Royal Devon and Exeter NHS Foundation Trust

Annual Report and Accounts 2015/16
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CHAIRMAN’S INTRODUCTION

It is my pleasure to introduce our Annual Report, Quality Report and Accounts for 2015/16.

In writing this introduction, I have reflected on the comments I have made in earlier years and – for better and worse – my predictions have largely played out.

As expected our deficit has increased again from £11.2m to £20.1m. This is clearly not sustainable but, as in the previous year, was fully in line with our three year plan. The ability of our finance team to forecast accurately (even when the numbers are adverse) and for our management team to deliver within these budgets safe, compassionate and high quality care with good outcomes is critically important to our mission. For the financial year 2016/17 we are budgeting a material reduction in our deficit. If we do not radically change the way we operate, however, this will merely be a short-term hiatus and the trend of increasing deficits will then continue.

A major event in the year was the Care Quality Commission inspection. It was no surprise to any of us that the overall rating was ‘Good’ and that we achieved ‘Outstanding’ for the Emergency Department, Critical Care and overall for Caring; indeed there was disappointment that some of the ratings were not higher still. There were some wonderful examples cited in the report of outstanding practice, many of which were so ingrained, we incorrectly thought they were commonplace across the NHS. There were also areas identified for improvement – none of the major ones of which were unknown to us – and an action plan is in place to deliver these.

Our quality, safety and outcome statistics have remained good and in many cases improved further. We have struggled with meeting all the targets for cancer waiting times during the year, in large part due to an increase in demand of 28% compared with a forecast of 3% but I was delighted that it was reported that by the end of the financial year we were back on track for all nine targets. We have also struggled with consistently meeting the A&E 4 hour wait requirement – but have fared well compared with the majority of other acute trusts – and with turning around diagnostic tests (again due to a material increase in demand).

The year 2015/16 saw critical advancement of our development of a future care model for our communities in East and Mid Devon. We are now moving from the concept phase to actual delivery. The first phase of this delivery is the transfer of community services in our locality which is expected to be completed over the coming months. The effective integration of community healthcare is merely one step on this journey, however.

So your Trust is set fair, but there are many risks to be managed. The biggest challenge is the increasing demand in our region for health provision set against the limited financial resource available. It is clearly not exclusively a Devon challenge, but in our county it is formidable: if we do not change the way in which we manage demand and provide services, our county (excluding Torbay) will be spending over £400m a year more than it receives by 2020/21. Can we address the whole of this gap? I am not convinced that we can. Can we materially reduce it whilst remaining faithful to our core principles of what matters (outcomes, safety, quality) and who matters (communities, patients and staff)? Absolutely so, with the right leadership and collaboration.

So it is with mixed emotions that your Board has announced the impending departure of our Chief Executive, Angela Pedder, to become the Lead Chief Executive for the Success Regime in Northern, Eastern and Western Devon. Angela has been an incredible asset to the Royal Devon & Exeter NHS Foundation Trust and has lived the values that she and the Board have set. However, she will be applying her energy, commitment and values to the Success Regime and the success of this collaborative effort will ultimately determine the sustainability of the Royal Devon & Exeter NHS Foundation Trust and other health organisations in the county. So I thank Angela, on behalf of the Board of Directors and the Council of Governors, for all she has done over the last 20 years and look forward to working with her, Dame Ruth Carnall (the Chairman of the Devon Success Regime) and our other colleagues going forward.

In addition to Angela, I would thank all our fabulous staff and volunteers, our talented leadership team and my fellow Governors and Directors. The Royal Devon & Exeter NHS Foundation Trust is wholly dependent on these people and it is an excellent organisation because we have extraordinary people doing amazing jobs. The demands we place on our people grow ever greater so it is very pleasing to note the continuing improvements in feedback from our staff survey. I would normally not pick out one staff group but on this occasion I would like to mention our Junior Doctors. While it would be inappropriate for me to comment on their employment dispute, it is appropriate that I thank them for their meticulous planning and cooperation to ensure that our patients have been kept totally safe. We hope for a rapid resolution of the dispute.

I would also thank our partners in Monitor and NHS England but even more so in the other NHS organisations in Devon. The financial challenges have put huge pressure on all these organisations but the overriding focus on breaking down barriers and working to serve our patients and communities as best we are able is refreshing. I am convinced that this is the way – and the only way – to maintain, and hopefully improve, high quality and safe care with good outcomes for the communities we all serve.

James Brent
Chairman
PERFORMANCE REPORT: Overview

Introduction by the Chief Executive

Over the last few years I have used my introduction to our Annual Report and Accounts to set out the range of challenges facing the Trust and how we are tackling the issues facing us. Each year the pressures on the health and care system have grown inexorably as rising demand has outstripped the resources available. It is the role of Government to set the level of resources available for health care and the role of the Board of Directors to shape services to be delivered within that available resource. Despite our very best efforts, it has simply not been possible to escape these intense pressures which have largely been outside of our control and, faced with making tough choices we have, like so any other provider Trusts across the country, seen our financial situation deteriorate. We ended the year with a deficit of £20.1m which is an uncomfortable and unsustainable situation. However, as stated before in previous Annual Reports, the Board has consciously determined a hierarchy of principles to guide its decision making and neither I nor the Board have been willing to compromise patient safety which is, after all, paramount.

I am proud of our record of sustaining a remarkable Cost Improvement Programme within the Trust for the last five years. Over this time we have substantially reduced costs whilst sustaining the quality and safety of our services. However, over these recent financial years we have struggled to maintain this performance – most of the more straightforward savings have been identified and realised over previous years. It has become increasingly apparent that the only way that we can provide good quality services on a sustainable basis is to work in partnership across the whole health economy to drive out costs. By working in partnership across whole pathways of care and moving as rapidly as possible towards a reconfigured new model of care, we can radically transform how and where services are delivered. This will realign the relationship between citizens and how the public sector supports people who require care.

We have been working much more closely with our partners in Devon on this agenda for the last few years. However, the identification of the North East and West (NEW) Devon healthcare economy as one requiring additional support in June has helped accelerate and galvanise efforts in a way unprecedented in my 40 years in the NHS. Since October 2015, working as part of one of three Success Regimes nationally, we have deepened our understanding of some of the structural issues that drive the financial problems faced by the health and care economy across Devon and begun to focus on taking bold and radical action to address these issues. All of the main NHS organisations in Devon face a huge challenge in tackling the projected overspend that would occur without concerted action and we are working together as never before to confront the issues we face. Much remains to be done and there will be times when there will be some members of the community who will be concerned at the changes we will need to make, but I am confident and optimistic that we have the willingness to work together to see necessary changes through which will result in better, more efficient and more equitable care.

There is a clear logic in linking together community services in a locality with the local acute Trust and, as reported later in the Annual Report, we have begun to model how we can work more closely in tandem with community provision in a local hospital – in this case Tiverton – to provide better care for patients. The Royal Devon & Exeter NHS Foundation Trust has a vision for how integrated acute and community services can work together in East Devon and beyond but realising this vision will take some time. Our FutureCare programme is designed to help drive forward this vision in a way that aligns with the work of the Success Regime.

As a Board we scrutinise the Trust’s performance in detail each month. This scrutiny process, focused in our Integrated Performance Report, sits at the pinnacle of a robust performance management system that ensures that we are providing safe, quality care delivering with courtesy and respect. This process helps us identify and seek to rectify performance issues as they arise as well as triangulating data sets to ensure there are no consequential impacts of performance in one area impacting in an adverse way in another. During the year we have sought to tackle a number of performance issues which have proven to be testing. Some of our cancer waiting time performance has not been as we would have wished and, while this has not adversely impacted on patient care, our teams have worked incredibly hard to turn this situation around. As a result of these efforts we have turned the corner and I am confident that our performance can now be sustained. We have also not consistently met the four hour A&E waiting time target as a result of high demand and due, in large part, to our inability to discharge people to other care settings. Despite these pressures our performance remains relatively healthy in comparison to many Trusts in England. In straightened times it is particularly important to ensure that we maintain impeccable standards for safety and we have made truly remarkable efforts to sustain performance in this area.

What enables the Royal Devon & Exeter NHS Foundation Trust to be able to provide first rate care at a time of intense pressure is the truly exceptional staff who consistently work together to do the very best they can for our patients. It is a genuine privilege and an honour to work with and alongside them and something that I reflect on each day. Over the last
few years we have sought to engage more with our staff, to listen to them and to recognise their achievements. We have tried to ensure they know what’s important, that they could see a clear line of sight between their role and our strategy, and we have used the Connecting Care methodology to identify and solve problems locally. At the very heart of this culture, and what I think makes the Royal Devon & Exeter NHS Foundation Trust such a special place, is that our staff work together best in a team setting. This focus on team has been amplified through the Communications Cells we have established in all areas through Connecting Care. The results demonstrate that the Trust performs well on indicators relating to team working.

Finally, as mentioned in the Chairman’s Introduction, I will be leaving the Royal Devon & Exeter NHS Foundation Trust after almost twenty years’ service. This move will take place in the next financial year but it is right to acknowledge and reflect this new role at this point. I will be moving into a newly created role – Lead Chief Executive for the Success Regime in Northern, Eastern and Western Devon – and will seek to lead the delivery of change with all NHS organisations in Devon on a collaborative basis.

Much has changed over the last two decades. The scale and complexity of the NHS has grown over this time but what hasn’t changed is the relentless focus on patient safety and quality that lies at the heart of this organisation. I have been immensely proud to work with some of the most talented, committed and compassionate healthcare staff over the last two decades. I would like to thank all members of staff – past and present – for their hard work and dedication to excellent patient care as well as our Governors and volunteers past and present. It will be a significant moment for me on a personal level given my pride in what we have achieved at the Royal Devon & Exeter NHS Foundation Trust during this time but I will continue to work with the Trust, and many of its staff, in my new role. I would like to thank the Chairman for his unwavering support to me and I would also like to thank the Board who have helped lead the Trust through some challenging times over recent years. I will leave the Trust in a strong position and I very much wish my successor best wishes in taking on the leadership reins at the Royal Devon & Exeter NHS Foundation Trust.

Angela Pedder OBE
Chief Executive
About the Royal Devon & Exeter NHS Foundation Trust (RD&E)

The Royal Devon & Exeter NHS Foundation Trust (RD&E) is a public benefit corporation with a principal purpose of providing goods and services to individuals for or in connection with the prevention, diagnosis or treatment of illness and the promotion and protection of public health in England.

