pathways, protocols and ring fenced beds remain in place.

3. Conclusion

Data has generally showed some significant improvements. Work continues locally with site specific action plans and meetings taking place to improve performance and drive up standards of care. The Kent Stroke Review continues to progress, with both nursing and medical clinical leads in addition to a strategic representative attending the Clinical Reference group to represent the Trust. West and North Kent have been asked to come up with a robust plan to present to the CRG as to how the 4 units can remain functioning as hyper acute units but meet all 22 standards of the South East Coast Strategic Clinical Network standards. This includes 7 day consultant cover for the hyper acute beds and a 7 day therapy/TIA service. A meeting is due to be held on 05/05/16 for all relevant clinicians and managers to discuss possible options. There will also be a chief executive meeting on the 16TH of May to discuss individual trusts positions regarding their strategic plans for their stroke services.

Below is an update of Kent's SSNAP results for April – June 2015, July - September 2015 and most recently October – December 2015 which is encouraging for benchmarking. This placed MH with a SSNAP Level B and the second highest performing, with TWH falling slightly behind east kent. However, the improvement of the stroke unit domain is expected on the April – June 2016 data to show a significant improvement and increase TWH points.

April – June 2015

- Queen Elizabeth SSNAP Level C (64.1 points)
- Maidstone SSNAP Level C (63.7 points)
- Darenth Valley SSNAP Level C (62.3 points)
- William Harvey SSNAP Level C (60.8 points)
- TWH SSNAP Level D (57.9 points)
- Kent and Canterbury SSNAP Level D (47 points)
- Medway Maritime SSNAP Level D (43.7 points0

July – September 2015

- William Harvey SSNAP Level B (70.3 points)
- Queen Elizabeth SSNAP Level C (68.4 points)
- Maidstone SSNAP Level C (63.7 points)
- TWH SSNAP Level D (58.9 points)
- Darenth Valley SSNAP Level D (57 points)
- Kent and Canterbury SSNAP Level D (55.6 points)
- Medway Maritime SSNAP Level D (46.5 point)

October – December 2015

- Queen Elizabeth Hospital SSNAP Level A (86 points)
- Maidstone Hospital SSNAP Level B (71 points)
- William Harvey Hospital SSNAP Level D (59.8 points)
- Kent and Canterbury Hospital SSNAP Level D (50.4 points)
- Tunbridge Wells Hospital SSNAP Level D (50.3 points)
- Medway Maritime Hospital SSNAP Level D (46.5 points)
- Darenth Valley Hospital SSNAP Level D (37.6 points)

Maidstone and Tunbridge Wells NHS

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Trust Board meeting – May 2016

5-18 Summary of the Trust Management Executive (TME) meeting, 18/05 Chief Executive

The TME has met once since the last Board meeting. The key items covered were as follows:

- The TME gave thanks to Jim Reside, who will be retiring from his post as Chief Pharmacist at the end of May
- In the safety moment, the Medical Director appealed for TME members to take care of their own health, following the recent death of one of the Trust's Consultant Gastroenterologists
- The key issues highlighted via the reports from the Clinical Directors (CD) were as follows:
 - Some improvement from the new Acute Medical Unit (AMU) had been evident.
 - Recruitment problems continued for a number of Directorates. Emergency and Medical Services had placed a full-page advertisement in the Metro, Evening Standard and BMJ, and this had resulted in some interest.
 - Surgery would be reviewing the functioning of their Middle Grade doctor rota, with the aim of addressing some long-standing issues
 - The Business Case for Physician Associate posts in Trauma and Orthopaedics had now been approved
 - Concerns were raised at the volume of recent Trauma activity, and the Chief Operating Officer agreed to ensure that the Theatre Productivity undertook a review of Trauma surgery
 - The Clinical Director for Women's and Sexual Health submitted the action plan that had been developed following the external review by Verita Consultants LLP. Assurance was given that the 9 points on the Plan would be completed in the near future
 - The future of Medical staffing in Oncology was discussed, in the light of the difficulties in recruiting Middle Grade doctors
 - Similar issues were raised for Children's services, where the potential need for additional 'hybrid' Consultant posts (i.e. where a Consultant works on the Registrar rota for circa 2 years) was raised
 - Critical Care had raised a new 'red' risk regarding the monitoring of patients in recovery, following the issue of new guidelines stating that such patients should be monitored to the same level as patients in Theatre
 - Some queries were raised in relation to managing Consultant contractual issues, and it was agreed that the Director of Workforce should arrange for a session to be held for Clinical Directors to enable Employment Law experts to provide advice on current workforce issues
- The **performance for month 1**, 2015/16 was reported
- The latest position regarding infection prevention and control was reported, which included a
 discussion of the antibiotic-related CQUIN objective for 2015/16 (which required documented
 reviews of all antibiotics prescribed to be undertaken within 72 hours; and a reduction in the
 prescribing of Tazocin and Meropenem)
- The agreed 2016/17 performance trajectories for Cancer, A&E (4 hours) and 18 week waiting time pargets were reported.
- A Quality Improvement Plan closure report was reviewed (the same report has been submitted to the Trust Board)
- The report of the recent meetings of the **Trust Clinical Governance Committee** (a formal subcommittee of TME) was reported.
- The Director of Workforce reported a response to the national staff survey 2015 (the same report had been submitted to the Trust Board in April), and the Director of Workforce agreed to arrange for the newly-appointed Head of Staff Engagement and Equality to increase the awareness of their role and intended priorities
- An update on the Kent and Medway Sustainability and Transformation Plan was reported
- The Director of Finance provided details of the Efficiency Savings Programme for 2016/17, and gave details of the details of the Trust's participation in the national Financial Improvement Programme. The Trust's new Improvement Director was at the meeting, and explained the nature of her role, and of the aims of the Programme

- An update on the implementation of the SAcP (replacement PAS+) was reported, and it was noted that a new date for implementation had not yet been agreed (this was originally intended to be implemented in June)
- The Business Cases that had been recently-approved by the Investment Appraisal Group and/or Executive Team were noted. The 'virtual' approval of the "Allocate" E-rostering system (by the Finance Committee and Trust Board) was noted
- A briefing on the planned development of a **Strategic Outline Case for the new theatre complex at Maidstone Hospital** was given by the Chief Operating Officer
- A new Consultant Histopathologist post was approved, which had been created through the funding included in the Medway Histopathology tender response. A replacement full time Breast Consultant was also approved. The Trust Secretary was also asked to confirm the status of the business case for a proposed fifth Breast Surgery Consultant. It was also noted that the Clinical Director for Surgery would liaise with the Clinical Director for Diagnostics, Therapies and Pharmacy in relation to the functioning of the Breast Unit
- Updates were received on the work of the TME's main sub-committees (Clinical Operations and Delivery Committee; Information Governance Committee; Policy Ratification Committee; and MTW Programme Committee).
- The Committee discussed the **Safeguarding Children Annual Report**, **2015/16**, and received positive assurance regarding the state of the Trust's systems and processes
- The details of the **recently-updated Clinical Operations Structure** were reported, which included the appointment to Director of Operations posts (one for Planned Care, and one for Urgent Care). It was also noted that Therapies had moved from the current Diagnostics, Therapies and Pharmacy Director into Urgent Care, as part of the Specialist Medicine Directorate.

Which Committees have reviewed the information prior to Board submission? N/A

Reason for receipt at the Board (decision, discussion, information, assurance etc.)¹ Information and assurance

¹ All information received by the Board should pass at least one of the tests from 'The Intelligent Board' & 'Safe in the knowledge: How do NHS Trust Boards ensure safe care for their patients': the information prompts relevant & constructive challenge; the information supports informed decision-making; the information is effective in providing early warning of potential problems; the information reflects the experiences of users & services; the information develops Directors' understanding of the Trust & its performance

Maidstone and Tunbridge Wells NHS

NHS Trust

Trust Board meeting – May 2016

5-19 Review Of "Allocate" E-Rostering Business Case Director of Finance

Summary / Key points

The attached business case (Appendix 1) is for the replacement of the Trust's electronic rostering system. The management and control of our staffing, and in particular the control of temporary staffing, is one of our key priorities for quality, patient experience and financial improvements. The deployment of a fit for purpose electronic rostering system to enable these priorities is a fundamental part of the delivery of these priorities. In addition, the preferred solution will enable us to routinely report metrics suggest and set out in Lord Carter's report on unwarranted variation in the NHS.

The business case was circulated to all Trust Board members outside of the Finance Committee to ask for virtual approval to proceed which was received. Part of the process however requires the case to be considered, due to the size of the investment over the life of the case, by both the Finance Committee and Trust Board.

There have been two small amendments to the case previously considered. Firstly the removal of an erroneous table on page 21 that referenced a previous version of the financials and secondly, a change to the procurement route due to the understanding of the fact that the preferred supplier is on a compliant procurement framework.

Which Committees have reviewed the information prior to Board submission? Finance Committee

Reason for submission to the Board (decision, discussion, information, assurance etc.) ¹ For (retrospective) approval

¹ All information received by the Board should pass at least one of the tests from 'The Intelligent Board' & 'Safe in the knowledge: How do NHS Trust Boards ensure safe care for their patients': the information prompts relevant & constructive challenge; the information supports informed decision-making; the information is effective in providing early warning of potential problems; the information reflects the experiences of users & services; the information develops Directors' understanding of the Trust & its performance

Business Case

Trust-Wide E-Rostering System

Issue date	3-May-2016		
Department	Employee Services		
Directorate	Human Resources		
Author	Richard Hayden		
Clinical lead	John Kennedy		
Executive sponsor	Richard Hayden / Ave	ey Bhatia / Paul	
ID reference			
Approved by	Name	Signature	Date
General manager	Tracey Karlsson		
Finance manager	Dave Shelton		
Clinical Director	Not applicable		
Executive sponsor	Richard Hayden		
Supported by	Name	Signature	Date
Director Estates & Facilities	Jeanette Rooke		
Director of Informatics	Donna Jarrett		
HR Business Partner	Sarah Hayden		
Approved by	Name	Minute	Date
Directorate Board			
Investment Appraisal Group			
Trust Management Executive			
Finance Committee			
Trust Board			

The Business Case Summary

Strategic context

Electronic Rostering Systems are typically used by organisations to reduce the costs associated with creating, distributing and managing staff rosters. In addition to reducing the administrative burden of maintaining paper records, the systems are typically expected to provide a significantly greater level of control and management visibility of staff activity than is possible with traditional systems. It is therefore unsurprising that E-Rostering systems enjoy widespread deployment within NHS organisations, particularly in relating to supporting the clinical workforce.

Maidstone and Tunbridge Wells NHS Trust purchased the RosterPro (created by SMART) electronic rostering system in 2008 for use primarily within nursing clinical areas. At the current time the system is deployed to the nursing community as well as a small number of ancillary and corporate functions.

For some time, the RosterPro system has experienced a number of significant problems, specifically including errors with the payroll interface to the ESR system, thus having a potential impact on staff pay. In light of this, and other performance issues, confidence in the systems has been materially impacted, a factor which has restricted the potential for wider deployment in the trust.

The original software supplier was bought out in 2012 and has subsequently been failing for to deliver the functionality and performance required for such a key management information system. As well as the operational problems with the system, the Trust has been requesting and lobbying for improvements to be made to the software for more than 3 years with little or no success.

As a result of a number of national drivers including the outcome of the Lord Carter review, it is clear that the NHS Trust Development Authority (TDA) have an expectation that all trusts will employ fit-for-purpose electronic rostering systems in order to manage the workforce effectively. Additionally, an effective system for controlling temporary staffing (expenditure of £31m within 2014-2015) is necessary – at present, the current system limits the ability to deliver the necessary level of monitoring and control.

Objectives of the investment and the problems with the status quo

Objectives

In light of the context identified above, it is considered necessary to implement a replacement electronic rostering system. The only alternative on the market with the required breadth of functionality – HealthRoster by Allocate Software – is currently deployed to in excess of 60% of NHS trusts and receives broadly favourable commendation from users.

This business case therefore proposes the implementation of the Allocate Software HealthRoster system to the nursing workforce within MTW. Although the implementation is targeted at this scope specifically, it is intended that the system will be deployed more widely in subsequent phases once effective deployment and return of investment can be demonstrated through the initial phase.

In addition to providing basic roster management functionality, the system will also deliver an integrated bank staff management facility and remote / home based access to rosters.

In broad terms, it is expected that implementation of the revised rostering platform will deliver the following key objectives:

- Provide an integrated approach to the management of substantive, bank and agency / locum staff for nursing staff across all sites;
- Reduce the overall administrative burden of roster creation and management;
- Provide greater visibility of workforce staffing patterns;
- Identify and highlight shortfalls in staff and skill-mix cover within wards in order to improve inpatient safety;
- Improve reporting and management information, specifically with regard to shift demand, fill rates and temporary staff usage costs;
- Reduce administrative costs and improve accuracy for the management of time and attendance data through the automatic transfer of information to payroll;
- Reduce current operational risks arising as a result of performance and quality issues with the current rostering system.

Problems with the Status Quo

It is understood that the current software provider is withdrawing the product from the health market so it is expected that no future development of the system will be available. This, coupled with specific current performance issues, suggests that it would be impossible to maintain the current system in the medium or long term. As a consequence those areas within the trust where the system is currently deployed would need to revert back to paper and manual processes. It is therefore considered that a status quo position would indeed represent a retrograde step for the trust.

Significantly, with the current rostering system lacking in a number of key functional areas, it is clear that the trust will be prevented from delivering required business and national objectives. At present, the deployment of a replacement rostering system, and the identified resultant benefits, comprise a significant part of the corporate 'Back-Office' workstream of the trust's Efficiency Savings Programme. Further, some of the areas identified for development within the Carter Review are clearly dependent on a level of workforce control which would not be possible without a fit-for-purpose replacement of the current system.

The main benefits expected from the investment

The following summary benefits are expected to arise as a result of the investment:

- Financial Savings Arising from more efficient rostering of staff (improved control over staffing levels, reduction in temporary staff usage);
- Time / Productivity Savings Reduced administrative time for clinical staff in the creation and maintenance of rosters, reduced processing time for transactions within the HR function;
- Staff Satisfaction Ability for staff to self-roster, increased accessibility to rosters as well as general improved perceptions of system performance and confidence;
- Streamlined Reporting More robust, accurate and timely performance reporting delivered both to the HR function as well as operational managers;
- Payroll Accuracy Reduced potential for errors in payroll transactions, thus improving staff confidence in the service as well as reducing time spent performing corrections.

The main risks associated with the investment

The investment programme itself includes a number of key risks:

- Implementation of the system fails to deliver the intended benefits as outlined. This can primarily be mitigated through effective project and programme management, close outcome monitoring, effective governance and appropriate resourcing;
- Resource demands on users within operational services as part of the implementation process is too significant. In similar fashion to the risk above, the majority of this risk can be mitigated through effective planning;
- Adoption of the system will not be comprehensive that is, services will continue to use alternative rostering mechanisms. Clearly, it is essential that for the identified benefits to be delivered, use of the system must be adequately supported by service leads.

Available options

- Option 1 Do nothing (As outlined above, it is expected that this will give rise to a reversion to paper based roster management)
- Option 2 Replace existing system and deliver enhanced functionality for the current scope on a like-for-like basis;
- Option 3 Replace existing system delivering additional functionality to support the medical workforce as part of the initial deployment.

The preferred option

 Option 2 – Replace existing system and deliver enhanced functionality for the current scope on a like-for-like basis.

Funding,	Revenue	£1,717,745 (Over 5 Years)
affordability	Capital	£536,052 (£444,268 Year 1, £91,784 Year 2)

Management arrangements

Resourcing

As identified above, effective management of the implementation project is essential to deliver the required sustainable benefits. A complex IT system implementation with such a broad scope of the interdependencies and stakeholders requires adequate resourcing both from an implementation perspective and with a view to the ongoing resource impact for future management.

Primarily, the project will be managed within the Human Resources department, using a dedicated implementation team. This is expected to comprise:

- 1 WTE Band 8a Implementation Lead
- 3 WTE Band 5 Administrators
- 3 WTE Band 3 Administrators

In addition to the resources specifically identified as part of the implementation team, a wide range of support from other teams will be required. Specifically, it is important to note that resource requirement that is required from the relevant service as part of the implementation process. While the precise scope and scale of the resource is difficult to assess at the present time, this will be identified as part of the development of the detailed project implementation plan. The following resources are therefore expected to be necessary as part of the wider implementation programme:

- Identified leads and support resource for each directorate
- HR payroll resources
- IT resources
- Finance resources
- Training resources (development of e-learning programme for staff and general initial user support)

Following completion of the implementation project, there will remain a requirement for on-going management, support and development of the system in order to ensure that it continues to deliver the intended benefits. The following resources are therefore expected to comprise the on-going systems management and support team:

- 1 WTE Band 8a Rostering Lead
- 1 WTE Band 5 Systems Administrator
- 2 WTE Band 3 Systems Administrators

Governance

It is evident, specifically as a result of the breadth of services within the scope of the project, that an effective cross-functional governance framework is in place. The framework must allow for appropriate monitoring and control of the implementation project as well as providing organisational support for the creation, adoption and enforcement of the necessary policies and procedures across the workforce. The following key actions will therefore be included:

- Development of new rostering implementation committee, project group and working groups
- Appointment of clinical lead for project
- Creation of appropriate project reporting arrangements to TME and Workforce Committee
- Allocation of project and / or programme management responsibilities at appropriate levels in the management structure


The Business Case

Strategic Context

Strategic Case

Maidstone and Tunbridge Wells NHS Trust purchased the RosterPro electronic rostering system in 2008 (at the time developed by HMT, more recently SMART). The initial roll-out focused on nursing staff with the aim of implementing an effective rostering system across the entire workforce as part of a longer-term deployment programme. The expected benefits of the system implementation included:

- Financial savings through more efficient staffing;
- Time savings through an automated system and functions such as automatic transfer of timesheet data to ESR;
- Generation of an effective activity audit trail as a result of the ability to monitor compliance of key initiatives such as Working Time Directive and Improving Working Lives;
- Enabling skill mix review thus facilitating effective utilisation of a workforce;
- Improved payroll accuracy.

Implementation of the RosterPro product proved to be difficult and a number of ongoing problems with the system remain. Use of the system is considered cumbersome by the majority of users thus resulting in a significant degree of reticence to adopt or continue use of the platform. In addition, faults and issues with the system have not been fixed in a timely manner and interfaces to the Electronic Staff Record (ESR) have not worked as originally intended. In general there is a feeling that SMART employees often appear to lack expertise in their own product resulting in poor levels of support.

In 2012, SMART was bought-out by Kronos, a provider of workforce management solutions. The latter have indicated that they wish to withdraw from the Healthcare sector and there has been a significant absence of ongoing development of the product. Specifically, MTW has been actively pursuing a range of improvements to the platform, none of which have been forthcoming. There is a general absence of product support and development responsiveness, culminating in a number of key issues remaining unresolved – including those with the payroll interface to ESR.

As a result of these issues, as well as a general loss in confidence in the system, further deployment was halted. While the platform is currently used by the nursing workforce, it is only used by a small number of ancillary and corporate functions across the remainder of the trust. Even within these areas it is apparent that some key areas are already reducing dependence on the system, having reverted to creating rosters manually before transferring to the system subsequently. User satisfaction is therefore considered to be very low; the extent to which the identified benefits of the implementation have been realised is questionable.

MTW currently holds a rolling one-year contract with SMART with no obligation to renew. There is therefore the flexibility to pursue alternative options, acknowledging that a period of continued use of the current system will be required during a transition phase.

Case for Change - Business Needs

Despite the difficulties and issues experienced with the deployment of the current system, the need for an appropriate electronic rostering system is in no way diminished.

In 2008, a range of clear benefits to the implementation of an electronic rostering systems had been identified and represented the drivers for deployment of the RosterPro platform. The table below outlines the intended benefits and provides a summary of the current status of each.

Identified Benefit	Realisation Status
Delivery of a reliable, user friendly and accurate system requiring minimal administrative support	Not Achieved It is understood that the administrative burden has increased on the wards as the system presents a barrier rather than an enabler for the intended purpose - the quantity of manual processes in the wards remains significant.
Accurate, reliable reports for all levels of Trust reporting	Not Achieved Reporting from the tool is cumbersome and time- consuming. The absence of comprehensive deployment of the system limits usefulness and there is a lack of trust and confidence in the reporting outcomes.
Reduction in temporary staff usage	Unknown Bank spend could still go up through increased patient activity but without the ability to monitor substantive staff hours usage, it is impossible to ensure full use of substantive hours and therefore reducing wasted bank shifts.
Effective and efficient rosters using a reliable accurate system	Not Achieved It is understood that a number of wards create their rosters on paper and then transfer them onto RosterPro when they have been completed.
A proven route for all aspects of ESR integration to reduce payroll administration and improve payroll accuracy including the management of absence returns	Achieved The administration burden may have been reduced from a payroll perspective but it is difficult to identify if administration at a ward level has increased due to having to transfer changes from the day-to-day paper roster back into RosterPro; further review needs to demonstrate if final submission is accurate.
Automated calculation of pay enhancements	Partially achieved This has been delivered within the scope of the system's deployment although it is believed that there may be accuracy issues in some areas.
Reduction in excess hours costs, reduction of excess annual leave costs, reduction of contracted staff not fulfilling their contracted hours	Unknown It is not possible, within the current reporting arrangements, to measure these factors with sufficient confidence – this has a clear impact on the delivery of safe staffing levels.

Efficient management of Bank bookings	Achieved Bank booking management has improved through use of the system although the quantity of SMS messages generated to notify staff of bank shifts is considerable for the size of the Trust.
Reduction in HR time entering absence	Unknown There are many manual processes on the wards that manage sickness and absence recording meaning possibly an increase in the time spent on wards fulfilling HR functions.

It is evident that while a number of the intended benefits from the original system implementation remain undelivered, there is clearly a need to consider how the original business drivers can be realised.

In a more general sense, it is clear that with staff pay comprising the largest single category of cost for the trust (approximately 65%), as well as the need to ensure safe and efficient staffing levels, a tool that appropriately supports the management of the workforce is essential.

In February 2016, the Lord Carter of Coles review, 'Operational productivity and performance in English NHS acute hospitals: Unwarranted variations' (following an interim report in June 2015), clearly identified the wide variation in staffing costs when compared to activity levels. The report highlights therefore the clear potential for savings in pay costs to be delivered through the effective management of the clinical (and non-clinical) workforce. In particular, adoption and use of electronic rostering tools represents a clear recommendation from the report, specifically noting that trusts should ensure that systems are fully utilised and effective. The report supports the assertions that electronic rostering systems will:

- Provide a greater degree of parity between required staffing levels and actual resource levels;
- Reduce dependency on agency and bank staff;
- Improve consistency of deployed staff, even where recruitment is a challenge.

The NHS Trust Development Authority (TDA) has also clearly identified that there is an expectation that acute trusts will employ a fit-for-purpose electronic rostering system in order to manage their workforces effectively.

In addition therefore to those objectives already identified as part of the deployment of RosterPro (and in light of the current status of the system), a further set of requirements can be identified as below:

- A system that delivers improved reporting flexibility, specifically with regards to identified Key Performance Indicators and enabling comparison of resource levels against national and local benchmarks (including for example the Carter Model Hospital metrics);
- Home or remote based access for staff to rosters as well as supporting self-rostering where appropriate;
- A more 'user friendly' experience, genuinely reducing the administrative burden of roster management;

- Outlining compliance against NHS England and CQC guidance on 'Safer Staffing' of ward rosters;
- Improving confidence in workforce information and reports through increased accuracy of data within the system.

The following sections provide a detailed breakdown of the functionality of a replacement electronic rostering system by area.

Electronic Roster

Integrated Rostering to deliver simplified management of all staff groups, from nurses / doctors to administrative and support staff inclusive of all staff types, whether substantive, bank or agency. The solution must integrate their rosters with those of consultants and junior doctors in one consolidated view. Key functionality includes:

- Complete integration with ESR and payroll functions;
- Improved rostering transparency and fairness;
- Automated reporting;
- Reduced administration;
- Increased accuracy;
- Effective management of temporary staff costs.

Integrated Rostering Programme

An electronic staff management system for Nurses, AHP's and Non-Clinical staff:

- Staff working preferences management;
- Absence management;
- Roster building and integration;
 - Simple roster creation and maintenance both in regular wards and highly complex areas such as theatres, A&E and Maternity;
- Bank staff integration and management;
 - Bank and agency integration –rosters must integrate with the Bank Staff application to ensure that all vacant duties are filled in the most efficient and safest way;
 - Automated timesheets auto-generation of enhanced hour payments using Agenda for Change;
- Payroll integration
 - Pay and absence data transfer using well-established ESR interfaces, reducing the administration burden and increasing accuracy.
- Real-time rules engine highlights unsafe or unfair working as soon as a duty is assigned, even highlighting rules around absence, such as required referrals to occupational health.
- Roster Analysis objectively shows if the roster is 'good' i.e. safe, fair and efficient via Key Performance Indicators (KPIs)

- Automated overview an integrated web-based management dashboard that highlights rostering issues across the whole organisation
- Safe care
 - Real time operational visibility and management to facilitate redeployment of staff across wards.
 - Audit of planned versus actual staffing levels to meet national reporting requirements.
- Provision of assurance against EWTD compliance for all staff groups.

Bank Staffing

Integrated temporary staffing solution for all staff groups:

- Enables managers to book, register and view bank and agency shifts;
- Manages agency costs and processing;
- Sends alerts to SMS for broadcast of available duties;
- Allows individuals to flag their bank availability, see where unfilled bank duties are, and directly book themselves into shifts. Access is available on line from work and home;
- Provides comprehensive audit trails of bank usage;
- Manages, checks and verifies agencies to monitor and improve costs;
- Bank requests can be made directly from the roster, as well as being posted to the roster;
- Financial modelling allows managers to view estimated costs per agency before transferring requests;
- Detailed management information related to flexible staffing enables full agency invoice reconciliation;
- Fully synchronised with ESR;
- Medical locum management with capped variable rates to provide consistency and financial control.

Employee Access Online

Employee can access from home and the mobile module provides staff with access via smart phone & tablet. Employee Online (EOL) enables staff members to view all aspects of their roster in the past, present and as far into the future as the rosters have been published. This includes annual leave, enhanced hours, training days, skills and certificates and their pay records before they receive their paper pay slips from payroll. EOL also allows users to request duties and time off for future off duties, submit their timesheets online and log their bank availability:

- For rostering:
 - Staff can view and print their personal rosters
 - Staff can view and request leave and see the status of their leave
 - Delivers compliance with Trust policies -
 - Staff can only book shifts during a period of time opened for requests by a manager

- Requests are passed through a set of rules stipulated for the unit and/or Trust, tested for WTD compliance and flagged as a warning or violation as necessary
- Available shifts are driven directly from roster demand, ensuring requests are kept within appropriate department/ward/team parameters
- For Bank
 - Ability for staff to post their Bank availability
 - Ability to request Bank shifts
 - Ability to confirm or decline suggested Bank booking
- For Timesheets
 - Staff are able to complete and submit their timesheets online
 - Staff can view their pay and enhancements before they get paid
 - HR details are stored within the system, with automated flagging of training requirements/skill competency renewals

Case for change – Benefits

The Economic Case

In light of the business objectives and other strategic drivers that have been outlined above, it is clear that a replacement electronic rostering system should provide such benefits as to deliver in these key areas. In summary therefore, the following broad benefits should be expected:

- Delivery of a reliable, user friendly and accurate system requiring minimal administrative support;
- Provision of a system that is responsive to dynamic organisational needs, both in terms of the flexibility of current functionality, but also with regard to the ongoing support and development of the platform by the provider;
- A single tool capable of supporting all staff groups (as part of a broader scoped multi-phase deployment programme);
- Provision of accurate, reliable and automated reports at varying management levels;
- Delivery of reductions in agency and temporary staff usage;
- Increasing visibility of rosters to staff and users (e.g. providing additional functionality and access from home or remotely);
- Automated calculation of pay enhancements;
- Reduction in excess hours costs, reduction of excess annual leave costs, reduction of contracted staff not fulfilling their contracted hours;
- Improvements in the management of Bank booking efficiency;
- Improved absence recording and monitoring;
- Production of the regular 'Safe Staffing' reports thus reducing administrative burden of current reporting processes;
- Increased confidence in the rostering system by users and stakeholders.

Case for change – Risks

The Economic Case

At present there current RosterPro system represents a significant risk to the Trust – primarily this is the result of current unresolved issues with the tool, specifically with regards to the effective performance of the payroll function. Although attempts have been made to mitigate these risks, the limited responsiveness from the current provider, and the absence of any material ongoing development of the system suggests that this will be increasingly unlikely. As a consequence, an associated risk has been entered on the trust risk register and has been classified as significant. The risks associated with this implementation project must therefore be considered in the context of this status quo position.

With regards to the implementation of a replacement system specifically however, the following key risks are identified:

- Implementation of the system fails to deliver the intended benefits as outlined. This can
 primarily be mitigated through effective project and programme management, close
 outcome monitoring, effective governance and appropriate resourcing;
- Resource demands on users within operational services as part of the implementation process is too significant. In similar fashion to the risk above, the majority of this risk can be mitigated through effective planning;
- Adoption of the system will not be comprehensive that is, services will continue to use alternative rostering mechanisms. Clearly, it is essential that for the identified benefits to be delivered, use of the system must be adequately supported by service leads.

Dependencies

For an IT system implementation project with such significant and complex scope, it is clear that a wide range of interdependencies will arise. Primarily, these relate the existing administrative and support processes that are used throughout the business which may either be replaced by, adapted as a result of or enhanced by implementation of the system. As a result, there is a need for the planning of the project to take carefully account of the interaction with these process and seek to mitigate risks wherever possible.

In order for the deployment to be successful therefore, it is critical that there is significant top-level management support for the programme, specifically with regard to the enforcement of rostering policies and procedures.

In addition, while there is a specifically identified implementation team, the level of resource necessary to support the programme in the wider context should not be underestimated. This will include staff within the IT function, wider HR team resource to support the process changes, as well as significant time commitment from each of the services in scope, both to support the implementation and from an ongoing perspective.

The short list of options

Although there are a number of electronic rostering systems on the market, only two provide the breadth of functionality required for deployment across a complex and diverse workforce as is typically found in an NHS organisation. The current system, RosterPro, is one of the two, HealthRoster by Allocate Systems the other. Both currently enjoy widespread deployment within NHS organisations although the latter has a significantly larger market share.

The Economic Case

As this business case advocates the proposed replacement of the incumbent system, it is assumed that the Allocate Software HealthRoster product will be used as the replacement system.

Many Trusts point to tangible and significant financial and non-financial benefits from the introduction of the HealthRoster system. The provider offers a detailed benefits realization methodology and the functionality, while not necessarily complete in every area, is considered far more fit-for-purpose by the user community. Allocate HealthRoster's functionality is primarily designed in order to ensure safe levels of staffing for the patient care through the effective use of substantive staff.

A wide range of engagement meetings and system presentations have been undertaken with key staff groups in preparation of this business case in order to assess the delivery of an alternative system. Feedback from these supported the transition to an alternative software provider with Allocate HealthRoster scoring highest for functionality and 'user-friendly' applications.

Option 1 - Do nothing and do not replace current system

This option constitutes a 'do nothing' option – that is, that the current RosterPro system continues to be used for electronic rostering of staff to whom it is currently deployed (largely the nursing workforce) and temporary staff management is performed via the RosterPro bank system.

As outlined above, it is anticipated that in light of significant current performance issues, as well as low confidence in the system, it is likely that this option will also precipitate a return to paper based rostering within the short to medium term.

While there are no specific costs or savings associated with this option, there is the potential for a modest saving in software support for the current system in the event that a complete migration away from the solution could be effected. It is likely however that any savings that could be delivered through this approach would be countered by additional resource requirements in various administrative processes that currently have some form of streamlining in place through use of the system.

This option has been discounted as it is considered that it presents too great a risk to the trust – Either the current system would cease to function over time or a reversion to paper based management would further negatively impact the potential for any subsequent HR system implementation in the future. In addition, a number of key HR processes are currently reliant on the system being in place; some activity would be necessary to recover a manageable state, even in the event that no specific implementation was effected.

Option 2 - Replace existing system functionality on a like for like basis

This option suggests replacement of the current RosterPro system with the Allocate HealthRoster platform with a scope to broadly match the current deployment (that is, nursing workforce as well as a number of key ancillary and support functions). This does not preclude a wider deployment subsequently (indeed the option works on this assumption) but is targeted initially on a like-for-like scope of replacement with additional deployment to be considered in subsequent phases.

It should be noted that this option considers the 'like-for-like' element to be the scope of deployment – it is expected that the solution will provide a much broader range of functionality than the current system and therefore will deliver the full range of benefits identified for the staff to be considered in scope.

The implementation will therefore include:

- HealthRoster electronic rostering deployed to 2500 nursing, midwifery and AHP staff (and other non-clinical staff groups where appropriate);
- Employee Online access for rostered staff;
- Bank staff management for a restricted pool of staff groups;
- Hosting of the solution in a 'cloud-based' infrastructure;
- Safe Care management solution for 1000 beds
- Transition of existing rosters, interfaces and bank management functionality to the new system.

This is the preferred option.

Option 3 – Replace existing system to all staff groups

This option represents a deployment of the Allocate HealthRoster system to replace the existing RosterPro solution for all staff groups within the trust. Notably, this includes a range of functionality for the management of the medical workforce.

Given that Option 2, outlined above, considers a phased approach to deployment – the current business case focussing solely on the initial deployment phase, this approach can best be considered as 'Option 2+'. Specifically this option is an extension to the second option, with the solution deployed in a more widely scoped fashion from the outset.

The implementation would therefore comprise:

- HealthRoster electronic rostering deployed to 2500 nursing, midwifery and AHP staff (and other non-clinical staff groups where appropriate);
- Employee Online access for rostered staff;
- Bank staff management for all staff;
- Clinical activity management;
- Consultant job planning;
- Junior doctor 'E-Rota' solution;
- Junior doctor 'E-Monitor' monitoring services;
- Hosting of the solution in a 'cloud-based' infrastructure;
- Safe Care management solution for 1000 beds
- Transition of existing rosters, interfaces and bank management functionality to the new system.

While this option provides significant additional functionality for some specific staff groups (namely the medical workforce), it is considered that the complexity of deployment of this additional functionality, as well as the additional scale of deployment, need not be considered as part of the first phase. It would, it is suggested, be more appropriate to deploy a replacement solution to the current scope, demonstrating performance and effective benefit realisation in order to progress with the additional scope and functionality at a later stage. This approach also allows for lower software license costs during the early stages of the process, assuming that the implementation plan will likely result in a reasonable time period before deployment to the current scope is completed.

The Preferred Option

The Economic Case

The table below presents a summary analysis o	f the range of c	ptions outlined	l above.
	Ontion 1	Ontion 2	Ontion 2

	Option 1	Option 2	Option 3
Capital	0	536,052	668,002
Cost of Capital	0	146,193	157,740
Revenue	0	1,571,552	1,860,625
Total Cost	0	2,253,797	2,686,388

Note: Total costs within this total consider the schemes over 5 years.

In light of the comments presented above, it is considered that Option 2 represents the most appropriate balance of the risk of inaction (Option 1) versus the costs for implementation of each of the two remaining options. Specifically, it is considered that Option 2 allows (and expects) the flexibility to extend the deployment of the system at a later date without incurring unnecessary costs for additional licences during the early stages of the deployment process when they are unlikely to be utilised.

Workforce Impact

Primarily, the project will be managed within the Human Resources department, using a dedicated implementation team. This is expected to comprise:

- 1 WTE Band 8a Implementation Lead
- 3 WTE Band 5 Administrators
- 3 WTE Band 3 Administrators

In addition to the resources specifically identified as part of the implementation team, a wide range of support from other teams will be required. Specifically, it is important to note that resource requirement that is required from the relevant service as part of the implementation process. While the precise scope and scale of the resource is difficult to assess at the present time, this will be identified as part of the development of the detailed project implementation plan. The following resources are therefore expected to be necessary as part of the wider implementation programme:

- Identified leads and support resource for each directorate
- HR payroll resources
- IT resources
- Finance resources
- Training resources (development of e-learning programme for staff and general initial user support)

Following completion of the implementation project, there will remain a requirement for on-going management, support and development of the system in order to ensure that it continues to deliver the intended benefits. The following resources are therefore expected to comprise the on-going systems management and support team:

- 1 WTE Band 8a Rostering Lead
- 1 WTE Band 5 Systems Administrator
- 2 WTE Band 3 Systems Administrators

Estates Impact

It is expected that the additional resources identified above, as part of the deployment and ongoing support functions will have a minor impact on the estate by way of requiring accommodation. At present, a full assessment of the accommodation requirements for the team as well as utilisation levels of the current HR officers has not been conducted to determine whether there are adequate facilities.

This process will be completed as part of the detailed implementation plan.

IT Support Impact

As the HealthRoster system is a 'cloud-based' platform, there are likely to be only modest impact on IT services from an infrastructure perspective. Nevertheless, as outlined within the workforce section, it is expected that some level of IT support and change resource will be necessary in the deployment phases. It is also likely that there will be a modest ongoing support burden as a result of deployment of an additional IT system albeit that the bulk of support work will be provided by the dedicated support function included within this business case.

Funding and affordability

The Financial Case

Capital costs of the preferred investment option

Capital	Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL
Equipment						
IT	202,437	0	0	0	0	202,437
External Implementation	91,300	0	0	0	0	91,300
Internal Implementation Staff	91,784	91,784	0	0	0	183,568
VAT	58,747	0	0	0	0	58,747
Total capital	444,268	91,784	0	0	0	536,052

Notes on capital costs:

Revenue changes associated with the preferred investment option

Revenue changes	Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL
Total income						
Рау	139,551	139,551	139,551	139,551	139,551	697,755
Non Pay expenditure	84,887	86,627	88,458	90,341	92,298	442,613
Existing annual support		-26,217	-26,217	-26,217	-26,217	-104,868
Other (non-operating) expenditure						0
Capital charges & depreciation	117,960	140,409	145,990	141,292	136,593	682,245
Total costs	342,399	340,371	347,783	344,967	342,226	1,717,745
Net financial benefit						

Notes on revenue changes:

PAY - 7.00 wte implementation staff. The 3.00 wte posts required for implementation only have been capitalised

How the investment will be funded:

Procurement Route

The Commercial Case

As Allocate HealthRoster is considered the only suitable product on the market other than the incumbent RosterPro, the shortcomings of which are largely responsible for the need for this business case, there is little value in performing a tendering exercise.

Allocate Software are on the HealthTrust Europe (HTE) framework and the Trust can directly award from the framework.

Quality Impact Assessm	nent
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The Management Case

Clinical Effectiveness

Have clinicians been involved in the service redesign? If yes, list who.

Yes clinical staff engagement has taken place. Demonstration and engagement sessions have taken place with the nursing team and there is support for the preferred option. The Chief Nurse is in support for the preferred option.

Has any appropriate evidence been used in the redesign? (e.g. NICE guidance)

Yes: NICE guidance Safer Staffing (2014), National Quality Board (2013), NHS Employers (2013)

Are relevant Clinical Outcome Measures already being monitored by the Directorate? If yes, list. If no, specify additional outcome measures where appropriate.

Yes: Safe staffing escalation protocols, Safety Thermometer, Planned vs Actual and Safer Staffing Acuity & Dependency tool (currently separate systems, preferred supplier would allow for these reports to be generated from the same system)

Are there any risks to clinical effectiveness? If yes, list

Minimal risk associated with major power or IT failure for more than 12 hrs.

Risk associated with current system are significant due to reduced levels of supplier support

Have the risks been mitigated?

Yes: Business continuity plans are in place for existing e-roster system

Have the risks been added to the departmental risk register and a review date set?

The current system represents a 'red risk' and is on the risk register as such.

Are there any benefits to clinical effectiveness? If yes, list

With the preferred supplier option – Yes

Ease and rapidity of use facilitating real time review of staffing numbers, skill mix and patient acuity

Real time update of roster system to reflect shift by shift changes to staffing levels

Full integration with Bank module allowing real time update of ward rosters

Real time recording of absence as software can be used on hand held devices, therefore compatible with existing IT solutions for management of clinical observations, handover and hospital at night.

Patient Safety				
Has the impact of the change been considered in relation	to:			
Infection Prevention and Control?	Y			
Safeguarding vulnerable adults/ children?	Y			
Current quality indicators?	Y			
Quality Account priorities?	Y			
CQUINS?	Y			
Are there any risks to patient safety? If yes, list	1			
No				
Have the risks been mitigated?				
N/A				
Have the risks been added to the departmental risk registe	er and a review date set?			
N/A				
Are there any benefits to patient safety? If yes, list				
Ease and rapidity of use facilitating real time review of staffing numbers, skill mix and patient acuity Real time update of roster system to reflect shift by shift changes to staffing levels Full integration with Bank module allowing real time update of ward rosters Real time recording of absence as software can be used on hand held devices, therefore compatible with existing IT solutions for management of clinical observations, handover and hospital at night.				
Patient experience				
Has the impact of the redesign on patients/ carers/ memb identify why not.	ers of the public been assessed? If no,			
Yes. Impact is positive as staffing levels will be closer to that will If substantive resource is managed more effectively, then staffing reliance will improve the patient experience and c	the subsequent reduction in temporary			

Has the impact of the change been considered in relation to:

- Promoting self-care for people with long-term conditions?
- Tackling health inequalities?

Not specifically.

Likely to be positive impacts as staff working in day care settings, out-patient settings and crossing into community services will be better supported with job planning and cross cover arrangements via a 'cloud' based system

Does the redesign lead to improvements in the care pathway? If yes, identify

Unable to asses specifically to care pathways. Like to be positive for the reasons listed under clinical effectiveness

Are there any risks to the patient experience? If yes, list

No

Have the risks been mitigated?

N/A

Have the risks been added to the departmental risk register and a review date set?

N/A

Are there any benefits to the patient experience? If yes, list

N/A

Equality & Diversity

Has the impact of redesign been subject to an Equality Impact Assessment?

Yes: Improved access to rosters and roster management as system is 'cloud' based therefore staff may use their own devices to access their personal rosters.

Staff who need specific support to access or manage data will be better supported as system compatible with a broad range of devices.

Are any of the 9 protected characteristics likely to be negatively impacted? (If so, please attach the Equality Impact Assessment)

No

Has any negative impact been added to the departmental risk register and a review date set?

N/A

Service					
What is the overall ir	npact o	on service quality? – please tick	one box		
Improves quality	Y	Maintains quality	Reduces quality		
Clinical lead commer	nts				
From a nursing perspective the preferred option will allow operation senior nurses an improve ease of access to a number of rosters in real time. Ward staff will be able to log their current staffing availability and match against a recognised acuity scoring tool. Whilst both these options are currently available they are server based solutions running on different and incompatible systems. This means currently there is no consistent approach beyond professional judgement to assess acuity to inform staffing requirements in real time. From a medical perspective the preferred option will allow an improvement in the development of compliant rota's, individual and team job planning, robust reporting on medical workforce expenditure.					
The benefits for all staff groups are outlined clearly in the case for change above.					
The Project Impleme perform this role.	entation	Group will be chaired by a Co	nsultant who will be allocated PA tin	ne to	

Management Arrangements

The Management Case

Project management arrangements

The project will be managed within the HR Department, and will employ a structured governance framework in order to control both the deployment process as well as ongoing use of the system. To this end, the following specific actions will be effected:

- Development of new rostering implementation committee, project group and working groups;
- Appointment of clinical lead for project;
- Creation of appropriate project reporting arrangements to TME and Workforce Committee;
- Allocation of project and / or programme management responsibilities at appropriate levels in the management structure.

Timetable

- A full detailed project plan will be developed following agreement of the business case;
- It is intended that transition of existing rosters from current to the new system will take place within 6 months;
- Full deployment within the specified scope is expected to take 24 months.

Training arrangements

- Initial training on the system will be provided by the product supplier as part of the contract – a detailed training plan will be developed as part of the wider project planning process;
- Project lead, system administrators and trainers will be trained as super users;
- The project plan will incorporate delivery of a full training programme with e-learning to support the new software both at deployment and subsequently.

Business assurance and benefits realisation arrangements

- Privacy Impact Assessment Completed
- System Specific Security Policy Completed
- Business Continuity Completed
- Lessons learned at key project milestones
- Benefits realisation will be monitored through CIP and Workforce Committee.

Arrangements for post project evaluation

- Post-project evaluation and analysis sessions will be under taken as part of the implementation project group
- There will be follow up of benefits realisation as stated in the above benefits realisation arrangements
- Project closure documents, audit findings and KPI measurements completed prior to transition to business as usual
- Benchmark of current system completed

Version History

Version	Issue date	Brief summary of change	Owner's name
1.0	July 2015		R Hayden
2.2	November 2015		R Hayden
3.0	March 2016		R Hayden
7.0	May 2016	Revised scope of proposal, inclusion of impact of Lord Carter report	R Hayden
8.0	May 2016	Minor amendments to numbers, change in procurement route and consequence	S Orpin

Maidstone and Tunbridge Wells **NHS**

NHS Trust

Trust Board Meeting – May 2016

5-19 Summary report from Finance Committee, 23/05/16 Committee Chairman (Non-Executive Director)

The Finance Committee met on 23rd May 2016.

1. The key matters considered at the meeting were as follows:

- The "Safety Moment" posed a query as to whether services for Dementia patients had been adversely affected by recent financial issues. Assurance was given that this was not the case, and that Dementia patients received appropriate care (and enhanced care was provided according to clinical need)
- The month 1 financial performance for 2016/17 was reviewed. A new 'finance pack' was submitted for the first time, and was well-received (although some suggested improvements were made)
- The latest position regarding the 2016/17 contracts was reported
- A "Lord Carter efficiency review update and next steps" report was reviewed, and it was agreed that the next update, at the August 2016 Committee, should include a review of the portal/dashboard containing the Trust's comparative performance
- The "Allocate" e-rostering business case was reviewed, and formally supported (the Case had already was circulated to all Trust Board members outside of the Finance Committee to ask for virtual approval to proceed which was received)
- The Committee welcomed the Director of Operations for Urgent Care; a Senior Clinical Site Manager; the Lead Matron for Emergency & Acute Medicine at Tunbridge Wells Hospital (TWH); and the Sister of the Coronary Care Unit at TWH for an very useful exploration of the issues relating to the use of Agency staff, from the perspective of the Wards, A&E, and Site Team. Those attending described the steps involved in planning a Ward staffing roster, and the factors that determined whether temporary staff (including framework and nonframework Agency staff) were required. The Committee was assured by the process described
- The usual monthly report on breaches of the external cap on the Agency staff pay rate was reviewed, which included review of comparative performance with other Trusts in Kent, Surrey and Sussex
- The Trust Secretary reported the recent occurrences of the use of the Trust Seal

2. In addition the agreements referred to above, the Committee agreed that:

- The Director of Finance should clarify what 'block' contracts the Trust has in place, and provide Finance Committee members with the relevant details
- The phasing of the Trust's Efficient Savings Plan (ESP) for 2016/17 should be amended (in the light of the acknowledgement that the original phasing had been incorrect)
- The Programme Management Office (PMO) should present to a future Finance Committee on their approach and performance over the previous year
- The "Service Line Reporting quarterly update" item at the June 2016 Committee should include a discussion of the clinical areas that would be appropriate for a future 'deep dive' review
- 3. The issues that need to be drawn to the attention of the Board are as follows:
 - The "Allocate" e-rostering business case formally supported

Which Committees have reviewed the information prior to Board submission?
N/A

Reason for receipt at the Board (decision, discussion, information, assurance etc.) Information and assurance

Maidstone and Tunbridge Wells

NHS Trust

Trust Board Meeting - May 2016

5-21	Annual Report 2015/16 (including	Audit and Governance Committee
	Governance Statement)	Chairman

NHS Trusts are required by statute¹ to produce an Annual Report. The minimum content for such Annual Reports is prescribed by the Department of Health, through its 'Manual for Accounts'. The Manual also states that "Beyond this [minimum content] however, the entity must take ownership of the annual report and ensure that additional information is included where necessary to reflect the position of the NHS body within the community and give sufficient information to meet the requirements of public accountability".

The draft Annual Report is required to be provided to the External Auditors, as part of their Audit of the financial accounts, and this was duly provided to Auditors on 22nd April 2016. The draft Governance Statement was provided to the NHS Trust Development Authority the day before.

The draft Annual Report (including Governance Statement (page 47 onwards)) was then reviewed by the Audit and Governance Committee on 5th May. The enclosed Annual Report therefore represents the final version, and has been submitted to review by the Audit and Governance Committee, which meets on 25th May, before the Trust Board.

The Audit and Governance Committee will be asked to review the Report in detail, and recommend that the Trust Board approves the document. The outcome of the Audit and Governance Committee's review will be provided verbally at the Trust Board on 25th May.

The final document will include the "Independent auditor's report to the Directors of the Trust", and the Annual Report and Accounts will be combined (the full Accounts will be inserted at the end of the Annual Report). It should also be noted that there may be further minor layout / design changes between now and the date that printed versions of the document will be produced (the Trust's Annual General Meeting, in September 2016). However, such changes will be cosmetic, and the text will not be changed from that approved by the Board.

Which Committees have reviewed the information prior to Board submission?
Audit and Governance Committee, 25/05/16

Reason for receipt at the Board (decision, discussion, information, assurance etc.)² To review and approve the Annual Report (including Governance Statement) for 2015/16

¹ The National Health Service and Community Care Act 1990

² All information received by the Board should pass at least one of the tests from 'The Intelligent Board' & 'Safe in the knowledge: How do NHS Trust Boards ensure safe care for their patients': the information prompts relevant & constructive challenge; the information supports informed decision-making; the information is effective in providing early warning of potential problems; the information reflects the experiences of users & services; the information develops Directors' understanding of the Trust & its performance





Annual Report and Accounts 2015/16



Patient First - Respect - Innovation - Delivery - Excellence

About this Annual Report

The National Health Service and Community Care Act 1990 requires NHS Trusts to produce an Annual Report. The content and format is required to follow the guidance issued by the Department of Health (in the form of a 'Manual for Accounts'). The specific requirements for Annual Reports for 2015/16 are that NHS bodies must publish, a single Annual Report and Accounts (ARA) document, comprising the following:

- A Performance Report (which must include an overview, and a performance analysis)
- An Accountability Report (which must include: A Corporate Governance Report and a Remuneration and Staff Report))
- The Financial Statements

The Department of Health's guidance sets out the minimum content of the Annual Report. Beyond this however, the Trust is expected to take ownership of the Report and ensure that additional information is included where necessary to reflect the position of the Trust within the community and give sufficient information to meet the requirements of public accountability. The Report is divided into several sections:

- "Performance Report for 2015/16", which is split into the following sections:
 - An overview. This includes the purpose and activities of the Trust; the Chairman and Chief Executive's report; the 'story of the year' (month by month); the key issues and risks affecting delivery of the Trust's objectives; an explanation of the adoption of the going concern basis; and a Performance summary
 - A Performance analysis, which includes details of how the Trust measures performance; the Trust's development and performance in 2015/16; and a review of financial performance for 2015/16
 - A summary of the Trust's Quality Accounts for 2015/16
 - Sustainability Report. This follows the standard reporting format from the NHS Sustainable Development Unit
- *Accountability Report for 2015/16", which is split into the following sections:
 - "Corporate Governance Report for 2015/16", which in turn is split into:
 - A Directors' report (which provides details of the Trust Board; a Statement as to disclosure to auditors; attendance at Trust Board meetings; details of Directors' interests; the Trust's Management Structure; complaints performance and the Trust's application of the 'Principles for Remedy' guidance; disclosure of "incidents involving data loss or confidentiality breaches"; & details of Emergency Preparedness arrangements
 - \circ ~ The "Statement of the Chief Executive's responsibilities as the Accountable Officer of the Trust"
 - The "Governance Statement for 2015/16"
 - "Remuneration and Staff Report for 2015/16" (including details of `off-payroll' engagements)
- "Financial Statements for 2015/16", which includes Pension Liabilities, exit packages and severance payments; and staff sickness absence data
- Independent auditor's report to the Directors of Maidstone and Tunbridge Wells NHS Trust

The Annual Report and Accounts were approved by the Trust Board of Maidstone and Tunbridge Wells NHS Trust on 25th May 2016.

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Maidstone and Tunbridge Wells



Performance Report for 2015/16: Overview



The purpose and activities of Maidstone and Tunbridge Wells NHS Trust

Maidstone and Tunbridge Wells NHS Trust (the Trust) is a large acute hospital Trust in the south east of England. The Trust was legally established on 14th February 2000¹, and provides a full range of general hospital services and some areas of specialist complex care to around 560,000 people living in the south of West Kent and the north of East Sussex.





The Trust's core catchment areas are Maidstone and Tunbridge Wells and their surrounding Boroughs, and it operates from three main clinical sites: Maidstone Hospital, Tunbridge Wells Hospital at Pembury and

Crowborough Birthing Centre. Tunbridge Wells Hospital is a Private Finance Initiative (PFI) hospital² and the majority of the site provides single bedded en-suite accommodation for inpatients. The Trust employs a team of over 5000 full and part-time staff.

In addition, the Trust provides specialist Cancer services to circa 1.8 million people across Kent, Hastings and Rother, via the Kent Oncology Centre, which is sited at Maidstone Hospital and at Kent and Canterbury Hospital in Canterbury. The Trust also provides Outpatient and outreach clinics across a wide range of locations in Kent and East Sussex.

The Trust is registered with the Care Quality Commission (CQC) to provide the following Regulated Activities:

- Assessment or medical treatment for persons detained under the Mental Health Act 1983 (at Maidstone Hospital and Tunbridge Wells Hospital) (this Regulated Activity was added during 2015/16)
- Diagnostic and screening procedures (at Maidstone Hospital and Tunbridge Wells Hospital)
- Family planning services (at Maidstone Hospital and Tunbridge Wells Hospital)
- Maternity and midwifery services (at Maidstone Hospital, Tunbridge Wells Hospital and Crowborough Birthing Centre)
- Surgical procedures (at Maidstone Hospital and Tunbridge Wells Hospital)
- Termination of pregnancies (at Tunbridge Wells Hospital only)
- Treatment of disease, disorder or injury (at Maidstone Hospital and Tunbridge Wells Hospital)

Further details of the Trust's CQC Registration, see www.cqc.org.uk/provider/RWF/registration-info

¹See <u>The Maidstone and Tunbridge Wells National Health Service Trust (Establishment) Order 2000</u>

² The PFI Project Company is "Kent and East Sussex Weald Hospital Ltd" (KESWHL)

Chairman and Chief Executive's report

Welcome to the Trust's Annual Report for 2015/16. It is fair to say that as with the majority of acute Trusts in the country, the Trust had a difficult year. However, this has to be seen in the context of a large increase in demand, and the Trust maintained its safety standards throughout. The situation is described in more detail later in this Report, but the capacity pressures usually experienced during winter extended for a far longer period than usual. Such pressures led to the need to provide additional inpatient beds by using 'escalation' areas, which incurred higher costs (the staff required to operate such areas safely often have to be engaged from external Agencies), and therefore damaged our financial position. 'Delayed Transfers of Care' have also been a key issue, and although we worked closely with our partners in Social Services and the community to try to reduce these, the level seen at the Trust has been far higher than could have been reasonably planned for. This had knock-on effects on average Length of Stay, which in turn has adversely affected the ability to treat patients (particularly elective) as quickly as we would have liked.

However, despite what seemed like unrelenting pressure, we are very pleased, & proud, to report that staff remained positive & highly committed, and delivered some exceptional achievements. The 'Story of the year' section describes many areas of improved practice and patient experience, but highlights include:

- A 36% reduction in cases of Clostridium difficile, and only 1 case of MRSA bacteraemia
- Achieving the national targets for treating A&E patients within 60 minutes, and for ensuring patients were assessed for the risk of Venous Thromboembolism (VTE)
- Achieving the national target for the proportion of Stroke patients spending at least 90% of their inpatient stay on a Stroke ward, and improving the overall position within the Sentinel Stroke National Audit Programme (SSNAP)
- Improvements in Intensive Care, as demonstrated by the data from the Intensive Care National Audit & Research Centre (ICNARC) and the South East Coast Critical Care Network (SECCCN)
- In February, the go-ahead was given to the transfer of the management of Maternity services in the High Weald area to the Trust. The transfer, which included Crowborough Birthing Centre promises a more seamless maternity service for women in the High Weald area

The Trust will face similar challenges in 2016/17. However, there is cause for optimism: in March 2016, the new Acute Medical Unit (AMU) at Tunbridge Wells Hospital was opened. The extra 38 beds will provide additional resilience and help address the factors referred to above, by reducing the need for escalation areas, and improving the timeliness of patient flow. However, we, and the entire Trust Board, recognise that although the excellent new Unit will play its part, far greater efforts will be needed from the whole health and social care system. To this end, each area of the country had been asked to produce, by the summer of 2016, a 5-year Sustainability & Transformation Plan (STP) to improve health, care and finances. We were pleased to accept the invitation for the Trust's Chief Executive to lead on this for Kent and Medway, and look forward to working with all the Trust's partners to identify solutions.



Glenn Douglas. Chief Executive 25th May 2016



Anthony Jones, Chairman of the Trust Board 25th May 2016

Evaluating a major innovation in hospital design: workforce implications and impact

on patient and staff experiences of all single room hospital accommodation

Jill Maben, 1* Peter Griffiths, 2 Clarissa Penfold, 1

Michael Simon,² Elena Pizzo,³ Janet Anderson, Glenn Robert,¹ Jane Hughes,¹ Trevor Murrells,

ey1 and James Bar

The story of the year: April 2015

In April, a study on the effect single rooms have had for patients and staff since the Tunbridge Wells Hospital opened was published. It reported that the advantages of single rooms included increased privacy, dignity, comfort, better sleep, increased visiting hours, less disruption and a general increase in satisfaction. Whilst there were higher costs involved, particularly in relation to housekeeping, there was also the ability to save money as a result of faster recovery times and improved outcomes.

In other developments that month, Dr Syed Husain, Respiratory Physician at Maidstone Hospital, travelled to Kuwait City where he gave a presentation on Thoracic Ultrasound at an International Conference. While he was there, Dr Husain also met the Health Minister of Kuwait and his presentation was appreciated by an audience of more than 680 delegates from around the world. The physicians in Kuwait expressed interest in attending the courses run by Dr Husain at the Trust and also requested his assistance in setting up these courses in Kuwait.

There were a number of developments relating to new technology, including the use of a text reminder system for hospital appointments.

Hopefully, with up to date contact details, the Trust can make sure that where possible, late cancellations are avoided and also that the slots which are cancelled can be filled quickly with other patients who have a real need to see a member of staff.

Also, following a successful trial, the "Nervecentre" system was implemented across all Wards. This system enables patient's vital signs to be monitored electronically and the information automatically collated in real time, for colleagues to access. For the first time, our Wards were able to use mobile devices like iPods and iPads to record and automatically calculate Patient At Risk (PAR) scores. These are immediately calculated through "Nervecentre", reducing human error, and trigger an alert to the senior Nurse on the Ward and Outreach team, in real time, where early intervention is required for a deteriorating patient.



The new Maidstone Hospital League of Friends shop and bookstore were officially opened by Glenn Douglas, Chief Executive, following the redevelopment of the reception area. Between May 2014 and April 2015, the Maidstone League of Friends raised and spent over £420,000 on new equipment (including £13,000 on the installation of WiFi), and they committed a further £23,000.

The story of the year: May 2015

The start of the month saw the introduction of patient feedback campaign boards at Tunbridge Wells Hospital, similar to those previously installed at Maidstone Hospital. The boards are a really creative way of getting patients to see some of the fantastic and positive comments made about our staff, which in turn will hopefully give them more confidence in the care and treatment they are going to receive themselves.

The Trust's Grand Innovations Day held on 15 May saw a demonstration of the much-anticipated Air Glove –



an innovation from the Trust which had been in development for several years of. As well as this, there were a number of speakers, demonstrations of other innovations and prizes were presented to the winners and runners up of the 'Apps Competition'. Innovation is one of our Trust values and is hugely important for the Trust's development. It means there is an opportunity for good ideas and concepts to be made into a reality and help the Trust to deliver the best possible patient care.

The latest National adult Inpatient Survey for 2014was published in May, and showed that there had been a significant improvement in the number of patients who rated their experience highly. A total of 85% of patients who took part in the survey scored the Trust's hospitals 'ten out of ten' or 'nine out of ten' for their overall experience. This was an improvement of 31% on the same measure in 2013 (when the Trust scored 54%) and moved the Trust further above the score for the 2012 survey (of 45%).

Here are some other examples of the Trust compares nationally:

- 79.5% said they were always well looked after compared to 77% nationally
- 97.8% said their room or Ward was very clean (72.9%) or fairly clean (24.9%) compared to 97% nationally (69% and 28%)

The full survey results are available at: <u>www.cqc.org.uk/provider/RWF/surveys</u>.

Pa	lient survey report 2014
Sur Mad	Commission Vey of adult inpatients 2014 tone and Turbridge Wells NetS Trust

The story of the year: June 2015

The Maidstone Birth Centre celebrated an important milestone in June, with the delivery of the 1500th baby. Leon Guntrip was born on 1st June at 7.39pm, weighing 6lb 10 ounces and his mum, Hannah, was presented with a keepsake box by staff to mark the occasion. Hannah praised the staff at the Birth Centre, who she said were amazing.

The Estates and Facilities Department had an external audit in the month, and passed with flying colours, resulting in them obtaining their ISO 14001 registration. ISO 14001 is an internationally accepted Management System Standard that outlines how to put an effective environmental management system in place. It is designed to help businesses and organisations run effectively and appropriately while still being environmentally friendly. These standards are highly prestigious and demanded all over the world by organisations and consumers. Achieving certification makes a positive statement to all the Trust's contractors and service users about the importance the Trust places on meeting customers'



needs. The Trust is the only one in the NHS to hold this certification for their Estates and Facilities Service, and is now listed on the International Register.



The Trust also appointed 5 new Consultants in May, which will fulfil the requirements set out by the Royal College of Paediatrics that there should be a Paediatrician on-site until 10pm every day. This service started in October 2015, and will mean the Trust will have a paediatrician in A&E at Tunbridge Wells Hospital between 2pm-10pm (peak attendance times) for acute emergency cover. The Trust also recruited a number of children's Nurses who are based in A&E.

The story of the year: July 2015

A national survey, published in July, based on the experiences of almost 19,000 children and young people, revealed that the majority of those seen at the Trust were happy with the care they received. All the children surveyed either stayed in hospital overnight, or were seen as a day-patient. Results also showed that they felt staff did everything possible to control their pain and that they understood the information given to them. The full survey results are available at: www.cqc.org.uk/provider/RWF/surveys.

Huge congratulations were in order for the Professional Standards Team who were awarded the Quality Mark by Skills for Health for the Clinical Support Worker Induction Programme, Diploma 2 and 3 in Clinical

Healthcare Support and the Care Certificate. This is a very prestigious award and the Trust was the first organisation in Kent, Surrey and Sussex to be awarded this recognition. The final report described the Trust's overall approach as supportive, innovative and suiting the local and national needs of the health sector as well as the individual needs of its learners.

On a similar note, two Stoma Nurses also won a national award which recognised outstanding Stoma care and exemplary service. Judy Mallett and Kirsty Craven were presented with the Colostomy



Association Purple Iris award when they attended the charity's open day and annual gala dinner in Reading. The award nominations are made by patients who want to recognise outstanding care they have received from individuals or departments.

The Trust received a huge amount of positive coverage following an incident in Wateringbury on 1st July. 62-year-old Peter Rabbatts was

driving to work that morning through Wateringbury when he suffered a cardiac arrest at the wheel of his car. A Paediatric Oncology nurse, Helen Stevens, and Occupational Therapist, Chloe Joseph (both of whom



work for the Trust), were in vehicles behind Peter at the traffic lights and had an instinct that something was wrong so ran to Peter's car to check on him. Helen immediately began Cardiopulmonary resuscitation (CPR), supported by Chloe, whilst a member of the public called for an ambulance and helped to direct traffic. As Chloe took over the chest compressions a few minutes later, the Trust's Medical Director,

Paul Sigston, arrived and assisted

with CPR. Once the Ambulance crew arrived, Paul continued to offer medical support and Peter was taken to Maidstone Hospital. Thanks to the prompt and effective actions of those staff members, Peter arrived at Maidstone Hospital's A&E department alive and has gone on to make a good recovery.

The story of the year: August 2015

Following an assessment by a team of external senior healthcare professionals, the Cancer and Haematology Directorate was accredited by CHKS in August. CHKS is a provider of healthcare intelligence and quality improvement services to the NHS and independent healthcare sector. This prestigious accreditation means that our processes and standards meet internationallyrecognised best practice, legislation and regulatory requirements. Accreditation by CHKS provides a standards-based framework for quality assurance and quality improvement, and



taking part in the assessment process gives us the resilience and vigilance needed to deliver consistently high quality healthcare services.



Every year, annual Patient-Led Assessments of the Care Environment (PLACE) inspections take place at every hospital in the country. The results of the 2015 inspection were published this month, and the Trust exceeded the national average scores in all but one category. The assessments see staff and local patient representatives assess how the environment in a hospital (or other type of treatment centre) supports patients. It focuses entirely on the care environment and does not cover clinical care provision or how well staff are doing their jobs. The Trust exceeded results in every category except one – the condition, appearance and maintenance category at Maidstone Hospital. The Trust scored 89% against a national average of 90%, however, it was recognised that the multimillion pound refurbishment programme for Maidstone Hospital will improve lots of areas and Ward environments for our patients and visitors.

In other developments, a 7day Pharmacy service was announced, meaning that

the Trust's Pharmacy dispensaries will be open from 9am to 4pm on Saturdays and from 10am to 4pm on Sundays at both hospitals. This additional support really benefits patients as they have greater access to the Pharmacy department and Pharmacist advice.



The story of the year: September 2015





Awarded for face to face delivery of education and training to the health sector At the start of the month the Trust was presented with the Quality Mark certificate (see July 2015). The delivery of the Care Certificate course is a mandatory requirement to achieving the Quality Mark which, as a

Trust, we have run since March 2015, and prior to this we were a nominated pilot organisation. The Skills for Health Quality Mark was awarded for the robust training offered to Clinical Support W orkers at the Trust.

The Trust offered support to a neighbouring Trust for a short period during September. For two days, ambulances were diverted from Medway Maritime Hospital between 7am and midday to Maidstone, Darent Valley and Kent and Canterbury Hospitals, according to the patients' clinical need. The Trust saw minimal impact from the divert and has been working with partners across the healthcare system to put in place further measures to support staff at Medway.



The story of the year: October 2015

Praise was due for the Radiography department, who in October scooped two high profile regional awards. The Radiotherapy Treatment Team was awarded the Society of Radiographers (SOR) South East Radiography Team of the Year Award 2015 (see January 2016), while Christine Richards, Radiotherapy Services Manager, won their award for the South East Radiographer of the Year Award 2015.

October also saw the Critical Care Directorate begin operating a 24 hour, 7 days per week Critical Care Outreach Service at both Hospitals. This meant that staff caring for critically ill and deteriorating patients on the Wards now had access to experienced Critical Care Nurses for assistance, support & advice at all hours.

A Respiratory Awareness Day for patients with lung conditions was held on 17 October at the Academic Centre at Maidstone. Over 150 people attended the event which was organised by our Consultant Respiratory Physician, Dr Syed Arshad Husain, with the help of the Trust Research Unit, and was opened by the Deputy Mayor, Councillor Derek Butler. It was a really informative and interesting day and there were lots of experienced and knowledgeable speakers and some great demonstrations. The event showcased the Trust as an innovative and dynamic organisation which wants to inform and educate its patients to improve the management of their conditions and the care they receive.

The Trust also launched a new, dedica ted Facebook page all about the Trust's maternity services. The page has been used to share information and as a discussion/feedback forum, and it is hoped that the page will become a useful tool for women, their partners & families. The Maternity Department also introduced a new IT system (EuroKing E₃) which digitalised records for mums-to-be. Previously, most records about a pregnancy and birth have been kept in the book provided to women at the start of their pregnancy, with just a proportion of those notes being added onto a computer system as well. Now, midwives and other medical professionals can add continuously to the record on the new system at every contact.

The story of the year: November 2015

The new 31-bed John Day Ward opened at Maidstone Hospital at the end of November. This Ward refurbishment was part of ongoing work and development, to improve wards and other areas throughout the Hospital. The refurbished Ward area provides an impressive environment for patients. It includes an enhanced care bay for patients requiring more intensive monitoring or intervention and a negative pressure room for patients with airborne transmitted diseases such as Tuberculosis, who require isolation. The improved Ward layout has five 4-bed bays and one 3-bed bay, all with shower rooms and toilet facilities. There are also 7 single rooms with en-suite facilities.

November also saw the launch of a new Integrated Discharge Team (IDT) covering both hospitals. This team brought together the Trust's Discharge Co-ordinators, Kent County Council Social Care and Kent Community Health NHS Foundation Trust staff to streamline the discharge processes for our more complex patients. The plan is to make this a one-stop-shop for all the Trust's complex patients, with a single contact number on each site, which will make a really positive difference to the discharge process in the future.



One of the Trust's highlights of the year took place on 20th November – the Staff Stars Awards, an annual event which celebrates the professionalism, commitment and achievements of staff. Certificates and prizes were presented by Glenn Douglas (Chief Executive), and Tony Jones (Chairman of the Trust Board), as well as special guest, Cheryl Fergison, who played the long-running, muchloved character Heather Trott in Eastenders. Cheryl nominated the Kent-based Ellenor Hospice to receive the proceeds from our charity raffle on the night – over £775!

Also in November, the Kent Oncology Centre at Canterbury officially unveiled a new piece of Radiotherapy equipment, which has been installed as part of the on-going 10 year, major capital program being undertaken by the Trust, to replace several major pieces of Radiotherapy treatment equipment across Kent.It is the first Radiotherapy machine in the county to have the very latest state-of-the-art "Truebeam" treatment technology installed. It cost £2 million and will help to more quickly



and accurately treat certain types of cancers which can be relatively mobile within a patient's body. The event was covered by both BBC South East and ITV Meridian, along with Heart and KMfm radio, and the Trust received some great coverage as a result. The new equipment is a very positive enhancement to the Cancer services the Trust offers.

The story of the year: December 2015

This month, the latest national Maternity survey results were published. The report confirmed that women were increasingly likely to have a good overall experience of Maternity services provided by the Trust, and that they have confidence and trust in its services. The survey also showed that women have a high regard for their Midwives and the clinical teams caring for them, with 82% reporting that they definitely had confidence and trust in local Maternity services – up 12% since the last time the survey was carried out in 2013. More than 20,000 women who gave birth during February 2015 took part in the Survey nationally, whilst locally, 202 women who gave birth at either Tunbridge Wells Hospital or our Birth Centre at Maidstone took part. The Trust was rated among the best in the country in 10 areas (twice as many as in the 2013 survey) and there were no areas rated within the bottom 20% of Trusts. The full survey results are available at: <u>www.cqc.org.uk/provider/RWF/surveys</u>.



The survey results came shortly after a group of the Trust's Midwives returned from training staff in China about Kangaroo care (skin to skin contact between mother and baby) at



the behest of Save The Children in partnership with Chinese Health Authorities. This followed a visit to the Trust earlier this year by senior Chinese health officials to see the benefits of Kangaroo care and to hear about our research in this area. The Trust's midwives provided training for staff from 8 specially selected hospitals in China. This included practical sessions at a leading maternity hospital in

Beijing and Nanjing that resulted in some amazing and emotional scenes for parents and staff. The staff in China will now be introducing and embedding Kangaroo care in their hospitals as the start of a 4 year program to introduce this across China.

The Trust's new public website was launched in December (see <u>www.mtw.nhs.uk</u>). The site can now be viewed on mobiles and tablets as well as computers, which means the information we provide is far more easily accessible to our users.



The Christmas period at the Trust was a busy one – between Christmas Eve and 28th December, there were 1,750 A&E attendances and 846 admissions (522 of which were emergency). The Trust carried out 44 planned operations and 86 emergency operations (130 in total), as well as 165 CT scans and 69 MRI scans. 75 babies were born during the same period – 18 of them on Christmas day!

The story of the year: January 2016

At the start of January, the Trust was able to confirm that December saw no attributable (post 72 hour) Clostridium difficile infections. This was great news for the Trust and our patients and was directly related to a reduction in the prescribing of certain antibiotics as well as a focus by staff on infection control and improvements in care.

There was also good news on the recruitment front in the month, with 100 more substantive staff employed by the Trust compared with this time in 2015.

Patient falls in the Trust also fell to 6.2 per 1,000 bed days, an improvement on the previous 3 months. Work continues to reduce the Falls rate, which includes training, observations and risk assessments.

Congratulations were in order for Christine Richards and the Radiotherapy team, who were given their

awards for their excellent work by the Society and College of Radiographers. As was noted above (for October 2015), the Radiotherapy Team were named as South East Radiography Team of the Year and Christine was named, individually, as the South East Radiographer of the Year. Rehman Chishti, MP for Gillingham and Rainham, visited the Kent Oncology Centre to meet with Christine and her team to see their work first-hand, after he heard about their recent accolades.



The story of the year: February 2016



This month, the go-ahead was given to the transfer of the management of Maternity services in the High Weald area, from East Sussex Healthcare NHS Trust, to the Trust. The final agreement, which included Crowborough Birthing Centre, was made at the East Sussex Healthcare NHS Trust Board meeting and follows agreement from the Trust's own Board in January 2016. The transfer promised a more seamless maternity service for women in the High Weald area, and follows feedback to the "Better

Beginnings" consultation in 2014 when local people said they would support the transfer of the service.

The results of the annual National Staff Survey were published this month and once again, the Trust saw significant improvement. Further details of the survey findings are contained in the "Our staff" section later in the Report.


The story of the year: March 2016

March saw the launch of an official pledge from the Trust to make changes to improve the service and care provided for secondary Breast Cancer patients. The Trust teamed up with the UK's leading Breast Cancer charities (Breast Cancer Now and Breast Cancer Care) to identify these important changes, which include:



- Clinicians working with a patient focus group to develop a directory of local services available for people living with secondary breast cancer
- Streamlining referrals to counselling services to provide emotional support for patients and relatives
- Piloting the use of Information Prescriptions to identify tailored and relevant information for patients at each stage of their secondary breast cancer

The general Histopathology external quality assurance (EQA) scheme (which is run by the Trust's Histopathology service, and serves the South East including Kent, Surrey, Sussex, Essex and South London), was awarded ISO 17043 accreditation by UKAS. This is the first scheme of its type in England to achieve this. The EQA scheme sends out prepared microscope slides of biopsies and similar specimens for Consultant Histopathologists in South East of England to examine and make a diagnosis and then scores the results. This gives assurance to the participants and Trusts that the quality of diagnosis is maintained for patients across South East England.

Every Stroke Service in the country is measured by the Stroke Sentinel National Audit Programme (SSNAP). Data is collected continuously & results are reported each quarter. A large number of areas of care (covering imaging, Medical & Nursing care, Therapy input, discharge planning and more) are assessed. These are combined to give a rating for the service as a whole. These ratings are from 'A' (the best) through to 'E' (the worst). When SSNAP started, Maidstone Hospital scored an 'E'. A huge amount of hard work has gone on since then, & in March 2016, for the first time, Maidstone scored a 'B', which meant that not only is the Trust above the national average but is also showing the best performance in West Kent. Tunbridge Wells Hospital also saw an improvement & it is believed there will be further, significant progress in 2016/17 (when the Stroke Rehabilitation service will moves back to that hospital from Tonbridge Cottage Hospital).