The RD&E became a Foundation Trust (FT) in 2004 and operates as a public benefit corporation in line with the National Health Service Act 2006 and amended by the 2012 Act. This means that the Trust has a level of accountability to the local population but it remains part of the NHS and, as with all FTs, its services are underpinned by a framework of national standards which safeguard quality and protect the public interest. In addition as an FT, the RD&E has the ability and freedoms to provide and manage its services to meet the needs and priorities of the local community. The Trust has identified freedoms to operate in this context free from central Government control but it is ultimately accountable to Parliament. As an FT the RD&E:

- has certain freedoms to decide locally how to meet their obligations to provide health care services to its designated population
- is accountable to local people, who can become members, through its elected Governors
- is authorised and monitored by an independent regulator for NHS foundation trusts (Monitor)

The RD&E is a teaching hospital which provides specialist and acute hospital services to a core population of about 460,000 people in Exeter, and East and Mid Devon. We also provide services to patients from further afield because we have national and internationally recognised excellence in specialist fields, including the Princess Elizabeth Orthopaedic Centre, the Centre for Women’s Health (Maternity, Neonatology and Gynaecology Services), Cancer Services, Renal Services, Exeter Mobility Centre and Mardon Neuro-Rehabilitation Centre.

Our main hospital sites are at Wonford and Heavitree in Exeter. Increasingly we are providing patient care closer to home, including managing the day case surgery activity in East Devon community hospital theatres, community midwifery services and renal dialysis units as well as providing some “Hospital at Home” services in parts of East Devon and supporting people at home who have had a stroke. The Trust is in line to take on community services in the Eastern locality of Devon next year (2016/17), subject to contract, which will have a significant impact on the core business of the Trust in the future. In advance of this, the Trust took responsibility for running two wards at Tiverton Hospital from January 2016 to ensure there was sufficient resilience across hospital and community services in East Devon over the coming winter. The two wards were previously run by Northern Devon Healthcare NHS Trust (NDHT), but were managed by the RD&E to provide intensive physiotherapy and occupational therapy to patients to aid swifter recovery to independence. The wards were also used to aid the smooth transition of patients to home or onward care and provide greater capacity across our sites.

The RD&E manages over 100,000 Emergency Department attendances, 300,000 outpatient admissions and over 115,000 day case or inpatient admissions each year. We have 880 inpatient beds and 80 day case beds. During 2015/16 the Trust spent £424m and employed around 7,000 staff (actual head count numbers).

The Trust is the leading centre for high quality research and development in the South West peninsula, delivers undergraduate education for a full range of clinical professions and is the lead centre for Exeter Medical School. It is the peninsula host site for National Institute of Health Research Networks (NIHRN) and is one of eleven centres nationally hosting the 100,000 Genomes Project. It provides acute tertiary and secondary care services and some community services to its catchment population in the Eastern part of Devon as well as for some specialist tertiary services to a wider population across the wider south west region. The majority of the Trust’s services are delivered at the Wonford Hospital and Heavitree Hospital sites in Exeter, with additional services delivered in partnership with other NHS Providers at other locations in Exeter, Mid Devon, East Devon and North Devon and Torridge; some specialist services are delivered more widely across Devon, Cornwall and parts of Somerset.

The RD&E has a high standing in the local community and we recognise the duty we have to uphold the highest standards to maintain the trust and respect with which we are regarded. In recent years, with the freedom which comes with our Foundation Trust status, we have sought to better engage and reflect the needs of the population we serve as expressed via our members and our Governors. The Trust works with and alongside a wide range of partners and stakeholders in delivering its strategy. Indeed, the Trust has developed strong partnerships with organisations in the health sector but increasingly with other public sector organisations, the voluntary sector and the private sector.

The Trust has a strong track record of continuous improvement, innovation and redesign, with a focus on safety & quality. Since 2013 the RD&E has engaged staff in the implementation of a Trust-wide transformation programme enabling a new way of working to be established – recent Care Quality Commission (CQC, the independent regulator of health and social care in England) findings and staff survey results evidence the sustained progress that has been made. As a result we have built strong foundations upon which we will continue to build. We place a strong emphasis on research, and translating research into clinical practice together with a good relationship with the University of Exeter to support this agenda.
Our Year

Spring

Family become first in South West to help unlock secrets of the human genome

In April 2015, a six-year-old boy Noah and his parents Sam and Andrew became the first family in the South West to take part in ground-breaking DNA research to help fight rare diseases.

Noah has moderate to severe learning difficulties, the cause of which has so far remained unknown. His family seized the opportunity to achieve a clearer diagnosis after the RD&E was chosen to lead one of eleven genomics medicine centres across England as part of the ground-breaking 100,000 Genomes Project.

The South West Peninsula NHS Genomics Medicine Centre (GMC) brings together clinicians and scientists from the RD&E, the University of Exeter Medical School and the South West Peninsula Academic Health Science Network. The family gave samples of their DNA to the specialist team based in RILD (Research, Innovation, Learning and Development).

Professor Sian Ellard, Programme Director of the project, said: “This new type of genetic testing works by decoding the genome to help families find out why they have a particular health problem. Many parents wait years for a precise diagnosis or never know the cause of their child’s disease. Genome sequencing provides an opportunity to provide answers and in some cases will lead to better treatment.”

RD&E wins top national hospitals award

In spring 2015, the RD&E was named as one of the 40 best-performing Trusts in England in the CHKS Top Hospitals 2015 Awards.

CHKS Ltd, part of Capita plc, is a provider of healthcare intelligence and quality improvement services to the NHS and independent healthcare sector. Its Top Hospitals award is based on the evaluation of over 20 of the RD&E’s key performance indicators covering safety, clinical effectiveness, health outcomes, efficiency, patient experience and quality of care.

Suzanne Tracey, Deputy Chief Executive/Chief Financial Officer, collected the award at a special ceremony in London. She said: “We are delighted to receive this award and proud that the talent, hard work and dedication of all RD&E staff to provide our patients with the best possible care has been recognised.”

Jason Harries, Managing Director, CHKS said: “These awards recognise outstanding performance in those areas which we believe are critical to delivering good patient care. We are delighted that the RD&E is one of our Top Hospitals 2015.”

Improved fertility clinic launched in Exeter

Couples across the South West can access improved fertility services thanks to the re-launch in May 2015 of the hospital’s fertility clinic.

Fertility Exeter combines the high quality NHS fertility services provided by the RD&E with the self-funded treatment provided by the independent Peninsular Centre for Reproductive Medicine (PCRM). The RD&E took on the successful PCRM clinic in June 2014, and has undertaken extensive work to unify the two services.

The service now offers patients a single pathway of care from their initial consultation through diagnostics, planning, counselling, and treatment. Fertility Exeter is also at the forefront of fertility treatment innovation, and was selected as a satellite centre for Guy’s and St Thomas’ NHS Foundation Trust’s Pre-implantation Genetic Diagnosis (PGD) programme in conjunction with the RD&E’s Genetics Service.

Lisa Joels, Consultant Gynaecologist and Clinical Lead for Fertility Services, said: “This has been an opportunity to bring two teams together and to build on past successes in order to take the clinic forward with exciting new services and developments. I am so proud of the unified team who, in addition to excellent skills, bring a very human, caring element to couples experiencing fertility problems.”

Survival rate of patients suffering cardiac arrest at RD&E double the national average

Well over a third of patients who suffered cardiac arrest at the RD&E in 2014 survived compared to 18% nationally, according to a clinical study published last spring.

The latest National Cardiac Arrest Audit Report compared hospital cardiac arrest survival data for the period April-December 2014. Some 37.5% of patients at the RD&E survived and were later discharged compared to a national average of 18.4% at hospitals across England.

The percentage applies to those patients who were given cardiopulmonary resuscitation via chest compressions and/or defibrillation by the hospital’s resuscitation team.

The results demonstrated the exceptional clinical standards provided at the RD&E along with the hospital’s commitment to high quality training and best practice in resuscitation procedures.

Dr Gavin Lloyd, Consultant Emergency Physician and Lead Clinician for Resuscitation, said: “These results are outstanding and they are a general reflection of the quality of clinical care in the RD&E. As well as focusing on the quality of our clinical care and training, a key focus for us is respecting and dignifying the wishes of patients and/or their carers around the sensitive issue of resuscitation.”
**Summer**

**RD&E given top marks for communication by young patients and their families**

Children and young people gave the care they received at the RD&E top marks in the first CQC Children and Young People’s survey.

The survey, published in July 2015, showed that children who underwent inpatient or day case treatment on Bramble Ward felt that they were listened to by staff and that procedures and outcomes of treatment were explained in a way that they could understand.

The Trust performed well across a range of measures which covered every aspect of a child’s stay in hospital, including staying on the ward, their interaction with staff, perceptions of pain management, and facilities for parents and carers. One of the highest scoring areas, where the RD&E performed better than most other Trusts in the survey, was staff communication with young patients and their families. The Trust also performed better that the majority of Trusts on parents’ confidence and trust in the staff treating their child.

**Intensive Care Unit rated highly by relatives**

Families of patients who are treated in the Intensive Care Unit (ICU) highly rated the level of care their relatives received, according to the results of a study by the Intensive Care National Audit and Research Centre (ICNARC). The Family Reported Experiences Evaluation (FREE Study) showed that 92.9% of relatives were satisfied with the level of care provided by the ICU and 86.5% of families were satisfied with their experience overall. This compared favourably with the other units included in the study, putting the RD&E amongst the top performing Trusts.

Andy Jackson, Senior Nurse for Intensive Care, said: “Very often, the admission of a patient into Intensive Care is a highly stressful event and caring for the families of those patients is a key part of our work. These results show that the vast majority of families feel very satisfied or completely satisfied with the care, concern, emotional support and consideration shown them by the Intensive Care team”.

**Study reveals simple modification to treatment for an abnormally fast heart rhythm**

A research team led by the RD&E developed a simple, safe and cost-free modification to a technique used in the Emergency Department (ED) to treat patients with an abnormally fast heart rhythm. The modification to the Valsalva manoeuvre, an internationally recommended treatment for supraventricular tachycardia, could improve its effectiveness by more than a quarter according to the REVERT study, which was published in the The Lancet in August 2015.

The standard technique, which is performed by forcibly exhaling to change the rate and volume of blood returning to the heart, has a low success rate and often necessitates the use of other treatments. The REVERT study, led by RD&E Consultant in Emergency Medicine Andrew Appelboam, found that by repositioning patients immediately after the strain (laying flat with legs lifted by staff), the manoeuvre was much more successful. In the study, only 17.5% of patients using the traditional posture experienced a return to normal heart rate, while for those using the modified posture the success rate was significantly greater, at 43.5%. The team were supported by the Peninsula Clinical Trials Unit at Plymouth University and the NIHR Clinical Research Network for the South West Peninsula.

The pair decided to take up the challenge to raise awareness of some of the difficulties patients with CF face on a daily basis and to fundraise for a local charity, the East Devon Quality of Life CF Fund. Thanks to their efforts they have raised over £400.