March also saw the opening pf the new Acute Medical Unit (AMU) at Tunbridge Wells Hospital. The AMU is divided into 3 sections – Ambulatory Emergency Care (AEC), a treatment suite and inpatient beds for

a stay of less than 48 hours.



Key issues and risks affecting delivery of the Trust's objectives

The Trust Board agreed the following objectives for 2015/16:

- To provide care & treatment within the upper quartile (as recognised by patients, staff and the Care Quality Commission); and improve the standard of the Trust's clinical governance arrangements
- To increase inpatient capacity to cope with rising non-elective demand
- To reduce the reliance on temporary staff; and ensure the appropriate skill-mix of staff across the Trust
- To deliver the financial plan for 2015/16
- To enhance and sustain a high-performing culture
- To develop a cohesive strategy to deal with the instability and uncertainty in the wider health economy
- To ensure there is effective succession planning for key critical posts

The key issues and risks affecting delivery of these (as described in the Trust's Board Assurance Framework – see the "Governance Statement for 2015/16") are outlined below. Details of how the Trust actually performed in response to these can be found in the "Performance analysis" section below.

To provide care & treatment within the upper quartile (as recognised by patients, staff and the Care Quality Commission); and improve the standard of the Trust's clinical governance arrangements

In order to achieve this, it was known that the following risks needed to be managed effectively: a potential failure to recognise the improvement required following the Care Quality Commission (CQC) inspection in October 2014; a potential failure to adequately monitor care and treatment, and to challenge poor performance; a potential failure to implement the actions within the Quality Improvement Plan (QIP); a potential failure to identify exactly what changes are needed in relation to clinical



governance and culture; and a potential failure to respond to current (and future) capacity pressures, resulting in increased potential for poor care and patient experience.

To increase inpatient capacity to cope with rising non-elective demand

In order to achieve this, it was known that the following risks needed to be managed effectively: a potential failure to improve the flow of patients, by reducing Length of Stay (LOS) and reducing the number of Delayed Transfers of Care (DTOC); and a potential failure to recruit to the Trust's workforce establishments.

To reduce the reliance on temporary staff and ensure the appropriate skill-mix of staff across the Trust

In order to achieve this, it was known that the following risks needed to be managed effectively: a potential failure to recruit to clinical vacancies; a potential failure to reduce / remove the agreed number of escalation beds within the Trust; a potential failure to reduce Length of Stay; a potential failure to utilise the existing workforce effectively; and a lack of regular reviews of clinical skill mix.

To deliver the financial plan for 2015/16

In order to achieve this, it was known that the following risks needed to be managed effectively: failing to deliver the required income levels across all contracts; a potential failure to contain costs within the budgets allocated; failure to deliver the Cost Improvement Plan (CIP) in full; not receiving full payment for patient activity undertaken; the impact of increased emergency activity through the winter period; a potential failure to mitigate reliance on temporary staffing (and Agency staffing in particular); and the continuing high level of DTOCs.

To enhance and sustain a high-performing culture



In order to achieve this, it was known that the following risks needed to be managed effectively: dependence on temporary staffing; staff nonalignment to Trust vision and values; reputational damage from the Corporate Manslaughter prosecution; inconsistent and disjointed leadership; staff morale resulting from national changes to terms and conditions of employment; and loss of key staff and lack of succession planning.

To develop a cohesive strategy to deal with the instability and uncertainty in the wider health economy

In order to achieve this, it was known that the following risks needed to be managed effectively: competing priorities and operational pressures; a potential failure to broker agreed models and ways forward; policy decisions, e.g. aspects of financing; and external factors and instability in other organisations.

To ensure there is effective succession planning for key critical posts

In order to achieve this, it was known that the following risks needed to be managed effectively: national Terms and Conditions of employment; business needs (i.e. the ability to release staff for development opportunities); individual aspirations to take-up critical roles; potential insufficient talent for key critical roles; and a reduction in training resources.

Adoption of the 'going concern' basis

After making enquiries, the Directors have a reasonable expectation that Maidstone and Tunbridge Wells NHS Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Trust continues to adopt the going concern basis in preparing the Annual Accounts.

Performance summary for 2015/16

Overall, 2015/16 was a mixed picture in terms of performance. Performance on the Trust's agreed objectives, including the delivery of the financial plan, is described in detail in the "Analysis and explanation of the Trust's development and performance in 2015/16" section below. For the key performance targets, although the Trust was successful in a number of areas, including that for Clostridium difficile (for which there was a 36% reduction on the number of cases seen in 2014/15), the Trust underperformed on a number of targets. Full details are provided in the "Governance Statement" section in the report.





Performance Report for 2015/16: Performance analysis



How the Trust measures performance

The Trust measures performance in a number of ways. Each month, the Business Intelligence Department produces a Trust Performance Dashboard, which contains details of all key aspects of performance, under the domains of "Safety", "Effectiveness", "Caring", "Responsiveness" and "Well-Led". The "Well-Led" information is provided by colleagues in the Finance and Human Resources Departments. A traditional 'Red, Amber, Green' (RAG) rating system is used to highlight variances against the Trust's plans for the year and/or the required national target. "Green" means "Delivering or exceeding target", "Amber" means "Underachieving target" and "Red" means "Failing target". Additional performance information is



provided on financial matters and clinical quality. These reports are available on the Trust's website, as part of the information provided for Trust Board meetings (see www.mtw.nhs.uk/about-us/trust-board/).

The content of the Performance Dashboard is discussed at meetings of the Trust Management Executive (Trust Management Executive) and Trust Board. The Director responsible for each domain is asked to highlight any key issues of note, and provide an explanation for any areas of under / failing performance. At the Trust Board, the previous month's performance is summarised within a "Story of the month".

At Directorate level, the Trust's "InfoKiosk" portal enables the performance on a wide range of indicators to be shared across the Trust, to enable discussion at Directorate meetings. Clinical Directorates are required to report their key performance issues to the TME and Trust Clinical Governance Committee. Clinical Directorates' performance is also measured and discussed at Quarterly Performance Review meetings; and the Business Intelligence Department also produces Directorate Performance Dashboards containing details of all aspects of performance.

Performance against the Trust's agreed objectives is measured and monitored via the Board Assurance Framework, which is described in more details in the "Governance Statement" later in the Report.

The Trust also uses nationally-published information (where available), to compare performance. This includes national staff and patient surveys (which are described elsewhere in this Report); and national clinical audits. Clinical outcomes are benchmarked against other Trusts via the 'Dr Foster' IT system. This is used in a number of ways. For example, mortality data is reported to the Trust Board, but reviewed in detail at the Trust's Mortality Surveillance Group.

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The information within the Performance dashboards originates from a range of sources. These include the main Patient Administration System (PAS); the "Nervecentre" IT system (see the "Story of the year" for April 2015); the Electronic Discharge Notification (eDN) system; and the Kent Oncology Management System (KOMS).

Development and performance in 2015/16

The 'key issues and risks affecting delivery of the Trust's objectives' were described earlier in the Report. The Trust's actual performance against each of its 2015/16 objectives is described below.

To provide care & treatment within the upper quartile (as recognised by patients, staff and the CQC)

This was achieved in part. The Quality Improvement Plan (QIP) developed in response to the Care Quality Commission (CQC)'s inspection in October 2014 was monitored monthly by the Trust Management Executive and Trust Board, and significant progress was made (the majority of Compliance Actions are now closed). The implementation of new, broader, CQC-style reviews is well underway, and this will continue into 2016/17. However, the objective is not considered to be "fully achieved" as the Trust's care and treatment will not be judged to be "upper quartile" by the CQC until the CQC have undertaken a further inspection.



To improve the standard of the Trust's clinical governance arrangements

This was fully achieved, as the standards of the Trust's clinical governance arrangements were improved. This was primarily manifested in a revised Committee structure and the establishment of a new Trust Clinical Governance Committee (further details can be found in the "Governance Statement" section).

To increase inpatient capacity to cope with rising non-elective demand

As noted earlier in the Report, inpatient capacity was increased, but this did not occur by the year-end, so this objective was therefore not achieved. The new Ward at Tunbridge Wells Hospital has 38 beds. In addition, the Trust's escalation plan was fully utilised. However, the overall level of capacity was insufficient, as Length of Stay and Delayed Transfers of Care contributed to the Trust's ability to cope with non-elective demand (which increased beyond the higher limit that had been set).

To reduce the reliance on temporary staff; and to ensure the appropriate skill-mix of staff across the Trust

Whilst the Trust was successful in increasing the number of substantive staff employed during 2015/16, the reliance on temporary staff has been high and above the planned utilisation which is primarily attributed to the number of escalated beds open, number of Delayed Transfers of Care, pressure on A&E on both hospital sites and use of Nursing 'Specials'. This objective was therefore not achieved. However, the Trust is continuing to implement the NHS Improvement Agency Rules and Price Caps, adopt best practice identified by the Lord Carter national efficiency review and drive recruitment to reduce reliance on temporary staff.

To deliver the financial plan for 2015/16

The Trust delivered a deficit of £23.4m against an original planned deficit of £14.1m, and therefore this objective was not achieved. The main drivers for the variance against are discussed in detail within the "Financial performance in 2015/16" section later in the Report.

To enhance and sustain a high-performing culture

This was achieved in part. Culture change takes 5 to 10 years to materialise. The Trust has an ambitious Workforce Strategy which was approved by the Trust Board. The Strategy defined the ambition of the Trust to construct an organisation where people deliver excellence each day and feel engaged, enabled and empowered to work for the Trust. Six interrelated workforce priorities and programmes of work have been identified which will drive improvements in the culture over the next 5 years. Further details of the Strategy can be found in the "Our staff" section later. The 2015 Staff Survey results (also see the "Our staff" section) show that Trust had improved results when compared to its performance on the 2014 survey, and also when compared against the benchmark of acute Trusts in England. The Trust was also rated "Good" in the national "Learning from Mistakes" League which published in March 2016 (see www.gov.uk/government/publications/learning-from-mistakesleague)

LEARNING FROM MISTAKES LEAGUE

The rankings are as follows:

- outstanding levels of openness and transparency
- good levels of openness and transparency
 - and transparency
- poor reporting culture

To develop a cohesive strategy to deal with the instability and uncertainty in the wider health economy

This was achieved in part. Good progress has been made on the development of the Strategy, with the document due to be submitted to the Trust Board, for approval, in May 2016. The final process of iteration and engagement with Clinical Directorates continues in advance of that meeting, as do discussions with commissioners to ensure alignment with their intentions. The Trust Board discussion will be followed by a period of sustained communication within the Trust, building on the substantial work that has already taken place. The document will also provide important context to the Sustainability and Transformation Plan (STP) process described in the "Chairman and Chief Executive's report" (at the start of the Annual Report) – effectively setting out the Trust's view. The full implications of the STP are unlikely to be completely clear until after the initial June submission. These will need to be reflected in the Trust's rolling process



To ensure there is effective succession planning for key critical posts

It is acknowledged that an overarching plan needs to be developed and with recent changes to critical roles plans need to be revised and updated. This objective was therefore not achieved. However, a new process will be put in place to review critical roles and existing plans and creation of an overarching plan.

Financial performance in 2015/16

The year proved extremely challenging financially, and resulted in a reported deficit of £23.4m, which was £9.3m adverse to the plan set at the beginning of the year (a £14.1m deficit). The key drivers of this were:

- Significant use of Agency staff, particularly in Nursing and Medical to cover vacancies (£6.6m)
- Staffing costs due to increasing demand for services and the need to open escalated areas throughout the year. These areas were not funded as part of the original financial plan (£2.3m)
- The impact on our ability to deliver elective activity due to the increasing demand of non-elective activity, Length of Stay and Delayed Transfers of Care

Income and Expenditure (Financial Performance)

The table below compares the Trust's income and expenditure plan to the year-end financial position.

Statement of Comprehensive Income	2015/16 (revised Plan)	2015/16 (Actual)	Variance
Income	£400.7M	£400.9m	(£0.2M)
Expenditure	(£376.9m)	(£392.9m)	£16.0m
EBITDA (deficit):	£23.8m	£8.1m	(£15.7m)
EBITDA %	6%	3%	3%
Depreciation & other	(£17.7m)	(£13.8m)	(£3.9m)
Net interest	(£14.4m)	(£14.3m)	(£0.1M)
PDC dividend	(£4.8m)	(£3.9m)	(£0.9m)
Impairments	(£0.5m)	(£13.4m)	(£12.9m)
	(£37.3m)	(£45.4m)	(£8.1m)
(Deficit) before technical adjustments	(£13.5)	(£37.3)	(£23.8)
Technical adjustments	£1.4M	£13.9M	£12.5M
(Deficit) after technical adjustments	(£12.1M)	(£23.4m)	(£11.3m)

Income

The Trust's income exceeded plan by £0.2m by the end of the financial year. Clinical income was £0.7m adverse to plan and other income £0.9m favourable. It should be noted that the Trust faced an increasing demand of non-elective activity during quarter four of 2015/16, which led to a significant reduction in elective activity during this period.

The majority (86%) of the Trust income is from Clinical Commissioning Groups (CCGs) or NHS England.

Expenditure

The Trust's operating expenses were dominated by pay. The Trust's pay costs for 2015/16 were 63% of total operating expenses. Pay was £10m adverse to plan at the end of the financial year. As explained above this adversity to plan was driven by the use of agency staff to cover Nursing and Medical vacancies or the need to staff areas that had been opened due to increasing non elective activity.

Non-pay was £6m adverse to the Trust's plan. The main driver of this was medication of £8m, offset by a £2m favourable variance relating to premises costs and a rates rebate, some of which related to prior years. Of the £8m medication overspend, £7m was recoverable from either NHS England or CCGs.

Cost Improvement Plan (CIP)

CIP programme by workstream	Plan £'ooo	Actual £'000	Variance £'ooo
Medical efficiency	£1,621	£1,500	(£121)
Nursing and STT efficiency	£1,037	£1,889	£852
A&C clinical administration	£397	£273	(£124)
Length of Stay	£1,824	£547	(£1,277)
Theatre productivity	£1,081	£587	(£494)
Outpatient productivity	£540	£689	£149
Procurement	£1,536	£2,541	£1,005
Contract management	£5,944	£6,770	£826
Private Patient Unit	£416	£182	(£234)
Medication	£811	£615	(£196)
Back office functions	£4,339	£3,549	(£790)
Financial management	£1,954	£1,623	(£331)
Total across workstreams	£21,500	£20,764	(£736)

The Trust set a £21.5m Cost Improvement Plan during 2015/16. Full year delivery against this Plan was \pounds 20.8m, with an adverse variance of \pounds 736k. The full details are shown in the following table:

Capital Expenditure plan

During the year the Trust made capital investments totalling £15.4m including £0.6m of assets funded from donated or charitable fund sources. A significant part of the Trust's capital programme in year was opening an Acute Medical Unit (AMU) at Tunbridge Wells Hospital for non-elective patients (£4.7m). £2.4m was also invested in medical equipment, £9.4m in the two hospitals estate (which included the refurbishment of John Day Ward at Maidstone Hospital) and £3.6m on IT.

The Trust's statutory (i.e. legal) duties

As an NHS Trust, the organisation has a number of statutory financial duties, which are explained below.

Capital Cost Absorption Duty

The Trust is required to achieve a rate of return on capital employed of 3.5% and has met that target, achieving a return of 3.5% for the year to March 2016.

External Finance Limit (EFL)

The Trust is required to demonstrate that it has managed its cash resources effectively by staying below an agreed limit on the amount of cash drawn from the Department of Health. In 2015/16, the Trust met its target by managing the year end position to an under shoot against the EFL of £0.2m, actual closing cash balance £1.2m.

Capital Resource Limit

The Trust is expected to manage its capital expenditure within its agreed Capital Resource Limit (CRL). For 2015/16, the Trust's CRL was set at £14.8m which was underspent by £52k.

Capital Investment Financing

The Trust did not take out any additional loans in 2015/16, but was successful in an application for £3.5m of Public Dividend Capital (PDC) in support of the Acute Medical Unit at Tunbridge Wells. In addition the Trust received £16k of central capital for Maternity care, and £200k from the capital incentive fund.

Accounting Issues

The accounts were prepared in accordance with guidance issued by the Department of Health and in line with International Financial Reporting Standards (IFRS). The accounts were prepared under the "Going Concern" concept.

External Auditors

The Trust's external auditors are Grant Thornton UK LLP. Their charge for the year was £102,000 (in 2014/15 this was £132,000) which includes the audit of the Quality Accounts. Grant Thornton UK LLP did not undertake any non-audit work for the Trust in 2015/16.

Looking forward to 2016/17

- The Trust has set a planned deficit of £22.9m during 2016/17. To deliver this deficit the Trust will need to deliver a £23m Efficiency and Savings Programme (ESP formerly Cost Improvement Plan). The overall Plan shows that 2016/17 will continue to be financially challenging.
- The key movement's year on year is the reduction in Private Finance Initiative (PFI) support by £4m; a change in tariff for the specialist Cancer Network (£4m); investment in opening additional capacity (2 Wards one for the full year, and one for 9 months £2.6m), inflationary factors such as pay awards, pension changes, the NHS clinical negligence insurance scheme and non-pay inflation; and a further investment in services (£3.3m).

These movements are offset by the planned £23m Efficiency and Savings Programme, NHS tariff inflation and demographic growth.

The Trust overall Plan assumes the same level of non-elective activity as per demand during 2015/16. The Plan is underpinned by elective activity returning to a 'steady state' from April 2016, following the winter pressures experienced during quarter 4 of 2015/16.



- The Trust is planning a rolling 5-year capital programme of £78m. This is inclusive of the following:
 - £18m essential improvements in backlog estates
 - Renewal of a main theatre block at Maidstone Hospital (£15m)
 - Replacement equipment programme of £25m, including linear accelerators
 - £6m IM&T modernisation programme
- The Trust is planning for capital investment loans to support the scale of the required estate renewal

Maidstone and Tunbridge Wells NHS Trust



Performance Report for 2015/16: Summary of Quality Accounts



Maidstone and Tunbridge Wells



Quality Accounts are intended to aid the public's understanding of what the Trust does well; identify where improvements in service quality are required; and list the improvement priorities for the coming year.

This section contains a summary of the Quality Accounts for 2015/16, but the full Quality Accounts can be found on the Trust's website (<u>www.mtw.nhs.uk</u>), or the Trust's pages on the NHS Choices website (<u>www.nhs.uk</u>).

Performance against selected key priorities for 2015/16

Performance against some of the 2015/16 priorities, as stated in the 2014/15Quality Accounts, is detailed below.

Patient Safety: To improve the system of incident reporting and learning lessons from incidents, complaints and claims.

Examples of the goals set, and the action taken in response is described below:

- "Incident reporting process to be developed to be easier, quicker and more accessible for all staff": A Datix (the Trust's incidents and complaints database) improvement group was established, and the Datix upgrade was completed in March 2015. The reporting page was reviewed and the process is now quicker and easier. A Datix 'app' is also being placed on staff tablets and iPhones for improved access
- "To publish a summary of learning from every serious incident in our Governance newsletter": Learning from Serious Incidents (SIs) are published in the Governance Gazette
- "To review the current communication pathways for lessons learnt from incidents, complaints and claims and, with the informatics and communication teams consider and implement more effective ways to get messages of learning to staff and the public": Improvements have been made to information on the Trust intranet, to provide learning, themes and trends via their forums and communication pathways (such as the Chief Executive's weekly update)



Patient Safety: To improve the patient safety culture within the organisation to ensure the organisations and all staff are responsive to learning

Examples of the goals set, and the action taken in response is described below:

- "To implement an engagement campaign called 'Step up to Safety' with the aim of raising awareness and engaging staff sign up to a 'just' culture": A Clinical Governance Roadshow week was undertaken in November 2015. This included patient safety awareness and a challenge to staff to share how they provide safe and quality care on a day to day basis
- "To host a patient safety culture focussed conference for Trust staff": A Patient Safety Conference was hosted on 3rd July 2015, with over 60 attendees and positive feedback

Patient Safety: To improve patient flow through the Trust

Examples of the goals set, and the action taken in response is described below:

- "Review of Wards to improve efficiency and flow through Ward location and co-adjacencies": Service redesign continues to be reviewed; and the Trust has joined the National Programme for Ambulatory Emergency Care (AEC) with the expectation that up to 20% of the Medical take can be treated on ambulatory pathways.
- "Creation of additional capacity at the Tunbridge Wells Hospital": As noted earlier in the Report, the new Acute Medical Unit opened in March 2016 with the addition of 38 beds

Patient Safety: To improve the quality of stroke care

Stroke performance is referred to elsewhere in the Report (in the "Chairman and Chief Executive's report", and in the "Story of the month" for March 2016), but an example of the goals set, and the action taken in response is described below:

"Provision of a high risk TIA service 7 days /week (daytime)": Currently a 5-day service remains operational. Discussions are continuing regarding the ability to provide a 7-day service

Clinical Effectiveness and Governance: To ensure clinical governance frameworks and processes throughout the Trust and at speciality level are effective

Examples of the goals set, and the action taken in response is described below:

- > "An external supported review of organisational clinical governance to identify good governance and
- culture, identify areas for improvement and implement new governance framework within the organisation": An External governance review that included cultural element was completed in August 2015. Further details are contained in the "Governance Statement" section later in the Report
- "Establishment of a system of intelligent monitoring that will enable more effective measurement of quality and safety": An internal assurance process was developed in relation to the CQC domains, and a pilot commenced in April 2016



Clinical Effectiveness and Governance: To review and improve the effectiveness of Morbidity and Mortality meetings and reviews

Examples of the goals set, and the action taken in response is described below:

- "In collaboration with Directorate leads and external partners agree an improved mortality review process that is documented as a standard operating procedure": A revised Mortality Review process and Mortality Surveillance Group was established in January 2016.
- With data analysts and informatics department, consider ways of automating the Mortality Review process that would make for a more timely and efficient process": Support from the Health Informatics Department was established. An automated mortality review process was considered but is not currently achievable due to changes to central patient data systems. However this will be consider and included in longer term plans

Clinical Effectiveness and Governance: To ensure that systems and processes as well as support for our staff is in place to discharge our responsibility to be honest, open and truthful in all dealings with patients and the public

Examples of the goals set, and the action taken in response is described below:

- "To update the 'Being Open' Policy to include the Duty of Candour requirements": The Policy was reviewed and Duty of Candour requirements explicit
- "To further develop resources to assist and support staff when undertaking duty of candour in the clinical setting": A Patient Safety manager commenced in post September 2015 and further staff recruitment has been



achieved. The better resourced Patient Safety Team will be able to provide improved support and guidance for clinical staff as well as maintain a central database for assurance

Patient Experience: To meet the needs of our patients with due regard to their cultural and linguistic backgrounds (by reviewing and improving linguistic translation services)

Examples of the goals set, and the action taken in response is described below:

- "Implement the tender process for linguistic translation and adopt an efficient system that meets patients and service needs": The tender process was completed and new provision of linguistic translation will be implemented in May 2016 with new provider
- "Implement a staff flag project, where staff who speak other languages wear a flag of this country on their name badge": This will be part of the work plan for the newly-appointed Staff Engagement and Equality lead in 2016/17

Patient Experience: Implement Friends and Family Test for Outpatient Services and improve learning and action taken in response to Friends and Family feedback

Examples of the goals set, and the action taken in response is described below:

- "Include outpatient services in overall Friends and Family report": This has been fully implemented.
- "Ensure results, learning and changes are publically displayed in outpatient areas and kept up to date": Detailed analysis is dependent on supplier and support transcribing free text from out-patient returns (the Outpatients system involves an automated telephone service).

Patient Experience: To ensure meaningful patient and public involvement in all service improvements

Examples of the goals set, and the action taken in response is described below:

- "Review of all patient and public involvement activities in the Trust including all local and national patient experience surveys to identify good practice and areas for development": Engagement with Healthwatch Kent has been strengthened. Regular meetings with Healthwatch are held, to identify trends and themes. Healthwatch also have a designated representative on the Patient Experience Committee, undertake a number of 'Enter and View' visits and have been involved in the planning of the new Ward at Tunbridge Wells Hospital.
- "Conclude review of Patient Experience Committee": The review was completed, and the core Committee membership was refined, to enable it to provide an 'assurance' function.

Quality improvement priorities for 2016/17

The Trust's quality improvement priorities are only ever a small sample of the quality improvement work undertaken across the organisation in any one year. The initiatives selected in previous years will almost always continue into subsequent years, although the focus may change accordingly to need. Selecting new initiatives each year ensures that a wide breadth of areas are covered and prioritised. The Trust has chosen 3 quality priorities for 2016/17:

1. Patient Safety: To improve the dissemination of learning from serious incidents and complaints to drive improvement across the organisation

The key objectives are: "Developing a central database to monitor all agreed actions agreed following Serious Incidents and Complaints reported to the Learning and Improvement committee (nee SI panel)"; "Actions agreed as a result of Serious Incidents and Complaints to be tested in practice through the internal assurance review programme and executive / non-executive walkabouts"; and "Improvements as a result of learning from Serious Incidents and Complaints to be shared in a staff monthly newsletter and on the intranet and website"

2. Patient Experience: To improve the use of current feedback mechanisms and provide more innovative ways to receive and act upon feedback.

The key objectives are: "Friends & Family results to be clearly and consistently displayed within departments including actions and improvements as a result of qualitative feedback"; "Positive feedback / plaudits to be gathered and shared in a more robust way with staff to ensure good practices are acknowledged and become drivers for improvement";



and "Working with Healthwatch partner, consider and implement different ways of listening to staff and service users to drive improvements (such as listening events, better use of social media and technology)"

3. Clinical Effectiveness: To improve the management of patient flow.

The key objectives are: "Sustained reduction in length of stay achieved through (but not exclusively) the full implementation of SAFER Discharge Bundle"; "Integrated discharge team"; "Reduction in bed occupancy rates"; "Reduction in transfers from ICU after 8pm"; "Achieving the A&E 4 hour standard"; and "Achievement of the Stroke Indicators"

The Trust will monitor our progress against these subjects through Directorate and Trust-level governance structures. Reports and assurance of progress will be presented at the Trust Management Executive (TME), Quality Committee and the Patient Experience Committee.





Performance Report for 2015/16: Sustainability Report



As an NHS organisation, and as a spender of public funds, the Trust has an obligation to work in a way that

has a positive effect on the communities it serves. Sustainability means: spending public money well; the smart and efficient use of natural resources; and building healthy, resilient communities. By making the most of social, environmental and economic assets, the Trust can improve health both in the immediate and long term even in the context of rising cost of natural resources. In order to fulfil its responsibilities for the role the Trust plays, the Trust has the following sustainability mission



statement located in the Sustainable Development Management Plan (SDMP): "To embed the ethos of sustainability into everything that we do".

As a part of the NHS, public health and social care system, it is the Trust's duty to contribute towards the level of ambition set in 2014 of reducing the carbon footprint of the NHS, public health and social care system by 34% (from a 1990 baseline) equivalent to a 28% reduction from a 2013 baseline by 2020. It is the Trust's aim to supersede this target by reducing our carbon emissions 5% by 2015 using 2012/13 as the baseline year.

Policies

In order to embed sustainability within the Trust's business it is important to explain where in the process and procedures sustainability features. Sustainability is considered in relation to Travel, but not in Procurement (environmental), Procurement (social impact), or Suppliers' impact. One of the ways in which an organisation can embed sustainability is through the use of an SDMP. There is now a Sustainable Development and Environmental Committee, chaired by the Director of Estates and Facilities, which has prepared an Environmental Policy and Procedure (currently in draft form) and within this Policy is a requirement for an SDMP. A new SDMP is also being prepared by this Committee for consideration by the Trust Board. The Trust is now also ISO 14001 (Environmental Management Systems) verified and certificated, but does not currently use the Good Corporate Citizenship (GCC) tool or run awareness campaigns promoting sustainability.

Climate change brings new challenges to the Trust's business both in direct effects to the healthcare estates, and also to patient health. Examples of recent years include the effects of heat waves, extreme temperatures and prolonged periods of cold, floods, droughts etc. The Trust has identified the need for the development of a Board-approved plan for future climate change risks affecting our area.

Partnerships

The NHS policy framework already sets the scene for commissioners and providers to operate in a sustainable manner. Crucially for the Trust as a provider, evidence of this commitment will need to be provided in part through contracting mechanisms. However, the Trust has not yet established any strategic partnerships regarding this.

Performance

Organisation

Since the 2007 baseline year, the NHS has undergone a significant restructuring process, which is still ongoing. Therefore in order to provide some organisational context, the following table may help explain how both the organisation and its performance on sustainability has changed over time.

Context info	2007/08	2013/14	2014/15	2015/16
Floor space (m ²)	109,896	138,533	138,533	138,533
Number of staff (WTE)	3,969	4,814	4,800	4,678

As a part of the NHS and public health and social care systems, it is the Trust's duty to contribute towards the level of ambition set in 2014 of reducing the carbon footprint of the NHS, public health and social care system by 34% (from a 1990 baseline) equivalent to a 28% reduction from a 2013 baseline by 2020. However, due to the increasing number of patient contacts, the Trust's emissions will rise in the future, although the Trust will reduce energy and procurement density per patient contact (per m² of building)

Energy

The Trust spent £3,960,879 on energy in 2015/16, which was a 2.9% increase on energy spend from 2014/15. In previous years energy was from a 'green' source and no Climate Change Levy was payable. However, this exemption was removed on 01/08/15, resulting in an additional cost of £120k.

Carbon Emissions -Energy Use



Reso	ource	2013/14	2014/15	2015/16
Use (kWh)		33,906,661	32,514,562	33,751,329
Gas	tCO₂e	7,193	6,822	7,081
Oil	Use (kWh)	726,743	1,004,843	561,010
Oli	tCO₂e	232	322	180
Coal	Use (kWh)	о	0	0
COal	tCO₂e	0	0	0
Electricity	Use (kWh)	22,477,329	21,950,219	22,076,985
Electricity	tCO₂e	12,585	13,594	12,693
Green	Use (kWh)	22,393,473	21,816,665	4,892,105
Electricity	tCO₂e	-12,538	-13,512	-2,813
Total energy CO₂e		7,472	7 , 226	17,141
Total ene	rgy spend	£3,886,071	£3,849,104	£3,960,879

N.B. tCO2e = Tonnes of CO2 equivalent. This is used to measure the equivalent CO2 concentration which causes the same level of absorption in the atmosphere for other greenhouse gases.

Energy consumption was similar to previous years despite an increase in patient numbers, additional Medical facilities and ward upgrades to a higher and more energy intensive standard, especially in air conditioning demand and additional mechanical ventilation. Energy commodity costs (especially gas) are significantly reduced but the main cost (66% of budget) is electricity and here distribution costs have risen. Feed in tariffs have also been introduced, and the climate

change levy (CCL) relief for 'green' electricity has been removed. The outcome is that energy spend is similar despite reduced commodity prices and is a trend that is expected to continue. 22.2% of the Trust's electricity use came from renewable sources. This is a significant reduction due to change of energy broker and government removal of Climate Change Levy exemption mid-year. However, an Energy Management System to the ISO standard 50001 is in use and being prepared for certification. In addition, a new energy broker is now used and an Energy Performance Contract is at the Investment Grade Audit stage.

Travel

The Trust can improve local air quality & improve the health of its community by promoting active travel – to staff and to the patients and public that use its services. Every action counts and the Trust is a lean organisation trying to realise efficiencies across the board for cost and carbon (CO2e) reductions. The

Category	Mode	2013/14	2014/15	2015/16
Patient &	Km	164,430,294	160,707,854	168,820,400
visitor travel	tCO₂e	37,934	36,880	38,124
Business	Km	1,330,175	104,589	147,682
travel &fleet	tCO₂e	305	24	33
Staff	Km	7,113,083	7,420,628	7,232,020
commute	tCO ₂ e	1,633	1,694	1,625

N.B. tCO2e = Tonnes of CO2 equivalent. This is used to measure the equivalent CO2 concentration which causes the same level of absorption in the atmosphere for other greenhouse gases.

Trust supports a culture for active travel to improve staff wellbeing and reduce sickness. Increased patient and staff numbers has resulted in an increase in business travel. The Trust bus service between the major sites is however still active and transporting more people than ever before and so reducing car mileage.

Waste

Much of the Trust's waste is now recycled, & volumes of waste reduced. Paper & cardboard is now recycled in more areas at Maidstone Hospital & the amount of recycling is increasing as more recycling bins are installed. The waste management team have also improved staff awareness, & increased recycling.

Wa	ste	2013/14	2014/15	2015/16
Desculing	(tonnes)	268.26	194.00	208.00
Recycling	tCO₂e	5.63	4.07	4.37
Re-use	Use (kWh)	209.66	2.00	2.00
Re-use	tCO₂e	4.40	0.04	0.04
Compost	Use (kWh)	463.70	470.00	450.00
Compose	tCO₂e	2.78	2.82	2.70
WEEE	Use (kWh)	6.50	23.00	7.00
WEEE	tCO₂e	0.14	0.48	0.15
High Temp	Use (kWh)	0	0.00	0.00
recovery	tCO₂e	0	0.00	0.00
High Temp	Use (kWh)	165.95	165.00	166.00
disposal	tCO₂e	36.51	36.30	36.52
Non-burn	Use (kWh)	573.32	569.00	516.00
disposal	tCO₂e	12.04	11.95	10.84
Landfill	Use (kWh)	723.36	491.00	487.00
Lanum	tCO₂e	176.80	120.01	119.03
Total wast	Total waste (tonnes)		1914.00	1836.00
% recycled	or re-used	20%	10%	11%
Total was	te tCO₂e	238.31	175.68	173.64



N.B. WEEE is "Waste Electrical and Electronic Equipment"

Water

Demand for water is increasing due to increased patient and staff numbers. Water and sewage management is now a part of the Environmental Policy and Procedure. At Maidstone Hospital a new water meter has been fitted due to its age and concerns regarding accuracy. The new meter has the ability to be remotely monitored via the web and a contract with the water supplier to enable this service is being organised. Once arranged the Trust will have more information on water consumption.

Water		2013/14	2014/15	2015/16
Mains	m³	167248	166287	189551
Ividitis	tCO₂e	152	151	173
Water & sewage spend		£568,898	£568,781	£604,957

Modelled Carbon Footprint

The information provided in the previous sections of this sustainability report uses the "Estates Return Information Collection" (ERIC) returns as its data source. However, this does not reflect the Trust's entire carbon footprint. Therefore, the following information uses a scaled model based on work performed by the NHS Sustainable Development Unit (SDU) in 2009/10. More information is available at www.sduhealth.org.uk/policystrategy/reporting/nhs-carbonfootprint.aspx. The application of this model results in an estimated total carbon footprint of 92,460 tonnes of carbon dioxide equivalent emissions (tCO₂e). The Trust's carbon intensity per pound is 597 grams of carbon dioxide equivalent emissions per pound of operating expenditure (gCO2e/£). The average emissions for acute services is 210 grams per pound.





Carbon Emissions Profile



Modelled trajectory

The Trust is currently above the 'trajectorised' emissions level and with an increasing and aging population and with most of the emissions caused by scope 3 items (mainly pharmacy products, Medical equipment and travel emissions), it is difficult to see how the Trust can reduce emissions to the 'trajectorised' level.



Modelled benchmark

Emissions from travel and pharmacy mentioned above are again illustrated below. Emissions from procurement alone place the Trust above the benchmark.



Trust Carbon Footprint by Operating Expenditure (gCO₂e/£)





Accountability Report for 2015/16: Corporate Governance report



Director's report

The Trust Board

The role of the Trust Board is to determine strategy and policy for the Trust, to monitor in-year performance against its plans and ensure the Trust is well managed and governed. The Trust Board comprises a Chairman, appointed by the Secretary of State, 5 other Non-Executive Directors, and 8 other Directors (only 5 of whom have voting rights). The Non-Executive Directors bring a range of skills and expertise from outside the NHS, and their role is to hold Executive Directors to account. The Trust Board meets every month, in public. The times and venues of these meeting are advertised on the Trust's website, which also contain the agendas, minutes and reports (see <u>www.mtw.nhs.uk/about-us/trust-board/</u>).

The Board formally operates in accordance with its own Terms of Reference; the Trust's Standing Orders, Scheme of Matters Reserved for the Board and Scheme of Delegation, and Standing Financial Instructions.

Trust Board Members

Taking into account the wide experience of all Trust Board Members, the balance and completeness of the Board is considered to be appropriate. At the end of 2015/16, the Trust Board had the following members:



Anthony Jones

Chairman of the Board*

Tony joined the Trust Board in March 2008, and was appointed Chairman in January 2009. He also attends several other Board sub-committees, two of which he chairs (the Remuneration and Appointments Committee and the Foundation Trust Committee). Outside of his duties at the Trust, Tony was Vice-Chair and Non-Executive Director of "Midland Heart", one of the country's top housing and care associations, sat as a Justice of the Peace on the mid-Kent bench for 8 years and was a Board member for 10 years of Groundwork U.K, a national environmental charity. Previously, Tony had a highly successful career in international human resource management with the Ford Motor Company culminating in his retirement in 2002 as Director of Human Resources for Jaguar. Tony is also a past member of the Accounting Standards Ethics Committee.