Dr Beth Enderby, CF paediatrician, added: “I learnt so much about the practicalities of managing treatments in CF. The schedule is relentless — fitting life around it was a real challenge.” A video of the experience was produced and received acclamation from CF patients and charities, including from as far afield as Australia.

**Staff experience: what it’s like to have Cystic Fibrosis for the day**

In August 2015, Cystic Fibrosis (CF) paediatrician Dr Beth Enderby and CF Centre manager Nolwen Luke spent the day in a Cystic Fibrosis patient’s shoes to raise awareness of the condition and fundraise for charity. The pair spent the day getting a small taste of what it’s like to live with CF, experiencing everything from tough physiotherapy sessions, taking nebulisers and tablets and consuming a high calorie diet. To make the experience as realistic as possible, a number of patients donated treatment and diet plans and they were also supported by the RD&E’s CF team and the Cystic Fibrosis Trust.
Autumn

National Genetic Diabetes Nurse project wins
Diabetes Quality in Care Award

In October 2015, a nurse training initiative developed by the RD&E and University of Exeter Medical School to improve diagnosis of monogenic diabetes won a national award.

The Genetic Diabetes Nurse (GDN) initiative won the ‘Best innovation in integrated commissioning, or integrated care, model’ at the Quality in Care (QiC) Diabetes programme awards.

Monogenic diabetes occurs because of a mutation in a single gene and accounts for around 2% of diabetes patients. It is often misdiagnosed as Type 1 or Type 2 diabetes.

The Exeter team, led by Honorary Clinical Professor Maggie Shepherd, developed the GDN to train healthcare professionals to recognise and care for patients with monogenic diabetes. The initiative trains Diabetes Specialist Nurses across the UK to disseminate new genetics knowledge and improve diabetes care within their region. Running since 2002, the model has delivered training to nearly 8,000 healthcare professionals and has been recognised as an exemplar by the Department of Health for building genetics into mainstream services.

RD&E celebrates clinical research with exhibition of current work

The public had the chance to learn about some of the latest innovations in clinical research at the RD&E during a public exhibition in November 2015.

The open event offered an opportunity to view presentations on some of the exciting developments in clinical care at the RD&E and to chat to clinicians about their research work. Some of the research exhibited included a technique for treating patients with abnormally fast heart rhythm and an investigation into the benefits of beetroot juice for cancer related anaemia.

The Research and Development team also held their annual Clinical Trials Symposium, which included an update on current clinical trials, presentations from clinicians and a talk from Helen Quinn, Chief Operating Officer of the NIHR CRN South West Peninsula and Professor Andrew Hattersley, Director of Research and Development, about the future direction of clinical trials.

Chris Gardner, Research and Development Manager, said: “The RD&E is the leading research hospital in the South West Peninsula, and so we are delighted that so many people came along to find out more about the research work happening at their local hospital.”

Pleasing results from mums using Maternity services

Maternity services at RD&E received a good set of results when the national Care Quality Commission survey was published in December 2015.

Responses were received from 160 mothers who were cared for at the RD&E in February 2015.

A score of 9.1, towards a maximum of 10, was given to questions about the mums’ labour and birth experiences. The RD&E staff were rated highly at 8.8, and care after birth at 7.9.

Mums were particularly impressed with how they were involved in decisions about their care during labour and birth, and also how staff involved their husbands and partners in the process.

Deputy Chief Nurse/Midwife Tracey Reeves said: “Throughout the year we get a lot of positive comments about the Maternity Unit and so it’s very pleasing to see those feelings replicated in an official survey. All the Maternity staff are terrifically dedicated to the parents and their babies so we will continue to keep up the good work.”

New Year Honour for Exeter nurse

Lead Hepatology Nurse Fiona Fry was recognised in the New Year Honours List with a British Empire Medal.

Fiona was nominated for developing liver nursing services in Exeter and Mid and East Devon and ensuring local patients in ‘easy to forget’ sections of society, including prisoners and the homeless suffering Hepatitis C and other liver diseases, have access to high quality patient focused care. She was also noted for her work nationally as chair of the British Association for the Study of the Liver nurse forum.

Fiona said: “The British Empire Medal is something I never expected to receive and I am truly delighted, although also extremely shocked. Within my role the priority has always been to ensure that people with liver disease, whatever the cause, have equal access to healthcare and I’ll continue to champion this both locally and nationally.”

Chief Executive Angela Pedder added: “Fiona has my warmest congratulations, and she should feel proud to receive her British Empire Medal because of the service she has provided to many of our patients who might otherwise not access the care they deserve. She is a credit to the Trust.”
Winter

Living With and Beyond Cancer

A pioneering project is transforming the delivery of cancer follow-up care at the RD&E. The Living With and Beyond Cancer project (LW&BC), involving FORCE Cancer Charity and Macmillan Cancer Support, aims to provide support for patients from the point of diagnosis and redesign their follow up care to help them take back control of their lives.

As part of the project, patients treated for cancer benefit from support provided by FORCE, whilst Macmillan provides funding for a project manager and a clinical project nurse to help redesign the follow-up pathway.

Until recently FORCE and the RD&E ran a programme of support for patients at the end of treatment. As a result of feedback and in line with the national cancer survivorship initiative and the LW&BC project, this information is now made available earlier through Health and Wellbeing Clinics run by FORCE shortly after diagnosis.

Alongside this, the project has also introduced an electronic holistic needs assessment tool (eHNA) funded by FORCE and remote monitoring of patients allowing for a more individualised follow-up care.

First Nursing Auxiliaries receive their Care Certificates at the RD&E

The first group of RD&E Nursing Auxiliaries (NA) were recognised for their skill in providing safe, effective and compassionate care after successfully completing the Care Certificate.

The Care Certificate assesses skills and knowledge required to provide high quality care, and assesses staff against 15 standards, including caring with dignity, communication and infection control.

The assessment, officially launched in 2015, was developed jointly by Health Education England (HEE), Skills for Care and Skills for Health. All new NAs working at the RD&E are now required to attend the two week Nursing Auxiliary Programme and have to undertake several weeks of supervision to complete the certificate.

The first 20 NAs to complete the course received their certificates at a special celebration event from Deputy Chief Nurse/Midwife Tracey Reeves, who said: “This is a real achievement for our Nursing Auxiliaries and for the Trust. We hope that there will be more opportunities for them to progress in the future.”

RD&E’s Neonatal Unit becomes first in the county to receive UNICEF UK Baby Friendly accreditation

In February 2016, the RD&E’s Neonatal Unit became the first in the country to be fully accredited by the prestigious UNICEF UK Baby Friendly Initiative. The accreditation demonstrates the unit’s commitment to providing the highest quality of care for the hospital’s youngest patients and their families.

The Baby Friendly Initiative, set up by UNICEF and the World Health Organisation, is a global programme which provides a practical way for health services to improve the care provided for mothers and babies. To meet the standard, the Unit was judged against a set of criteria focusing on parent’s experiences of Neonatal services.

Sue Prosser, Senior Nurse for the Neonatal Unit, said: “The team have worked closely with families and our parent support group (SNUG), really listening to their needs and concerns. This has ensured that changes to practices and facilities have been made with the baby and family truly at the heart. We’re all conscious that this accreditation is only the start of our journey and we are looking forward to continuing to work with our families as true partners in care.”

RD&E takes steps towards becoming more Dementia friendly

In March 2016, the Trust signed up to two high profile projects to continue improving the experience of patients with Dementia and their families when in hospital.

The RD&E became the 40th member of the Exeter Dementia Action Alliance, a local organisation working towards making Exeter a Dementia friendly city. By joining the Alliance, the Trust committed to a three year strategy which includes promoting our Dementia and delirium care plan, developing activities for patients and providing better support for carers and relatives.

The hospital also pledged its support to John’s Campaign, which promotes the importance of relatives being able to stay with patients who have Dementia or delirium for as long as they wish when they are in hospital. Often, visitors are only allowed to visit a patient during set times, however at the RD&E carers can stay for as long as required to help care for and comfort their relative.

The RD&E’s Dementia and Delirium Steering Group said: “We want our patients to be as comfortable as possible and to avoid distress. Encouraging relatives to stay when they can means that the patients are often less frightened and anxious, helping them to recover more quickly.”

Junior Doctors strike

Junior doctors undertook a series of strikes in 2016 following a dispute with the government about a new contract. The action meant that plans needed to be put in place to maintain clinical services although a number of outpatient procedures were cancelled to allow consultants to provide cover. As always the key priority was maintaining patient safety while upholding the junior doctor’s right to strike.
# Our Strategy

Our vision is to “provide safe, high quality care, delivered with courtesy and respect”. This is underpinned by three key corporate strategic objectives:

1. Maintaining sound operational delivery of existing clinical, research and teaching services

2. Integrating core pathways from the community coming through to acute care within its acute services catchment area and out again into the community

3. Further development of the Trust’s acute services across a wider area by building upon the clinical networks and partnerships already in place

The Board and the senior leadership team have developed eight integrated strategies that underpin the Trust’s corporate strategy:

- Clinical services
- Workforce
- Information technology
- Estates
- Transformational change
- Stakeholder engagement
- Business development
- Finance

The clinical services strategy provides the direction for all other strategies. Collectively they seek to put in place the operational plans that, together, will help the Trust deliver its vision.

The support strategies were refreshed during the year to take account of the changing external context and to ensure alignment with the overall NHS direction of travel as set out in NHS England’s Five Year Forward View. On the basis of this refresh and taking into account wider factors, the Board decided that the current long term vision and strategy were fit for purpose and only required updating. However, the emphasis during the year was placed on the first two strategic objectives on maintaining sound operational delivery and making progress towards greater integration of services and care.

## Strategic objective 1: Maintaining sound operational delivery

Some of the operational issues faced by the Trust, coupled with the financial pressures on the Trust, meant that attention was placed during the year on meeting the Cost Improvement Programme (CIP) challenge and addressing some of the performance issues in order to maintain safety and quality.

The Board agreed that to continue to improve and transform existing services alongside extending the care we deliver to embrace community care, that it would seek external funding over the next five years to fund an investment in a number of key priorities. These key priorities include:

- Additional theatres, wards and intensive care and high dependency capacity
- An additional linear accelerator (radiation treatment for cancer patients)
- Integrated services/Transforming Community Services
- Increased resuscitation capacity in Emergency Department (ED)
- Additional MRI capacity
- Further improving the discharge process
Key strategic challenges

The Trust faces a number of strategic challenges. Some of these arise out of the nature and character of the geography served by the Trust and others relate to key policy drivers:

- Large rural area with dispersed communities with relatively poor connectivity
- Different issues facing rural, coastal, urban centres
- Ageing population with increasingly complex care needs
- Increase in number of people living with long term conditions and mental illness
- Rising in-migration into new and existing communities
- Across Devon, marked pockets of significant deprivation and marked health inequalities within Devon
- A period of prolonged austerity and relatively weak economic growth has impacted on Devon’s economy

Strategic Objective 2: Integrating Care Pathways

The Trust’s strategy aims to address many of these key challenges; however, it has become increasingly apparent that some of the key structural challenges facing the health economy in Devon can only be managed by organisations working together to address them.

The health economy in Devon had already been identified by NHS England as one which was financially distressed; however, in June 2015 it was announced by NHS England that the organisations operating within the Northern, Eastern and Western Devon Clinical Commissioning Group (NEW Devon CCG) footprint would become part of one of three Success Regimes nationally. This approach, which was first set out in the 2014 NHS Five Year Forward View, seeks to create the conditions for success in the most challenged health and care economies. As Devon as a whole is one of the most financially challenged economies in the country facing an estimated deficit of £430m over the next five years, it became among the first three regions to receive the support being put in place. The programme is overseen jointly at local and national levels by NHS England, Monitor and the NHS Trust Development Authority. The programme has enabled the national bodies to work in support of the local organisations involved to understand the fundamental drivers of demand and the associated costs and to identify why NEW Devon is a challenged community.

The Success Regime was put in place to provide system-wide support with the aim of developing clinically and financially sustainable health and care services for the people of NEW Devon. Its work is in three phases:

1. Diagnostic
2. Building the Case for Change into specific options
3. Implementation

The quality of care provided within the NEW Devon economy is generally good and this has provided a useful starting point for all the organisations involved in the Success Regime to work together to start to resolve the underlying issues it collectively faces. For example, clinical outcomes were generally good and there is a recognition that staff are working very hard to provide good quality services. During the diagnostic phase, clinicians and managers from health and social care organisations have been working together to diagnose the problems and develop the Case for Change. This document outlined the financial and quality challenges to delivering the best care locally and was published in January 2016. The Case for Change confirmed many of the issues we already know about our own local population and health status. The Case for Change highlights that across the system we are failing to keep pace and meet the growing needs of a changing population. People in Devon are living longer, with increasingly more complex needs and there are too many health inequalities both within Devon and compared to the rest of England.

By 2020, based on the current model, Plymouth and NEW Devon will be overspending by £1.2m a day to meet the health care needs of the population. It is tempting to think that an injection of more cash would solve this but the scale of the problem is too large and even good services now will not be sustainable without radical change and redesign.
Members of the Success Regime in the NEW Devon area:
- Devon Partnership NHS Trust
- NHS Northern, Eastern and Western Devon Clinical Commissioning Group
- Northern Devon Healthcare NHS Trust
- Plymouth Hospitals NHS Trust
- Royal Devon & Exeter NHS Foundation Trust

Members of the Success Regime Programme Board includes:
- Devon County Council
- Devon Doctors
- Healthwatch (Devon and Plymouth, also representing Torbay and Cornwall Healthwatch)
- Livewell Southwest (formerly Plymouth Community Healthcare)
- Plymouth City Council
- Plymouth Hospitals NHS Trust
- Public Health England
- South Western Ambulance Service NHS Foundation Trust (SWAST)
- Virgin Care

Building on work already underway, the organisations involved in the Success Regime are now turning to focus on developing possible solutions to meet the challenges articulated in the Case for Change document. At this stage it is too early to identify what these solutions might entail but some may involve identifying a common approach to meeting specific healthcare needs that can be applied by all the organisations in order to drive out inconsistencies and variation in the system. While these types of changes may be challenging, it is likely that as the organisations consider more radical changes there will be a need for considerable public consultation. It is important for our own communities to contribute to the solutions and have a way of expressing their needs and concerns about any proposed change.

Although the Trust is performing well (as evidenced by the CQC Inspection report – see page 71), the Trust Board believes that the Success Regime can help us tackle the many challenges that we alone cannot address, involving our staff in driving change not just in one organisation, but right across the health and care system in Plymouth and NEW Devon.

Since the NHS was founded, health services have dramatically changed for the better to meet growing demand, new technologies and new treatments. Looking forward it is clear that if we are to continue to meet people’s care needs sustainably, there is a need to develop a new model of care that focuses equally on wellness, prevention and ill health management, seeing patients as people, and empowering them to be in control of their own care.

As an organisation, we are seeking to respond to many of these issues through our FutureCare Programme. As an integral part of the RD&E overall corporate strategy, the FutureCare Programme has been devised and developed to enable a sustainable, effective, efficient and personalised care system for the population of Eastern Devon and the surrounding areas to be developed. The Trust’s strategy recognises that the health economy in Devon faced intense pressures as a result of seeking to meet the increasing demands placed on our services within a restrained financial context. FutureCare recognises that the way in which care services are currently delivered will need to adapt, change and become more integrated in a way that makes the best use of the valuable but limited resources we have. However, the changes required to achieve a new model of care that is fit for the future is not possible by working alone. Rather, a more coordinated and managed approach that enables a system-wide perspective and action to be taken is required and the Success Regime has put in place the conditions for this to take place.

The new models of care set out in the NHS Five Year Forward View create an exciting vision of what the future of health and social care could look like. We are at the beginning of the journey towards a transformed health and social care system which will see us building on our tradition and history of delivering safe, high quality care services delivered with courtesy and respect.

Our ambition is to become a fully integrated care system provider with a focus on assisting people to maximise wellbeing and manage their own health, whilst maintaining safe and appropriately high quality care and clinical interventions. Our aim is to create an effective, efficient and sustainable system of care which, from the perspective of the individual (patient, relative or carer), is:
- Flexible, local and personalised
- Focused on self-help and wellbeing
- Supportive of people living healthier lives in healthy communities

Where:
- Targeted resources follow need in a seamless way
- Our service offer is dynamic and sustainable
- Quality of care is continuously improved

Co-design with patients, carers and communities is a significant feature throughout our work to date and will continue to shift the focus from “patients” to “people” and from “What is the matter with you?” to “What matters to you?” We will focus on the needs of local communities establishing “place-based” care services for the public.
In order to achieve this, we understand that effective engagement with stakeholders is a core component of the programme. The success of FutureCare will also depend on building new partnership approaches with agencies working together to achieve common goals often focused on distinct geographies.

FutureCare has two principal components: Integration and Acute Pathway Transformation.

Integration

The Kings Fund report on Place Based Care (Ham and Alderwick, 2015, Kings Fund) highlighted the need for organisations to place organisational boundaries aside and to work together in place based systems of care in a way that is integrated around the needs of individuals. The FutureCare programme is seeking to move towards such a place based system of care through developing new ways of working on integrated care. This is a longer term goal but over the course of 2015/16 we have begun to make good progress in two key areas:

1. Community Services Transfer
2. Integrated Care Exeter (ICE)

1. Community Services Transfer

In December 2015, the NEW Devon CCG confirmed that it will proceed with the award of the contract for community services in East and Mid-Devon to the RD&E. Since then, the Trust has worked with NDHT and NEW Devon CCG to undertake a thorough due diligence process and business case with the expectation that the identified community services, and the staff involved in delivering these services, will transfer from NDHT to the RD&E in 2016/17 subject to the final contract being agreed.

The rationale for transferring services is to further integrate community health and social care services across East Devon with the acute services at the RD&E. It provides an exciting opportunity to develop joined up care in a way that best meets patients’ needs, is personalised and sustainable. The RD&E’s aim is to build on the work already underway by colleagues in the Eastern locality of Devon in order to move – over time – towards a much more integrated system of care. The community services within the Trust’s secondary care catchment area are due to be transferred during 2016.

The Trust intends to transform the acute and community pathway by developing new models of integrated care, with a particular focus on:

- Single pathways of care between the acute hospital and community services for adults with complex care needs
- Improving the co-ordination of services wrapped around frail older people, providing a rapid and integrated response to crisis supported by intensive reablement aimed at minimising the hospital length of stay and maximising rehabilitation potential
- Long term condition management of “mostly well” and “pre-frail” people. This includes a fundamental review of how, why and where we deliver outpatient services for people with multiple long-term conditions that work to meet the holistic needs of the people (not just their disease management) and pulls on a wider range of service providers, in particular the voluntary sector and local community groups
- Increased delivery of outpatient services closer to the people they serve, making better use of existing community and social facilities and resources
- Work with the established social care and mental health teams to develop care co-ordination, system navigation and collaboration of multidisciplinary teams
- Work with Eastern Devon GPs to identify groups with multiple health conditions and partnering with them to redesign services whilst promoting self-management and control for people e.g. through patients holding their own health and care budgets

2. Integrated Care Exeter (ICE)

ICE is an alliance of public and voluntary sector organisations working together to achieve a health and care vision for Exeter that places the emphasis on citizens’ wellbeing, reducing health inequalities and delivering high quality, joined-up services that put people in control of what matters to them. The ICE vision aims to shift the focus from ‘patients’ to people’.

The ICE Board was established in 2014 in recognition that to achieve these ambitious aims better use and coordination of locally spent public money is required, rather than continuing to operate in existing silos created by organisation boundaries.

ICE brings people and organisations together to design and deliver new ways of working, using resources efficiently and effectively, so that services are connected and all work in partnership to achieve quality outcomes for individuals and communities. This new model of care focuses on wellbeing, preventative care and support rather than crisis intervention to help people help themselves to stay well at home.