Glenn Douglas

Chief Executive^{*∑}

As the Trust's "Accountable Officer", Glenn is responsible for the overall development and performance of the Trust. In addition to being a Trust Board Member, he attends several Board sub-committees, and also chairs the Trust Management Executive (TME). Mr Douglas has previously been Chief Executive at Ashford and St Peters Hospitals and Eastbourne Hospitals NHS Trusts, and was previously a member of the Independent Reconfiguration Panel (IRP). His career has been mainly in the NHS, having worked finance and operational management in a number of other Trusts and Health Authorities in Sussex, Kent and Manchester. He is a qualified accountant and member of the Institute of Health Services Managers. Glenn became Chief Executive in October 2007

Avey Bhatia

Chief Nurse^{*Σ}



Avey is the professional and clinical lead for the Nursing and Midwifery workforce. She is responsible for providing comprehensive leadership to support the progression, development and positive reputation of the Nursing and Midwifery professions. Avey is also the Trust lead for quality, patient safety and the patient experience. This includes infection prevention & control, safeguarding, continuous development of nursing practice and compliance with regulatory obligations. Avey joined the Trust in July 2013 from South London Healthcare NHS Trust, where she was the Deputy Chief Nurse, frequently deputising for the Chief Nurse. Avey trained as a Registered General Nurse at Maidstone Hospital before developing her career in clinical Nursing, nursing management and general management in a number of London hospitals. Her clinical experience includes Theatres, general Intensive Care, Coronary Care and Cardiothoracic Nursing. Avey

holds a postgraduate diploma in Health Services Management and a Masters in Public Administration. In addition to her role on the Trust Board, Avey attends several Board sub-committees.

^{*} denotes Board members with voting rights / Σ denotes member of the Executive Team

Trust Board Members (continued)



Sylvia Denton CBE

Non-Executive Director*

Sylvia joined the Trust Board in March 2008, and in addition to her role on the Board, chairs the Patient Experience Committee and attends some of the other sub-committees. Sylvia has a long and distinguished career in Nursing, when she was a Specialist Cancer Nurse, and as a Health Visitor. She is a former President of the Royal College of Nursing and is recognised nationally and internationally within the nursing profession. Sylvia has served on many Government healthcare bodies and is a Commander of the British Empire (CBE).

Sarah Dunnett OBE

Non-Executive Director*

Sarah joined the Trust Board in January 2014, and arrived from Dartford and Gravesham NHS Trust, where she had been Chairman for the previous 12 years. Sarah's previous experience is in the oil industry, where she held a variety of senior management roles. Her contribution to the NHS was recognised in the 2013 Queen's birthday honours list, when she awarded an OBE. Sarah is married with three sons. In addition to her role on the Trust Board, Sarah chairs the Quality Committee and attends several other Board subcommittees.

Angela Gallagher

Chief Operating Officer^{*∑}

Angela is the lead for the delivery of patient services through the Trust's Clinical Directorates. Angela joined the Trust in 2004 from North Middlesex University Hospital, and has worked in a variety of senior Nursing and management roles, most recently as Deputy Chief Operating Officer and previously as the 18-week programme director for the Trust. She joined the Trust Board in October 2011, and in addition to her role on the Board, attends several Board sub-committees.

Richard Hayden

Director of Workforce^{*}

Richard Joined the Trust Board in March 2016, and is accountable for the development of the Trust's workforce strategy, Organisational Development and Human Resource (HR) management. In addition to his role on the Board, Richard attends a number of Board sub-committees. Richard joined the Trust in January 2008, to focus on organisational development and learning, and since 2011 was the Deputy Director of Workforce. Richard has held various management and HR positions in a NHS career spanning over 14 years. Richard holds a BSc honours degree in Geography from Aberdeen University, an MA in Human Resources Management, a postgraduate diploma in Health and Social Care Management, is a qualified coach and mentor, and is a Chartered Fellow of the CIPD (Chartered Institute of Personnel and Development). Richard is also a Non-Executive Director for the Valley Invicta Academies Trust.

Alex King MBE

Non-Executive Director*

Alex Joined the Trust Board in September 2014. He has a strong business background, and has worked in the local health service before in a Non-Executive capacity. He is also one of the longest serving Councillors on Kent County Council. Alex was Deputy Leader of the County Council for a number of years and is currently Chairman of Kent County Council's Policy and Resources Committee and Joint Transportation Board. His business background is in management consultancy, specialising in Human Resources, general management and organisation and business development. Alex lives in Hawkhurst with his wife, Susan. In addition to his role on the Trust Board, Alex chairs the Workforce Committee and attends some other Board sub-committees.

 $^{^{\star}}$ denotes Board members with voting rights / $^{\Sigma}$ denotes member of the Executive Team









Trust Board Members (continued)



Jim Lusby Deputy Chief Executive^{*Σ}

Jim joined the Trust Board in April 2015 and leads on the development of strategy. Before joining the Trust Jim was a Portfolio Director at the NHS Trust Development Authority (TDA), with responsibility for oversight of NHS Trusts in the South East. During his final five months with the TDA he acted into the position of Director of Delivery & Development for the South of England. Jim joined the TDA from King's Health Partners where he was Director of Integrated Care. He previously held senior positions in South East London Strategic Health Authority, the Department of Health and the Prime Minister's Delivery Unit.

Sara Mumford

Director of Infection Prevention and Control



Sara joined the Trust Board in November 2007, and attends a number of Board sub-committees. She leads the Trust's infection prevention strategy. Sara is also a Consultant Microbiologist, and is the Clinical Director for Diagnostics, Pharmacy and Therapies. Sara joined the Trust in 2007, and has previously worked as Consultant Microbiologist at East Kent Hospitals University NHS Foundation Trust, and as a Consultant in Communicable Disease Control (CCDC) at Kent Health Protection Unit.



Steve Orpin

Director of Finance^{* Σ}

Steve is responsible for providing information and advice to the Trust relating to all financial management issues. Steve joined the Trust Board in April 2014 from Medway NHS Foundation Trust, where he had been Deputy Director of Finance; including a 12-month spell as Director of Finance. Steve has held various positions within the Finance function in a number of NHS organisations across London and the South East in a NHS career spanning over 20 years. Steve is a Fellow of Chartered Association of Certified Accountants and holds an MBA. In addition to his role on the Board, Steve attends several Board sub-committees.



Paul Sigston Medical Director^{$*\Sigma$}

Paul joined the Trust Board in March 2010. As Medical Director, Paul is the professional lead for the whole Medical workforce, with specific interest in clinical leadership, Medical practice, doctor development, clinical governance and research. In addition to his role on the Board, Paul attends several Board subcommittees. He is also a Consultant Anaesthetist, with an interest in Intensive Care, mostly working at Tunbridge Wells Hospital. Paul graduated from Edinburgh University and spent his junior doctor years in Edinburgh, Chester and London. Paul has worked at the Trust since 1998 and was previously the Divisional Director for the Planned Services Division.

Kevin Tallett

Non-Executive Director

Kevin joined the Trust Board in June 2008, and in addition to his role on the Board, attends several of other Trust Board sub-committees, one of which he chairs (the Audit and Governance Committee). Kevin has had a highly successful career at a senior level in the energy industry and is currently Enterprise IT Strategy, Architecture and Change Director at EDF Energy (which includes looking after corporate and enterprisewide change projects). His previous roles include Director of IT Operations at EDF, leading a team of 550 people and with a multi-million pound budget.

^t denotes Board members with voting rights / Σ denotes member of the Executive Team

Trust Board Members (continued)

Steve Tinton

Non-Executive Director*



Steve joined the Trust Board in April 2013, but has held a number of Non-Executive Director positions since 2006, including for the NHS South of England Strategic Health Authority (SHA), and its predecessor South East Coast SHA, where he was also chair of the Audit and Risk Committees. Steve also completed a secondment as Interim Chairman of East Sussex Healthcare NHS Trust in 2011, and in 2007/8 was seconded to the Trust for 6 months as a Non-Executive Director and chair of the Audit Committee. Steve is also currently a Board member and Audit Committee Chair of the School of Oriental and African Studies, London University, and an independent external member of the Audit Committee of the World Health Organisation. Steve was a partner in PricewaterhouseCoopers (PwC) from 1982 to 2006, which he joined in 1970 from Cambridge University. For his last 3 years with PwC, he was responsible for the oversight of risk management and quality policies and quality assurance programmes in over 17 countries in Asia. During his career Steve has led projects in a wide range of healthcare activities, including major hospitals and ambulance organisations, private healthcare hospitals and care homes. In addition to his role on the Board, Steve attends several Board sub-committees, one of which he chairs (the Finance Committee).

 * denotes Board members with voting rights / $^{\Sigma}$ denotes member of the Executive Team

The following persons also served on the Trust Board during 2015/16:

- Paul Bentley, Director of Workforce and Communications (joined the Board in February 2011. Left at the end of February 2016)
- Stephen Smith, Associate Non-Executive Director (joined the Board in April 2012. Left on 22nd July 2015)

Attendance at Trust Board meetings

There were 10 formal Trust Board meetings in 2015/16. Attendance at each meeting is shown below:

Trust Board Member (see above for the time served on the Board during 2015/16)	April 2015	May 2015	June 2015	July 2015	Sept. 2015	Oct. 2015	Nov. 2015	Jan. 2016	Feb. 2016	March 2016
Anthony Jones, Chairman	✓	\checkmark	\checkmark	\checkmark	\checkmark	√	✓	\checkmark	\checkmark	✓
Glenn Douglas, Chief Executive	✓	\checkmark	\checkmark	✓	\checkmark	✓	\checkmark	Apologies	\checkmark	Apologies
Paul Bentley, Dir. of W'force and Comm's	√	\checkmark	\checkmark	\checkmark	\checkmark	✓	\checkmark	Apologies 3	\checkmark	N/A ⁴
Avey Bhatia, Chief Nurse	✓	\checkmark	✓	✓	\checkmark	Apologies	✓	✓	\checkmark	✓
Sylvia Denton, Non-Executive Director	√	\checkmark	\checkmark	\checkmark	\checkmark	✓	\checkmark	✓	\checkmark	Apologies
Sarah Dunnett, Non-Executive Director	√	\checkmark	\checkmark	✓	\checkmark	✓	✓	\checkmark	\checkmark	✓
Angela Gallagher, Chief Operating Officer	√	\checkmark	\checkmark	\checkmark	\checkmark	Apologies	\checkmark	✓	\checkmark	✓
Richard Hayden, Director of Workforce					N/A ⁵					\checkmark
Alex King, Non-Executive Director	Apologies	✓	\checkmark	✓	\checkmark	Apologies	\checkmark	✓	Apologies	\checkmark
Jim Lusby, Deputy Chief Executive	✓	\checkmark	\checkmark	✓	\checkmark	✓	\checkmark	\checkmark	\checkmark	✓
Sara Mumford, Director of Infection Prevention & Control	~	Apologies	✓	Apologies	✓	√	✓	✓	\checkmark	~
Steve Orpin, Director of Finance	√	\checkmark	\checkmark	\checkmark	\checkmark	✓	\checkmark	\checkmark	\checkmark	✓
Paul Sigston, Medical Director	√	\checkmark	✓	\checkmark	\checkmark	✓	✓	Apologies 6	\checkmark	✓
Stephen Smith, Ass. Non-Executive Director	✓	\checkmark	✓	✓			ı	I/A ⁷		
Kevin Tallett, Non-Executive Director	✓	\checkmark	\checkmark	✓	\checkmark	✓	✓	\checkmark	\checkmark	✓
Steve Tinton, Non-Executive Director	✓	\checkmark	\checkmark	\checkmark	\checkmark	Apologies	✓	\checkmark	Apologies	\checkmark

³ The Director of Workforce and Communications was however represented at this meeting by Richard Hayden (Deputy Director of Workforce)

⁴ Paul Bentley left the Trust Board on 28th February 2016

⁵ Richard Hayden was appointed as Director of Workforce in March 2016

⁶ The Medical Director was however represented at this meeting by Graham Russell (Deputy Medical Director)

⁷ Stephen Smith left the Trust Board on 22nd July 2015

Directors' interests

The Trust Board and other committees routinely ask that any interests relevant to agenda items be declared at each meeting. In addition, a Register of Directors' interests is maintained. The interests recorded on the Register at the end of 2015/16 of those who served on the Trust Board during the year were as follows:

Director (see above for the time served on the Board during 2015/16)	Details of modifiable interest
Anthony Jones, Chairman	None
Glenn Douglas, Chief Executive	None
Avey Bhatia, Chief Nurse	 Governing Board Nurse of East Surrey Clinical Commissioning Group.
Sylvia Denton, Non-Executive Director	 Trustee (unremunerated) of the PSP Association, a charity dedicated to the support of people with Progressive Supranuclear Palsy (PSP) and the related disease Cortico Basal Degeneration (CBD), and those who care for them (charity number: 1037087)
Sarah Dunnett,	 Trustee of The Sevenoaks Almhouse Charity (charity number: 226418)
Non-Executive Director	 Governor of Sevenoaks School (<u>www.sevenoaksschool.org</u> / charity number: 1101358)
Angela Gallagher, Chief Operating Officer	None
Richard Hayden, Director of Workforce	 Trustee of Valley Invicta Academies Trust (company number: 07559256)
Alex King, Non-Executive Director	 Member of Kent County Council – Councillor for Tunbridge Wells Rural (Wards: Brenchley & Horsmonden, Capel, Goudhurst & Lamberhurst, Paddock Wood) Chairman of Kent County Council Policy and Resources Committee Chairman of Kent County Council Joint Transportation Board Chairman of Paddock Wood Community Advice Centre Trustee of Cranbrook School (charity number: 290237) President Tunbridge Wells Conservatives President Kent Conservatives Chairman of The King Partnership Ltd (<u>www.kingpartnership.com</u> / company number: 02202346), which provides management and human resource consultancy services to clients in the UK and overseas
Sara Mumford, Director of Infection Prevention & Control	None
Stephen Orpin, Director of Finance	None
Paul Sigston, Medical Director	 Partner in a private practice LLP (Tunbridge Wells Group of Anaesthetists), which performs clinical work for Private and NHS patients. One of 14 partners. Director of PKSigston Enterprises Ltd, providing anaesthetic services to Private patients (company number: 07095783)
Kevin Tallett, Non-Executive Director	 Enterprise Strategy Architecture & Change Director at EDF Energy PLC, an energy provider (company number: o2366852) Owner/Director Discidium Ltd (company number: 10042570)
Steve Tinton, Non-Executive Director	 Interim Vice Chair, School of Orient and African Studies London University (Board of Trustees) Trustee of Educare Small School (<u>www.educaresmallschool.org.uk</u>) Member of the Independent Expert Oversight Advisory Committee of the World Health Organisation (effectively the Audit Committee of WHO), based in Geneva

N.B. Some Directors' notifiable interests changed during the year. Further details can be obtained from the Trust Secretary, who can be contacted via Maidstone Hospital, Hermitage Lane, Maidstone, Kent ME16 9QQ.

Pension Liabilities, Exit Packages and severance payments

Details of how the Trust treats Pension Liabilities are outlined in the Principal Financial Statements, along with details of any Exit Packages agreed in 2015/16 (within Notes 10.4, 10.5 and 10.6).

Board sub-committees

The Board has a number of sub-committees, to assist it in meeting its role and duties. Further details of these can be found in the 'Governance Statement' section later in the Annual Report.

The Trust's Management Structure

The Trust is organised into a number of Corporate and Clinical Directorates. At the end of 2015/16, the Clinical Directorates were as follows:

- Cancer and Haematology;
- Children's Services;
- Critical Care;
- Diagnostics, Therapies and Pharmacy;
- Emergency and Medical Services;
- Surgery, General Surgery, Urology, Head & Neck and Gynae Oncology;
- Trauma and Orthopaedics; and
- Women's and Sexual Health



Each clinical area has a designated Clinical Director, General Manager and Matron, whilst Associate Directors of Nursing and Associate Directors of Operations also provide oversight. Corporate departments (Human Resources, Finance, Estates and Facilities, Clinical Governance, Trust Management) are each responsible to an Executive Director.

Complaints: Ready to listen, ready to learn

The Trust aims to provide the best possible care and treatment but sometimes, despite the best efforts of staff, things can go wrong. In such circumstances, patients and relatives are encouraged to tell a member of staff on the Ward or in the clinic as soon as they can, to enable their concerns to be responded to as soon as possible. However, if concerns cannot be resolved in this way, the Trust has a formal complaints process.

In 2015/16, the Trust received a total of 513 formal complaints (in 2014/15, this was 485), and 74.3% of complaints received were responded to within the agreed timescale.

'Principles for Remedy'

The Trust applies the 'Principles for Remedy' guidance issued by the Parliamentary and Health Service Ombudsman as part of its Complaints handling policy and procedure. Under the Trust's Policy, financial remedy is only considered when a complaint is upheld and the complainant has clearly suffered a financial loss as a result of a service failure or breach of a Trust policy. In such circumstances, the Trust will consider paying a sum that restores the person to the position they would have been in prior to the circumstances which necessitated the complaint. The amount of financial remedy is agreed between the Complaints



Manager and senior Directorate management team, with input from Legal Services as required. During 2015/16, the Trust offered financial remedy in 3 cases, totalling £757.70⁸. Financial redress was also recommended by the Parliamentary and Health Service Ombudsman in a further 3 cases, at a total of £3,900⁹. This process excludes any claims for clinical negligence, which are pursued under the Trust's Claims Management Policy.

⁸ This is based on complaints received between 01/4/15 and 31/03/16 inclusive, though some complaints received towards the end of that period are still open at the time of this report, so further financial redress may be offered

Disclosure of personal data-related incidents

The Trust had no Serious Incident Requiring Investigation involving personal data that met the criteria for reporting to the Information Commissioner's Office (i.e. a 'Level 2' severity incident).

The Trust had the following severity 'Level 1'data-related incidents in the year:

Category	Nature of Incident	Total
А	Corruption or inability to recover electronic data	4
В	Disclosed in error	44
С	Lost in transit	0
D	Lost or stolen hardware	1
E	Lost or stolen paperwork	6
F	Non-secure disposal – hardware	0
G	Non-secure disposal – paperwork	3
Н	Unloaded to website in error	0
	Technical security failing (including hacking)	0
J	Unauthorised access/disclosure	3
К	Other	20

Policy on setting charges

The Trust has complied with HM Treasury's guidance on setting charges for information, as set out in Chapter 6 of HM Treasury's "Managing Public Money" guidance.

Emergency preparedness

As a Category One responder under the Civil Contingencies Act 2004, the Trust has specific statutory duties

in relation to emergency planning and response. In addition the Trust has other obligations as required by contracts and performance standards set by NHS England, and throughout the year a continuous process of exercising, testing, training, assurance took place.

Incidents that took place during the year

On 29/04/15, an IT failure occurred at Tunbridge Wells Hospital. This was followed on 04/05/16 with a Power Failure at Maidstone Hospital. Both resulted in Business Continuity Arrangements being activated, but investigations and Action Plans have since been completed.

On 10/06/15, 13 vehicles were involved in a collision with a heavy goods vehicle in Tunbridge Wells. The South East Coast Ambulance Service (SECAmb) initially declared a Major Incident and alerted the Trust accordingly. Once a more thorough assessment of the scene was possible, SECAmb stood the Incident down, but the incident gave the Trust the opportunity to test its Communications Cascades. It was a good reminder to staff to make sure all contact details are kept up to date with the Switchboard.



⁹ This is based on recommendations made by the Parliamentary and Health Service Ombudsman between 01/04/15 and 31/03/16, but not all of the relevant complaints were received within that time span

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Maidstone and Tunbridge Wells



Throughout the summer of 2015, the Emergency Planning Team were involved in reviewing the issues facing the Trust from the prolonged use of Operation Stack on the M20. Additional contingency planning became necessary as new operational responses were needed on the ground very quickly by Kent Police and other partner agencies especially during hot weather.

In November 2015, Business Continuity Plans were activated when boilers at the Trust Laundry failed. The plans put in place enabled no loss of service to patients and staff. In the same month, Virgin Media cut through a major incoming phone cable resulting in loss of phone services. This required activation of business continuity plans to ensure that key responses remained operational, and again, plans were able to be activated quickly and enabled critical communications to be maintained.

Multi-agency cooperation & training

The Trust continues to work closely with other multi-agency partners, providing the basis for exercising and training, and has signed an agreement to train Air Sea Rescue Helicopter Medics from HM Coastguard. In addition, the Trust's innovative Command Accreditation

Scheme provides a structured programme for all levels of Command in the Trust, whilst the National Occupational Standards and Hazardous Incident Training Programme provides skills for those on the front line. Both schemes are being implemented at other Kent hospitals. Training exercises in the year included:

 Exercise "Paratum Communitas", held in April



2015 was a regional exercise held by NHS England. The Trust was represented by a number of staff to work through scenarios with other agencies including the Military, Blue light services and Trauma Networks.

- "Exercise Carbine" was the Trust's major tabletop exercise for the year, & was held on 25/06/15. This involved all areas of the Trust, Kent Police & SECAMb working through a firearms scenario, testing all areas of the Major Incident Response
- "Exercise Polar" was a tabletop exercise which reviewed Winter Resilience Plans for the organisation in conjunction with West Kent Clinical Commissioning Group, out of hours providers and SECAmb
- "Exercise Neptune" was carried out in October 2015, and tested the Business Continuity plans relating to Pathology and Blood Transfusion Services
- In November, the Trust hosted a workshop for all Trusts in Kent & Medway (in conjunction with partners including Police, Fire & Rescue, Local Authorities & SECAmb), to examine hospital evacuation plans

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

The Chief Executive of the NHS Trust Development Authority has designated that the Chief Executive should be the Accountable Officer to the Trust. The relevant responsibilities of Accountable Officers are set out in the Accountable Officers Memorandum issued by the Chief Executive of the NHS Trust Development Authority. These include ensuring that:

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

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

I confirm that, as far as I am aware, there is no relevant audit information of which the Trust's Auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Trust's auditors are aware of that information.

I confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and that I take personal responsibility for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced and understandable.

Glenn Douglas, Chief Executive, 25th May 2016

Governance Statement for 2015/16

1. Scope of responsibility

As Accountable Officer, and as Chief Executive of Maidstone and Tunbridge Wells NHS Trust, I have responsibility for maintaining a sound system of internal control and governance that supports the achievement of the Trust's policies, aims and objectives whilst safeguarding quality standards and public funds. I acknowledge these and my other responsibilities, as set out in the Accountable Officer Memorandum.

This statement describes the internal control and governance framework that has been in place at Maidstone and Tunbridge Wells NHS Trust for the period 1st April 2015 to 31st March 2016.

2. The governance framework of the organisation

The Trust Board

The Trust Board meets in public every month (with the exception of August, and in 2015, December), and its agenda is focused around the key aspects of: quality; performance; planning and strategy; assurance; and reports from its sub-committees. A forward programme of agenda items is actively managed throughout the year to ensure the Board receives the information, and considers the matters it requires to perform its duties efficiently and effectively. A key tenet of the information the Board receives at each meeting in public is an Integrated Performance Report, which contains up-to-date details of performance across a range of indicators, including the national priorities set out in the NHS Trust Development Authority (TDA) Accountability framework for 2015/16. The Board also normally hears a 'patient story' at every other meeting, which provides invaluable first-hand experience of being a patient of the Trust. Such stories are supplemented by visits of Board members to Wards and Departments (which are then reported to the Board each quarter). Each Executive and Non-Executive Director (NED) is paired, with each other and particular Wards and Departments, as part of this programme of visits (though it is made clear that such pairings should not prevent Trust Board Members from visiting any area they wish).

In 2015/16, the following changes in personnel occurred within the Trust Board:

- Jim Lusby (Deputy Chief Executive) joined the Trust in April 2015
- Stephen Smith (Associate Non-Executive Director) left the Trust Board in July 2015
- Paul Bentley (Director of Workforce and Communications) left the Trust at the end of February 2016
- Richard Hayden was appointed as Director of Workforce in March 2016

Board sub-committees and other key forums

The Board operates with the following sub-committees:

- The Audit and Governance Committee. The Committee supports the Trust Board by critically reviewing the governance and assurance processes on which the Board places reliance. This therefore incorporates reviewing Governance, Risk Management and Internal Control (including the Board Assurance Framework); oversight of the Internal and External Audit, and Counter Fraud functions. The Committee also undertakes detailed review of the Trust's Annual Report and Accounts, and in 2015/16 was appointed as the Trust's "Auditor Panel" (to advise the Trust Board on the selection, appointment and removal of external auditors, for appointments for 2017/18 onwards). The Committee is chaired by a NED, and meets quarterly. All other NEDs (apart from the Chairman of the Trust Board) are members.
- The Charitable Funds Committee. This aims to ensure that the Maidstone and Tunbridge Wells NHS Trust Charitable Fund is managed efficiently and effectively in accordance with the directions of the Charity Commission, relevant NHS legislation and the wishes of donors. The Committee is chaired by a NED, and meets three times per year.

- The Finance Committee. This Committee aims to provide the Trust Board with assurance on the effectiveness of financial management, treasury management, investment and capital expenditure and financial governance; and an objective assessment of the financial position and standing of the Trust. In addition the Committee seeks assurance on Information Technology performance and business continuity. The Committee is chaired by a NED, and meets monthly.
- The Foundation Trust Committee. This oversees the development of the Trust in order to submit a successful application to become a NHS Foundation Trust. The Committee is chaired by the Chairman of the Trust Board, and although it remains a sub-committee of the Board as part of the Trust's Structure, it did not meet in 2015/16.
- The Patient Experience Committee. This presents the patient and public perception of the services delivered by the Trust, and monitors any aspect of patient experience, on behalf of the Trust Board. The Committee is chaired by a NED, and meets quarterly.
- The Quality Committee. This aims to seek and obtain assurance on the effectiveness of the Trust's structures, systems and processes to enable delivery of the Trust's objectives relating to quality of care. The Committee is chaired by a NED and meets monthly. On alternate months, the Committee meets in the form of a 'deep dive', with a smaller membership, focusing on 1 or 2 specific areas.
- The Remuneration and Appointments Committee. This Committee reviews the appointment of Executive Directors and other staff appointed on Very Senior Manager (VSM) contracts, to ensure such appointments have been undertaken in accordance with Trust Policies. It also: reviews the remuneration, allowances and terms of service of such staff; reviews (with the Chief Executive), the performance of Executive Directors and other staff appointed on VSM contracts; oversees appropriate contractual arrangements for such staff (including the proper calculation and scrutiny of termination payments, taking account of such national guidance, as appropriate); and considers and approves, on behalf of the Trust Board, proposals on issues which represent significant change. The Committee is chaired by the Chairman of the Trust Board, and meets on an ad-hoc basis (but at least twice a year).
- The Workforce Committee. This aims to provide assurance to the Board in the areas of workforce development, planning, performance and employee engagement. The Committee also works to assure the Board that the Trust has the necessary strategies, policies and procedures in place to ensure a high performing and motivated workforce that is supporting business success. The Committee is chaired by a NED and meets quarterly.

Attendance records are maintained for the Trust Board and its main sub-committees. The attendance record for Trust Board meetings is reported within the body of the Trust's Annual Report.

Although not a Board sub-committee, the Trust Management Executive (TME) is the senior management committee within the Trust. Its purpose is to oversee and direct: the effective operational management of the Trust (including achievement of standards, targets and other obligations); the delivery of safe, high quality, patient-centred care; the development of Trust strategy, culture and policy; and the identification, mitigation and escalation of assurance and risk issues. The TME meets monthly, and is chaired by the Chief Executive.

The Trust Board receives a written summary report from each meeting of its main sub-committees (and the TME) in a timely manner, supplemented by a verbal report from each sub-committee Chair, which highlights the main subjects discussed, and draws attention to any matters requiring the Board's consideration and/or action. The Audit and Governance Committee also submits an Annual Report to the Board, in May, to inform the Board's consideration of the Annual Report and Accounts. The key issues regarded as needing to be drawn to the attention of the Board from its sub-committees in 2015/16 included the following:

- The need for greater consistency in risk management processes (from the Audit and Governance Committee, o6/o8/16)
- The need to explain why staff numbers had increased at a greater rate than increases in activity (from the Finance Committee, 24/08/16 and 22/02/16)

The importance of the review of Nursing establishments and the need to rigorously manage nursing staff costs in 2016/17 (whilst ensuring safe levels of Nursing) (from the Finance Committee, 21/03/16)

In addition to the above committees, there are a range of other forums, structures and processes in place to oversee and manage any issues relevant to particular aspects of risk and governance. In this respect, the Trust has, for example, a Trust Clinical Governance Committee, an Infection Prevention and Control Committee; a Health and Safety Committee; a Medicines Management Committee; an Information Governance Committee; and Safeguarding Adults and Children Committees. In 2015/16 the Trust's Committee structure was revised and strengthened, in response to observations made during the Care Quality Commission's (CQC) inspection in October 2014, and a subsequent external "Good Governance and Culture Review" that the Trust commissioned. The Trust Board received the detailed response to that review in January 2016. The main change to the Committee structure was the establishment of the new Trust Clinical Governance Committee, and the transfer of the Quality Committee's sub-committees to other Committees (primarily TME), thereby emphasising the Quality Committee's assurance role.

The Board assesses its effectiveness, and that of its sub-committees via a range of methods. The Terms of Reference of the Board and its sub-committees are reviewed annually, to ensure the role and function of each reflects the Board's wishes. The Terms of Reference of the Trust Board and all its sub-committees (with the exception of the Foundation Trust Committee) were reviewed and approved in 2015/16. In addition, two Board 'away day' meetings were held, in July and November 2015. These enabled discussion of the Trust's future strategy of the Trust, and the Board's role in developing and implementing that strategy; and also enabled discussion of the aforementioned revised Committee structure. The Finance Committee in March 2016. In early 2016/17, self-evaluation assessments of the Audit and Governance Committee and Trust Board will be issued, and the findings and response will be discussed later in 2016/17.

To support the Trust's corporate governance framework, a Chartered Secretary is employed, as Trust Secretary. The post-holder supports the Trust Board in the discharge of its statutory functions and duties, and ensures that any issues regarding legal compliance, as well as best practice in corporate governance, are drawn to the Board's attention. To the best of my knowledge, the Trust Board, and the wider organisation, has complied with its legal obligations during 2015/16, and is, in general, compliant with those aspects of the UK Governance Code considered to be relevant to the Trust.

I can also confirm that the Trust's arrangements in place for the discharge of statutory functions have been checked for any irregularities, and that, to the best of my knowledge, they are legally compliant

The Trust has, for several years, acted as host on behalf of the local health economy for the Kent and Medway Health Informatics Service (KMHIS). The KMHIS governance arrangements were underpinned by formal agreements with all KMHIS customers, and explicit risk-sharing arrangements were in place, which shared risks or liabilities in a transparent and equitable way, and provided fair protection to the Trust as the host. However, during 2015/16, the withdrawal of external partners from KMHIS led to an assessment of future viability, and it was agreed to dissolve the KMHIS at the end of 2015/16. The Board and Finance Committee have been apprised of the relevant issues throughout 2015/16, including the risks associated with the managed closure of the KMHIS, and how such risks have been managed.

The Kent Pathology Partnership (KPP), which was intended to be a contractual joint venture between the Trust and East Kent Hospitals University NHS Foundation Trust, did not proceed as intended in 2015/16. However, an alternative scheme emerged during the year, under the name of the "Kent Transforming Pathology Service" (KTPS). The project (which again involves East Kent Hospitals University NHS Foundation Trust) aims to identify a third party partner to invest in both Trusts' Pathology services. The Trust Board will be apprised of the development of this project during 2016/17.

In January 2016, the Trust Board approved the transfer of Crowborough Birthing Centre and High Weald Community Midwifery Services to the Trust (from East Sussex Healthcare NHS Trust). The transfer was subsequently managed successfully and the Trust commenced provision of services on 1st April 2016.

Quality Governance

The Trust's Quality Governance arrangements are managed via the Trust Clinical Governance Committee (and its sub-committees); and via a number of associated systems and processes. As noted above, the Quality Committee then aims to seek and obtain assurance on the effectiveness of these structures, systems and processes. The arrangements are described in detail within the Trust's annual Quality Accounts, which are reviewed by the Quality Committee, approved by the Trust Board, and published as a separate document. The Trust's Quality Accounts are also independently assessed by External Audit, with regards to whether the performance information reported therein is reliable and accurate. The audit of the 2014/15 Quality Accounts (which was concluded in 2015/16) resulted in an unqualified limited assurance report. The External Audit of the 2015/16 Quality Accounts will be available in the summer of 2016.

Clinical audit is supported by a central team, within the Clinical Governance Department, and is primarily overseen by the Trust Clinical Governance Committee. However, during the year, the Quality Committee received details of the Trust's performance in relation to national clinical audits, and undertook a 'deep dive' review of the national clinical audits relating to Cancer.

The investigation of, and learning from, incidents are predominantly managed within Directorates and discussed at Directorate and Specialist Clinical Governance meetings. Serious Incidents are discussed and monitored at a corporate level via the Serious Incident (SI) Panel (which was re-named as the Learning and Improvement Committee in 2015/16). SIs are reported routinely to the Quality Committee and the most significant incidents are discussed at the Trust Board. In March 2016, the Trust Board received a report describing the process for ensuring institutionalised learning following SIs.

Complaints are managed by the central complaints team in partnership with the Directorates concerned. Complaints numbers and performance are monitored by the Trust Board. Themes and trends from complaints, incidents, legal, PALS and Audit are triangulated and monitored weekly through a "CLIPA" meeting and monthly via the Trust Clinical Governance Committee.

Regrettably, two 'Never Events' occurred at the Trust in 2015/16, which were subject to Board-level scrutiny to ensure that lessons were learnt.

In November 2015, the Trust Board received the final details of the work of the Patient Safety Think Tank (PSTT), which was established in August 2014. The Board heard that a number of actions had been taken, including practical improvements to patient safety systems; an improved incident reporting process; improved support for investigators; a Patient Safety Conference; the introduction of a "Governance Gazette" newsletter; and the introduction of 'Safety Moments' at Trust Board and other Committees.

Throughout 2015/16, the TME and Trust Board were informed of progress against the Quality Improvement Plan (QIP) developed in response to the CQC's inspection in October 2014. Good progress has been made for all Compliance Actions, and at the end of the year the implementation of the QIP is almost complete.

Performance on national priorities in the NHS Trust Development Authority Accountability Framework 2015/16

Although the Trust was successful in achievement the targets in a number of areas, including that for Clostridium difficile (for which there were only 18 against a limit of 27 a reduction of 36% on 2014/15), the Trust underperformed on a number of key areas, as follows:

- "Referral to treatment waiting times of more than 52 weeks". Regrettably, 6 patients waited longer than 52 weeks, and although this is very low when compared with the overall number of patients treated within 52 weeks, the target is absolute, and all breaches were due to administration errors
- "Patients waiting in A&E for more than 12 hours for a bed". Regrettably, 1 patient breached this target, though lessons have been learned from each, following detailed investigations of the circumstances

- Patients not re-scheduled within 28 days of being cancelled". Regrettably, 16 patients were not re-scheduled within 28 days of having their operation cancelled, primarily as a result of the significant non-elective pressures faced by the Trust during the year
- *A&E 4-hour Waiting Time Target". The Trust did not achieve the 95% target, and overall performance was 87.79% (with 93.2% for Maidstone Hospital and 82.9% for Tunbridge Wells Hospital). As with the above target, this was primarily as a result of the significant non-elective pressures faced by the Trust during the year
- "Patients in Mixed Sex Accommodation Overnight". 6 patient were in Mixed Sex Accommodation Overnight (although this was only 1 occurrence that affected 6 patients)
- "Referral to Treatment Waiting Times". The Trust achieved the aggregate Trust target of 92% of patients waiting less than 18 weeks at the end of each month for 11 months out of 12 (April 2015 to February 2016). However the data for March 2016 is estimated to be below the 92% target. In addition, not all specialties (i.e. Trauma & Orthopaedics, ENT, Neurology and Gynaecology) achieved the 92% target every month
- "Delayed Transfers of Care". The 3.5% target was not achieved, and year-end performance was 6.2%. The levels of Delayed Transfers was an oft-discussed issue at Trust Board meetings during the year, and liaison with Kent County Social Services occurred throughout the year, although this did reap the intended benefit of reducing the Delayed Transfers to the required level
- 7 of the 9 Cancer waiting time targets were not achieved¹⁰. Again, Cancer performance was discussed often at the Trust Board during the year. It was noted that the Multidisciplinary Team Meeting (MDM) leads for each Tumour Site had reviewed the Cancer pathways, and this culminated in a Cancer Summit that was held in January 2016. The Summit involved the Cancer Leads, the Deputy Chief Executive, Chief Operating Officer, and other, and the issues leading to delays were reviewed, and actions were agreed. The key factor affecting performance was the increased number of patients referred with suspected Cancer, and the increase in the number of treatments being undertaken. The plan is to recover the position by the end of September 2016

The following processes are in place to ensure the quality and accuracy of elective waiting time data (and to manage the risks to such quality and accuracy):

- The Trust has a "Patient Access to Treatment Policy and Procedure", which encompasses Standard Operational Procedures for waiting list management at all stages of a referral to treatment pathway. The Policy also states the responsibilities of key staff, including those for auditing data quality. The Policy was reviewed by the NHS Intensive Support Team at the end of 2015/16, who confirmed that the Policy satisfied their standards
- Compliance with the above Policy is audited annually by means of in-house audit of data quality undertaken by the Information Team. The latest audit, in 2015/16, confirmed that the elective waiting time data is accurate (though some areas for improvement were identified).
- In addition to the above the Trust's internal auditors (TIAA Ltd) are requested to undertake a review of "Data Quality". The report of the review covering the processes in place during 2014/15 (which was reported to the Audit and Governance Committee in May 2015) concluded 'Significant Assurance', and one recommendation was made (which has been fully implemented). The report of the review covering 2015/16 was returned a "Reasonable Assurance" conclusion.