The delivery programme focuses on three work streams:

Improve the coordination and delivery of existing services

- Reduce unplanned hospital admissions and delays in transfer of care by streamlining hospital discharge process and strengthening care and support at home
- Establish a health and wellbeing team for street homeless people, bringing together existing resources into a single integrated team
Designing and testing new models of preventative care

- Develop a risk stratification model to identify people who could benefit from early intervention to delay or reduce the need for more intensive, longer-term care and support
- Prepare the groundwork for testing out community prevention approaches such as social prescribing that will define the operational blueprint for the new model of care

Prevention and Community Resilience

- Identify ways to help more people take greater control for individual and community health and wellbeing
- Invest in volunteers and living well coordinators to support people to make social connections based on their levels of need
- Attract social investment to support health and wellbeing

ICE partner organisations

- Devon County Council
- Devon and Cornwall Constabulary
- Devon Partnership Trust
- Devon and Somerset Fire and Rescue
- Exeter Age UK
- Exeter CVS
- Exeter City Council
- Exeter Primary Care
- Healthwatch Devon
- NEW Devon CCG
- Northern Devon Healthcare NHS Trust
- Public Health Devon
- Royal Devon & Exeter NHS Foundation Trust
- South West Ambulance Service Foundation Trust
- Westbank

3. Acute Pathway Transformation (APT)

The APT Programme seeks to redesign acute pathways and processes across the Trust in order to reduce variation, improve the safety and quality of care delivered and to increase the accessibility and reliability of information for the population of Devon, the provider partners and our commissioner stakeholders. These changes were planned to be enabled by a comprehensive Electronic Patient Record (EPR) and IT infrastructure (for which a business case was approved by the Board in April 2015) as well as the appropriate organisational structure which will align workforce requirements to the future model of care requirements. Through addressing inefficiencies, the Trust is seeking to establish standardised ways of working that improves patient care outcomes and experience. The focus for APT is four-fold:

- Outpatient review and redesign
- Engaging with NEW Devon CCG’s Right Care programme
- Productivity and Efficiency – Lord Carter Review
- EPR Implementation

4. Outpatient review and redesign

Using public and patient feedback data, we are in the process of developing our plans to review and fundamentally redesign our Outpatient Services by

- Improving today, e.g. establishing a single point of leadership
- Redesigning tomorrow

The design of a new model for Outpatient Services is being undertaken by the Care Design Group, a group of over 40 people from across the local care economy, from different disciplines, sectors and agencies, paying particular attention to the extensive public/patient engagement/feedback obtained throughout 2015/16. We expect that proposed changes to Outpatient Services will be developed and implemented from 2016/17.

5. Right Care

The objective for Right Care is to maximise value, through:

- the value that the patient derives from their own care and treatment
- the value the whole population derives from the investment in their healthcare

To build on the success and value of the Right Care programme, NHS England and Public Health England are taking forward the Right Care approach through new programmes to ensure that it becomes embedded in the new commissioning and public health agendas for the NHS.

The genesis of the Right Care programme lies in the original Quality, Improvement, Prevention and Productivity (QIPP) programme initiated by the Department of Health in 2009. Right Care is being managed locally by the NEW Devon CCG. In partnership, we have:

- Undertaken workshops on specific pathways
- Jointly reviewed the outcomes and are planning for 2016/17 implementation through the alignment with the Success Regime Programme
6. Lord Carter Review

“Unwarranted variation: A review of operational productivity and performance in English NHS acute hospitals” details the conclusions of Lord Carter’s review into productivity within hospitals across England, to ensure the NHS gets the best value from its annual budget. The report identified significant and unwarranted variation in costs and practice which, if addressed, could save the NHS £5bn. The report acknowledges that although there is exceptional practice already happening in the NHS, the overall average is not sufficient and more needs to be done to bring poor performance up to meet the best. The report looked at good practice in the NHS and elsewhere and developed the concept of a model hospital. Based on data on successful organisations, it has identified nine practices that are the key elements in developing a successful organisation.

The RD&E is one of the 32 Trusts in England asked to participate in the Review which seeks to engage staff around the efficiency challenge in order to drive productivity and efficiency and improve standards of care. The Trust received initial feedback on how the findings of the Review would apply to the Trust based on the concept of the model hospital. It is currently reviewing this information with the next steps being planned for 2016/17.

7. Electronic Patient Record (EPR) Business Case

Board approval to a full business case for EPR was given in April 2015. The national financial landscape has made progressing this work difficult. However, the Trust remains fully committed to implementing an EPR and is currently exploring options to progress this work.

Key Issues and Risks

The outline in the preceding sections provides an overview of the Trust’s strategy and its fit with the broader Success Regime programme.

As the Trust continues to pursue its corporate objectives, it is clear that there are a number of key risks and issues that it currently faces and will face in the future. The Trust’s key strategic risks are captured in its comprehensive Board Assurance Framework (BAF) which is regularly updated and reviewed by the Board as part of its deliberations. The BAF identifies key risks to the Trust’s three strategic objectives and what the organisation is doing to manage or mitigate the risks. The core risks are as follows:

Operational

- Activity flows may change rapidly causing unpredictable changes and possible unintended consequences
- Providers may take out capacity faster than demand reduces, causing further Referral To Treatment (RTT) pressures. The Trust is working closely with its commissioners and as part of the Success Regime to manage activity flows and demand on its services
- The Trust may not be able to recruit suitably qualified staff for key areas and workforce consultation processes may delay change temporarily. The Trust will continue to work with education providers and Health Education South West to inform their plans ensuring workforce supply needs are met for the Trust and regionally
- Any delay beyond 1st June 2016 regarding the transfer of community services could negatively impact on the delivery plan and the subsequent quality benefits. The risk mitigation centres on the execution of a robust due diligence process in accordance with Monitor guidance
- The Board has identified that there is a risk of insufficient management capacity and capability to deliver the operational and strategic plan. To mitigate this, the Trust’s structure has been reorganised to facilitate greater clinical and management time alongside regular workload review and prioritisation. To mitigate the impact of additional projects, additional funding and capacity through short term contracts for specific projects Transforming Community Services (TCS) has been put in place
Quality

- Continued financial constraints and the delivery of cash savings have the potential risk of impacting on the quality of services. The risk mitigation centres on the robust quality assurance framework which is in place, incorporating a balance of hard, empiric data and soft intelligence which alerts relevant levels of clinicians and managers throughout the Trust of any deterioration in quality.

- Delayed Transfers of Care continue to represent a significant system quality risk. The Trust is actively engaged in the system work plan, aligned to the Success Regime and FutureCare Programme focused on redesigning the model of care and associated service delivery model required to ensure that citizens are cared for in the right place, at the right time, by the right people.

Financial

Since 2013/14 the Trust has experienced an increasing deficit position rising from £3.1m to £11.2m in 2014/15 and a deficit of £20.1m in 2015/16. Plans for 2016/17 predict a considerably lower forecast deficit based on achieving CIP. The Trust has a robust approach to mitigate against cost overspends and to tackle issues where CIP plans may not be delivering against expectations.

- In addition the Trust is working as part of the Success Regime to identify cost savings of around £130m across the health economy in order for the organisations within the Success Regime meet the allocated control total. While work is well underway, the risk exists that partners may not be able to release costs as outlined which could have a deleterious impact on the Trust’s financial position.

- The plan for 2016/17 is predicated on being able to fund the revenue implications of the corporate strategy. The Trust is continuing to engage with local and specialised commissioners and its partners in the Success Regime to maximise opportunities to access funds (such as through Better Care Fund) as well as reviewing opportunities to develop income streams from specified activities.

Going Concern statement

After making enquiries, the directors have a reasonable expectation that the NHS foundation trust has adequate resources to continue in operational existence for the foreseeable future.

For this reason, they continue to adopt the going concern basis in preparing the accounts.

For further details, please see Note 1 to the Accounts on page 12.
PERFORMANCE REPORT: Performance Analysis

Performance management and assurance

The Trust uses a Performance Assurance Framework (PAF) which measures key performance data and provides assurance that performance including safety and quality indicators will be effectively monitored and reported to support managers and clinicians in delivering the required targets. PAF meetings take place with each Directorate (both operational and support) in a meeting chaired by the Director of Operations. These meetings flag any issues of concern which are then reported onwards and upwards within the Trust to ensure that external performance reporting is consistent with internal reporting.

The Trust’s Performance Framework ensures that performance monitoring and performance are aligned from service line and ward level to Board. The monthly Integrated Performance Report (IPR) to Board includes a wide range of national and local performance indicators grouped by the following themes:

- Clinical Effectiveness
- Finance
- Operational Effectiveness
- Patient Experience
- Safety and Safer Staffing
- Workforce

These are accompanied by a traffic light system (RAG) ratings of historic and current performance, assessments of future risk, narrative commentary and remedial action plans as required. The integration of these indicators within a single report provides a read-across between indicators and themes that is made explicit within the accompanying narrative. Performance across the majority of targets is consistently good.

An appendix within the IPR includes the ‘Ward to Board’ report that displays ward-level safety and quality indicators and thereby provides triangulation at a more granular level, minimising the risk that Trust-wide performance could mask individual areas of concern. This report also goes quarterly to the Board.

Each Clinical Division meets monthly with the corporate team (Finance, Performance, Workforce, Quality) in a Divisional Performance Meeting to review a set of Divisional and Specialty-level dashboards covering a more detailed set of indicators across all themes. The reports that are prepared for the meeting provides the opportunity for the Clinical Division to undertake its own triangulations and this is tested and challenged in the meetings.

The range of indicators covered by the IPR and the Divisional Performance meetings is extensive. As part of the Operational Plan submission, ten representative local indicators are included in the templates along with trajectories for 2016/17. For three indicators (Proportion of Patients Prescribed Antibiotics for whom Empirical Therapy was Per Guidelines; Median Average Number of Patients “Green to Go” on Community Waiting List at the end of Each Day in Month; Monthly Sickness Absence Rate Amongst all Staff Groups) the trajectories do not show achievement of the local stretch target, based upon performance in 2015/16. This is partly because the local targets are designed to be challenging and some have been made more stretching over time (e.g. antibiotic prescribing).

As part of our performance improvement drive, the Trust has recognised that the direct relationship between staff engagement and high quality performance and has implemented Connecting Care. Connecting Care enables teams to work together in a more joined up approach that enables all of our staff to find new and better ways of working, from making small changes that make a difference to much larger scale improvements. Connecting Care provides a systematic way of working together using a set of continuous improvement tools and techniques that have been rolled out across the Trust over the last 18 months and is now used in all parts of the Trust.

There is a strong emphasis on shared learning, problem solving and teams coming together on a regular basis to ensure that everyone is working together to further improve the clinical care we provide for our patients as effectively and efficiently as possible. Over 2500 staff have been trained in Connecting Care and we have implemented a key component, Communication Cells, in 224 clinical and non-clinical teams across the Trust. Over the next year the focus will be on rolling out Communication Cells to community services, following the transfer of community services from NDHT.