¹⁰ The target of 85% for first definitive treatment for Cancer within 62 days was not achieved in any quarter during the year; the target of 93% for Cancer 2 week wait was not achieved for Quarter 3 (90.6%) and Quarter 4 (at present, estimated to be 72%); the target of 93% for Cancer 2 week wait Breast symptoms was not achieved for Quarter 3 (89.3%) and Quarter 4 (at present, estimated to be 84%); the target of 96% for 31 day first definitive treatment was not achieved in Quarter 4 (at present, estimated to be 95%); the target of 97% for 31 day subsequent treatment was not achieved in Quarter 2 (96.2%, Quarter 3 (96.2%) and Quarter 4 (at present, estimated to be 95%); the target of 97% for 31 day subsequent treatment was not achieved in Quarter 2 (96.2%) and Quarter 4 (at present, estimated to be 95%); the target of 94% for 31 day subsequent Surgery treatment was not achieved in any quarter during the year (88.6%, 94.9%, 93.8% and 92% (estimated)); the 90% 62 day screening target was not achieved in Quarter 2 (89.7%), Quarter 3 (84.6%) and Quarter 4 (at present, estimated to be 72%); and the 85% 62 day Consultant upgrade target was not achieved in Quarter 1 (78.3%), Quarter 3 (73.5%) and Quarter 4 (at present, estimated to 62.5%)
3. Risk assessment

Risks are identified, analysed and controlled in accordance with the Trust's Risk Management Policy and Strategy. The Trust has a Board Assurance Framework (BAF), and a Risk Register. The BAF is the document through which the Trust Board is apprised of the principal risks to the Trust meeting its objectives, and to the controls in place to manage those risks. In addition to the Trust Board, the BAF and Risk Register are reviewed at the Audit and Governance Committee, and TME, whilst the financial aspects of both are reviewed at the Finance Committee. The format of the BAF was revised in 2015/16, and the discussion of the BAF was scheduled earlier on the agenda of Trust Board meetings (before the discussion of the Integrated Performance Report).

As is the case every year, the BAF and Risk Register are subject to an Internal Audit review. The review for 2015/16 gave a "Reasonable Assurance" conclusion, and the report's "key findings" included the statements that "The BAF and Risk Management processes have been subject to regular review by the Trust, including at the Audit and Governance Committee and the Trust Management Executive" and "Clear risk management processes are in place to support the identification and management of risks".

A number of new risks were identified in-year, but mitigated to an acceptable level. The 'red-rated' risks on the Risk Register were reviewed in detail by the TME in September 2015. The TME was asked, for each risk, whether further action should be taken to reduce the risk; whether the risk score/rating should be moderated (on the basis of a collective assessment of the actual risk); or whether the risk should be accepted as rated. A further review of 'red-rated' risks will be undertaken by TME in 2016/17.

In April, May and June 2015, the Trust Board discussed the key risks faced by the Trust, and how these should be reflected in the Trust's objectives. The 7 key risks (which then formed the basis of the BAF) were agreed as follows:

- Quality i.e. failure to provide care and treatment within the upper quartile (as recognised by patients, staff & the CQC); & the need to improve the standard of the Trust's clinical governance arrangements
- Capacity i.e. the need to increase inpatient capacity to cope with rising non-elective demand
- Staffing i.e. the need to reduce reliance on temporary staff and have the appropriate skill-mix
- Finances i.e. the need to deliver the financial plan for 2015/16
- Culture i.e. the need to enhance and sustain a high-performing culture
- Strategy i.e. the need for an updated cohesive strategy to deal with the instability and uncertainty in the wider health economy
- Senior workforce i.e. the need to ensure effective succession planning for key critical posts, to ensure the continual development of the Trust and its services

The associated objectives were then agreed as follows:

- 1.a. To provide care & treatment within the upper quartile (as recognised by patients, staff and the CQC)
- 1.b. To improve the standard of the Trust's clinical governance arrangements
- 2.a. To increase inpatient capacity to cope with rising non-elective demand
- 3.a. Reduce the reliance on temporary staff
- 3.b. To ensure the appropriate skill-mix of staff across the Trust
- 4.a. To deliver the financial plan for 2015/16
- 5.a. To enhance and sustain a high-performing culture
- 6.a. To develop a cohesive strategy to deal with the instability and uncertainty in the wider health economy
- 7.a. To ensure there is effective succession planning for key critical posts

The Board received formal updates on the performance of each objective, and the management of risks to non-achievement, via the BAF, at its meetings in July, September and November 2015 and February 2016. A 'closure' report for the objectives is scheduled to be received in April 2016.

The Trust had no notifiable Information Governance Serious Incidents Requiring Investigation (SIRI) in 2015/16.

4. The risk and control framework

The Trust has in place a range of systems to prevent, deter, manage and mitigate risks and measure the associated outcomes. Some of these systems are described in the "The governance framework of the organisation" and "Risk assessment" sections above, and in addition to the Trust's Risk Management Policy and Strategy, a full range of risk management policies and guidance is made available to staff. This includes the procedures for incident reporting, managing complaints, risk assessment, investigation of incidents, health and safety, and 'being open' to staff and patients (to support the statutory Duty of Candour). Additional advice on good practice can be obtained from a range of professional and specialist staff. The remit of the Trust's Governance Department includes clinical risk management; clinical governance; clinical audit; complaints; the Patient Advice and Liaison Service (PALS); staff health and safety; medico-legal service and claims handling; research and development; and the management of all clinical and non-clinical incident reporting. In addition, Directorates and sub-specialities have identified clinical governance and risk leads. There is a forum for clinical governance and risk management within each Directorate and within the majority of clinical sub-specialities.

At Board-level, the Trust has a Senior Independent Director (who is the Vice-Chairman of the Trust Board), and in October 2015, the Board appointed the same individual as the "Freedom to Speak Up Guardian" (in response to the "Freedom to Speak Up" report from Sir Robert Francis QC).

Trust staff are involved in risk management processes in a variety of ways, including raising any concerns they may have (anonymously, if they so wish); being aware of their responsibility to report and act upon any incidents that occur; being involved in risk assessments; and attending regular training updates.

In-house support and advice on risk management and mitigation is available. This includes specific advice relating to patient safety, health and safety, finance, and information governance etc. Certain types of risk are also addressed via the engagement of external expertise. For example, the risk of fraud is managed and deterred via the appointment of a Local Counter Fraud Specialist (LCFS).

5. Review of the effectiveness of risk management and internal control

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of risk management and internal control. My review is informed in a number of ways. The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through the BAF and on the controls reviewed as part of the work of Internal Audit. The Head of Internal Audit Opinion for 2015/16 states that "In my opinion, there is "reasonable" assurance that Maidstone and Tunbridge Wells NHS Trust has a generally sound system of internal control, designed to meet the organisations objectives and that controls are generally being applied consistently. However, some weaknesses in the design and/or inconsistent application of control, put the achievement of particular objectives at risk".

Executive managers within the Trust who have responsibility for the development and maintenance of the system of internal control also provide me with assurance, via regular meetings and submission of reports to the Committees referred to above. The BAF and Risk Register processes also provide me with evidence that the effectiveness of controls to manage the risks to the organisation have been reviewed, and scrutinised appropriately. Further evidence is provided by a range of sources including reports from Internal Audit (including Counter Fraud) and External Audit, and reports from external agencies, following inspections and/or accreditation visits (including the CQC).

The Audit and Governance Committee approves the Internal Audit plan for the year and receives details of the findings from each of the Internal Audit reviews that are undertaken. Although a number of the Internal Audit reviews completed in 2015/16 resulted in a 'Reasonable assurance' conclusion, a number also led to a conclusion of 'Limited assurance'. These latter reviews have, or will be, considered at the Audit and Governance Committee, and actions to address the weaknesses identified in controls have been taken (or will be taken during 2016/17).

6. Significant issues

In addition to those referred to earlier in the Governance Statement, the following issues are considered significant, and warrant disclosure:

- The Trust ended 2015/16 with a deficit of £23.4m. This was adverse to the Trust's original financial plan for 2015/16, which was to have a deficit of £14.1m. The Finance Committee and Trust Board have closely monitored the financial position, and the actions being taken and/or planned to address this throughout the year. The TDA have also been kept informed of the Trust's position and the remedial action being taken. Such action will continue into 2016/17, which will again be very challenging from a financial perspective.
- On 28th January 2016, the Judge considering the Corporate Manslaughter charge against the Trust (which related to the death of Mrs Frances Cappuccini in October 2012) ruled that there was no case to answer without the defence case being presented. The allegation of Corporate Manslaughter had been consistently denied by the Trust and was comprehensively rejected by the Court.

Glenn Douglas, Chief Executive 25th May 2016





Accountability Report for 2015/16: Remuneration and Staff Report



Our staff

Although providing the best possible healthcare to our population is, and always will be, the

Trust's primary focus, the Trust takes its responsibilities as an employer seriously. The year saw an increase in the number of permanent staff employed and a heightened level of satisfaction with the Trust as an employer. In 2015, the Trust took part in the 13th annual National NHS Staff Survey. Overall, the survey showed a strong set of results and of the 32 key findings, 15 were better than national average, 10 were average, and 7 were worse than average, placing the Trust continued with its strong performance for the percentage of staff who felt they had been appraised (94%). Whilst the overall results were good, there are some areas on which the Trust needs to focus:

- Staff health and wellbeing
- Creating more meaningful engagement with staff
- Address equality and diversity issues from the point of view of staff and patients

The full survey results are available at: www.nhsstaffsurveys.com/Caches/Files/NHS_staff_survey_2015_RWF_full.pdf.

2014 National	VHS staff survey	
Results from I	aidstone And Tunbridg	e Wells NHS Trust

Employee consultation (understanding and learning from the views of staff)

The Trust meets with local Trade Union representatives formally, via the Joint Staff Consultative Committee. A quarterly Open Staff Meeting system also operates, to cascade information to all staff, which



involves a face-to-face meeting with two Executive Directors (including the Chief Executive) at both hospital sites. A weekly Chief Executive's update ("Glenn's update") is issued to all staff via email, enabling key messages to be given on matters of note. An in-house staff newsletter, "Pride", is also produced and distributed. The Trust also conducts 'Impressions' surveys throughout the year to ask staff their views. Three such surveys were undertaken in 2015/16.

The Trust has a range of support mechanisms for staff, beyond that provided by their line manager. This includes counselling services, and full Occupational Health services.

Education and Development

The Trust supported many hundreds of staff during the year to attain educational qualifications, from NVQ to Doctorate. The Trust knows that staff want the opportunity to develop to improve the service offered to patients. The Trust also knows that Medical staff in training like

to come to the Trust, and when they do the developmental opportunities they receive are of the highest standard. This in turn provides the medical workforce of the future. The Trust will continue to provide opportunities to all staff in the years to come.

Equal opportunities

The Trust is committed to being an organisation within which diversity, equality and human rights are valued and appreciated, recognising that everyone is different, valuing the unique contribution that individual experience, knowledge and skills can make in delivering service goals and that this is visible at all levels of the organisation. The Trust is committed to continuous development of services, which are open, equally accessible and meet the needs of all sections of the community served. The Trust continues to strive to provide an environment in which people want to work and to be a model employer leading in good employment practices; and is committed to enabling each member of staff to achieve their full potential in an environment characterised by dignity and mutual respect.

The gender, age and ethnic group distribution of staff and Trust Board Members at the end of 2015/16 is as follows (the 2014/15 equivalent is in brackets):

Gender	Staff [he	Staff [head count]		d Members 11
Male	1874 (1310)	24% (24%)	9 (9)	64% (64%)
Female	5933 (4164)	76% (76%)	5 (5)	36% (36%)
Age (age at 31/03/16)	Staff [he	Staff [head count]		d Members 11
16-30	1932 (1696)	26% (24.2%)	o (o)	o% (o%)
31-40	1732 (1648)	23% (23.5%)	1(0)	7% (0%)
41-50	1908 (1874)	25.5% (26.7%)	3 (4)	21% (29%)
51-60	1532 (1461)	20.5% (20.8%)	6 (6)	43% (43%)
61 and over	361 (343)	5% (4.9%)	4(4)	29% (29%)

Ethnic group ¹²	Staff [he	Staff [head count]		d Members 11
Asian/Asian British: Any other Asian	376 (423)	4.8% (5.8%)	0 (0)	0% (0%)
background				
Asian/Asian British: Bangladeshi	14 (11)	0.2% (0.2%)	o (o)	0% (0%)
Asian/Asian British: Indian	379 (318)	4.9% (4.3%)	1(1)	7% (7%)
Asian/Asian British: Pakistani	84 (72)	1.1% (1%)	o (o)	0% (0%)
Black/African/Caribbean/Black British:	183 (164)	2.3% (2.2%)	o (o)	0% (0%)
African				
Black/African/Caribbean/Black British: Any	23 (25)	0.3% (0.3%)	o (o)	0% (0%)
other Black/African/Caribbean background				
Black/African/Caribbean/Black British:	30 (25)	0.4% (0.3%)	o (o)	0% (0%)
Caribbean				
Mixed/Multiple ethnic groups: Any other	40 (29)	0.5% (0.4%)	o (o)	0% (0%)
Mixed/Multiple ethnic background				
Mixed/Multiple ethnic groups: White and	40 (32)	0.5% (0.4.%)	o (o)	0% (0%)
Asian				
Mixed/Multiple ethnic groups: White and	16 (14)	0.2% (0.2%)	o (o)	0% (0%)
Black African		0// 0/)		0// 0/)
Mixed/Multiple ethnic groups: White and	16 (18)	0.2% (0.2%)	o (o)	0% (0%)
Black Caribbean		0// 0/)	()	0/ / 0/)
White: Any other White background	739 (564)	9.5% (7.7%)	1(1)	7% (7%)
White: English/Welsh/Scottish/Northern	5045 (4817)	64.6% (65.7%)	11 (11)	79% (79%)
Irish/British		0/ /0/)	. (.)	-0((-0()
White: Irish	105 (125)	1.3% (1.7%)	1(1)	7% (7%)
Any other ethnic group	232 (163)	3% (2.2%)	0 (0)	0% (0%)
Not known / not stated / undefined	485 (529)	6.2% (7.2%)	o (o)	0% (0%)

¹¹ Includes non-voting Board Members (refer to the 'Trust Board' section later in the Report for details)

¹² Recommended Office of National Statistics (ONS) Ethnicity Classifications, 2012

Staff sickness absence

The staff sickness absence for 2015/16 (and 2014/15) is reported below:

	2015/16	2014/15
Total days lost (adjusted to the Cabinet Office measure)	43,757	43,881
Total staff years (WTE)	5,054	4,962
Average working days lost	8.7	8.8

N.B. This data is provided via the Department of Health (DH) (as it is necessary to reconcile NHS Electronic Staff Record data with the 'Cabinet Office' data reported by central Government, to permit aggregation across the NHS). The sickness absence figures are actually reported on a calendar year basis, rather than for the financial year (i.e. Jan. to Dec. 2015; and Jan. to Dec. 2014). However, the DH considers this to be a reasonable proxy for the financial year

Disabled employees

The Trust has continued its commitments as a 'Two Ticks' Disability Symbol employer. The symbol is awarded in recognition of positive commitments regarding the employment, retention, training and career development of disabled people. In 2015/16 the Trust:

- Interviewed all applicants with a disability who met the minimum short-listing criteria
- Ensured there was a mechanism in place to annually discuss with disabled employees what we can do to ensure they develop and use their abilities
- Made every effort when employees become disabled to make sure they stay in employment
- Took action to ensure that all employees develop disability awareness and
- Reviewed the achievements against each of the 5 commitments to identify ways to continuously improve and maintain 'Two Tick' recognition

"Shaping Our Future Together, 2015-2020"

In September 2015 the Trust Board approved a 5 Year Workforce Strategy. The Strategy defines the

ambition of the Trust to construct an organisation where people deliver excellence each day and feel engaged, enabled and empowered to work for the Trust. The Strategy has 6 interrelated workforce priorities:

- Recruitment & Retention
- Temporary Staffing
- Culture
- Health & Wellbeing
- Integrated Education
- Equality & Diversity

Six programmes of work have been identified to deliver the above priorities. Implementation plans will be reviewed and refreshed on a quarterly basis, and will be reported to the Trust Board through the Workforce Committee during 2016/17. The full Strategy is available on the Trust's website, within the reports for the September 2015 Board meeting (see www.mtw.nhs.uk/wp-content/uploads/2015/08/Trust-Board-Part-1-30.09.15.pdf).





"Senior Managers" remuneration



In accordance with Section 234b and Schedule 7a of the Companies Act, as required by NHS Bodies, this report includes details regarding "senior managers" remuneration. In the context of the NHS, this is defined as: "Those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS body. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or departments".

It is usually considered that the regular attendees of the entity's Board meetings are its "Senior Managers", and the Chief Executive has confirmed that the definition of "Senior Managers" only applies to Trust Board Members (refer to the 'Directors' Report' for further details).

The Trust Board has maintained a Remuneration and Appointments Committee to advise and assist in meeting its responsibilities to ensure appropriate remuneration, allowances and terms of service for the Chief Executive, Directors and other key senior posts (refer to the 'Directors' Report' for further details of the Remuneration and Appointments Committee).

The Chief Executive and Directors' remuneration is reviewed annually by the Committee and decisions are based on market rates, national pay awards and performance. Reward is primarily through salary adjustment, although non-recurrent awards can be used to recognise exceptional achievements.

Pay rates for Non-Executive Directors of the Trust are determined in accordance with national guidelines, as set by the NHS Trust Development Authority (TDA)¹³. Remuneration for the Chairman of the Trust Board is also set by the TDA.

The Directors are normally on permanent contracts and subject to a minimum of 6 months' notice period; the Chief Executive's notice period is 6 months. Contract, interim and seconded staff will all have termination clauses built into their letters of engagement, which will be broadly in line with the above.

Termination arrangements are applied in accordance with statutory regulations as modified by Trust or National NHS conditions of service agreements, and the NHS pension scheme. The Remuneration and Appointments



Committee will agree any severance arrangements following appropriate approval from NHS Improvement and HM Treasury as appropriate.

The figures included in the tables below show details of salaries, allowances, pension entitlements and any other remuneration of the Trust's 'Senior Managers' i.e. non-recurrent awards etc.

¹³ From 01/04/16, the NHS Trust Development Authority became part of NHS Improvement

Salaries and allowances for the year ending 31st March 2016 (subject to audit)

Comparatives for the year ending 31st March 2015 are shown in brackets below the figure for 2015/16.

Name and title (alphabetical by surname) N.B. Dates of service are for the full 2015/16 year unless otherwise disclosed	(a) Salary (bands of £5,000)	(b) Taxable expense payments, and other benefits in kind, to the nearest £100	(c) Annual performance -related pay and bonuses (bands of £5,000)	(d) Long-term performance- related pay and bonuses (bands of £5,000)	(e) Other remuneration for other offices held alongside Senior Manager role (bands of £5,000)	(f) All pension- related benefits (bands of £2,500)	(g) TOTAL (columns a - f) (bands of £5.000)	(h) Payments or compensation for loss of office
	£000	£00 A	£000	£000	£000	£000	£000	£000
Anthony Jones, Chairman	40-45	5	0	N/A	N/A	N/A	40-45	N/A
of the Trust Board	(40-45)	(0)	(o)	(N/A)	(N/A)	(N/A)	(40-45)	(N/A)
Glenn Douglas, Chief	200-205	70	0	0	N/A	0	205-210	N/A
Executive	(200-205)	(70)	(0)	(0)	(N/A)	(0)	(205-210)	(N/A)
Paul Bentley, Director of	130-135	2	0	0	N/A	0	130-135	N/A
Workforce and Communications (until 28/02/16)	(130-135)	(0)	(0)	(0)	(N/A)	(0)	(130-135)	(N/A)
Avey Bhatia, Chief Nurse	105-110	0	0	0	0	2.5-5	115-120	N/A
	(110-115)	(o)	(o)	(o)	(o)	(25-27.5)	(135-140)	(N/A)
Sylvia Denton, Non-	5-10	0	0	N/A	N/A	N/A	5-10	N/A
Executive Director	(5-10)	(o)	(o)	(N/A)	(N/A)		(5-10)	(N/A)
Sarah Dunnett, Non-	5-10	0	0	N/A	N/A	N/A	5-10	N/A
Executive Director	(0-5)	(o)	(o)	(N/A)	(N/A)		(0-5)	(N/A)
Angela Gallagher, Chief	115-120	0	0	0	N/A	0	115-120	N/A
Operating Officer	(115-120)	(o)	(o)	N/A	(N/A)	(o)	(115-120)	(N/A)
Richard Hayden, Director	5-10	0	0	0	N/A	N/A	5-10	N/A
of Workforce (from o2/03/16)	(N/A)	(N/A)	(N/A)	(N/A)	(N/A)	(N/A)	(N/A)	(N/A)
Alex King, Non-Executive	5-10	0	0	N/A	N/A	N/A	5-10	N/A
Director	(0-5)	(0)	(0)	(N/A)	(N/A)	(N/A)	(0-5)	(N/A)
Jim Lusby, Deputy Chief	115-120	0	0	0	5-10	10-12.5	140-145	N/A
Executive (from 27/04/15)	(N/A)	(N/A)	(N/A)	(N/A)	(N/A)	(N/A)	(N/A)	(N/A)
Sara Mumford, Director	15-20	2	0	0	115-120	5-7.5	140-145	N/A
of Infection Prevention and Control Ψ	(15-20)	(0)	(0)	(0)	(110-115)	(7.5-10)	(135-140)	(N/A)
Steve Orpin, Director of	125-130	0	0	0	N/A	77.5-80	205-210	N/A
Finance	(120-125)	N/A	(0)	(0)	(N/A)	(130- 132.5)	(250-255)	(N/A)
Paul Sigston, Medical	230-235	0	0	0	10-15	0	245-250	N/A
Director Ψ	(210-215)	(o)	(o)	(0)	(20-25)	(47.5-50)	(250-255)	(N/A)
Stephen Smith, Associate Non-Executive Director (until 22/07/15)				N/	AΣ			
Kevin Tallett, Non-	5-10	0	0	N/A	N/A	N/A	5-10	N/A
Executive Director	(5-10)	(o)	(o)	(N/A)	(N/A)	(N/A)	(5-10)	(N/A)
Steve Tinton, Non-	5-10	0	0	N/A	N/A	N/A	5-10	N/A
Executive Director	(5-10)	(o)	(o)	(N/A)	(N/A)	(N/A)	(5-10)	(N/A)

Λ £ hundreds are used for taxable expense payments, and other benefits (column (b)). For this Trust, they relate to the non-cash benefit of a lease car. All other columns are in £ thousands

Ψ Drs Sigston and Mumford hold clinical roles in the Trust alongside their responsibilities as Senior Managers

Σ Mr Smith received no remuneration for undertaking his role as Associate Non-Executive Director

Pension benefits for the year ending 31st March 2015 (subject to audit)

Please note that on 16/03/16, the Chancellor of the Exchequer announced a change in the Superannuation Contributions Adjusted for Past Experience (SCAPE) discount rate from 3.0% to 2.8%. This rate affects the calculation of CETV figures in this report. Due to the lead time required to perform calculations and prepare annual reports, the CETV figures quoted in this report for members of the NHS Pension scheme are based on the previous discount rate and have not been recalculated.

Name and title Ψ (alphabetical by surname) N.B. Dates of service are for the full 2015/16 year unless otherwise disclosed	(a) Real increase in pension at pension age (bands of £2,500)	(b) Real increase in pension lump sum at pension age (bands of £2,500)	(c) Total accrued pension at pension age at 31 st March 2016 (bands of £5,000)	(d) Lump sum at pension age related to accrued pension at 31 th March 2016 (bands of £5,000)	(e) Cash Equivalent Transfer Value A at 1 st April 2015	(f) Cash Equivalent Transfer Value A at 31 st March 2016	(g) Real increase in Cash Equivalent Transfer Value Σ	(h) Employer's contribution to stakeholder pension
	£000	£000	£000	£000	£000	£000	£000	£000
Glenn Douglas, Chief Executive Ω	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Paul Bentley, Director of Workforce and Communications (until 28/02/16)	0-2.5	0-2.5	45-50	140-145	824	833	0	0
Avey Bhatia, Chief Nurse	0-2.5	0-2.5	35-40	95-100	533	537	0	0
Angela Gallagher, Chief Operating Officer	0-2.5	2.5-5.0	45-50	135-140	852	889	27	0
Richard Hayden, Director of Workforce (from 02/03/16) &	α	α	α	α	α	α	α	α
Sara Mumford, Director of Infection Prev. and Control	0-2.5	0-2.5	40-45	70-75	553	557	0	0
Steve Orpin, Director of Finance	2.5-5	7.5-9.0	40-45	115-120	511	557	40	0
Jim Lusby, Deputy Chief Executive (from 27/04/15)	0-2.5	2.5-5	25-30	85-90	416	450	27	0
Paul Sigston, Medical Director	0-2.5	0-2.5	45-50	145-150	868	879	1	0

Ψ As Non-Executive Directors do not receive pensionable remuneration; there are no entries in respect of pensions for Non-Executive Directors
 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 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

Ω Mr Douglas ceased payments into the NHS Pensions scheme in 2012/13

α Due to the timing of the appointment the NHS Pensions Agency had not provided the relevant information at the time this report was produced

Pay multiples (subject to audit)

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid Director in their organisation and the median remuneration of the organisation's workforce. The banded remuneration of the highest paid Director in the Trust in the financial year 2015/16 was £230,000 to £235,000 (in 2014/15 this was £210,000 to £215,000). This was 8.3 times the median remuneration of the workforce (in 2014/15, this was 8.4 times), which was £28,159 (in 2014/15, this was £28,213).

In 2015/16, 2 employees (2014/15, 3) received remuneration in excess of the highest paid Director (these were all temporary Bank staff). Remuneration ranged from £11,413 to £240,132 (in 2014/15 the range was from £5,182 to £330,176). The ratio of median remuneration to the highest paid Director for 2015/16 has been unchanged from that in 2014/15. The highest paid Director in the financial year 2015/16 was the Medical Director (in 2014/15 this was also the Medical Director).

Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind, but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions. The calculations of the median pay included in this analysis is based on the month 12 remuneration on an annualised basis (remuneration divided by whole time equivalent multiplied by 12) and therefore is not necessarily the actual remuneration received by those individuals in the financial year.

Reporting relating to the review of tax arrangements of public sector appointees (not subject to audit)

As part of the Review of Tax arrangements of Public Sector Appointees published by the Chief Secretary to the Treasury on 23rd May 2012, the Trust in common with all public bodies, is required to publish information in relation to the number of 'off-payroll' arrangements meeting the specific criteria set by the Treasury. Individuals that are 'on-payroll' are subject to Pay As You Earn (PAYE), with income tax and employee National Insurance Contributions (NICs) deducted by the Trust at source. Individuals engaged to provide services to the Trust but who do not have PAYE and NICs deducted at source are 'off-payroll'.

All off-payroll engagements as of 31st March 2016, for more than £220 per day and lasting for longer than 6 months

	Number
Number of existing engagements as of 31 st March 2016	1
Of which, the number that have existed	
for less than 1 year at the time of reporting =	1
for between 1 and 2 years at the time of reporting =	0
for between 2 and 3 years at the time of reporting =	0
for between 3 and 4 years at the time of reporting =	0
for 4 or more years at the time of reporting =	0

All existing off-payroll engagements have at some point been subject to a risk based assessment, as to whether assurance was required that the individual is paying the right amount of tax. Where necessary, that assurance has been sought.

New off-payroll engagements between 1^{st} April 2015 and 31^{st} March 2016, for more than £220 per day that last longer than 6 months

	Number
Number of new engagements, or those that reached 6 months in duration, between 1 st April 2015 and 31 st March 2016	2 Θ
Number of new engagements which include contractual clauses giving the Trust the right to request assurance in relation to income tax and National Insurance obligations	2Θ
Number for whom assurance has been requested	10
Of which	
Assurance has been received	0
Assurance has not been received	1
Engagements terminated as a result of assurance not being received	0

Θ One of the two arrangements ceased in year just before the 6-month point and assurance was not requested.

Number of off-payroll engagements of Board members and/or senior officers with significant financial responsibility, during the year	0
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	16 Σ

Σ This includes the Board members that left the Trust Board during 2015/16. Please refer to the 'Directors' Report' for further details.

Expenditure on consultancy staff

The Trust's expenditure on consultancy staff for 2015/16 (and 2014/15) was as follows:

Quarter	April – June 2015 (£'000)	July – Sep 2015 (£'000)	Oct – Dec 2015 (£'000)	Jan – Mar 2016 (£'000)	Out-turn (£'000)
2014/15	£612.5	£684.0	£298.0	£378.1	£1,972.6
2015/16	£282.8	£321.1	£248.7	£148.1	£1,000.7
Reduction	-£329.7	-£362.9	-£49.3	-£230.0	-£971.9

Maidstone and Tunbridge Wells MHS Trust



Accountability and audit report for 2015/16: Independent auditor's report to the Directors of the Trust



Independent auditor's report to the Directors of the Trust

We have audited the financial statements of Maidstone and Tunbridge Wells NHS Trust (the "Trust") for the year ended 31st March 2016 under the Local Audit and Accountability Act 2014 (the "Act"). The financial statements comprise the 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. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the 2015/16 Government Financial Reporting Manual (the 2015/16 FReM) as contained in the Department of Health Group Manual for Accounts 2015/16 (the 2015/16 MfA) and the Accounts Direction issued by the Secretary of State with the approval of HM Treasury as relevant to the National Health Service in England (the Accounts Direction). This report is made solely to the Directors of Maidstone and Tunbridge Wells NHS Trust, as a body, in accordance with Part 5 of the Act and as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the Directors of the Trust those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Directors of the Trust, as a body, 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, 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 require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

As explained in the statement of the Chief Executive's responsibilities, as the Accountable Officer of the Trust, the Accountable Officer is responsible for the arrangements to secure economy, efficiency and effectiveness in the use of the Trust's resources. We are required under Section 21(3)(c) and Schedule 13 paragraph 10(a) of the Act to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report our opinion as required by Section 21(4)(b) of the Act.

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 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.

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 issued by the Comptroller and Auditor General in November 2015, as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined these criteria as those necessary for us to consider under the 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 31st March 2016, and to report by exception where we are not satisfied.

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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the financial position of Maidstone and Tunbridge Wells NHS Trust as at 31st March 2016 and of its expenditure and income for the year then ended; and
- have been prepared properly in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2015/16 FReM as contained in the 2015/16 MfA and the Accounts Direction

Opinion on other matters

In our opinion:

- the parts of the Remuneration and Staff Report to be audited have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2015/16 FReM as contained in the 2015/16 MfA and the Accounts Direction; and
- the other information published together with the audited financial statements in the Annual Report is consistent with the audited financial statements.

Matters on which we are required to report by exception

We are required to report to you if we refer a matter to the Secretary of State under section 30 of the Act because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion would be unlawful and likely to cause a loss or deficiency.

On 18th May 2016, we referred a matter to the Secretary of State under section 30 of the Act in relation to Maidstone and Tunbridge Wells NHS Trust's breach of the break-even duty for the three year period ending 31st March 2016.

We report to you if we are not satisfied that the Trust has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Basis for qualified value for money conclusion

The Trust outturn position for 2015/16 was a £23.4m deficit, which is a significant deterioration compared to its budgeted deficit of £12.1m. The Trust's medium term financial plan shows a continued deficit position, with a forecast deficit of £22.9m for 2016/17.

The deterioration in the trust's financial outturn was due to higher than planned usage of agency staff, and a different mix of non-elective and elective patient activity to that planned resulting in a reduction to expected levels of income and increased costs..

These issues are evidence of weakness in proper arrangements for planning finances effectively to support the sustainable delivery of strategic priorities and maintain statutory functions.

Qualified value for money conclusion

On the basis of our work, having regard to the guidance issued by the Comptroller and Auditor General in November 2015, except for the effects of the matter reported in the basis for qualified value for money conclusion paragraph, we are satisfied that, in all significant respects, Maidstone and Tunbridge Wells NHS Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31st March 2016.

We have nothing to report in respect of the following matters where we are required to report by exception if:

- in our opinion the governance statement does not comply with guidance issued by the NHS Trust Development Authority; or
- we issue a report in the public interest under section 24 of the Act; or
- we make a written recommendation to the Trust under section 24 of the Act

Certificate

We certify that we have completed the audit of the accounts of Maidstone and Tunbridge Wells NHS Trust in accordance with the requirements of the Act and the Code of Audit Practice.

Darren Wells for and on behalf of Grant Thornton UK LLP, Appointed Auditor Fleming Way Manor Royal Crawley RH10 9GT 27th May 2016





Financial Statements for 2015/16





Thank you for your support





Clant

Glenn Douglas, Chief Executive

Homes

Anthony Jones, Chairman of the Trust Board

The Trust continues to receive support and well wishes from patients, cares, stakeholders, volunteers, fundraisers and Members (of which we have over 10,000). Such support is expressed via a varied number of ways, including compliments sent the Trust; letters sent to the local media; comments posted on social media; participation in the Patient Experience Committee; attendance at Trust Board meetings and the Annual General Meeting; fundraising to buy much needed equipment; to name but a few.

This support is highly valued by the Trust's staff and the Board, and without this, the Trust's task would be far harder. Thank you all.





Maidstone and Tunbridge Wells NHS Trust

Maidstone Hospital | Hermitage Lane | Maidstone | Kent ME16 9QQ



Patient First - Respect - Innovation - Delivery - Excellence

Maidstone and Tunbridge Wells NHS

NHS Trust

Trust Board Meeting - May 2016

5-22 Annual Accounts 2015/16 Audit and Governance Committee Chairman

The Annual Accounts for 2015/16 are enclosed.

The Accounts, along with the Auditors' findings, will be reviewed in detail at the Audit and Governance Committee on 25th May (before the Trust Board).

The Audit and Governance Committee will be asked to recommend that the Trust Board approves the Accounts, and a verbal update on the outcome of the Committee's review will be given at the Trust Board meeting.

Once approved, the Accounts will be signed, and submitted to the Auditors, who will in turn submit them to Department of Health, by the required deadline (2nd June 2016).

Which Committees have reviewed the information prior to Board submission?
Audit and Governance Committee, 25/05/16

Reason for receipt at the Board (decision, discussion, information, assurance etc.)¹ To review and approve the Annual Accounts for 2015/16

¹ All information received by the Board should pass at least one of the tests from 'The Intelligent Board' & 'Safe in the knowledge: How do NHS Trust Boards ensure safe care for their patients': the information prompts relevant & constructive challenge; the information supports informed decision-making; the information is effective in providing early warning of potential problems; the information reflects the experiences of users & services; the information develops Directors' understanding of the Trust & its performance

2015-16 Accounts - explanation of changes from draft to final

1. Introduction

This paper details the changes proposed from the draft version of the Accounts as presented to the Audit committee on 5^{th} May 2016

There are no material changes proposed and the Income & Expenditure outturn is unchanged at £23.4m NHS breakeven duty deficit (after technical adjustments) and £37.3m IFRS deficit.

At the time of writing this report and following the final review of the 2015/16 accounts and production of the 2016/17 month one Board reports, the finance team have not identified any material subsequent events that would impact on the 2015/16 Accounts.

2. Presentational and Disclosure changes

There have been a number of minor presentational and disclosure changes to the Accounts from the original draft to the proposed final version attached (Annex 1), arising from Auditors' notification and Finance review of working papers.

There have been no financial changes to the key statements; changes to the accompanying notes are highlighted in section 3. In addition to these, the Trust has made the following minor changes:-

- Increased disclosure in respect of critical judgments policy note 1.6.1 to material areas of critical judgements within the accounts. This includes the valuation of site area under the Modern Equivalent Assets' concept, not consolidating the Charitable Funds accounts, and the going concern basis on which the financial statements are prepared.
- Figures entered for staff sickness (note 10.3) as supplied by the Department of Health this information was not available at draft submission.
- Note 41 related party transactions, 'other NHS and Government bodies' over £1m were added along with updated values from the agreement of balances exercise.
- Other minor amendments, typos and presentational changes.

3. Financial changes to primary statements and notes

The following table highlights all changes (except typos) to the accompanying notes; there are no changes to the primary statements.

Note number	Revision	Draft Accounts	Final Accounts	Proposed change
Note 5 – Revenue from Patient Care Activities	Split in revenue between NHS England and CCG's was not consistent with the working paper.	£000	£000	£000
Activities	NHS England CCG's	72,704 272,049	74,541 270,212	1,837 (1,837)
Note 8 – Operating Expenses	Separating the business rates from premises, including making the same adjustment for 2014/15.			
	Premises Business rates	15,063 0	13,473 1,590	(1,590) 1,590
Note 9 – operating leases	Working paper omitted the last line of a supplier for future periods.			
	No later than one year Between one and five years	1,643 2,978	1,824 3,698	181 720
Note 10.1 Employee benefits 2014/15	Comparator for Employer contributions to NHSBA was incorrectly reported within 2014/15.			
	salaries and wages employer contributions	162,720 29,284	170,494 21,510	7,774 (7,774)
Note 17 - Impairments	Addition of analysis of impairments charged to revaluation reserve and increased narration to assist the reader of accounts. No change to values reported but additional information provided.	0	8,834	8,834
Note 39.2 Financial Assets	Financial Instruments had one element of bad debt but not the element re: RTA £383k, and a small adjustment for PDC of £15k	29,370	29,002	368
Note 41 Related Parties	Related party organisation balances revised following agreement of balances exercise (Disclosure only)			
	Total revision by category:- Receivables Payables Income Expenditure	22,369 5,465 341,824 43,692	23,856 15,377 375,637 65,712	1,487 9,912 33,813 22,020

Kate Lawrence, Head of Financial Services

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: Maidstone and Tunbridge Wells NHS Trust 2015-16 2014-15 31 March 2016 31 March 2015 1 April 2015 1 April 2014 Accounts 2015-16

Maidstone and Tunbridge Wells NHS Trust Annual Accounts for the period 1 April 2015 to 31 March 2016

Statement of Comprehensive Income for year ended 31 March 2016

31 March 2016			
		2015-16	2014-15
	NOTE	£000s	£000s
Gross employee benefits	10.1	(246,792)	(236,753)
Other operating costs	8	(173,267)	(162,190)
Revenue from patient care activities	5	361,792	359,435
Other operating revenue	6	39,138	43,875
Operating surplus/(deficit)		(19,129)	4,367
Investment revenue	12	47	48
Other gains and (losses)	13	1	(50)
Finance costs	14	(14,349)	(14,438)
Surplus/(deficit) for the financial year	·· -	(33,430)	(10,073)
Public dividend capital dividends payable		(3,882)	(4,881)
Net Gain/(loss) on transfers by absorption	-	0	0
Retained surplus/(deficit) for the year	—	(37,312)	(14,954)
Retained Surplus/(dencit) for the year	-	(37,312)	(14,954)
Other Comprehensive Income		2015-16	2014-15
		£000s	£000s
Impairments and reversals taken to the revaluation reserve		(22,820)	(6,158)
Net gain/(loss) on revaluation of property, plant & equipment		13,986	5,818
Net gain/(loss) on revaluation of intangibles		0	0
Net gain/(loss) on revaluation of available for sale financial assets		Ő	0
Total Other Comprehensive Income	17	•	-
	··· -	(8,834)	(340)
Total comprehensive income for the year*	-	(46,146)	(15,294)
Financial performance for the year			
Retained surplus/(deficit) for the year		(37,312)	(14,954)
Prior period adjustment to correct errors and other performance		0	(11,001)
adjustments		Ŭ	Ū
IFRIC 12 adjustment (including IFRIC 12 impairments)		8,609	9,870
Impairments (excluding IFRIC 12 impairments)		5,444	5,241
Adjustments in respect of donated gov't grant asset reserve		(154)	0,241
elimination		(134)	0
Adjusted retained surplus/(deficit)	_	(23,413)	157

The IFRIC 12 adjustment relates to the difference n accounting for PFI between IFRS and UK GAAP of £0.7m and impairments relating to the PFI assets of £7.9m. Impairments on non PFI assets are £5.4m.