The approach provides a foundation for innovation and organisational improvement based on standardisation of our core work processes, and it is supported by the provision of up-to-date information to monitor and support team performance.
Trust performance in figures – 2015/16

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Measure</th>
<th>Standard/target</th>
<th>2014/15</th>
<th>2015/16</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Infection Control</strong></td>
<td>Meet the C.Diff objective</td>
<td>30 (2015/2016)</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>30 (2014/15)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Infection Control</strong></td>
<td>Meet the MRSA objective</td>
<td>0 (2015/2016)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0 (2014/15)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>18-week RTT</strong></td>
<td>% admission – incomplete pathways</td>
<td>&gt;92%</td>
<td>94.1%</td>
<td>93.0%</td>
</tr>
<tr>
<td><strong>Cancer access</strong></td>
<td>Urgent GP referrals seen within 2 weeks - all cases</td>
<td>&gt;93%</td>
<td>91.8%</td>
<td>92.1%</td>
</tr>
<tr>
<td><strong>Cancer access</strong></td>
<td>Breast cancer symptomatic referrals seen within 2 weeks</td>
<td>&gt;93%</td>
<td>97.0%</td>
<td>95.4%</td>
</tr>
<tr>
<td><strong>Cancer access</strong></td>
<td>Cancer treatment started within one month of diagnosis</td>
<td>&gt;96%</td>
<td>93.2%</td>
<td>93.4%</td>
</tr>
<tr>
<td><strong>Cancer access</strong></td>
<td>Cancer treatments started within 2 months of urgent GP referral</td>
<td>&gt;85%</td>
<td>80.4%</td>
<td>81.1%</td>
</tr>
<tr>
<td><strong>Waiting times</strong></td>
<td>A&amp;E max waiting times of 4 hours</td>
<td>Less than 4 hours</td>
<td>95.6%</td>
<td>94.8%</td>
</tr>
<tr>
<td><strong>Patient Experience</strong></td>
<td>Compliance on access to healthcare for people with learning disabilities</td>
<td>Compliance</td>
<td>Compliant</td>
<td>Compliant</td>
</tr>
</tbody>
</table>

In November 2015, the CQC visited the RD&E for a routine planned inspection. The outcomes of the inspection are reported in greater detail on page 71. In preparing for the inspection, the Trust provided an overview of performance to the inspection team. The overview was analysed using the CQC domains and an approach used at the Trust to identify and celebrate success whilst also focusing on what needs to be built upon or improved: the “what went well…even better if…” methodology. We have used the same approach to analyse Trust performance during 2015/16.

Safety domain

**What went well:**
- No hospital acquired MRSA since Sept 2011 – almost five years without an MRSA infection
- Hospital acquired Clostridium Difficile (C.Diff) 8.63 per 100,000 bed days against the national average of 14.93 cases per 100,000
- Over 3 years since a patient suffered from a grade 4 pressure ulcer
- 70% reduction in grade 3 pressure ulcers
- 49% reduction in grade 1-4 pressure ulcers against a target of 20% reduction
- 83% wards/units ward areas have not had a grade 3 pressure ulcer in over a year
- Cardiac arrest survival rates – double the national average
- Junior Doctor Quality Improvement Academy provides a unique way of enabling F1 and F2 doctors to develop their quality improvement methodology
- The Trust has a comprehensive safety programme. The Trust’s Human Factors training was incorporated into the revamped induction programme and has reached over 1,200 staff during the year

**Even better if:**
- The Trust’s Emergency Department (ED) is constrained for space because it was designed to manage far fewer numbers of patients than it currently receives. The Trust has put in place mitigating actions and is developing proposals to build additional ED resuscitation capacity
- More timely transfers of care for our “Green to Go” patients. On average there are over 75 patients who are ready to be discharged from acute care but is still occupying a bed. The Trust has a number of initiatives to address this issue. The Trust has a project – the Good Outcomes On Discharge (GOOD) project - which is designed to address some of the obstacles that impede timely discharge. Some of the initiatives in this project include putting in place a new Doctors’ White Board to ensure that information about specific patients is properly recorded and handed over and improving dispensing of discharge drugs (92.5% discharge drugs dispensed within 2 hours)
- As part of the ICE project (see page 18), the Trust is working with its partners to find new ways to remove the obstacles to patients being able to go home in a timely way for those living in Exeter. In addition, the transfer of community services in the Eastern locality will help integrate acute, community and social care (see page 18)
Effectiveness domain

What went well:

- The Trust has introduced Sepsis Six, a bundle of medical therapies designed to reduce the mortality of patients with sepsis. 85% of ED patients with sepsis receive the bundle within one hour. In addition we have introduced a sepsis screening tool for children.

- The Trust has an Acute Kidney Injury (AKI) team who provide targeted education, initially focused on our wards with the highest number of AKI patients, using a bundle approach. Compliance with the bundle is audited monthly as part of our Safety Thermometer rounds and we have begun to roll this out to all wards during the year.

- Three RD&E wards achieved Gold Standard Framework for End of Life Care, a comprehensive programme designed to enhance the quality of care for all people nearing the end of life, in line with their preferences.

- The RILD has been undertaking a range of activities designed to undertake applied research in order to improve patient care. For example, the RILD is the venue for the Exeter 10,000 and 100,000 Genomes projects which are seeking to sequence the genes of 70,000 people across the UK including 10,000 in the South West. The aim is to use this data in order to create a new genomic medicine service for the NHS, transforming the way people are cared for.

Consequently patients may be offered a diagnosis where there wasn’t one before. In time, there is the potential of new and more effective treatments.

- The Trust has an effective embedded and comprehensive clinical audit and research programme.

Even better if:

- Enhancing antimicrobial prescribing and stewardship. The Trust is working to improve levels of antimicrobial prescribing in line with our local targets.

- Improving fractured Neck of Femur (NoF) performance. The standard for NoF performance is to enable 90% of patients to get to theatre within 36 hours. The Trust has not been able to meet this target consistently and has put in place an improvement plan to improve performance on a sustainable basis.

- Achieving consistent compliance with Treatment Escalation Plan and Mental Capacity Act policy. This has been a major focus for the Trust during the year and significant strides have been taken to improve and sustain performance.

- Improving End of Life Care and management is generally good as exemplified by the three wards that have achieved Gold Standard framework recognition; however, there is a recognised need to spread good practice across the Trust for end of life care.

Responsive domain

What went well:

- The Trust has performed well on the 4 hour ED performance although it has not consistently exceeded the 95% target. We have made real progress on improving the experience of people with mental health issues with 94% seen within one hour between 0700 – 2200. Our ED performance has been helped by a good partnership with SWAST and this has led to low ambulance handover delays.

- Overall the Trust has performed well on referral to treatment (RTT) times.

- Sustained improvement in responding to complaints. The Trust’s target to respond to complaints has been improved during the year.

- The Trust has a cost effective in-house facilities team aligned to ward teams. These staff play a critical role in enhancing patients’ experience.

- The Trust has introduced the “Demonstrating Difference” approach with Divisions being asked to report on what they are proud of that month in how they have responded to patient feedback or need.

Even better if:

- The Trust has worked hard during the year to improve its cancer target performance at a time when demand has increased by 28% year on year. It has put in place a recovery trajectory plan (including ensuring that all patients are assessed by a senior consultant) and invested in additional theatre capacity (Heavitree) and endoscopy capacity. This has had a positive knock on effect on sustainably retuning performance to the projected level.

- The Trust has faced some issues in meeting RTT targets in some specialities including orthopaedics, general surgery, urology. Each area has its own trajectory plan to bring the level of waits down to the expected level and good progress has been made.

- The Trust also faced a number of challenges in its diagnostic services performance particularly in endoscopy, echocardiography, and cardiac MRI. Recovery trajectories to improve performance are all on plan to turn around this situation.
Caring domain

What went well:
● The Trust’s Care Quality Assessment Tool (CQAT) is a way of auditing the quality of the care it provides which includes patient and staff feedback (surveys of staff and patients are undertaken by volunteers). Based on this assessment, wards are given a score which translates into gold, silver and bronze
● The vast majority of our staff have now been trained in Dementia and Delirium awareness
● The Trust’s Nursing, Midwifery and Allied Health Professions Vision completed its third year. More information on this initiative is contained within the Quality Report.
● Schwartz Rounds run jointly with Devon Partnership Trust

Even better if:
● Through concerted action on recruitment and retention, the Trust has achieved the lowest level of nurse vacancies for two years. This has had a significant impact on reducing reliance on agency staff

Well led domain

What went well:
● Connecting Care has been introduced across the Trust to promote effective team working and encourage teams to solve their own problems. Through visual displays, teams are encouraged to manage performance and engage in continuous improvement. The use of Communications Cells as a way of bringing teams together on a regular basis has become standardised over the year, while allowing local variation, has helped to embed this approach
● The Trust has improved its oversight and scrutiny of performance in a more visible way by holding monthly Performance Assurance Process (PAF) for the clinical Divisions and quarterly PAFs for non-Clinical Divisions. These processes allow the management team to identify and extend good practice and performance and identify issues and address them
● The Trust has continued to run its annual Members’ Say engagement events which is used to listen and understand member opinion and sentiment in order to shape strategy and service improvement
● As reported elsewhere, as a result of its own efforts through its comprehensive stakeholder engagement strategy but also as a result of initiatives such as the Success Regime, the Trust has invested in developing productive and increasingly strong relationships with its partners

Even better if:
● We have made great strides in engaging with our staff but we understand that continuous improvement is required in our staff survey results
● The Trust, the health economy in Devon and the wider NHS are living through uncertain times. The Trust will seek to put in place programmes to support staff through turbulent times in order to build their emotional resilience
● As part of its organisational development agenda, the Trust intends to further develop our leadership capability at service and clinical levels
● Creating a sustainable financial future in partnership with our staff and partner organisations
Financial Performance

As reported in the Annual Accounts, the Trust posted a deficit in 2015/16 of £20.1m. While this was in line with our plans set out at the start of the year, it is clear that, going forward, it is not possible to sustain this level of spending. The Trust’s reserves that have been used to fund the deficit over the last few years have now all but been depleted meaning that some tough issues now face the Trust – and the wider health community in Devon – to bring the RD&E and other partners back to a break even position.

During the year, the Trust Board undertook an in-depth analysis to better understand the drivers of the Trust’s deficit. This showed that the deficit arose from:

- Failure to achieve the levels of efficiency required from tariff (£10m); and
- Additional non-activity related costs incurred (£8.3m) relating to issues such as additional ward establishment costs to meet required staffing ratios, as well as additional medical staffing costs in part relating to increased waiting list initiatives
- Additional costs relating to an increase in agency expenditure

As a result, the Trust put in place a comprehensive programme to reduce the deficit at a number of levels. At the Trust level we have:

- Reduced costs (Agency, Admin staffing, Non-Pay)
- Begun to improve the position on identified service lines
- Focused on productivity improvements e.g. Lord Carter Review

At a broader level the Trust has:

- Begun a system-wide approach to delayed discharges in order to reduce length of stay
- Begun a review of Community Midwifery
- Worked with colleagues across the health economy to realise opportunities identified by Success Regime

Workforce Performance

Implementation of the Trust Workforce Strategy continued throughout the year with progress against a number of topics such as: administrative/clerical skills building; robust operational workforce planning; our apprenticeship programme and continuous improvement in workforce processes such as recruitment and sickness absence management.