The notes on pages 7 to 42 form part of this account.

Statement of Financial Position as at 31 March 2016

31 March 2016			
		31 March 2016	31 March 2015
	NOTE	£000s	£000s
Non-current assets:			
Property, plant and equipment	15	350,397	371,921
Intangible assets	16	3,253	2,396
Investment property	18	0	0
Other financial assets		0	0
Trade and other receivables	22.1	1,200	1,227
Total non-current assets		354,850	375,544
Current assets:			
Inventories	21	8,286	6,519
Trade and other receivables	22.1	31,969	33,636
Other financial assets	24	0	0
Other current assets	25	0	0
Cash and cash equivalents	26	1,197	3,796
Sub-total current assets	-	41,452	43,951
Non-current assets held for sale	27	0	0
Total current assets	-	41,452	43,951
Total assets	-	396,302	419,495
	-		
Current liabilities			
Trade and other payables	28	(43,038)	(33,113)
Other liabilities	29	Ó	Ó
Provisions	35	(2,331)	(2,435)
Borrowings	30	(4,774)	(4,776)
Other financial liabilities	31	Ú Ú	0
DH revenue support loan	30	0 0	0
DH capital loan	30	(2,174)	(2,174)
Total current liabilities	<u> </u>	(52,317)	(42,498)
Net current assets/(liabilities)	-	(10,865)	1,453
Total assets less current liabilities	-	343,985	376,997
	-	,	,
Non-current liabilities			
Trade and other payables	28	0	0
Other liabilities	29	0	0
Provisions	35	(1,401)	(1,944)
Borrowings	30	(203,261)	(208,034)
Other financial liabilities	31	()	(200,00 !)
DH revenue support loan	30	(16,908)	0
DH capital loan	30	(14,502)	(16,676)
Total non-current liabilities		(236,072)	(226,654)
Total assets employed:	-	107,913	150,343
	-	101,010	100,010
FINANCED BY:			
Public Dividend Capital		203,264	199,548
•		,	,
Retained earnings		(149,151)	(111,941)
Revaluation reserve		53,800	62,736
Other reserves	-	0	0
Total Taxpayers' Equity:	-	107,913	150,343

The notes on pages 6 to 56 form part of this account.

The financial statements on pages 3 to 6 were approved by the Board on 25 May 2016 and signed on its behalf by

Chief Executive:

Date:

Statement of Changes in Taxpayers' Equity For the year ending 31 March 2016

E000s E000s E000s E000s E000s E000s Balance at 1 April 2015 199,548 (111,941) 62,736 0 150,343 Retained surplus/(dificit) for the year 0 (37,312) 0 0 (37,312) Net gain / (loss) on revaluation of financial assets 0		Public Dividend capital	Retained earnings	Revaluatio n reserve	Other reserves	Total reserves
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Transfers to/(from) Other Bodies within the Resource00000On disposal of available for sale financial assets000000Originating capital for Trust established in year0000000New temporary and permanent PDC received - cash1,0950000000New temporary and permanent PDC repaid in year000		0	20	(23)	0	0
On disposal of available for sale financial assets0000Originating capital for Trust established in year00000New temporary and permanent PDC received - cash1,0950001,095New temporary and permanent PDC repaid in year000000Other movements0000000Net actuarial gain/(loss) on pension0000000Other pension remeasurement0000000Net recognised revenue/(expense) for the year1,095(14,931)(363)0(14,199)	-	0	0	0	0	0
Originating capital for Trust established in year 0 0 0 0 0 New temporary and permanent PDC received - cash 1,095 0 0 1,095 New temporary and permanent PDC repaid in year 0						
New temporary and permanent PDC received - cash 1,095 0 0 1,095 New temporary and permanent PDC received - cash 1,095 0			-			
New temporary and permanent PDC repaid in year 0<		-	-			-
Other movements 0		,				
Net actuarial gain/(loss) on pension 0 1(14,199) 0 (14,199) 0 (14,199) 0 (14,199) 0 (14,199) 0 (14,199) 0 (14,199) 0 (14,199) 0 (14,199) 0 (14,199) 0 (14,199) 0 (14,199) 0 (14,199) 0 (14,199) <th< td=""><td></td><td></td><td></td><td></td><td></td><td></td></th<>						
Other pension remeasurement 0<		0	0	0	0	0
Net recognised revenue/(expense) for the year			0	0	0	
	•	1,095	(14,931)	(363)	0	(14,199)
	Balance at 31 March 2015	199,548	(111,941)	62,736	0	150,343

Statement of Cash Flows for the Year ended 31 March 2016

	NOTE	2015-16 £000s	2014-15 £000s
Cash Flows from Operating Activities			
Operating surplus/(deficit)		(19,129)	4,367
Depreciation and amortisation	8	13,816	16,696
Impairments and reversals	17	13,369	14,250
Other gains/(losses) on foreign exchange	13	0	0
Donated Assets received credited to revenue but non-cash	6	0	0
Government Granted Assets received credited to revenue but non-cash		0	0
Interest paid		(14,343)	(14,431)
PDC Dividend (paid)/refunded		(4,273)	(4,757)
Release of PFI/deferred credit		0	0
(Increase)/Decrease in Inventories		(1,767)	490
(Increase)/Decrease in Trade and Other Receivables		2,006	1,617
(Increase)/Decrease in Other Current Assets		0	0
Increase/(Decrease) in Trade and Other Payables		13,745	(2,843)
(Increase)/Decrease in Other Current Liabilities		0	0
Provisions utilised		(1,136)	(623)
Increase/(Decrease) in movement in non cash provisions	_	486	1,178
Net Cash Inflow/(Outflow) from Operating Activities		2,774	15,944
Cook Flows from Investing Activities			
Cash Flows from Investing Activities Interest Received		47	48
		47	-
(Payments) for Property, Plant and Equipment		(18,294)	(8,818)
(Payments) for Intangible Assets (Payments) for Investments with DH		(843)	(946)
		0	0
(Payments) for Other Financial Assets		0	0
Proceeds of disposal of assets held for sale (PPE)		0	0
Proceeds of disposal of assets held for sale (Intangible)		0	0
Proceeds from Disposal of Investment with DH		0	0
Proceeds from Disposal of Other Financial Assets Rental Revenue		0	0 0
	-	0 (10.000)	
Net Cash Inflow/(Outflow) from Investing Activities	_	(19,090)	(9,716)
Net Cash Inform / (outflow) before Financing		(16,316)	6,228
Cash Flows from Financing Activities			
Gross Temporary and Permanent PDC Received		3,716	1,095
Gross Temporary and Permanent PDC Repaid		0	0
Loans received from DH - New Capital Investment Loans		0	0
Loans received from DH - New Revenue Support Loans		29,408	0
Other Loans Received		0	0
Loans repaid to DH - Capital Investment Loans Repayment of Principal		(2,174)	(2,174)
Loans repaid to DH - Working Capital Loans/Revenue Support Loans		(12,500)	0
Other Loans Repaid		0	0
Capital Element of Payments in Respect of Finance Leases and On- SoFP PFI and LIFT		(4,776)	(4,772)
Capital grants and other capital receipts (excluding donated /		43	2,132
government granted cash receipts)			
Net Cash Inflow/(Outflow) from Financing Activities	_	13,717	(3,719)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	_	(2,599)	2,509
Cash and Cash Equivalents (and Bank Overdraft) at Beginning of the Period		3,796	1,287
Effect of exchange rate changes in the balance of cash held in foreign currencies		0	0
Cash and Cash Equivalents (and Bank Overdraft) at year end	26	1,197	3,796
	-		<u> </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 2015-16 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 SOCI, and is disclosed separately from operating costs.

Other transfers of assets and liabilities within the Group are accounted for in line with IAS 20 and similarly give rise to income and expenditure entries.

1.4 Charitable Funds

Under the provisions of IFRS 10 Consolidated and Separate 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. The Charitable Funds for this trust are not material for 2015-16 and have not been consolidated. See policy note 1.32

1.5 Pooled Budgets

The Trust does not have any pooled budgets

1.6 Critical accounting judgements and key sources of estimation uncertainty

In the application of the NHS 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.

1.6.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below 1.6.2) that management has made in the process of applying the NHS Trust's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

For 2015/16 the Trust has identified the following critical judgements that are required to be disclosed under IAS1 paragraph 122. All other material judgements within this financial year relate to estimations and are disclosed in the relevant notes (see 1.6.2)

Material areas of critical judgements within the 2015/16 accounts are as follows:

Charitable Funds are not material for the Trust and have not been consolidated (see note 1.4)

The site area has been reviewed in order to reflect the areas which are strictly essential to the Trust in providing services and would therefore be required for a valuation under the Modern Equivalent Assets (MEA) concept. As a result the valuers consider a MEA replacement facility would not require the soft landscaping or the associated site area (see note 1.10 and 15.3).

The financial statements should be prepared on a going concern basis unless there are plans for, or no realistic alternative other than, the dissolution of the Trust without the transfer of its services to another entity within the public sector. Continuation of the Trust's services, as evidenced by inclusion of financial provision for them in published documents, is therefore sufficient justification for producing financial statements on a going concern basis.

In preparing the financial statements the directors have considered the Trust's overall financial position and expectation of future financial support. The Trust has submitted a financial plan for 2016-17 to NHS Improvement which delivers a post technical deficit of £22.9m with a delivery of £23m savings programme. The plan includes a requirement for £22.9m of working capital financing from the Department of Health to maintain the Trust's cash flows in 2016-17. Note 5 (Revenue) contains a reference in respect of future support.

NOTES TO THE ACCOUNTS

Notes to the Accounts - 1. Accounting Policies (Continued)

1.6.2 Key sources of estimation uncertainty

Key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year where arising, will be disclosed within the relevant note. The disclosure will include the nature of the assumption and the carrying amount of the asset/liability at the balance sheet date, sensitivity of the carrying amount to the assumptions, expected resolution of uncertainty and range of possible outcomes within the next financial year. The disclosure will also include an expectation of changes to past assumptions if the uncertainty remains unresolved.

Material areas including estimations within the 2015/16 accounts are as follows: Property, Plant and Equipment valuation (see note15.3) Pension fund valuation (see note) 10.6 PFI (see note 37 and 38)

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 care spells that are part-completed at the year end are apportioned across the financial years on the basis of length of stay at the end of the reporting period compared to expected total length of stay.

Interest revenue is accrued on a time basis, by reference to the principal outstanding and interest rate applicable.

Where income is received for a specific activity that is to be delivered in the following year, that income is deferred.

The NHS 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 NHS Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit that the individual has lodged a compensation claim. The income is measured at the agreed tariff for the treatments provided to the injured individual, less a provision for unsuccessful compensation claims and doubtful debts.

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, except for bonuses earned but not yet taken which, like leave earned but not yet taken is not accrued for at the year end, on the grounds of immateriality.

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.

NOTES TO THE ACCOUNTS

Notes to the Accounts - 1. Accounting Policies (Continued)

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 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.

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, where this would lead to a different depreciation profile. In respect of building and dwelling assets, the Trust has determined that it is appropriate to depreciate the component blocks of the two hospital sites and individual dwellings separately, as this takes into consideration the age and condition of the asset components and their differing depreciation profile and follows the external valuation schedules. The individual elements (e.g. walls, floors, lifts, heating etc.) within these blocks are not deemed to be significant in relation to the block assets.

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 current 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.

The financial year 2015/16 is the first year in the next 5 year cyclical valuation period. A full valuation was undertaken in September 2014 with a desktop valuation at 31st March 2015. In keeping with the Trust's policies and to ensure that the appropriate values are recorded at 31st March 2016, the Trust commissioned professional valuers, Montagu Evans LLP, to carry out a desktop valuation of the Trust's Land, Building and Dwelling assets. The lead relationship partner from Montagu Evans LLP is qualified to BSc MRICS. The results are recorded in the property plant and equipment note.

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. The Trust reviews annually high value plant and machinery assets (net book value over £100k) to ensure these are held at the correct values and remaining useful lives. IT assets are also subject to annual review.

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 should be taken to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive income in the Statement of Comprehensive Income. Any residual balance in the revaluation reserve in respect to an individual asset is transferred to the retained earnings reserve on disposal of the asset.

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.

NOTES TO THE ACCOUNTS

Notes to the Accounts - 1. Accounting Policies (Continued)

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 £5000.

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. 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 NHS trust expects to obtain economic benefits or service potential from the asset. This is specific to the NHS 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.

Estimated useful lives for non current assets are adopted as follows:	Years
Buildings & Dwellings	1 - 60
Plant and Machinery	5 - 15
Furniture and Fittings	7 - 10
Information Technology Hardware	3 - 5
Vehicles	5 - 15
X ray Tubes	2
Software Licences	3 - 5
IT - In House and Third Party Software	2 - 7

At each reporting period end, the NHS 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 should be 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.

NOTES TO THE ACCOUNTS

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.

Notes to the Accounts - 1. Accounting Policies (Continued)

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.

1.14 Government grants

Government grant funded assets are capitalised at their fair value on receipt, with a matching credit 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 NHS Trust as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the NHS 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.

NOTES TO THE ACCOUNTS

Notes to the Accounts - 1. Accounting Policies (Continued)

1.17 Private Finance Initiative (PFI) transactions

HM Treasury has determined that government bodies shall account for infrastructure PFI schemes where the government body controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of the requirements of IFRIC 12. The Trust therefore recognises the PFI asset as an item of property, plant and equipment together with a liability to pay for it. The services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

- a) Payment for the fair value of services received;
- b) Payment for the PFI asset, including finance costs; and
- c) Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'

PFI Asset

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the Trust's approach for each relevant class of asset in accordance with the principles of IAS 16.

PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Income.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Income.

Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

Assets contributed by the NHS trust to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the NHS trust's Statement of Financial Position.

NOTES TO THE ACCOUNTS

Notes to the Accounts - 1. Accounting Policies (Continued)

Other assets contributed by the NHS Trust to the operator

Assets contributed (e.g. cash payments, surplus property) by the NHS Trust to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the NHS trust, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

"A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured at the present value of the minimum lease payments, discounted using the implicit interest rate. It is subsequently measured as a finance lease liability in accordance with IAS 17.

On initial recognition of the asset, the difference between the fair value of the asset and the initial liability is recognised as deferred income, representing the future service potential to be received by the Trust through the asset being made available to third party users.

The balance is subsequently released to operating income over the life of the concession on a straight-line basis."

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.

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 NHS 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 rates of -1.55% short term (1-5 years), -1.00% medium term (6-10 years) and -0.80% long term (over 10 years).1.37% real (1.30% 2014-15) is the rate used for employee early retirements and injury benefits.

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.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the Trust has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

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. For 2015-16 the Trust has not recognised a restructuring provision.

NOTES TO THE ACCOUNTS

Notes to the Accounts - 1. Accounting Policies (Continued)

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 NHS trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at Note 35.

1.22 Non-clinical risk pooling

The NHS trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the NHS 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)

CRC and similar allowances are accounted for as government grant funded intangible assets if they are not expected to be realised within twelve months, and otherwise as other current assets. They are valued at open market value. As the NHS body makes emissions, a provision is recognised with an offsetting transfer from deferred income. The provision is settled on surrender of the allowances. The asset, provision and deferred income amounts are valued at fair value at the end of the reporting period.

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 NHS 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 nonoccurrence of one or more uncertain future events not wholly within the control of the NHS 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 NHS 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.

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

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in calculating the NHS Trust's surplus or deficit for the year. The net gain or loss incorporates any interest earned on the financial asset. The Trust has no financial assets held at fair value.

Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to surplus/deficit on de-recognition. The Trust has no financial assets available for sale.

NOTES TO THE ACCOUNTS

Notes to the Accounts - 1. Accounting Policies (Continued)

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. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques. The Trust has issued no loans, receivables are held at cost as this is believed to be not materially different to the initial fair value of the financial asset.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the initial fair value of the financial asset.

At the end of the reporting period, the NHS trust assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

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

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through expenditure to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

1.26 Financial liabilities

Financial liabilities are recognised on the statement of financial position when the NHS 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. The Trust's liabilities are held at cost as this is not believed to be materially different to fair value in respect of current liabilities.

Financial guarantee contract liabilities

Financial guarantee contract liabilities are subsequently measured at the higher of:

• The amount of the obligation under the contract, as determined in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets; and

• The premium received (or imputed) for entering into the guarantee less cumulative amortisation.

The Trust has no financial guarantee contract liabilities

Financial liabilities at fair value through profit and loss

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the NHS trust's surplus/deficit. The net gain or loss incorporates any interest payable on the financial liability. The Trust does not have any financial liabilities at fair value.

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.
NOTES TO THE ACCOUNTS

Notes to the Accounts - 1. Accounting Policies (Continued)

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 44 to the accounts.

1.30 Public Dividend Capital (PDC) and PDC dividend

Public dividend capital represents taxpayers' equity in the NHS 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.

In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

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 NHS Trust not been bearing their own risks with insurance premiums then being included as normal revenue expenditure. However the note on losses and special payments is compiled directly from the losses and compensations register which is prepared on an accruals basis.

1.32 Subsidiaries

Material entities over which the NHS trust has the power to exercise control are classified as subsidiaries and are consolidated. The NHS 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 NHS trust 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'.

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1st April 2013, the Trust has established that as the trust is the corporate trustee of the linked NHS charity - Maidstone and Tunbridge Wells NHS Charity (Charity registration 1055215), it effectively has the power to exercise control so as to obtain economic benefit. However the transactions are immaterial in the context of the group and transactions have not been consolidated. Details of the transactions with the charity are included in the related parties' notes.

The Trust has no subsidiaries.

1.33 Associates

Material entities over which the NHS trust has the power to exercise significant influence so as to obtain economic or other benefits are classified as associates and are recognised in the NHS trust's accounts using the equity method. The investment is recognised initially at cost and is adjusted subsequently to reflect the NHS trust share of the entity's profit/loss and other gains/losses. It is also reduced when any distribution is received by the NHS trust from the entity. The Trust has no associates.

Associates that are classified as 'held for sale' are measured at the lower of their carrying amount or 'fair value less costs to sell'

NOTES TO THE ACCOUNTS

Notes to the Accounts - 1. Accounting Policies (Continued)

1.34 Joint arrangements

Material entities over which the NHS Trust has joint control with one or more other entities are classified as joint arrangements. Joint control is the contractually agreed sharing of control of an arrangement. A joint arrangement is either a joint operation or a joint venture. The Trust has no joint arrangements.

A joint operation exists where the parties that have joint control have rights to the assets and obligations for the liabilities relating to the arrangement. Where the NHS body is a joint operator it recognises its share of, assets, liabilities, income and expenses in its own accounts. The Trust has no joint operations.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint ventures are recognised as an investment and accounted for using the equity method. The Trust has no joint ventures.

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 SOCI on a systematic basis over the period expected to benefit from the project. It should be 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 HM Treasury FReM does not require the following Standards and Interpretations to be applied in 2015-16. These standards are still subject to HM Treasury FReM interpretation, with IFRS 9 and IFRS 15 being for implementation in 2018-19, and the government implementation date for IFRS 16 still subject to HM Treasury consideration.

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

• IFRS 15 Revenue for Contracts with Customers - Application required for accounting periods beginning on or after 1 January 2017, but not yet adopted by the FReM: early adoption is not therefore permitted

• IFRS 16 Leases – Application required for accounting periods beginning on or after 1 January 2019, but not yet adopted by the FReM: early adoption is not therefore permitted.

2. Pooled budget

Maidstone and Tunbridge Wells NHS Trust does not have any pooled budgets.

3. Operating segments

Maidstone and Tunbridge Wells NHS Trust reports under a single segment of Healthcare. The Trust has considered the possibility of reporting two segments, relating to Healthcare and Non Healthcare Income, but this does not reflect current Trust Board reporting practice which reports on both the aggregate Trust position and by Directorate. Each of the significant directorates are deemed to have similar economic characteristics under the Healthcare banner and can therefore be aggregated in accordance with the requirements of IFRS 8.

The Trust's income is predominantly from contracts for the provision of healthcare with Clinical Commissioning Groups (CCGs) and NHS England. This accounts for 95% of the Trust's total income.

4. Income generation activities

The Trust undertakes income generation activities with an aim of achieving profit, which is then used in patient care. The following provides details of income generation activities whose full cost exceeded £1m.

Summary Table - aggregate of all schemes	2015-16 £000s	2014-15 £000s
Income Full cost Surplus/(deficit)	4062 (2,993) 1,069	4,155 (2,630) 1,525
Car Parking Income Full cost Surplus/(deficit)	2,232 (1,811) 421	2,184 (1,773) 411
Catering Income Full cost Surplus/(deficit)	1,315 (753) 562	1,491 (613) 878

5. Revenue from patient care activities

NHS Trusts 1,407	1,314
NHS England 74,541 8	1,536
Clinical Commissioning Groups 270,212 25	4,097
Foundation Trusts 1,405	209
Department of Health 0	0
NHS Other (including Public Health England and Prop Co) 718	213
Additional income for delivery of healthcare services 0 1	2,000
Non-NHS:	
Local Authorities 4,799	1,767
Private patients 6,935	6,922
Overseas patients (non-reciprocal) 504	71
Injury costs recovery 1,167	1,224
Other 104	82
Total Revenue from patient care activities 359	9,435

Injury cost recovery income is subject to a provision for impairment of receivables which the trust has estimated using historical information for each main site. The provision rates are 19% for Maidstone Hospital and 14.28% for Tunbridge Wells Hospital (18.9% 2014-15 Trust wide). This provision reflects expected rates of collection.

Included within revenue from NHS England for 2015-16 is £12m of financial support (2014-15 £16.3m):

•• •	,		
		2015-16	2014-15
		£000s	£000s
		8,000	8,000
		4,000	8,300
		12,000	16,300
			£000s 8,000 4,000

The Trust's 2016-17 plan includes £8m recurrent central PFI support excluding inflation.

6. Other operating revenue

:	2015-16 £000s	2014-15 £000s
Recoveries in respect of employee benefits	0	0
Patient transport services	0	0
Education, training and research	11,388	11,077
Charitable and other contributions to revenue expenditure - NHS	0	0
Charitable and other contributions to revenue expenditure -non- NHS	0	0
Receipt of donations for capital acquisitions - Charity	610	455
Support from DH for mergers	0	0
Receipt of Government grants for capital acquisitions	0	0
Non-patient care services to other bodies	15,553	14,663
Income generation (Other fees and charges)	4,062	4,155
Rental revenue from finance leases	0	0
Rental revenue from operating leases	23	23
Other revenue	7,502	13,502
Total Other Operating Revenue	39,138	43,875
Total operating revenue	400,930	403,310

Other revenue includes £7.8m (2014-15 £11.1m) income for Health Informatics Service hosted by the Trust to the 31st March 2016. This hosting arrangement ceased as at 31st March 2016.

7. Overseas Visitors Disclosure

	2015-16 £000	2014-15 £000s
Income recognised during 2015-16 (invoiced amounts and accruals) Cash payments received in-year (re receivables at 31 March 2015)	504 18	71 0
Cash payments received in-year (in respect of invoices issued 2014-15) Amounts added to provision for impairment of receivables (re receivables at 31 March 2014)	361	42
Amounts added to provision for impairment of receivables (in respect of invoices issued 2014-15) Amounts written off in-year (irrespective of year of recognition)	0 120 30	0 0 14

8. **Operating expenses**

8. Operating expenses		
	2015-16	2014-15
	£000s	£000s
Services from other NHS Trusts	299	2,065
Services from CCGs/NHS England	12	37
Services from other NHS bodies	193	31
Services from NHS Foundation Trusts	6,513	3,160
Total Services from NHS bodies*	7,017	5,293
Purchase of healthcare from non-NHS bodies	7,394	4,819
Purchase of Social Care	0	0
Trust Chair and Non-executive Directors	80	77
Supplies and services - clinical	78,755	72,155
Supplies and services - general	5,761	5,883
Consultancy services	1,001	2,234
Establishment	3,997	3,992
Transport	1,591	2,150
Service charges - ON-SOFP PFIs and other service concession arrangements	4,120	3,988
Total charges - Off-SOFP PFIs and other service concession arrangements	, O	0
Business rates paid to local authorities ***	1,590	3,747
Premises ***	13,473	12,454
Hospitality	0	0
Insurance	342	486
Legal Fees	843	443
Impairments and Reversals of Receivables	378	476
Inventories write down	0	0
Depreciation	12,973	16,043
Amortisation	843	653
Impairments and reversals of property, plant and equipment	13,369	14,250
Impairments and reversals of intangible assets	0	0
Impairments and reversals of financial assets	0	0
Impairments and reversals of non current assets held for sale	0	0
Internal Audit Fees **	171	255
Audit fees **	103	120
Other auditor's remuneration	0	12
Clinical negligence	16,573	10,692
Research and development (excluding staff costs)	0	0
Education and Training	1,060	910
Change in Discount Rate	(3)	23
Other	1,836	1,035
Total Operating expenses (excluding employee benefits)	173,267	162,190
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Employee Benefits		
Employee benefits excluding Board members	245,713	235,900
Board members	1,079	853
Total Employee Benefits	246,792	236,753
	_ 10,102	
Total Operating Expenses	420,059	398,943
	,	

*Services from NHS bodies does not include expenditure which falls into a category below **Additional detail in 2015-16 accounts, so prior year comparator adjustment *** Business rates recategorised from Premises including comparator figures

9. Operating Leases

The four main operating leases with values charged to operating expenses in year are disclosed below:

Danwood - lease of photocopiers and printers under a managed service arrangement £696k (£696k 2014-15). This arrangement is expected to complete in December 2017.

Ash Corporate Finance - lease of the laundry land, buildings and equipment £323k (£323k 2014-15). The lease is for a 25 year term and contains a break clause in December 2020.

Roche Diagnostic Ltd - lease of equipment to support the pathology and clinical chemistry managed service £253k (£253k 2014-15). This arrangement completes in June 2017 with an option to extend for a further 3 years.

Telewest - lease of telephony equipment £417k (£510k 2014-15). This arrangement completed in 2015/16.

There are no purchase options or escalation clauses and there are no restrictions imposed by the lease arrangements.

9.1. Maidstone and Tunbridge Wells NHS Trust as lessee

				2015-16	
	Land	Buildings	Other	Total	2014-15
	£000s	£000s	£000s	£000s	£000s
Payments recognised as an expense					
Minimum lease payments				2,256	2,211
Contingent rents				0	0
Sub-lease payments				0	0
Total			-	2,256	2,211
Payable:			-		
No later than one year	0	627	1,197	1,824	2,047
Between one and five years	0	1,801	1,897	3,698	2,716
After five years	0	1,692	0	1,692	471
Total	0	4,120	3,094	7,214	5,234
Total future sublease payments expected to be received:			-	0	0

9.2. Maidstone and Tunbridge Wells NHS Trust as lessor

The Trust leases an element of land on the Maidstone Hospital site to a day nursery contractor.

Recognised as revenue	£000	2014-15 £000s
Rental revenue	23	23
Contingent rents	0	0
Total	23	23
Receivable:		
No later than one year	29	23
Between one and five years	115	92
After five years	230	207
Total	374	322

10. Employee benefits and staff numbers

10.1. Employee benefits

	2015-16		
		Permanently	
	Total	employed	Other
	£000s	£000s	£000s
Employee Benefits - Gross Expenditure			
Salaries and wages	212,514	172,287	40,227
Social security costs	14,350	14,350	0
Employer Contributions to NHS BSA - Pensions Division	22,310	22,310	0
Other pension costs	3	3	0
Termination benefits	478	478	0
Total employee benefits	249,655	209,428	40,227
Employee costs capitalised	(2,863)	(1,169)	(1,694)
Gross Employee Benefits excluding capitalised costs	246,792	208,259	38,533

	Permanently		
Employee Benefits - Gross Expenditure 2014-15	Total £000s	employed £000s	Other £000s
Salaries and wages	202,080	170,494 *	31,586
Social security costs	14,117	14,117	0
Employer Contributions to NHS BSA - Pensions Division	21,510	21,510 *	0
Other pension costs	0	0	0
Termination benefits	1,023	1,023	0
TOTAL - including capitalised costs	238,730	207,144	31,586
Employee costs capitalised	(1,977)	(707)	(1,270)
Gross Employee Benefits excluding capitalised costs	236,753	206,437	30,316

* Prior year comparators amended to correct a misclassification in 2014-15 reported employee benefits between Salaries and Wages and Employer Contributions categories. This did not affect the Total Employee Benefits reported.

10.2. Staff Numbers

	2015-16			2014-15
		Permanently		
	Total	employed	Other	Total
	Number	Number	Number	Number
Average Staff Numbers				
Medical and dental	699	633	66	668
Ambulance staff	0	0	0	0
Administration and estates	1,085	983	102	1,150
Healthcare assistants and other support staff	1,415	1,264	151	1,354
Nursing, midwifery and health visiting staff	1,649	1,415	234	1,580
Nursing, midwifery and health visiting learners	15	15	0	18
Scientific, therapeutic and technical staff	762	710	52	706
Social Care Staff	0	0	0	0
Healthcare Science Staff	0	0	0	0
Other	0	0	0	0
TOTAL	5,625	5,020	605	5,476
Of the above - staff engaged on capital projects	54	32	22	34

10.3. Staff Sickness absence and ill health retirements

	2015-16	2014-15
	Number	Number
Total Days Lost	43,757	43,881
Total Staff Years	5,054	4,962
Average working Days Lost	8.66	8.84
	2015-16	2014-15
	Number	Number
Number of persons retired early on ill health grounds	5	3
	£000s	£000s
Total additional pensions liabilities accrued in the year	76	102

10.4. Exit Packages agreed in 2015-16

	2015-16							
Exit package cost band (including any special payment element)	*Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed.	Total number of exit packages	Total cost of exit packages	Number of Departures where special payments have been made	Cost of special payment element included in exit packages
	Number	£s	Number	£s	Number	£s	Number	£
Less than £10,000	1	3,961	10	32,313	11	36,274	0	0
£10,000-£25,000	7	142,956	2	30,565	9	173,521	0	0
£25,001-£50,000	2	58,694	0	0	2	58,694	0	0
£50,001-£100,000	3	224,024	0	0	3	224,024	0	0
£100,001 - £150,000	0	0	0	0	0	0	0	0
£150,001 - £200,000	0	0	0	0	0	0	0	0
>£200,000	0	0	0	0	0	0	0	0
Total	13	429,635	12	62,878	25	492,513	0	0
Exit package cost band (including any special payment element)	2014-15 *Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed.	Total number of exit packages	Total cost of exit packages	Number of Departures where special payments have been made	Cost of special payment element included in exit packages
	Number	£s	Number	£s	Number	£s	Number	£
Less than £10,000	0	0	0	0	0	0	0	0
£10,000-£25,000	2	38,824	0	0	2	38,824	0	0
£25,001-£50,000	1	34,876	0	0	1	34,876	0	0
£50,001-£100,000	1	95,118	0	0	1	95,118	0	0
£100,001 - £150,000	0	0	0	0	0	0	0	0
£150,001 - £200,000	0	0	0	0	0	0	0	0
>£200,000 Total	0 4	0 168,818	0	0	0	168,818	0	0
I Utal	4	100,010	0	0	4	100,010	0	0

Redundancy and other departure costs have been paid in accordance with the provisions of the Trust. Compulsory redundancies were transacted in accordance with NHS Terms and Conditions. Exit costs in this note are accounted for in full in the year of departure. 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 redundancies relate to the dissolution of the Health Informatics Service arrangements which the Trust hosted until 31st March 2016. The Trust has recovered costs including those of the exit arrangements from the other members of arrangement (local NHS bodies) and this is reported within income.

10.5. Exit packages - Other Departures analysis

	2015-16		2014-15			
	Agreements	Total value of agreements	Agreements	Total value of agreements		
	Number	£000s	Number	£000s		
Voluntary redundancies including early retirement contractual costs	0	0	0	0		
Mutually agreed resignations (MARS) contractual costs	0	0	0	0		
Early retirements in the efficiency of the service contractual costs	0	0	0	0		
Contractual payments in lieu of notice	12	63	0	0		
Exit payments following Employment Tribunals or court orders	0	0	0	0		
Non-contractual payments requiring HMT approval*	0	0	0	0		
Total	12	63	0	0		
Non-contractual payments made to individuals where the payment value was more than 12 months of their annual salary	0	0	0	0		

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

As a single exit packages 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 10.4 which will be the number of individuals.

*includes any non-contractual severance payment made following judicial mediation, and amounts relating to non-contractual payments in lieu of notice..

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

10.6. Pension costs

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

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2016, is based on valuation data as 31 March 2015, updated to 31 March 2016 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012.

The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

The Trust participates in the National Employees Savings Trust (NEST) scheme as an alternative to those employees who are not eligible to join the NHS Pension Scheme. This came into effect in July 2013 for this Trust as part of the auto enrolment requirements introduced by the Government. NEST is a defined contribution scheme with a phased employer contribution rate, currently 1%. Trust contributions under the NEST scheme for the 2015/16 financial year totalled £3k (£4k 2014/15).

11. Better Payment Practice Code

11.1. Measure of compliance

	2015-16 Number	2015-16 £000s	2014-15 Number	2014-15 £000s
Non-NHS Payables				
Total Non-NHS Trade Invoices Paid in the Year	113,947	179,686	101,241	159,088
Total Non-NHS Trade Invoices Paid Within Target	77,717	134,047	78,674	129,327
Percentage of NHS Trade Invoices Paid Within Target	68.20%	74.60%	77.71%	81.29%
NHS Payables				
Total NHS Trade Invoices Paid in the Year	2,473	27,339	3,282	23,650
Total NHS Trade Invoices Paid Within Target	1,459	20,508	1,847	15,745
Percentage of NHS Trade Invoices Paid Within Target	59.00%	75.01%	56.28%	66.58%

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.

11.2. The Late Payment of Commercial Debts (Interest) Act 1998

	2015-16	2014-15
	£000s	£000s
Amounts included in finance costs from claims made under this legislation	0	0
Compensation paid to cover debt recovery costs under this legislation	0	0
Total	0	0

The Trust made one late payment charge totalling £36.35 and four interest charges of £38.98 (£545.05 total of charges and interest in 2014/15) during the year under the Late Payment of Commercial Debt Act.

12. Investment Revenue

	2015-16 £000s	2014-15 £000s
Rental revenue		
PFI finance lease revenue (planned)	0	0
PFI finance lease revenue (contingent)	0	0
Other finance lease revenue	0	0
Subtotal	0	0
Interest revenue		
Bank interest	47	48
Other loans and receivables	0	0
Impaired financial assets	0	0
Subtotal	47	48
Total investment revenue	47	48

13. Other Gains and Losses

	2015-16 £000s	2014-15 £000s
Gain/(Loss) on disposal of assets other than by sale (PPE)	1	(50)
Gain/(Loss) on disposal of assets other than by sale (intangibles)	0	0
Gain/(Loss) on disposal of Financial Assets other then held for sale	0	0
Gain (Loss) on disposal of assets held for sale	0	0
Gain/(loss) on foreign exchange	0	0
Total	1	(50)

14. Finance Costs

201	16 2014-15
£0	£ 000s
Interest	
Interest on loans and overdrafts	710 655
Interest on obligations under finance leases	0 0
Interest on obligations under PFI contracts:	
- main finance cost	1,161 11,416
- contingent finance cost	2,472 2,360
Interest on late payment of commercial debt	0 0
Total interest expense	4,343 14,431
Other finance costs	0 0
Provisions - unwinding of discount	<u>6</u> 7
Total	4,349 14,438

15.1. Property, plant and equipment

2015-16	Land	Buildings excluding dwellings	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	£000's
Cost or valuation:									
At 1 April 2015	38,580	299,498	3,033	6,758	81,875	960	16,323	2,694	449,721
Additions of Assets Under Construction	0	0	0	2,110	0	0	0	0	2,110
Additions Purchased	0	9,132	46	0	1,171	0	1,344	61	11,754
Additions - Non Cash Donations (i.e. physical assets)	0	0	0	0	0	0	0	0	0
Additions - Purchases from Cash Donations & Government Grants	0	0	0	0	606	0	4	0	610
Additions Leased (including PFI/LIFT)	0	0	0	0	0	0	0	0	0
Reclassifications	0	529	0	(5,852)	2,839	0	1,669	0	(815)
Disposals other than for sale	0	0	0	0	(7,467)	0	0	0	(7,467)
Upward revaluation/positive indexation	82	13,176	728	0	0	0	0	0	13,986
Impairment/reversals charged to operating expenses	(566)	(21,827)	0	0	0	0	(331)	0	(22,724)
Impairments/reversals charged to reserves At 31 March 2016	(19,821) 18,275	(3,277) 297,231	278 4,085	3,016	79,024	960	19,009	2,755	(22,820) 424,355
AL ST MAICH 2016	10,275	297,231	4,065	3,010	79,024	900	19,009	2,755	424,335
Depreciation									
At 1 April 2015	0	3,010	53	0	60,107	882	12,614	1,134	77,800
Reclassifications	0	0	0	0	0	0	0	0	0
Disposals other than for sale	0	0	0	0	(7,460)	0	0	0	(7,460)
Upward revaluation/positive indexation	0	0	0	0	0	0	0	0	Ó
Impairment/reversals charged to reserves	0	0	0	0	0	0	0	0	0
Impairments/reversals charged to operating expenses	0	(9,355)	0	0	0	0	0	0	(9,355)
Charged During the Year	0	6,345	108	0	4,294	42	1,910	274	12,973
At 31 March 2016	0	0	161	0	56,941	924	14,524	1,408	73,958
Net Book Value at 31 March 2016	18,275	297,231	3,924	3,016	22,083	36	4,485	1,347	350,397
Asset financing:									
Owned - Purchased	18,275	97,687	3,924	3,016	20,599	36	4,456	1,347	149,340
Owned - Donated	10,275	31	3,924	3,010	1,446	0	4,450	1,347	1,506
Owned - Government Granted	0	0	0	0	38	0	23	0	38
Held on finance lease	0	0	0	0	0	0	0	0	0
On-SOFP PFI contracts	0	199,513	0	0	0	0	0	0	199,513
PFI residual: interests	0	0	0	0	0	0	0	0	100,010
Total at 31 March 2016	18,275	297,231	3,924	3,016	22,083	36	4,485	1,347	350,397
		······		·					
Revaluation Reserve Balance for Property, Plant & Equipment									
	Land	Buildings excluding dwellings	Dwellings	Assets under construction & payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
									£000's
At 1 April 2015	29,085	32,292	687	0	657	13	0	2	62,736
Movements	(19,739)	9,899	1,006	0	102	0	0	0	(8,732)
At 31 March 2016	9,346	42,191	1,693	0	759	13	0	2	54,004
	i		· · · · ·						

Additions to Assets Under Construction in 2015-16	
Land	0
Buildings excl Dwellings	206
Dwellings	0
Plant & Machinery	1,904
Balance as at YTD	2,110

15.2. Property, plant and equipment prior-year

	Land	Buildings excluding dwellings	Dwellings	Assets under construction & payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
2014-15	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Cost or valuation:	2000 3	2000 3	2000 3	2000 3	2000 3	2000 3	2000 3	2000 3	2000 3
At 1 April 2014	40,889	332,858	5,501	1,695	80,323	960	15,118	2,694	480,038
Additions of Assets Under Construction	0	0	0	6,386	0	0	0	0	6,386
Additions Purchased	0	3,157	560	0	1,866	0	638	0	6,221
Additions - Non Cash Donations (i.e. Physical Assets)	0	0	0	0	0	0	0	0	, 0
Additions - Purchases from Cash Donations & Government Grants	0	0	0	0	418	0	37	0	455
Reclassifications	0	56	0	(1,323)	0	0	530	0	(737)
Disposals other than for sale	0	0	0	0	(732)	0	0	0	(732)
Revaluation	(1,808)	(32,129)	(1,815)	0	0	0	0	0	(35,752)
Impairments/negative indexation charged to reserves	(501)	(10,283)	(1,213)	0	0	0	0	0	(11,997)
Reversal of Impairments charged to reserves	0	5,839	0	0	0	0	0	0	5,839
At 31 March 2015	38,580	299,498	3,033	6,758	81,875	960	16,323	2,694	449,721
Depreciation									
At 1 April 2014	0	25,011	277	0	53,335	835	9,442	860	89,760
Reclassifications	0	0	0	0	0	0	0	0	0
Disposals other than for sale	0	0	0	0	(683)	0	0	0	(683)
Revaluation	(1,808)	(37,947)	(1,815)	0	0	0	0	0	(41,570)
Impairments/negative indexation charged to operating expenses	1,808	20,787	1,443	0	109	0	1,138	0	25,285
Reversal of Impairments charged to operating expenses	0	(11,035)	0	0	0	0	0	0	(11,035)
Charged During the Year	0	6,194	148	0	7,346	47	2,034	274	16,043
At 31 March 2015	0	3,010	53	0	60,107	882	12,614	1,134	77,800
Net Book Value at 31 March 2015	38,580	296,488	2,980	6,758	21,768	78	3,709	1,560	371,921
Asset financing:									
Owned - Purchased	38,580	103,284	2,980	6,758	20,458	78	3,670	1,560	177,368
Owned - Donated	0	81	0	0	1,243	0	39	0	1,363
Owned - Government Granted	0	0	0	0	67	0	0	0	67
Held on finance lease	0	0	0	0	0	0	0	0	0
On-SOFP PFI contracts	0	193,123	0	0	0	0	0	0	193,123
PFI residual: interests	0	0	0	0	0	0	0	0	0
Total at 31 March 2015	38,580	296,488	2,980	6,758	21,768	78	3,709	1,560	371,921

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15.3. Property, plant and equipment

Within the financial year 2015/16 the trust received donations to purchase medical equipment totalling £606k. £205k was received as a legacy to the Cardiology department which purchased 2 specialist ultrasound machines, £144k donation received from Breast Cancer Kent to purchase a Tomosynthesis upgrade and £104k from the charity Walk the Walk to purchase chemotherapy equipment.

The financial year 2015/16 is the first year in the next 5 year cyclical valuation period. A full valuation was undertaken in September 2014 by the Trust's independent valuers Montagu Evans LLP with further indexation applied by the trust at 31st March 2015. In keeping with the Trust policies and to ensure that the appropriate values are recorded at 31st March 2016, the Trust commissioned Montagu Evans LLP to carry out a desktop valuation of the fair value of Trust Land, Building and Dwelling assets.

The 31st March 2016 valuation resulted in an overall reduction in value of the Trust's Land and Property assets of £21.872m. This included an upward valuation, net value £13.986m, relating to upward pressure on building values as measured by movements in the relevant Building Cost Indices. This value is reported in the PPE note 15.1 on the line "Upward revaluation/positive indexation". Assessment by the Trust's valuers that excess soft landscaping on each site would not be reprovided on a MEA basis led to an impairment charged to reserves of £22.820m less prior reversals which was related primarily to land values. This is reported in note 15.1 on the line headed "Impairments/reversals charged to reserves". A further £13.038m of impairments net of reversals were charged to the SoCI relating mainly to the external works element of the soft landscaping and valuation of new build components undertaken during the year. This is reported in note 15.1 on the lines "Impairment/reversals charged to operating expenses" under both Cost or Valuation, and Depreciation sections i.e. £0.566m land impairment plus £21.827m build impairment less £9.355 associated depreciation. (In addition this line also reports the impairment of £0.331m relating to IT tangible assets as set out below). The sum total of both the upward valuations and the impairments was a net reduction in value of £21.872m.

Specialist properties (main hospitals) have been valued on Depreciation Replacement Cost (DRC) using the Modern Equivalent Assets (MEA)Value concept. Non specialised buildings and land have been valued on an Existing Use Value (EUV) basis and key worker accommodation has been valued on an EUV - Social housing basis in line with RICS guidelines. In addition two properties have been identified as surplus to the Trust's requirements and these have been valued in line with IFRS 13 which requires valuation at the best and highest alternative use.

Under the Modern Equivalent Assets (MEA) concept the independent professional valuers have assessed that the Trust would not re-provide the excess soft landscaping on each site and therefore this adjustment has impacted on reducing both the external works and land valuations. The reduction to the external works valuation was £4.3m at Maidstone hospital site and £4.2m at Tunbridge Wells site. The underlying land valuation reductions were £9.95m for the Maidstone Hospital site and £9.97m for Tunbridge Wells site. The land value impairments were taken fully to existing revaluation reserves whilst the external works impairments were charged to the SoCI as no corresponding revaluation reserve existed.

Fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value. The Trust has reviewed high value plant and machinery assets (net book value over £100k) to ensure these are held at the correct values and remaining useful lives, and has carried out a fair value assessment of IT tangible assets based on a valuation model as advised by Trust experts in the relevant asset class. The review of plant and machinery assets has resulted in extensions of asset life to high value Imaging and Radiotherapy equipment as set out in the table below, this is in accordance with the Trust's policy 1.12.

High value plant and machinery	Previous Life	Amended
		Life
Linear Accelerators	10	13
CT Scanners	7	10
Beds and Mattresses	7	10
Whatman equipment	7	10

16. Intangible non-current assets

16.1. Intangible non-current assets

2015-16	IT - in-house & 3rd party software	Computer Licenses	Licenses and Trademarks	Patents	Development Expenditure - Internally Generated	Total
	£000's	£000's	£000's	£000's	£000's	£000's
At 1 April 2015	5,049	458	0	0	0	5,507
Additions Purchased	885	0	0	0	0	885
Additions Internally Generated	0	0	0	0	0	0
Additions - Non Cash Donations (i.e. physical assets)	0	0	0	0	0	0
Additions - Purchases from Cash Donations and Government Grants	0	0	0	0	0	0
Additions Leased (including PFI/LIFT)	0	0	0	0	0	0
Reclassifications	815	0	0	0	0	815
Disposals other than by sale	0	0	0	0	0	0
Upward revaluation/positive indexation	0	0	0	0	0	0
Impairments/reversals charged to operating expenses	0	0	0	0	0	0
Impairments/reversals charged to reserves	0	0	0	0	0	0
At 31 March 2016	6,749	458	0	0	0	7,207
Amortisation At 1 April 2015 Reclassifications Disposals other than by sale Upward revaluation/positive indexation Impairment/reversals charged to reserves	2,857 0 0 0	254 0 0 0 0	0 0 0 0 0	0 0 0 0	0 0 0 0	3,111 0 0 0
Impairments/reversals charged to operating expenses	0	0	0	0	0	0
Charged During the Year	731	0	0	0	Ő	843
At 31 March 2016	3,588	366	0	0	0	3,954
Net Book Value at 31 March 2016	3,161	92	0	0	0	3,253
Asset Financing: Net book value at 31 March 2016 comprises:						
Purchased	3,161	92	0	0	0	3,253
Donated	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0
Finance Leased	0	0	0	0	0	0
On-balance Sheet PFIs	0	0	0	0	0	0
Total at 31 March 2016	3,161	92	0	0	0	3,253

Revaluation reserve balance for intangible non-current assets

	IT - in-house & 3rd party software	Computer Licenses	Licenses and Trademarks	Patents	Development Expenditure - Internally Generated	£000's
At 1 April 2015	0	0	0	0	0	0
Movements	0	0	0	0	0	0
At 31 March 2016	0	0	0	0	0	0

16.2. Intangible non-current assets prior year

2014-15	IT - in-house & 3rd party software	Computer Licenses	Licenses and Trademarks	Patents	Development Expenditure - Internally Generated	Total
	£000's	£000's	£000's	£000's	£000's	£000's
Cost or valuation:						
At 1 April 2014	3,366	458	0	0	0	3,824
Additions - purchased	946	0	0	0	0	946
Additions - internally generated	0	0	0	0	0	0
Additions - donated	0	0	0	0	0	0
Additions - government granted Reclassifications	0 737	0	0 0	0	0	0 737
Reclassified as held for sale	0	0	0	0	0	137
Disposals other than by sale	0	0	0	0	0	0
Upward revaluation/positive indexation	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Reversal of impairments	0	ů 0	0	0	0	0 0
At 31 March 2015	5,049	458	0	0	0	5,507
Amortisation						
At 1 April 2014	2,328	130	0	0	0	2,458
Reclassifications	2,020	0	0	0	0	2,100
Disposals other than by sale	0	0	0 0	Ő	0	0 0
Upward revaluation/positive indexation	0	0	0	0	0	0
Impairments charged to operating expenses	0	0	0	0	0	0
Reversal of impairments charged to operating expenses	0	0	0	0	0	0
Charged during the year	529	124	0	0	0	653
At 31 March 2015	2,857	254	0	0	0	3,111
Net book value at 31 March 2015	2,192	204	0	0	0	2,396
Net book value at 31 March 2015 comprises:						
Purchased	2,192	204	0	0	0	2,396
Donated	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0
Finance Leased	0	0	0	0	0	0
On-balance Sheet PFIs	0	0	0	0	0	0
Total at 31 March 2015	2,192	204	0	0	0	2,396

16.3. Intangible non-current assets

The intangible assets relate to purchase of software and the Trust considers the carrying value to represent fair value. The Trust has no intangible assets with indefinite lives.

The asset lives are set out in policy number 1.12

17. Analysis of impairments and reversals recognised in 2015-16

17. Analysis of impairments and reversals recognised in 2015-16	Property Plant and Equipment	Intangible Assets	Financial Assets	Non-Current Assets Held for Sale	Total
					£000s
Impairments and reversals taken to SoCI					
Loss or damage resulting from normal operations	0	0	0	0	0
Over-specification of assets	0	0	0	0	0
Abandonment of assets in the course of construction	0	0	0	0	0
Total charged to Departmental Expenditure Limit					0
Unforeseen obsolescence	0	0	0	0	0
Loss as a result of catastrophe	0	0	0	0	0
Other	0	0	0	0	0
Changes in market price	13,369	0	0	0	13,369
Total charged to Annually Managed Expenditure	13,369	0	0	0	13,369
Total Impairments of Property, Plant and Equipment changed to SoCI	13,369	0	0	0	13,369
Property, Plant and Equipment Impairments and reversals charged to the revaluati	on reserve				
Loss or damage resulting from normal operations	0	0	0	0	0
Over-specification of assets	0	0	0	0	0
Abandonment of assets in the course of construction	0	0	0	0	0
Unforeseen obsolescence	0	0	0	0	0
Loss as a result of catastrophe	0	0	0	0	0
Other	0	0	0	0	0
Changes in market price	8,834	0	0	0	8,834
Total impairments for PPE charged to reserves	8,834	0	0	0	8,834
Donated and Gov Granted Assets, included above PPE - Donated and Government Granted Asset Impairments: amount charged to SOCI Intangibles - Donated and Government Granted Asset Impairments: amount charged to S					£000s 0 0

Changes in market price in respect of Property, Plant and Equipment relates to net impairments of £13,038k charged to the SoCI following the desktop valuation at 31st March 2016. The balance of £331k represents the fair value assessment of IT equipment assets based on a valuation model as advised by Trust experts in the relevant asset class.

The net £22.820m impairments less reversals charged to reserves less the uplift where no previous reversal to revaluation reserve existed (£13.986m) results in the net changes in market value of £8.834m (details included in note 15.3).

Further information in respect of the valuation is contained in Note 15.3.

18. Investment property

The Trust has no investment properties.

19. Commitments

19.1. Capital commitments

Contracted capital commitments at 31 March not otherwise included in these financial statements:

	31 March	31 March
	2016	2015
	£000s	£000s
Property, plant and equipment	115	2,863
Intangible assets	9	105
Total	124	2,968

The 2014/15 commitments figure included £2.3m relating to the refurbishment and reconfiguration of the John Day and Jon Saunders wards at Maidstone Hospital completed in 2015/16.

19.2. Other financial commitments

The Trust has no non-cancellable contracts not disclosed elsewhere under PFI contracts or leases.

20. Intra-Government and other balances

	Current receivables	Non- current receivabl	Current payables	Non- current payables
		es		payables
	£000s	£000s	£000s	£000s
Balances with Other Central Government Bodies	2,291	0	12,370	0
Balances with Local Authorities	726	0	61	0
Balances with NHS bodies outside the Departmental Group	0	0	17	0
Balances with NHS bodies inside the Departmental Group	22,991	0	7,129	31,410
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with Bodies External to Government	5,961	1,200	30,409	203,261
At 31 March 2016	31,969	1,200	49,986	234,671
prior period:				
Balances with Other Central Government Bodies	2,161	0	3,094	0
Balances with Local Authorities	277	0	27	0
Balances with NHS bodies outside the Departmental Group	0	0	10	0
Balances with NHS bodies inside the Departmental Group	23,843	0	5,098	16,676
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with Bodies External to Government	7,355	1,227	31,834	208,034
At 31 March 2015	33,636	1,227	40,063	224,710

21. Inventories	Drugs	Consum ables	Work in Progress	Energy	Loan Equipment	Other	Total	Of which held at NRV
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Balance at 1 April 2015 Additions	3,065 37,148	609 367	0 0	46 5	0 0	2,799 13,851	6,519 51,371	0 0
Inventories recognised as an expense in the period	(36,426)	0	0	0	0	(13,178)	(49,604)	0
Write-down of inventories (including losses)	0	0	0	0	0	0	0	0
Reversal of write-down previously taken to SOCI Balance at 31 March 2016	0 3,787	<u>0</u> 976	<u> </u>	<u>0</u> 51	<u> </u>	3,472	<u>0</u> 8,286	0

22.1. Trade and other receivables

22.1. Trade and other receivables				
	Curre	ent	Non-c	urrent
	31 March 2016 £000s	31 March 2015 £000s	31 March 2016 £000s	31 March 2015 £000s
NHS receivables - revenue	22,511	23,754	0	0
NHS receivables - capital	22,011	20,101	ő	ő
NHS prepayments and accrued income	Ő	ő	ő	ő
Non-NHS receivables - revenue	2,594	3,568	ő	ő
Non-NHS receivables - capital	_,	43	0	0
Non-NHS prepayments and accrued income	3,700	3,779	Ō	0
PDC Dividend prepaid to DH	480	89	0	0
Provision for the impairment of receivables	(1,273)	(971)	0	0
VAT	2,317	2,161	0	0
Current/non-current part of PFI and other PPP arrangements prepayments and accrued income	0	0	138	104
Interest receivables	0	0	0	0
Finance lease receivables	0	0	0	0
Operating lease receivables	0	0	0	0
Other receivables	1,640	1,213	1,062	1,123
Total	31,969	33,636	1,200	1,227
Total current and non current	33,169	34,863		
Included in NHS receivables are prepaid pension contributions:	0			

The great majority of trade is with Clinical Commissioning Groups (CCGs) as commissioners for NHS patient care services. As CCGs are funded by Government to buy NHS patient care services, no credit scoring of them is considered necessary. A provision for the impairment of trade receivables is made for debts over 120 days.

22.2. Receivables past their due date but not impaired	31 March 2016	31 March 2015
	£000s	£000s
By up to three months	7,256	3,353
By three to six months	2,536	2,618
By more than six months	3,708	5,364
Total	13,500	11,335
The Trust does not hold any collateral against receivable balances.		
22.3. Provision for impairment of receivables	2015-16	2014-15
	£000s	£000s
	20005	20005
Balance at 1 April 2015	(971)	(699)
Amount written off during the year	76	204
Amount recovered during the year	0	184
(Increase)/decrease in receivables impaired	(378)	(660)
Balance at 31 March 2016	(1,273)	(971)

The provision of receivables includes provision for all non-NHS invoices over 120 days overdue plus any other invoices that are deemed to be a specific risk. In addition Injury cost recovery debt is provided for in accordance with the approach set out in note 5.

23. NHS LIFT investments The Trust does not have any LIFT investments.

24.1. Other Financial Assets - Current The Trust does not have any current financial assets

24.2. Other Financial Assets - Non Current

The Trust does not have any non-current financial assets

Other current assets 25.

The Trust does not have any other current assets.

26. Cash and Cash Equivalents

Opening balance Net change in year Closing balance	31 March 2016 £000s 3,796 (2,599) 1,197	31 March 2015 £000s 1,287 2,509 3,796
Made up of		
Cash with Government Banking Service	1,125	3,763
Commercial banks	33	14
Cash in hand	39	19
Liquid deposits with NLF	0	0
Current investments	0	0
Cash and cash equivalents as in statement of financial position	1,197	3,796
Bank overdraft - Government Banking Service	0	0
Bank overdraft - Commercial banks	0	0
Cash and cash equivalents as in statement of cash flows	1,197	3,796
Third Party Assets - Bank balance (not included above)	0	0
Third Party Assets - Monies on deposit	3	0

27. Non-current assets held for sale

The Trust does not have any non current assets held for sale

28. Trade and other payables

	Cur	rent	Non-current			
	31 March 2016 £000s	31 March 2015 £000s	31 March 2016 £000s	31 March 2015 £000s		
NHS payables - revenue	4,949	2,614	0	0		
NHS payables - capital	23	320	0	0		
NHS accruals and deferred income	Ō	0	Ō	0		
Non-NHS payables - revenue	15,133	11,128	0	0		
Non-NHS payables - capital	1,584	5,107	0	0		
Non-NHS accruals and deferred income	10,767	12,590	0	0		
Social security costs	4,459	38	0	0		
PDC Dividend payable to DH	0	0	0	0		
Accrued Interest on DH Loans	36	0	0	0		
VAT	0	0	0	0		
Tax	4,717	40	0	0		
Payments received on account	0	0	0	0		
Other	1,370	1,276	0	0		
Total	43,038	33,113	0	0		
Total payables (current and non-current)	43,038	33,113				
Included above:						
to Buy Out the Liability for Early Retirements Over 5 Years	0	0				
number of Cases Involved (number)	0	0				
outstanding Pension Contributions at the year end	3,191	3,016				

29. Other liabilities

The Trust does not have any other liabilities

30. Borrowings

	Current		Non-c	Non-current		
	31 March 2016 £000s	31 March 2015 £000s	31 March 2016 £000s	31 March 2015 £000s		
Bank overdraft - Government Banking Service	0	0	0	0		
Bank overdraft - commercial banks	0	0	0	0		
Loans from Department of Health	2,174	2,174	31,410	16,676		
Loans from other entities	0	0	0	0		
PFI liabilities:						
Main liability	4,774	4,776	203,261	208,034		
Lifecycle replacement received in advance	0	0	0	0		
Total	6,948	6,950	234,671	224,710		
Total borrowings (current and non-current)	241,619	231,660				

Borrowings / Loans - repayment of principal falling due in:

borrowings / Loans - repayment of principal raining due in.		31 March 2016	
	DH £000s	Other £000s	Total £000s
0 - 1 Years	2,174	6,948	9,122
1 - 2 Years	2,174	7,202	9,376
2 - 5 Years	23,804	45,266	69,070
Over 5 Years	5,432	182,203	187,635
TOTAL	33,584	241,619	275,203

Department of Health loans totalling £29m have been taken out to finance the Trust capital programme. The £11m loan received on the 15th March 2010 has a final repayment date of 15th March 2025 with a fixed interest rate of 3.91%, the further loan of £12m taken out on the 15th September 2010 has a final repayment date of 15th September 2020 with a fixed interest rate of 2.02%. The latest loan taken out on the 15th December 2010 has a final repayment date of 15th September 2035 at a fixed rate of 4.73%.

The PFI liabilities relate to the PFI contract that the Trust signed in March 2008. The contract is a standard form PFI contract with a concession that completes in 2042, when the building reverts to the Trust. Further information is set out in note 37.

The Trust has received a revenue working capital loan of £16.9m in March 2016 consolidating previous interim revolving facilities. The loan is interest bearing at 1.5% per annum and the principal falls due in February 2019.

31. Other financial liabilities

The Trust does not have any other financial liabilities

32. Deferred income

	Cur	rent	Non-current			
	31 March 2016 £000s	31 March 2015 £000s	31 March 2016 £000s	31 March 2015 £000s		
Opening balance at 1 April 2015	4,695	1,340	0	0		
Deferred revenue addition	35,453	28,855	0	0		
Transfer of deferred revenue	(38,037)	(25,500)	0	0		
Current deferred Income at 31 March 2016	2,111	4,695	0	0		
Total deferred income (current and non-current)	2,111	4,695				

33. Finance lease obligations as lessee

The Trust has not entered into any finance lease arrangement as lessee.

34. Finance lease receivables as lessor

The Trust has not entered into any finance lease arrangement as lessor.

35. Provisions

	Total	Comprising: Early Departure Costs	Legal Claims	Restructurin g	Continuing Care	Equal Pay (incl. Agenda for Change	Other	Redundancy
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Balance at 1 April 2015	4,379	436	633	0	0	0	2,456	854
Arising during the year	779	10	113	0	0	0	69	587
Utilised during the year	(1,136)	(29)	(70)	0	0	0	(183)	(854)
Reversed unused	(293)	0	(264)	0	0	0	(29)	0
Unwinding of discount	6	6	0	0	0	0	0	0
Change in discount rate	(3)	(3)	0	0	0	0	0	0
Transfers to NHS Foundation Trusts on being authorised as FT	0	0	0	0	0	0	0	0
Transfers (to)/from other public sector bodies under absorption accounting	0	0	0	0	0	0	0	0
Balance at 31 March 2016	3,732	420	412	0	0	0	2,313	587
Expected Timing of Cash Flows:								
No Later than One Year	2,331	23	412	0	0	0	1,309	587
Later than One Year and not later than Five Years	1,095	91	0	0	0	0	1,004	0
Later than Five Years	306	306	0	0	0	0	0	0
Amount Included in the Provisions of the NHS Litigation Authority in Respect of Cl	inical Negligence I	iabilities:						

Amount Included in the Provisions of the NHS Litigation Authority in Respect of Clinical Negligence Liabilities:

 As at 31 March 2016
 149,922

 As at 31 March 2015
 95,510

Early departure costs relate to two ill health injury benefits calculated by current payment made by NHS Pension agency adjusted for average life expectancy using tables published by the National Statistics Office. Legal claims are estimates notified by the NHS Litigation Authority or the Trust's solicitors.

The provision for redundancy relates to costs associated with the dissolution of the hosted Health Informatics Service.

Other includes onerous contract provision £526k and provision for dilapidations of leased properties/equipment £1,786k

36. Contingencies

	31 March 2016 £000s	31 March 2015 £000s
Contingent liabilities	(()
NHS Litigation Authority legal claims	(65)	(45)
Employment Tribunal and other employee related litigation	0	0
Redundancy	0	0
Other	0	0
Net value of contingent liabilities	(65)	(45)
Contingent assets		
Contingent assets	0	0
Net value of contingent assets	0	0

37. PFI and LIFT - additional information
The study and the project agreement on 28th March 2008 for the new Tunbridge Wells Hospital at Pembury. The main building was handed over by the contractor in phases in December 2010 and May 2011 and recognised in the Trust's accounts accordingly. By joint agreement with the Trust's PFI partner the final phase of car parking & landscaping were completed and handed over early in January 2012, although contractual phasing and unitary payments were kept in line with the project agreement completion date of September 2012. The arrangement covers the provision of buildings, hard facilities management services and lifecycle replacement (building & engineering asset renewais). Under the project agreement the Trust has agreed expectations for the provision of these services and has termination options on default. The land remains the Trust's asset throughout the concression. The concression is due to run for 30 years until 2014 when the building will revert to the Trust. The annual unitary payment was contracted at £16.9m at 2005/06 prices, and is subject to an annual uplift by Retail Price Index which for the 2015/16 year was 0.98%.

The information below is required by the Department of Heath for inclusion in national statutory accounts

The information below is required by the Department of Heath for inclusion in national statutory accounts					
Charges to operating expenditure and future commitments in respect of ON and OFF SOFP PFI					
			2015-16	2014-15	
			£000s	£000s	
Total charge to operating expenses in year - Off SoFP PFI Service element of on SOFP PFI charged to operating expenses in year			0 4.120	0 3,988	
Total			4,120	3,988	
Payments committed to in respect of off SOFP PFI and the service element of on SOFP PFI					
No Later than One Year			4,394	4,348	
Later than One Year, No Later than Five Years			19,462	19,863	
Later than Five Years Total			161,471 185,327	200,695 224,906	
The estimated annual payments in future years will vary according to published RPI rates but are not ex year.	pected to be ma	terially different f	rom those whic	h the Trust is cor	mmitted to make during the next
year.					
Imputed "finance lease" obligations for on SOFP PFI contracts due					
			2015-16	2014-15	
			£000s	£000s	
No Later than One Year Later than One Year. No Later than Five Years			15,686 62.060	15,937 62,581	
Later than Five Years			306,013	321,178	
Subtotal			383,759	399,696	
Less: Interest Element			(175,724) 208,035	(186,886) 212,810	
			200,000	212,010	
Present Value Imputed "finance lease" obligations for on SOFP PFI contracts due			2015-16	2014-15	
Analysed by when PFI payments are due			£000s	£000s	
No Later than One Year			4,774	4,776	
Later than One Year, No Later than Five Years Later than Five Years			21,088 182,173	20,512 187,522	
Total			208,035	212,810	
Number of on SOFP PFI Contracts					
Total Number of on PFI contracts			1		
Number of on PFI contracts which individually have a total commitments value in excess of £500m			0		
38. Impact of IFRS treatment - current year					
38. Impact of IFRS treatment - current year	2015-16		2014-15		
	Income	Expenditure	Income	Expenditure	
38. Impact of IFRS treatment - current year The information below is required by the Department of Health for budget reconciliation purposes		Expenditure £000s		Expenditure £000s	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT)	Income £000s	£000s	Income £000s	£000s	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges	Income	£000s 3,424	Income £000s	£000s 3,419	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Interest Expense Impairment charge - AME	Income £000s 0 0	£000s 3,424 13,633 7,925	Income £000s 0 0 0	£000s 3,419 13,776 9,009	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Interest Expense Impairment charge - AME Impairment charge - DEL	Income £000s 0 0 0 0	£000s 3,424 13,633 7,925 0	Income £000s 0 0 0 0	£000s 3,419 13,776 9,009 0	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Interest Expense Impairment charge - AME Impairment charge - DEL Other Expenditure	Income £000s 0 0	£000s 3,424 13,633 7,925	Income £000s 0 0 0	£000s 3,419 13,776 9,009	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Interest Expense Impairment charge - AME Impairment charge - DEL Other Expenditure Revenue Receivable from subleasing Impact on PDC dividend payable	Income £000s 0 0 0 0 0 0 0 0 0	£000s 3,424 13,633 7,925 0 4,122 0 (494)	Income £000s 0 0 0 0 0 0 0 0 0 0	£000s 3,419 13,776 9,009 0 3,989 0 (600)	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Interest Expense Impairment charge - DEL Other Expenditure Revenue Receivable from subleasing Impact on PDC dividend payable Total IFRS Expenditure (IRRIC12)	Income £000s 0 0 0 0 0 0 0 0	£000s 3,424 13,633 7,925 0 4,122 0 (494) 28,610	Income £000s 0 0 0 0 0 0 0 0 0	£000s 3,419 13,776 9,009 0 3,989 0 (600) 29,593	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Interest Expense Impairment charge - AME Impairment charge - DEL Other Expenditure Revenue Receivable from subleasing Impact on PDC dividend payable	Income £000s 0 0 0 0 0 0 0 0 0	£000s 3,424 13,633 7,925 0 4,122 0 (494)	Income £000s 0 0 0 0 0 0 0 0 0 0	£000s 3,419 13,776 9,009 0 3,989 0 (600)	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Impairment charge - AME Impairment charge - AME Impairment charge - DEL Other Expenditure Revenue Receivable from subleasing Impact on PDC dividend payable Total IFRS Expenditure (IFRIC12) Revenue Consequences of PFI / LIFT schemes under UK GAAP / ESA95 (net of any sublease revenue) Net IFRS change (IFRIC12)	Income £000s 0 0 0 0 0 0 0 0 0	£000s 3,424 13,633 7,925 0 4,122 0 (494) 28,610 (20,001)	Income £000s 0 0 0 0 0 0 0 0 0 0	£000s 3,419 13,776 9,009 0 3,989 0 (600) 29,593 (19,723)	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Impairment charge - AME Impairment charge - AME Impairment charge - DEL Other Expenditure Revenue Receivable from subleasing Impact on PDC dividend payable Total IFRS Expenditure (IFRIC12) Revenue Consequences of PFI / LIFT schemes under UK GAAP / ESA95 (net of any sublease revenue)	Income £000s 0 0 0 0 0 0 0 0 0	£000s 3,424 13,633 7,925 0 4,122 0 (494) 28,610 (20,001)	Income £000s 0 0 0 0 0 0 0 0 0 0	£000s 3,419 13,776 9,009 0 3,989 0 (600) 29,593 (19,723)	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Interest Expense Impairment charge - AME Impairment charge - DEL Other Expenditure Revenue Receivable from subleasing Impact on PCC dividend payable Total IFRS Expenditure (IFRIC12) Revenue consequences of PFI / LIFT schemes under UK GAAP / ESA95 (net of any sublease revenue) Net IFRS Change (IFRIC12) Capital Consequences of IFRS : LIFT/PFI and other items under IFRIC12	Income £000s 0 0 0 0 0 0 0 0 0	£000s 3,424 13,633 7,925 0 4,122 0 (494) 28,610 (20,001) 8,609	Income £000s 0 0 0 0 0 0 0 0 0 0	£000s 3,419 13,776 9,009 0 3,989 0 (600) 29,593 (19,723) 9,870	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Impairment charge - AME Impairment charge - AME Impairment charge - DEL Other Expenditure Revenue Receivable from subleasing Impact on PDC dividend payable Total IFRS Expenditure (IFRIC12) Revenue consequences of IFR : LIFT/PFI and other items under IFRIC12 Capital consequences of IFRS : LIFT/PFI and other items under IFRIC12 Capital consequences of IFRS : LIFT/PFI and other items under IFRIC12 Capital expenditure 2015-16	Income £000s 0 0 0 0 0 0 0 0 0	£000s 3,424 13,633 7,925 0 4,122 0 (494) 28,610 (20,001) 8,609 274	Income £000s 0 0 0 0 0 0 0 0 0 0	£000s 3,419 13,776 9,009 0 3,989 0 (600) 29,593 (19,723) 9,870 9,870 145	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Impairment charge - AME Impairment charge - AME Impairment charge - DEL Other Expenditure Revenue Receivable from subleasing Impact on PDC dividend payable Total IFRS Expenditure (IFRIC12) Revenue consequences of IFR : LIFT/PFI and other items under IFRIC12 Capital consequences of IFRS : LIFT/PFI and other items under IFRIC12 Capital consequences of IFRS : LIFT/PFI and other items under IFRIC12 Capital expenditure 2015-16	Income £000s 0 0 0 0 0 0 0 0 0	£000s 3,424 13,633 7,925 0 4,122 0 (494) 28,610 (20,001) 8,609 274	Income £000s 0 0 0 0 0 0 0 0 0 0	£000s 3,419 13,776 9,009 0 3,989 0 (600) 29,593 (19,723) 9,870 9,870 145	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Impairment charge - AME Impairment charge - AME Impairment charge - DEL Other Expenditure Revenue Receivable from subleasing Impact on PDC dividend payable Total IFRS Expenditure (IFRIC12) Revenue consequences of IFR : LIFT/PFI and other items under IFRIC12 Capital consequences of IFRS : LIFT/PFI and other items under IFRIC12 Capital consequences of IFRS : LIFT/PFI and other items under IFRIC12 Capital expenditure 2015-16	Income £000s 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	£000s 3,424 13,633 7,925 0 4,122 0 (494) 28,610 (20,001) 8,609 274 3,084 2015-16 Income/	Income £000s 0 0 0 0 0 0 0 0 0 0	£000s 3,419 13,776 9,009 0 3,989 0 (600) 29,593 (19,723) 9,870 9,870 145	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Impairment charge - AME Impairment charge - AME Impairment charge - DEL Other Expenditure Revenue Receivable from subleasing Impact on PDC dividend payable Total IFRS Expenditure (IFRIC12) Revenue consequences of IFR : LIFT/PFI and other items under IFRIC12 Capital consequences of IFRS : LIFT/PFI and other items under IFRIC12 Capital consequences of IFRS : LIFT/PFI and other items under IFRIC12 Capital expenditure 2015-16	Income £000s 0 0 0 0 0 0 0 0 0 0 0 0 0	£000s 3,424 13,633 7,925 0 4,122 0 (29,001) 28,610 (20,001) 8,609 274 3,084 2015-16 Income/ Expenditure	Income £000s 0 0 0 0 0 0 0 0 0 0	£000s 3,419 13,776 9,009 0 3,989 0 (600) 29,593 (19,723) 9,870 9,870 145	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Impairment charge - AME Impairment charge - AME Impairment charge - DEL Other Expenditure Revenue Receivable from subleasing Impact on PDC dividend payable Total IFRS Expenditure (IFRIC12) Revenue consequences of IFR : LIFT/PFI and other items under IFRIC12 Capital consequences of IFRS : LIFT/PFI and other items under IFRIC12 Capital consequences of IFRS : LIFT/PFI and other items under IFRIC12 Capital expenditure 2015-16	Income £000s 0 0 0 0 0 0 0 0 0 0 0 0 0	2000s 3,424 13,633 7,925 0 4,122 0 (494) 28,610 (20,001) (20,001) 8,609 274 3,084 2015-16 Income/ Expenditure ESA 10 YTD	Income £000s 0 0 0 0 0 0 0 0 0 0	£000s 3,419 13,776 9,009 0 3,989 0 (600) 29,593 (19,723) 9,870 9,870 145	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Impairment charge - AME Impairment charge - AME Impairment charge - DEL Other Expenditure (IFRIC12) Revenue Consequences of IFI / LIFT schemes under UK GAAP / ESA95 (net of any sublease revenue) Net IFRS charge (IFRIC12) Capital Consequences of IFRS : LIFT/PFI and other items under IFRIC12 Capital expenditure 2015-16 UK GAAP capital expenditure 2015-16 (Reversionary Interest)	Income 2000s 0 0 0 0 0 0 0 0 0	2000s 3,424 13,633 7,925 0 4,122 0 (494) 28,610 (20,001) 8,609 274 3,084 2015-16 Income/ Expenditure ESA 10	Income £000s 0 0 0 0 0 0 0 0 0 0	£000s 3,419 13,776 9,009 0 3,989 0 (600) 29,593 (19,723) 9,870 9,870 145	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Impairment charge - AME Impairment charge - AME Impairment charge - DEL Other Expenditure Revenue Receivable from subleasing Impact on PDC dividend payable Total IFRS Expenditure (IFRIC12) Revenue consequences of IFR : LIFT/PFI and other items under IFRIC12 Capital consequences of IFRS : LIFT/PFI and other items under IFRIC12 Capital consequences of IFRS : LIFT/PFI and other items under IFRIC12 Capital expenditure 2015-16	Income £000s 0	£000s 3,424 13,633 7,925 0 4,122 0 (494) 28,610 (20,001) (20,001) 28,609 274 3,084 2015-16 Income/ Expenditure ESA 10 YTD £000s	Income £000s 0 0 0 0 0 0 0 0 0 0	£000s 3,419 13,776 9,009 0 3,989 0 (600) 29,593 (19,723) 9,870 9,870 145	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Impairment charge - AME Impairment charge - AME Impairment charge - DEL Other Expenditure Revenue Receivable from subleasing Impair DC divided payable Total IFRS Expenditure (IFRIC12) Revenue consequences of IFRS: LIFT/PFI and other items under IFRIC12 Capital consequences of IFRS: LIFT/PFI and other items under IFRIC12 Capital expenditure 2015-16 (Reversionary Interest) Revenue costs of IFRS12 compared with ESA10 Depreciation charges Interest Expense	Income £000s 0 0 0 0 0 0 0 0 0 0 0 0 0	£000s 3,424 13,633 7,925 7,925 0 4,122 0 (494) 28,610 (20,001) 8,609 274 3,084 2015-16 Income/ Expenditure ESA 10 YTD £000s 0 0 0	Income £000s 0 0 0 0 0 0 0 0 0 0	£000s 3,419 13,776 9,009 0 3,989 0 (600) 29,593 (19,723) 9,870 9,870 145	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Interest Expense Impairment charge - AME Impairment charge - DEL Other Expenditure Revenue Receivable from subleasing Impaired to PDC dividend payable Total IFRS Expenditure (IRC12) Revenue consequences of FFI / LIFT schemes under UK GAAP / ESA95 (net of any sublease revenue) Net IFRS charge (IFRC12) Capital Consequences of IFRS : LIFT/PFI and other items under IFRIC12 Capital Consequences of IFRS 1: LIFT/PFI and other items under IFRIC12 Capital expenditure 2015-16 (Reversionary Interest) Revenue costs of IFRS12 compared with ESA10 Depreciation charges Interest Expense Impairment charge - AME	Income £000s 0 0 0 0 0 0 0 0 0 0 0 0 0	£000s 3,424 13,633 7,925 0 4,122 0 (29,001) (20,001) (20,001) (20,001) (20,001) 28,610 (20,001) (20,000) (20,001) (20,00	Income £000s 0 0 0 0 0 0 0 0 0 0	£000s 3,419 13,776 9,009 0 3,989 0 (600) 29,593 (19,723) 9,870 9,870 145	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Impairment charge - AME Impairment charge - DEL Other Expenditure Revenue Receivable from subleasing Impate on PDC dividend payable Total IFRS Expenditure (IFRIC12) Revenue consequences of IFFI / LIFT schemes under UK GAAP / ESA95 (net of any sublease revenue) Net IFRS change (IFRIC12) Capital Consequences of IFRS : LIFT/PFI and other items under IFRIC12 Capital Consequences of IFRS 1 (LIFT) (IFFI change) UK GAAP capital expenditure 2015-16 (Reversionary Interest)	Income £000s 0 0 0 0 0 0 0 0 0 0 0 0 0	£000s 3,424 13,633 7,925 0 4,122 0 (494) 28,610 (20,001) (20,001) 8,609 2774 3,084 2015-16 Income/ Expenditure Expenditure Expenditure 58A 10 YTD £000s 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Income £000s 0 0 0 0 0 0 0 0 0 0	£000s 3,419 13,776 9,009 0 3,989 0 (600) 29,593 (19,723) 9,870 9,870 145	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Interest Expense Impairment charge - AME Impairment charge - DEL Other Expenditure Revenue Cocivable from subleasing Impair on PDC dividend payable Total IFRS Expenditure (IFRIC12) Revenue Receivable from subleasing climpat on PDC dividend payable Total IFRS Expenditure (IFRIC12) Capital Consequences of IFRS : LIFT/PFI and other items under IFRIC12 Capital Consequences of IFRS : LIFT/PFI and other items under IFRIC12 Capital expenditure 2015-16 (Reversionary Interest) VIK GAAP capital expenditure 2015-16 (Reversionary Interest) Revenue costs of IFRS12 compared with ESA10 Depreciation charges Interest Expense Impairment charge - AME Impairment charge - AME Impairment charge - DEL Other Expenditure Service Charge	Income £000s 0 0 0 0 0 0 0 0 0 0 0 0 0	2000s 3,424 13,633 7,925 0 4,122 0 (494) 28,610 (20,001) 8,609 274 3,084 2015-16 Income/ EXPENDITURE ESA 10 YTD 2000s 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Income £000s 0 0 0 0 0 0 0 0 0 0	£000s 3,419 13,776 9,009 0 3,989 0 (600) 29,593 (19,723) 9,870 9,870 145	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Impairment charge - AME Impairment charge - DEL Other Expenditure Revenue Reconsequences of PFI / LIFT schemes under UK GAAP / ESA95 (net of any sublease revenue) Net IFRS change (IFRIC12) Capital Consequences of IFRS: LIFT/PFI and other items under IFRIC12 Capital Consequences of IFRS: LIFT/PFI and other items under IFRIC12 Capital expenditure 2015-16 UK GAAP capital expenditure 2015-16 (Reversionary Interest)	Income £000s 0 0 0 0 0 0 0 0 0 0 0 0 0	£000s 3,424 13,633 7,925 0 4,122 0 (494) 28,610 (20,001) (20,001) 8,609 2774 3,084 2015-16 Income/ Expenditure Expenditure Expenditure 58A 10 YTD £000s 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Income £000s 0 0 0 0 0 0 0 0 0 0	£000s 3,419 13,776 9,009 0 3,989 0 (600) 29,593 (19,723) 9,870 9,870 145	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Impairment charge - AME Impairment charge - DEL Other Expenditure Revenue Receivable from subleasing Impact on PDC dividend payable Total IFRS Expenditure (IRIC12) Revenue consequences of IFI / LIFT schemes under UK GAAP / ESA95 (net of any sublease revenue) Net IFRS change (IFRIC12) Capital Consequences of IFRS : LIFT/PFI and other items under IFRIC12 Capital expenditure 2015-16 UK GAAP capital expenditure 2015-16 (Reversionary Interest)	Income £000s 0 0 0 0 0 0 0 0 0	£000s 3,424 13,633 7,925 0 4,122 0 (29,001) (20,001) (20,001) 8,609 274 3,084 2015-16 Income/ Expenditure Expenditure Expenditure 0 0 0 0 0 0 0 0 0 0 0 0 0	Income £000s 0 0 0 0 0 0 0 0 0 0	£000s 3,419 13,776 9,009 0 3,989 0 (600) 29,593 (19,723) 9,870 9,870 145	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Impairment charge - AME Impairment charge - DEL Other Expenditure (IFRIC12) Revenue costs of IFRS: LIFT/PFI and other items under IFRIC12 Capital consequences of IFRS: LIFT/PFI and other items under IFRIC12 Capital expenditure 2015-16 UK GAAP capital expenditure 2015-16 (Reversionary Interest) Revenue costs of IFRS12 compared with ESA10 Depreciation charges Impairment charge - DEL Other Expenditure 2015-16 (Reversionary Interest) Revenue costs of IFRS12 compared with ESA10 Depreciation charges Impairment charge - DEL Other Expenditure EXPENSION Depreciation charges Impairment charge - DEL Other Expenditure EXPENSION Depreciation charges Impairment charge - DEL Other Expenditure EXPENSION Depreciation charges Impairment charge - DEL Other Expenditure EXPENSION Depreciation charges Impairment charge - DEL Other Expenditure EXPENSION Depreciation charges Impairment charge - DEL Other Expenditure EXPENSION Depreciation charge Expension Expension Depreciation charge - DEL Other Expenditure EXPENSION E	Income £0005 0 0 0 0 0 0 0 0 0 0 0 0 0	€000s 3,424 13,633 7,925 0 4,122 0 (494) 28,610 (20,001) 8,609 274 3,084 2015-16 Income/ Expenditure ESA 10 YTD €000s 0 0 0 0 0 0 0 0 0 0 0 0 0	Income £000s 0 0 0 0 0 0 0 0 0 0	£000s 3,419 13,776 9,009 0 3,989 0 (600) 29,593 (19,723) 9,870 9,870 145	
The information below is required by the Department of Health for budget reconciliation purposes Revenue costs of IFRS: Arrangements reported on SoFP under IFRIC12 (e.g. PFI / LIFT) Depreciation charges Impairment charge - AME Impairment charge - DEL Other Expenditure Revenue Receivable from subleasing Impact on PDC dividend payable Total IFRS Expenditure (IRIC12) Revenue consequences of IFI / LIFT schemes under UK GAAP / ESA95 (net of any sublease revenue) Net IFRS change (IFRIC12) Capital Consequences of IFRS : LIFT/PFI and other items under IFRIC12 Capital expenditure 2015-16 UK GAAP capital expenditure 2015-16 (Reversionary Interest)	Income £000s 0 0 0 0 0 0 0 0 0	£000s 3,424 13,633 7,925 0 4,122 0 (29,001) (20,001) (20,001) 8,609 274 3,084 2015-16 Income/ Expenditure Expenditure Expenditure 0 0 0 0 0 0 0 0 0 0 0 0 0	Income £000s 0 0 0 0 0 0 0 0 0 0	£000s 3,419 13,776 9,009 0 3,989 0 (600) 29,593 (19,723) 9,870 9,870 145	