A specific workforce priority during 2015/16 has been on our registered and non-registered Nursing workforce. We started the year with significant challenges (like many other organisations) in terms of high vacancy numbers, turnover and sickness absence levels together with increased operational demand resulting in high agency usage. Through an effective partnership between the clinical divisions and HR, the team have implemented a truly transformational change in our Nursing workforce resulting in the following key changes:

- A proactive attraction and recruitment programme resulting in the lowest number of vacancies for both registered and unregistered nursing roles
- A reduction in the dependency on agency usage – for unregistered nursing staff this equated to a reduction of 5,300 hours worked in April 2015 to 35 in April 2016, and for registered nursing staff a reduction from 8,500 hours to 3,967
- Establishment of clear career pathways for registered and unregistered nursing staff ranging from Bands 1-9, supported by training programmes and structured coaching support in the workplace
- Development of improved nursing educational and training programmes in collaboration with our local universities

As a result of the above, the Trust has been able to establish greater stability across the nursing workforce enabling safe care to patients and has reduced expenditure on registered and non-registered nursing agency staff from c.£7.6m in 2014/15 to c.£3.4m in 2015/16.

As part of the Success Regime programme, the Trust is playing a leading role in the continued work to reduce agency usage across the county including negotiations with agency suppliers, establishing alternative workforce supply routes, together with improving retention of nursing capability across the Devon system.

Within the context of the Devon Sustainability & Transformation Plan, strategic workforce planning will be one of the streams of work which the Trust will play a pivotal role in leading. This work will focus on translating the workforce implications of the future new model of care and delivering a programme of work to transition from the current workforce model to the new.
Capital Programme

The Trust’s capital programme has been limited to investment in essential capital assets to help support the Trust’s cash liquidity. The value of capital expenditure continues to remain lower than the value of depreciation. A robust capital planning process has been undertaken, capital requests have been risk assessed and checked for consistency, linked to the Trust’s strategy, with procurement and lead times being duly considered. Leasing arrangements will be further considered, for larger schemes, to help support the Trust’s cash liquidity.

Capital funding has been focused on replacing existing equipment and IM&T and for re-investment in the Trust’s current estate.

Environment, Employee Matters, Social, Community & Human Rights Issues

As a public benefit corporation, the Trust takes its responsibilities towards the community it serves very seriously. We recognise the responsibility we have to:

- Meet the acute health needs of the population we serve as safely, effectively and efficiently as possible
- Ensure that in designing and delivering health services we fully take into account, and are influenced by, the views and opinions of our patients and patients to be. Our Members’ Say events are a good example of where we listen and engage with members – who broadly correspond to the profile of the wider community – on important healthcare matters. In addition we undertake formal and informal consultation with patients when we need to redesign or improve services
- Take into account the impact we have on the environment because this will ultimately have an effect on the communities we serve. As we set out in the sustainability report section of this Report, we are committed to reducing our environmental impact
- Take into account our status as the largest employer in Exeter and surrounding area. This means that decisions we make may well have an impact on the local economy and the health and wellbeing not only of our staff but their families and communities as well
- Take into consideration our responsibilities, as an ethical organisation, to respect human rights and to ensure that our actions or decisions do not have an adverse impact on upholding human rights
- Uphold the tenets of the NHS Constitution which brings together in one place details of what staff, patients and the public can expect from the NHS
- Uphold the legal framework that exists to promote equality and diversity
- Take very seriously our commitment to ensuring that staff feel motivated, empowered and are clear about the difference they are making to patient care and the pursuit of our strategic objectives. The section in this Report on “Our Staff” sets out some of the work we have done to improve staff engagement and motivation
- Ensure that the Trust is a positive place to work and that staff are supported appropriately. The Trust has a positive staff programme – engaging working lives – that brings together our approach to equality and diversity, support for health and wellbeing, staff benefits, staff engagement and training and development

Important events since the end of the financial year

Following the end of the financial year there is one event that is noteworthy for this year’s Annual Report.

As stated in the introductory section, it was announced in early April 2016 that the Trust’s Chief Executive, Angela Pedder OBE, will move into a new role during the summer 2016 after leading the Trust for almost 20 years. Angela is to become the Lead Chief Executive for the new collaborative Success Regime in Northern, Eastern and Western Devon. In this role, Angela will lead the delivery of changes agreed through the Success Regime to make sure that the residents of Devon have access to high quality health care that is affordable within the resources allocated to the county. Angela will be responsible for leading delivery of change with all NHS organisations in Devon on a collaborative basis.

She plans to take up her new post in the summer once the Trust has appointed a successor and will divide her time jointly between current and new roles until then. Work to appoint a new Chief Executive at the RD&E is already underway. Angela took the helm at the RD&E in 1996 after joining the NHS aged 18 as a management trainee and she is one of the country’s longest-serving hospital Chief Executives. She was awarded an OBE in 2007 and an honorary doctorate from the University of Exeter in 2011.

Signed:

Angela Pedder OBE
Chief Executive

Date: 25 May 2016
ACCOUNTABILITY REPORT

Directors’ Report

The RD&E is a NHS Foundation Trust that is constituted as a public benefit corporation. Its governance structure is founded on a constitution that is approved by the regulator, Monitor. The constitution sets out how the organisation will operate from a governance perspective and what arrangements it has in place, including its committee structures and procedures, to enable the Trust to be governed effectively and within the legislative framework. The Trust’s constitution incorporates the legal and statutory requirements necessary to govern the Trust. In addition, Monitor has developed a Code of Governance which all Foundation Trusts must comply with (or explain if they choose not to comply). This details the necessary governance structures and processes that Foundation Trusts should have in place.

Essentially, there are three basic components to the RD&E’s governance structure:

● The Membership
● The Council of Governors
● The Board of Directors

Members of the RD&E consist of members of the general public who choose to apply for membership and Trust staff (unless they opt out). Members are located in a defined number of constituencies. Members elect Governors and can stand for election themselves.

The Council of Governors (CoG) consists of elected public Governors, staff Governors and appointed individuals from key stakeholder organisations (as defined in the constitution). Governors help bind the Trust to its patients, service users, staff and stakeholders. Governors are unpaid and volunteer part-time on behalf of the Trust. They are not Directors and therefore do not act in a directional capacity as their role is very different. The Trust Chairman is chair of both CoG and the Board of Directors.

Governors are the direct representatives of local communities. They collectively challenge the Board of Directors and hold them to account for the Trust’s performance, as well as presenting the interests of Foundation Trust Members and the public and providing them with information on the Trust’s performance and forward plan. Governors have a range of statutory powers as well as significant influence over the Trust.

The Board of Directors of the RD&E is ultimately and collectively responsible for all aspects of the performance of the Trust. The Board of Directors’ role is to:

● Provide effective and proactive leadership of the Trust within a framework of processes
● Develop procedures and controls which enable risk to be assessed and managed.
● Take responsibility for making sure the Trust complies with its Licence, its constitution, mandatory guidance issued by Monitor, relevant statutory requirements and contractual obligations
● Set the Trust’s strategic aims at least annually, taking into consideration the views of the Council of Governors
● Be responsible for ensuring the quality and safety of healthcare service, education, training and research delivered by the Trust
● Ensure that the Trust exercises its functions effectively, efficiently and economically
● Take decisions objectively in the interests of the Trust
● Take joint responsibility for every decision of the Board, regardless of their individual skills or status
● Share accountability as a unitary Board
● Constructively challenge the decisions of the board and help develop proposals on priorities, risk, mitigation, values, standards and strategy

The Board of Directors has both Executive and Non-Executive Directors (NEDs). All Non-Executive Directors are independent. It is a unitary Board which means that both Executive and Non-Executive Directors share the same liabilities and joint responsibility for every decision of the Board. The Chief Executive is the nominated Accounting Officer and is responsible for the overall organisation, management and staffing of the NHS Foundation Trust, for its procedures in financial and other matters, and for offering appropriate advice to the Board on all matters of financial propriety and regularity.

In carrying out their role, Directors need to be able to deliver focused strategic leadership and effective scrutiny of the Trust’s operations, and make decisions objectively and in the interest of the Trust. The Board of Directors will act in strict accordance with the accepted standards of behaviour in public life, which include the principles of selflessness, openness, honesty and leadership (The Nolan Principles).
The Board of Directors is legally accountable for services provided by the Trust and is responsible for setting the strategic direction, having taken account of the views of the Council of Governors, and for the overall management of the RD&E.

The Board is led by the Non-Executive Chairman. There are six Non-Executive Directors who, together with the Chairman, form a majority on the Board. The six Executive Directors manage the day-to-day operational and financial performance of the Trust.

The Board of Directors works on a unitary basis, being collectively responsible for the performance of the NHS Foundation Trust and exercising all the powers of the Trust. In so doing, Board members bear full legal liability for the operational and financial performance of the Trust.

The Board normally meets to conduct its core business at least ten times a year. At these meetings it takes strategic decisions and monitors the operational performance of the Trust, holding the Executive Directors to account for the Trust’s achievements.

### Board Meetings

The papers for the monthly Public Board meeting and the approved minutes of the previous meeting are published on the Trust’s website in advance of the Board meeting. In advance of the legislation compelling NHS Foundation Trusts to hold their Board meetings in public, the RD&E decided in June 2012 to move to public Board meetings that were accessible to the public. These are meetings that take place in the public arena rather than public meetings, although members of the public have the opportunity to ask questions at the end of the public section of the meeting. Items of a confidential nature are discussed by the Board in private in a monthly confidential meeting. The issues discussed in the closed sessions tend to be commercial in confidence issues that may impede the conduct of the Trust’s business if they were to be aired publicly. The 1960 Act on Admission to Public Meetings is used by the Board to help determine which topics are discussed privately and, over the course of the year, the Board has sought to discuss the majority of its business in the public session.

In addition to its ten formal Board meetings, the Board also hold a number of development and strategy sessions.

The framework within which decisions affecting the work of the Trust are made are set out in the Trust’s published Standing Orders, Standing Financial Instructions and Scheme of Delegation, copies of which may be viewed on the Trust’s website (www.rdehospital.nhs.uk) or on request from the Foundation Trust Secretary.

The composition of the Board is in accordance with the Trust’s constitution and the Policy for the Composition of NEDs on the Board. The Board considers it is appropriately composed in order to fulfil its statutory and constitutional function and remain within Monitor’s Licence. In consultation with Governors, it has, through its recruitment of NEDs, been able to maintain a good quality and effective Board that is appropriately balanced and complete.

There is a clear division of responsibility between the Chairman and the Chief Executive. The Chairman heads the Board, providing leadership and ensuring its effectiveness in all aspects of its role, and sets the Board agenda. The Chairman ensures the Board receives appropriate information to ensure that Board members can exercise their responsibilities and make well-grounded decisions. The Chief Executive is responsible for running all operational aspects of the Trust’s business, assisted by the team of Executive Directors.