39. Financial Instruments

39.1. 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 NHS Trust has with commissioners and the way those commissioners are financed, the NHS Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more investing or rotating standard financial risk faced by dusiness entities. Also financial instruments play a much more increating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS 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 NHS 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. The Trust's 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 brows from government for capital expenditure, subject to affordability as confirmed by the NHS Trust Development Authority. 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 [organisation]'s revenue comes from contracts with other public sector bodies, the [organisation] has low exposure to credit risk. The maximum exposures as at 31 March 2016 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 Commissioning Care Groups and Specialist Commissioners, 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 has received working capital financing and capital financing to support its position and mitigate risks. The Trust is not, therefore, exposed to significant liquidity risks

39.2. Financial Assets	At 'fair value through profit and Loss' £000s	Loans and receivables £000s	Available for sale £000s	Total £000s
Embedded derivatives Receivables - NHS Receivables - non-NHS Cash at bank and in hand Other financial assets Total at 31 March 2016	0 0 0 0 0 0	0 22,512 5,293 1,197 0 29,002	0 0 0 0 0	0 22,512 5,293 1,197 <u>0</u> 29,002
Embedded derivatives Receivables - NHS Receivables - non-NHS Cash at bank and in hand Other financial assets Total at 31 March 2015		0 23,752 6,262 3,796 0 33,810	0 0 0 0 0	0 23,752 6,262 3,796 0 33,810
39.3. Financial Liabilities		At 'fair value through profit and loss'	Other	Total £000s
Embedded derivatives NHS pavables Non-NHS payables Other borrowings PFI & finance lease obligations Other financal liabilities Total at 31 March 2016		0 0 0 0 0 0 0 0	0 4,972 25,165 33,584 208,035 0 271,756	0 4,972 25,165 33,584 208,035 0 271,756
Embedded derivatives NHS payables Non-NHS payables Other borrowings PFI & finance lease obligations Other financial liabilities Total at 31 March 2015		0 0 0 0 0 0	0 2,934 24,797 18,850 212,810 0 259,391	0 2,934 24,797 18,850 212,810 0 259,391

40. Events after the end of the reporting period The Trust has no events after the reporting period to report.

41. Related party transactions

During the year none of the Department of Health Ministers, Trust Board members, members of key management staff, or parties related to any of them, have undertaken any material transactions with Maidstone and Tunbridge Wells NHS Trust. The Department of Health (DOH) is regarded as a related party. During the year 2015/16 the Trust received £16.9m working capital financing, £3.5m exceptional capital PDC and the Trust also has loans with the DH, interest year £674k, capital repayment of £2.174 knd the balance outstanding is £16.676k. The Trust thas also had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. The following entities of material transactions of more than £1m are:

	£000's 2015-16	2015-16	2015-16	2015-16	2014-15	2014-15	2014-15	2014-15
NHS Organisations	Receivables	Payables	Income	Expenditure	Receivables	Payables	Income	Expenditure
Ashford CCG	237	0	1,225	0	0	0	876	0
Dartford Gravesham and Swanley CCG	472	0	4,092	0	220	0	3,681	0
Medway CCG	0	12	12,413	12	748	0	11,755	0
Hastings and Rother CCG	468	0	1,306	0	115	0	905	0
High Weald CCG	942	0	19,688	0	2,904	0	20,996	0
Swale CCG	500	0	5,853	0	222	0	5,502	0
West Kent CCG	7,315	29	219,839	12	5,404	0	208,013	0
NHS England	3,741	14	75,575	72	6,463	60	82,705	65
East Kent University Hospitals Foundation Trust	2,301	1,489	3,257	1,912	2,418	1,190	5,899	1,980
Kent Community NHS Foundation Trust	1,343	1,033	4,250	3,393	0	0	2,428	1,674
Medway NHS Foundation Trust	1,183	396	4,071	556	1,390	202	3,886	657
Royal Surrey County NHS Foundation Trust	27	0	1,115	0	63	0	1,100	0
Dartford & Gravesham NHS Trust	928	10	3,519	7	1,202	18	3,975	76
Kent and Medway NHS & Social Care NHS Trust	1,164	2	2,754	83	628	152	2,003	99
NHS Pension Agency	0	3,194	0	22,310	0	3,016	0	29,284
NHS Litigation Authority	0	0	0	16,881	0	0	0	11,012
NHS Blood	0	17	0	2,190	0	9	0	2,065
Health Education England	223	0	9,597	3	68	0	9,157	2
Kent County Council	721	5	4,792	39	267	0	1,892	3
Maidstone Borough Council	0	0	0	1,252	0	1	0	1,234
Tunbridge Wells Borough Council	0	0	0	2,640	0	0	0	2,517
HM Revenue and Customs	2,291	9,176	2,291	14,350	2,161	78	2,161	14,117

The Trust has also received revenue and capital payments from the Charitable Funds that it controls, the trustees for which are also members of the Trust based. The Trust has not consolidated the Charitable Funds on the grounds of materiality to the Trust (see policy notes 1.4 and 1.32). The transactions between the Trust and the Charity (Maidstone and Turbridge Wells NHS Charitable Fund - charity registration number 1055215) are however material to the charity and therefore are disclosed below. Please note that this disclosure is based on the draft unaudited position of the charity. The audited accounts of the charity will be available later this year.

Total charitable resources expended with the Trust Closing creditor (monies owed to the Trust by the charity)	2015-16 £000s 758 377	2014-15* £000s 197 72
Total income received by the Charity in the reporting period	1,434	154
Total Charitable Funds at end of the reporting period	1,743	1,067

* prior year comparators have been restated following the completion of charitable funds accounts.

42. Losses and special payments The total number of losses cases in 2015-16 and their total value was as follows:	Total Value of Cases £s	Total Number of Cases
Losses	75,916	44
Special payments	17,917	48
Total losses and special payments	93,833	92
The total number of losses cases in 2014-15 and their total value was as follows:	Total Value of Cases £s	Total Number of Cases
Losses	50,132	61
Special payments	11,532	36
Total losses and special payments	61,664	97

Details of cases individually over £300,000 The Trust had no cases exceeding £300,000

43. Financial performance targets

The figures given for periods prior to 2009-10 are on a UK GAAP basis as that is the basis on which the targets were set for those years.

43.1.	Breakeven performance	
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	2006-07 £000s	2007-08 £000s	2008-09 £000s	2009-10 £000s	2010-11 £000s	2011-12 £000s	2012-13 £000s	2013-14 £000s	2014-15 £000s	2015-16 £000s
Turnover	243,218	272,939	297,888	311,889	322,176	345,101	367,391	375,714	403,310	400,930
Retained surplus/(deficit) for the year	(4,932)	131	143	(17,077)	(20,474)	(27,113)	(4,704)	(30,946)	(14,954)	(37,312)
Adjustment for:										
Timing/non-cash impacting distortions:										
Pre FDL(97)24 agreements	0	0	0	0	0	0	0	0	0	0
2007/08 PPA (relating to 1997/98 to 2006/07)	0	0	0	0	0	0	0	0	0	0
2008/09 PPA (relating to 1997/98 to 2007/08)	0	(5,441)	0	0	0	0	0	0	0	0
Adjustments for impairments	0	0	0	17,266	21,430	23,646	2,610	17,175	14,250	13,369
Adjustments for impact of policy change re donated/government	0	0	0	0	0	324	182	57	0	(154)
grants assets										. ,
Consolidated Budgetary Guidance - adjustment for dual accounting	0	0	0	0	754	3,443	2,041	1,340	861	684
under IFRIC12*										
Absorption accounting adjustment	0	0	0	0	0	0	0	0	0	0
Other agreed adjustments	0	0	4,952	0	0	0	0	0	0	0
Break-even in-year position	(4,932)	(5,310)	5,095	189	1,710	300	129	(12,374)	157	(23,413)
Break-even cumulative position	(3,045)	(8,355)	(3,260)	(3,071)	(1,361)	(1,061)	(932)	(13,306)	(13,149)	(36,562)
•		, ,===1		<u>, j- 1</u>	, <u>, , , , , , , , , , , , , , , , , , </u>	,) <u> </u>	(= = 7	, , , , , , , , , , , , , , , , , , , ,	, , -,	, , , , , , , , , , , , , , , , , , , ,

Due to the introduction of International Financial Reporting Standards (IFRS) accounting in 2009-10, NHS Trust's financial performance measurement needs to be aligned with the guidance issued by HM Treasury measuring Departmental expenditure. Therefore, the incremental revenue expenditure resulting from the application of IFRS to IFRIC 12 schemes (which would include PFI schemes), which has no cash impact and is not chargeable for overall budgeting purposes, is excluded when measuring Breakeven performance. Other 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.

	2006-07 %	2007-08 %	2008-09 %	2009-10 %	2010-11 %	2011-12 %	2012-13 %	2013-14 %	2014-15 %	2015-16 %
Materiality test (I.e. is it equal to or less than 0.5%):										
Break-even in-year position as a percentage of turnover	-2.03	-1.95	1.71	0.06	0.53	0.09	0.04	-3.29	0.04	-5.84
Break-even cumulative position as a percentage of turnover	-1.25	-3.06	-1.09	-0.98	-0.42	-0.31	-0.25	-3.54	-3.26	-9.12

The amounts in the above tables in respect of financial years 2005/06 to 2008/09 inclusive have not been restated to IFRS and remain on a UK GAAP basis.

43.2. Capital cost absorption rate

The dividend payable on public dividend capital is based on the actual (rather than forecast) average relevant net assets based on the pre audited accounts and therefore the actual capital cost absorption rate is automatically 3.5%.

43.3. External financing

The Trust is given an external financing limit which it is permitted to undershoot.

	2015-16	2014-15
	£000s	£000s
External financing limit (EFL)	16,470	(5,490)
Cash flow financing	16,316	(6,228)
Finance leases taken out in the year	0	0
Other capital receipts	(43)	(2,132)
External financing requirement	16,273	(8,360)
Under/(over) spend against EFL	197	2,870

43.4. Capital resource limit

The Trust is given a capital resource limit which it is not permitted to exceed.

	2015-16 £000s	2014-15 £000s
Gross capital expenditure	15,359	14,008
Less: book value of assets disposed of	(7)	(45)
Less: capital grants	0	(122)
Less: donations towards the acquisition of non-current assets	(609)	(455)
Charge against the capital resource limit	14,743	13,386
Capital resource limit	14,795	13,442
(Over)/underspend against the capital resource limit	52	56

44. Third party assets

The Trust held cash and cash equivalents which relate to monies held by the NHS Trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March 2016 £000s	31 March 2015 £000s
Third party assets held by the Trust	3	0

The third party assets are all patients' monies held by the Trust.

Maidstone and Tunbridge Wells NHS

NHS Trust

Trust Board Meeting - May 2016

5-23	Management Representation Letter,	Audit and Governance Committee
5-23	2015/16	Chairman

The approval of the Letter of Representation from the Trust (management) is a formal part of the Annual Accounts process.

The Letter is drafted by the Trust's Auditors, using standard wording, following the completion of their Audit of the Annual Accounts.

The enclosed Letter is scheduled to be reviewed and agreed at the Audit and Governance Committee on 25th May (before the Trust Board meeting), with the intention that the Committee recommend that the Board approve the Letter. A verbal update on the outcome of the Committee's review will be given at the Board on 25th May.

The Trust Board is asked to approve the letter, which will then be signed by the Chief Executive (as Accountable Officer), and submitted to the External Auditors.

Which Committees have reviewed the information prior to Board submission?
Audit and Governance Committee, 25/05/15

Reason for receipt at the Board (decision, discussion, information, assurance etc.)¹ To review and approve the Management Representation Letter, 2015/16

¹ All information received by the Board should pass at least one of the tests from 'The Intelligent Board' & 'Safe in the knowledge: How do NHS Trust Boards ensure safe care for their patients': the information prompts relevant & constructive challenge; the information supports informed decision-making; the information is effective in providing early warning of potential problems; the information reflects the experiences of users & services; the information develops Directors' understanding of the Trust & its performance

Maidstone and Tunbridge Wells **NHS**

NHS Trust

Chief Executive and Chairman's Office Maidstone Hospital Hermitage Lane Maidstone Kent ME16 9QQ

> Tel: 01622 226412 Fax: 01622 226416

Grant Thornton UK LLP Fleming Way Manor Royal Crawley RH10 9GT

Dear Sirs

Maidstone and Tunbridge Wells NHS Trust - Financial Statements for the year ended 31 March 2016

This representation letter is provided in connection with the audit of the financial statements of Maidstone and Tunbridge Wells NHS Trust for the year ended 31 March 2016 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with International Financial Reporting Standards 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 confirm that to the best of our knowledge and belief having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

- i As Trust Board members we have fulfilled our responsibilities under the National Health Services Act 2006 for the preparation of the financial statements in accordance with the Department of Health Group Manual for Accounts 2015-16 (Manual for Accounts) and International Financial Reporting Standards which give a true and fair view in accordance therewith.
- ii We have complied with the requirements of all statutory directions affecting the Trust and these matters have been appropriately reflected and disclosed in the financial statements.
- iii The Trust has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of the Care Quality Commission or other regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.
- iv We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
- v Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- vi We are satisfied that the material judgements used in the preparation of the financial statements are soundly based, in accordance with International Financial Reporting Standards and the Manual for Accounts, and adequately disclosed in the financial statements. There are no other material judgements that need to be disclosed.
- vii Except as disclosed in the financial statements:
 - a there are no unrecorded liabilities, actual or contingent
 - b none of the assets of the Trust has been assigned, pledged or mortgaged

- c there are no material prior year charges or credits, nor exceptional or non-recurring items requiring separate disclosure.
- viii Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards and the Manual for Accounts.
- ix All events subsequent to the date of the financial statements and for which International Financial Reporting Standards and the Manual for Accounts requires adjustment or disclosure have been adjusted or disclosed.
- x We have considered the adjusted misstatements, and misclassification and disclosures changes schedules included in your Audit Findings Report. The financial statements have been amended for these misstatements, misclassifications and disclosure changes and are free of material misstatements, including omissions.
- xi In calculating the amount of income to be recognized in the financial statements from other NHS organisations we have applied judgement, where appropriate, to reflect the appropriate amount of income expected to be received by the Trust in accordance with the International Financial Reporting Standards and the Manual for Accounts.
- xii Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards and the Manual for Accounts.
- xiii We acknowledge our responsibility to participate in the Department of Health's agreement of balances exercise and have followed the requisite guidance and directions to do so. We are satisfied that the balances calculated for the Trust ensure the financial statements and consolidation schedules are free from material misstatement, including the impact of any disagreements
- xiv We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

Information Provided

- xv We have provided you with:
 - a. access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
 - b. additional information that you have requested from us for the purpose of your audit; and
 - c. unrestricted access to persons within the Trust from whom you determined it necessary to obtain audit evidence.
- xvi We have communicated to you all deficiencies in internal control of which management is aware.
- xvii All transactions have been recorded in the accounting records and are reflected in the financial statements.
- xviii We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- xix We have disclosed to you all our knowledge of fraud or suspected fraud affecting the Trust involving:
 - a. management;
 - b. employees who have significant roles in internal control; or
 - c. others where the fraud could have a material effect on the financial statements.
- xx We have disclosed to you all our knowledge of any allegations of fraud, or suspected fraud, affecting the Trust's financial statements communicated by employees, former employees, regulators or others.

- xxi We have disclosed to you all known instances of non-compliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
- xxii We have disclosed to you the identity of all of the Trust's related parties and all the related party relationships and transactions of which we are aware.
- xxiii We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Annual Report

xxiv The disclosures within the Annual Report fairly reflect our understanding of the Trust's financial and operating performance over the period covered by the financial statements.

Annual Governance Statement

xxv We are satisfied that the Annual Governance Statement (AGS) fairly reflects the Trust's risk assurance framework and we confirm that we are not aware of any significant risks that are not disclosed within the AGS.

Approval

The approval of this letter of representation was minuted by the Trust's Board at its meeting on 25th May 2016.

Yours faithfully

Name......Glenn Douglas......

Position...Chief Executive

Date.....

Signed on behalf of the Board

Maidstone and Tunbridge Wells NHS

NHS Trust

Trust Board meeting – May 2016

5-24 Scheduling of Trust Board / Finance Committee meetings Trust Secretary

At the Finance Committee on 21/03/16, the findings of the latest Committee evaluation were reviewed. During a discussion of the responses, it was suggested that it would be beneficial if the Committee was held later in the month, due to the availability of the monthly financial information, and the current challenge in enabling a proper discussion of that information at the Trust Management Executive (TME) prior to discussion at the Finance Committee/Trust Board.

It was therefore agreed that the scheduling of future Finance Committee and Board meetings should be discussed at the Trust Board on 23/03/16, and that a brief report should be prepared, outlining the potential benefits & implications of changing the dates of the meetings.

A report was duly prepared and tabled at the Board on 23/03/16, but it was agreed that comments should be provided to the Trust Secretary outside of the meeting, and that the issue then be discussed at a future Board meeting

A number of comments have since been received, which have confirmed the need for a decision on 2 points:

- 1. Whether Trust Board, Finance Committee and TME meetings should be scheduled for later than at present
- 2. Whether Finance Committee meetings should be scheduled to take place after the Board

Which Committees have reviewed the information prior to Board submission?
N/A

Reason for receipt at the Board (decision, discussion, information, assurance etc.)¹ To consider and agree an option to be deployed.

¹ All information received by the Board should pass at least one of the tests from 'The Intelligent Board' & 'Safe in the knowledge: How do NHS Trust Boards ensure safe care for their patients': the information prompts relevant & constructive challenge; the information supports informed decision-making; the information is effective in providing early warning of potential problems; the information reflects the experiences of users & services; the information develops Directors' understanding of the Trust & its performance

Background

The model in place for meetings of the TME / Finance Committee / Board in 2016 is as follows:

- Board meetings are held on the last Wednesday of each month, except for: August (for which there is no meeting), March, July, October and Dec. (for which the meeting is brought forward 1 week to avoid school holidays). Similar models (i.e. holding Board meetings during the last week of each month) are commonplace among NHS provider organisations. Although the aim is to issue the Board agendas and reports 1 week in advance, in reality, the Board agendas are usually not issued until the Friday before the Board meetings
- Finance Committee meetings are held on the Monday before each Board meeting (on the basis that detailed review of the financial information at the Committee should reduce the time the Board needs to review the finances). This sequencing is also intended to enable the Finance Committee to escalate any issues of either concern &/or requiring further discussion at the Board. In addition, Business Cases needing Board approved are usually reviewed at the Finance Committee 2 days before the Board, to aim to expedite the process of approval
- TME meetings are held on the third Wednesday of each month (Wednesday is the day that all Clinical Directors have set aside management-related work), except for August (for which there is no meeting), July, October and December (for which the meeting is brought forward 1 week to avoid clashing with the Board – see above). This scheduling usually equates to TME meetings being held 1 week before Board meetings.
- Monthly performance information (including headline financial data) is submitted to the TME most months (apart from when there is a different type of TME meeting, such as in March '16).

Assessment - 7 options have been assessed:

- a. Status quo i.e. no change
- b. Moving Trust Board meetings forward (in time) 1 day (i.e. the Thursday after the last Wednesday of each month). TME meetings would be moved forward 1 week, to be held on the Wednesday 1 day before each Board. The Finance Committee would be unchanged, and continue to meet on the Monday immediately before each Board
- c. Moving Trust Board meetings forward 2 days (i.e. the Friday after the last Wednesday of each month). TME meetings would be moved forward 1 week, to be held on the Wednesday 2 days before each Board. The Finance Committee would be unchanged, and continue to meet on the Monday immediately before each Board
- d. Moving the Trust Board meetings forward 1 week, to the first Wednesday of each month. TME meetings would be moved forward 1 week, to be held on the Wednesday 1 week before each Board. Finance Committee meetings would be moved forward 1 week (to continue to be held on the Monday immediately before each Board)
- e. Moving Trust Board meetings forward 1 day (i.e. the Thursday after the last Wednesday of each month), but hold Finance Committee meetings after Board meetings (on a day to be determined). TME meetings would be moved forward 1 week, to be held on the Wednesday 1 week before each Board.
- f. Moving Trust Board meetings forward 2 days (i.e. the Friday after the last Wednesday of each month), but hold Finance Committee meetings after Board meetings (on a day to be determined). TME meetings would be moved forward 1 week, to be held on the Wednesday 1 week before each Board.
- g. Moving Trust Board meetings forward 1 week, to the first Wednesday of each month, but hold Finance Committee meetings after Board meetings (on a day to be determined). TME meetings would be moved forward 1 week, to be held on the Wednesday 1 week before each Board

The implications of each option are outlined on the pages below.

Option	Potential benefits	Potential pitfalls
a. Status quo (no change) – TME on Weds, then Finance Committee (on the next Monday), then Board, on the Weds of the same week (the last Weds of the month)	 The current model/sequencing works reasonably well in relation to the Trust Board The TME reviews the monthly finance/performance information (at least in headline form) before the Finance Committee Any issues arising from the Finance Committee can be discussed in more detail at Trust Board 2 days later 	 The information provided to the Finance Committee is often issued to the Committee only 1 or 2 working days before the meeting (due to availability/close-down of the previous month). This therefore risks information not being properly reviewed by Committee members The final/complete performance information submitted to the TME is usually issued only 1-2 working days before the meeting. The information is therefore always unable to be accompanied by a commentary from the relevant Executive Director, and such commentaries are only able to be given verbally at the meeting
b. Finance C'ttee on Monday, then TME on the Weds of the same week, then Board on the Thursday of the same week (the Thursday after the last Weds of the month)	 There is 1 week more time to submit the monthly performance/finance information to TME Any issues arising from the Finance Committee can be discussed in more detail at Trust Board 3 days later 	 There is the same amount of time to submit the monthly finance information to Finance C'ttee In reality, there would not be 2 more days to submit the monthly performance/finance information to Trust Board than at present (as the agenda and reports would still have to be issued by the Friday before the Board, as is usually now the case) The Finance C'ttee would be reviewing the financial information before TME Finance Committee, TME and Board meetings in 4 days would be intense for those Board Members that are required to attend all 3 meetings
c. Finance C'ttee on Monday, then TME on Weds of the same week (the last Weds of the month), then Board on Friday of the same week (the Friday after the last Weds of the month)	 There is 1 week more time to submit the monthly performance/finance information to TME Any issues arising from the Finance Committee can be discussed in more detail at Trust Board 4 days later 	 There is the same amount of time to submit the monthly finance information to Finance C'ttee The Finance C'ttee would be reviewing the financial information before TME In reality, there would be not be 2 more days to submit the monthly performance/finance information to Trust Board than at present (as the agenda and reports would still have to be issued by the Friday before the Board, as is usually now the case) Finance Committee, TME and Board meetings in 5 days would be intense for those Board Members that are required to attend all 3 meetings
d. TME on last Weds of the month, then Finance Committee (on the next Monday), then Board, on the Weds of the same week (the first Weds of the month)	 The TME reviews the monthly finance/performance information (at least in headline form) before the Finance Committee There is 1 week more time to submit the monthly performance/finance information to TME There is 1 week more time to submit the monthly performance/finance 	 For certain matters that the Board is required to approve (by the end of a month), the Board approval would need to be brought forward by 3 weeks (from the current system). For example, the Quality Accounts need to be approved by the end of June would need to be submitted to the Board in the first week of June

Option	Potential benefits	Potential pitfalls
e. TME on the last Weds of the month, then Board on the following Thursday (i.e. the day after), then Finance Committee (on a day to be determined)	 information to Finance Committee There is 1 week more time to submit the monthly performance/finance information to the Board Any issues arising from the Finance Committee can be discussed in more detail at Trust Board 2 days later For certain matters that the Board is required to approve (by mid-month), more time would be available to prepare the relevant documents. The most obvious examples are the Planning submissions to the TDA (which for 2016/17 were required to be submitted by 11/04) and the Annual Report and Accounts (which for 2015/16 are required to be submitted by 02/06). This timescale proved challenging for March 2016. There is 1 week more time to submit the monthly performance/finance information to TME There is 1 week more time to submit the monthly performance/finance information to the Finance There is 1 week more time to submit the monthly performance/finance There is 1 week more time to submit the monthly performance/finance There is 1 week more time to submit the monthly performance/finance There is 1 week more time to submit the monthly performance/finance There is 1 week more time to submit the monthly performance/finance There is 1 week more time to submit the monthly performance/finance There is 1 week more time to submit the monthly performance information (at least in headline form) before the Finance Committee There would be additional time for Business Cases reviewed at Finance C'ttee to be amended prior to submission to the next Board 	 (rather than near the end of June, as at present) For certain matters that the Board is required to approve (by mid-month), there would be reduced time to amend the document after review by the Board. For example the Annual Report and Accounts for 2015/16 are required to be submitted by 02/06, which is 1 day after the first Weds of the month The Board would be reviewing the monthly performance/finance information 5 weeks after the end of the month in question. Meetings of the 'main' Quality C'ttee would need to be rescheduled, as these tend to be held on the first Weds of each (alternate) month The Finance C'ttee review may be obsolete, as the information has already been reviewed at the Board (at least in headline form) TME and Board meetings in 2 days would be intense for those Board Members that are required to attend both meetings
f. TME on the last Weds of the month, then Board on the following Friday (i.e. 2 days after), then Finance Committee (on a day to be determined)	 There is 1 week more time to submit the monthly performance/finance information to TME There is 1 week more time to submit the monthly performance/finance information to Trust Board There is more than 1 week more time to submit the monthly financial information to the Finance Committee The TME reviews the monthly finance/performance information (at least in headline form) before the Finance Committee There would be additional time for Business Cases reviewed at Finance C'ttee to be amended prior to submission to the next Board 	 The Finance C'ttee review may be obsolete, as the information has already been reviewed at the Board (at least in headline form)
g. TME on the last Weds of the month, then Board on the following Wednesday (the first Weds of the month), then Finance Committee (on a day	 There is 1 week more time to submit the monthly performance/finance information to TME There is 1 week more time to submit the monthly performance/finance information to Trust Board There is more than 1 week more time 	 The Finance C'ttee review may be obsolete, as the information has already been reviewed at the Board (at least in headline form) For certain matters that the Board is required to approve (by the end of a month), the Board approval would

Option	Potential benefits	Potential pitfalls
to be determined)	 to submit the monthly financial information to the Finance Committee The TME reviews the monthly finance/performance information (at least in headline form) before the Finance Committee There would be additional time for Business Cases reviewed at Finance C'ttee to be amended prior to submission to the next Board For certain matters that the Board is required to approve (by mid-month), more time would be available to prepare the relevant documents. The most obvious examples are the Planning submissions to the TDA (which for 2016/17 were required to be submitted by 11/04) and the Annual Report and Accounts (which for 2015/16 are required to be submitted by 02/06). This timescale proved challenging for March 2016. 	 need to be brought forward by 3 weeks (from the current system). For example, the Quality Accounts need to be approved by the end of June would need to be submitted to the Board in the first week of June (rather than near the end of June, as at present) For certain matters that the Board is required to approve (by mid-month), there would be reduced time to amend the document after review by the Board. For example the Annual Report and Accounts for 2015/16 are required to be submitted by 02/06, which is 1 day after the first Weds of the month The Board would be reviewing the monthly performance/finance information 5 weeks after the end of the month in question. For certain issues, extraordinary Board meetings may therefore need to be held Meetings of the 'main' Quality C'ttee would need to be rescheduled, as these tend to be held on the first Weds of each (alternate) month

Option f is the preferred option of the Chair of the Finance Committee (and the Chair of the Workforce Committee) on the basis that anything requiring earlier review could be addressed, depending on the circumstances. The Trust's strong financial control means that reviewing items in depth later should not be a problem. The Chairman of the Finance Committee also expressed a preference for Finance Committee meetings to be on a Thursday

Other issues

- Venues: On a practical note, if the Board meetings are moved (to either a Friday or the following Wednesday), and it was agreed to implement the new arrangement in 2016, there are likely to be some problem with the availability of in-house rooms. It may therefore be necessary to hold Board meetings at external venues. This should not be the case for TME (which could take the rooms that had been booked for the Board) or Finance Committee (for which there is a smaller number of attendees, and therefore greater flexibility in terms of in-house room availability).
- School holidays: Whatever option is selected, it is still proposed that Trust Board meetings avoid any potential clashes with the school holidays (where feasible)
- **Trial:** Any of the changes described in options b. to g. could be trialled for a period (e.g. 6-9 months) to properly assess the benefits/pitfalls

Trust Board Members are invited to consider the above, and agree the option to be deployed.