The Chairman and all Non-Executive Directors meet the independence criteria laid down in Monitor’s Code of Governance (Provision A.3.1). The Board is satisfied that no direct conflicts of interest exist for any member of the Board. There is a full disclosure of all Directors’ interests in the Register of Directors’ Interest which is available on the Trust’s website or upon request from the Foundation Trust Secretary. Directors and Governors may appoint advisors to provide additional expertise on particular subjects if required.

The Board of Directors is accountable to the membership via the Council of Governors. The Chairman informs the Council of Governors about the work and effectiveness of the Board at each Council Meeting.

The business of the Trust is conducted in an open manner and annual schedules of meetings for the Board of Directors and Council of Governors are published 12 months in advance.

### Board Focus

Over the year the RD&E’s Board has led and governed the organisational successfully. Our focus has been on ensuring a sustainable and safe clinical financial service. A clear governance and management system is in place. The Board reviews in detail the Trust’s safety, quality, financial and operational performance at every Board Meeting.

Some of the key issues the Board focused on during the year included discussions and debates on:

- The Trust’s Financial Performance
- The on-going work on the Transfer of Community Services to the Trust
- The Trust’s Cancer Performance, the recovery action plan and approval of the Cancer Operational Policy
- The Success Regime
FutureCare
The CQC Inspection which took place in November 2015
Nursing & Midwifery Establishment Review (6 monthly reviews)
Nursing, Midwifery and Allied Health Professions Vision
Equality and Diversity
The Workforce Strategy
The Infection Prevention and Control Annual Report 2014/15 and Annual Programme 2015/16
The Research and Development Annual Report 2014/15 and Annual Programme 2015/16
Mental Health – a collaborative approach
Operational Capacity and Resilience Plan
Assurance of the Trusts compliance with NHS England Core Standards for Emergency Preparedness Resilience and Response
Approval of the business case for an Electronic Patient Record

Outside Interests
The Board regularly updates its Register of Directors’ Interests to ensure that each member discloses details of company directorships or other material interest in companies which may conflict with their management responsibilities. Board members also have an opportunity at the start of each meeting to declare any interests which might impede their ability to take part in discussions and Directors are aware that such a declaration would be permissible at any time during a meeting, dependent on the issue being discussed and the potential for any conflict to arise. The Directors’ Register of Interests is available from the Foundation Trust Secretary (01392 404551) or on the Trust website: [www.rdehospital.nhs.uk/trust/ft/documents.html](http://www.rdehospital.nhs.uk/trust/ft/documents.html) and Directors can be contact via e-mail at rde-tr.foundationtrust@nhs.net

Board Effectiveness and Evaluation
The Board continued to develop its effectiveness during the year primarily through its programme of “development days.” Development days are seminar sessions that allow the whole Board to explore a range of issues and topics and develop and discuss ideas outside the formal setting of the Board. In addition, the Board held seminar and development sessions on the days in which the formal Board sessions took place.

These seminars and development sessions enable the Board to examine issues in more details, to explore key strategic issues as well as develop the capacities of the Board collectively. These sessions are vital to continuously improve the performance of the Board and to ensure that the Directors are able to discuss and debate key issues confronting the Trust in real depth. The issues discussed over the last year include:

- Finance – Cost improvement Plan / Understanding the deficit / Deficit and year end position
- Cancer Performance – Cancer Operational Policy, and Recovery trajectory
- FutureCare
- 7 Day working

The Chairman undertook appraisals for all Non-Executive Directors (NEDs). The process used a system that was co-designed and agreed by the Appraisals Working Group, a group made up of the Chairman, the Senior Independent Director and the Governors who sit on the Nominations Committee. The process involved a questionnaire aimed at the specific role of Board members that was used as part of a 360 degree feedback by fellow NEDs, Executive Directors and Governors.

Feedback on the performance of the NEDs was considered by the Chairman and fed back to the NEDs in appraisal meetings. Feedback on the performance appraisals was provided in written form and verbally to the Nominations Committee and an overview of the appraisals was discussed with the COG. All the appraisals undertaken were favourable with all NEDs performing at or above the expected level. In the event of concerns being identified through the appraisal process, this would be managed in line with the appropriate Human Resource policy.

A similar process was undertaken for the Chairman. In this case there was a longer questionnaire linked to the specific role of the Chairman and the process was led by the Senior Independent Director. Feedback on the performance of the Chairman was provided to the Nominations Committee and a summary was provided to the full Council of Governors. This was also a very positive appraisal.

The Chief Executive undertook the appraisals of Executive Directors using a similar process including feedback from Non-Executive Directors. Feedback on the appraisals was provided by the Chief Executive to the Executive Director Remuneration Committee (EDRC). The Chairman undertook an appraisal of the Chief Executive and the results of this were fed back to the EDRC.
Quality Governance Reporting

We have put in place a rigorous approach to governing the quality of our services. More details about these arrangements are included in our Quality Report as well as in the Annual Governance Statement (page 73 of this Report).

There are no material inconsistencies between the Annual Governance Statement, Board statements required by the Risk Assessment Framework, the Quality Report and the Annual Report.

The Board, through its sub-committees, regularly reviews the effectiveness of the Trust’s system of internal controls.

Summary Board Attendance 2015/16

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Board of Directors

Non-Executive Directors

JAMES BRENT – Chairman

James joined the Trust in May 2012 and is both Chairman of the Board of Directors and Council of Governors. He was an investment banker for twenty-five years and established Akkeron Group which has key business activities in hotels, urban regeneration, retail and leisure (including Plymouth Argyle Football Club). He has combined his commercial ventures with a desire to contribute in a range of public sector settings as well, for example previously as Chairman of Plymouth City Development Company and now as Chairman of Plymouth University.

JANE ASHMAN – Non-Executive Director

Jane joined the Trust in April 2014. A Social Worker by profession for the last 34 years and a passionate believer in the integration of Health and Social Care, Jane was a Director of Social Services for nine years until 2009. As well as her Non-Executive Director role at the RD&E Jane is the independent Chair of two Safeguarding Adult Boards and undertakes Serious Case Reviews and Domestic Homicide Reviews for other agencies when the need arises. Jane is the Chair of the Trust’s Organ Donation Group and is a member of the Patient Experience and Governance Committees.

PETER DILLON – Non-Executive Director

Peter joined the Trust in July 2013. After more than ten years with Deloitte, he now runs his own company advising businesses that require turnaround, stabilisation, cash management, budgeting, cost reduction or interim finance. In addition to the time he gives to the RD&E, until November 2015 Peter was also a Non-Executive Director in the Devon & Cornwall Housing Group, a social and affordable housing provider. Peter chairs the Patient Experience Committee and is a member of the Audit and Governance Committees.

JANICE KAY – Non-Executive Director

Janice joined the Trust in April 2014. She is Provost of the University of Exeter and Deputy to the Vice Chancellor. She line manages the University of Exeter Medical School among other key roles. She holds a number of national positions in Higher Education, including the HEFCE Strategic Advisory Committee on Quality, Accountability and Regulation. Janice is a member of Audit and Governance Committees.

DAVID ROBERTSON – Non-Executive Director

David joined the Trust in October 2010 and is a Fellow of the Institute of Chartered Accountants in England and Wales and a graduate in Business Studies. He was Finance Director of Viridor Limited, the waste management subsidiary of Exeter based Pennon Group plc, until March 2011. He was with the Pennon Group for twenty years, prior to which he was with KPMG for fourteen years. He is also Chairman of South West Lakes Trust. David is Chairman of the Audit Committee.

MICHELE ROMAINE – Non-Executive Director

Michele joined the Trust in September 2012. She has held a number of senior roles in public sector organisations, including the BBC as its Director of Production. Ten years ago Michele helped steer the course for the BBC in a time of significant change setting the vision for the technology, people and the process change necessary to modernise the BBC’s production capabilities. Michele has more recently served for three years as a Non-Executive Director on the Board of Salisbury NHS Foundation Trust. She continues to travel internationally through her consultancy business. Michele took over the role as Chair of Governance Committee in September 2014, and is a member of the Audit Committee.

ANDREW WILLIS – Non-Executive Director

Andy joined the Trust in February 2011. A corporate lawyer by profession, he has worked for City and regional law firms and now specialises in legal training and corporate governance. He is also a Leadership Associate of the King’s Fund, focusing on NHS Board/ Director development. Andy was appointed Vice Chairman and Senior Independent Director in April 2014 and was Chair of the Governance Committee from February 2012 to August 2014 inclusive. Andy chairs the Executive Director Remuneration Committee. Other current Board experience includes serving as a non-executive director of an NHS teaching hospital, a trustee of a third sector drug and rehabilitation service in Exeter and Chairman of a housing provider in Bristol. Prior to this he served on two NHS acute provider Boards and held board appointments in the housing and education sectors.

Executive Directors

ANGELA PEDDER OBE – Chief Executive

Angela joined the NHS in 1975. She was Chief Executive of St Alban’s & Hemel Hempstead NHS Trust before taking up her post as Chief Executive at the RD&E in 1996. Angela was awarded the OBE in the New Year Honours List 2007 for services to the NHS and was awarded an Honorary Doctorate by the University of Exeter in July 2011.
ADRIAN HARRIS – Executive Medical Director

Adrian has spent the last 20 years as a Consultant Emergency Physician at the RD&E. Adrian has directed the RD&E’s Emergency Department for 12 years and has been seconded to both North Devon District Hospital and Yeovil District Hospital as a Clinical Director. Prior to his appointment as Medical Director, he served as Associate Medical Director for the Surgical Division. In preparation for the post of Medical Director which Adrian was appointed to in April 2015, Adrian completed the NHS Leadership Academy’s Executive Fast Track Programme. Adrian is also a Sports Physician and Head of Sports Medicine at Exeter Chiefs Rugby Union Football Club.

TRACEY COTTAM – Executive Director of Transformation & Organisational Development

Tracey joined the RD&E in 2013 having worked in industry for over 30 years in a variety of senior leadership and consulting roles. Since joining the RD&E in 2013, Tracey has led the Trust-wide Transformation Programme as part of the Trust’s overall corporate strategy. Tracey works alongside her teams from Human Resources, the Programme Management Office, Service Development and Communication & Engagement to ensure the appropriate support is provided to the Trust to enable successful delivery of our strategic plans.

SUZANNE TRACEY – Deputy Chief Executive/Chief Financial Officer

Suzanne was first appointed as Finance Director in 2002 to Eastern Birmingham Primary Care Trust. She joined the Trust in August 2008 from Yeovil District Hospital NHS Foundation Trust, where she held the post of Director of Finance/Deputy Chief Executive. Suzanne is a Trustee for the Healthcare Financial Management Association and was appointed as President in 2011 and stood down from this position in December 2015.

EM WILKINSON-BRICE – Deputy Chief Executive/Chief Nurse

Em joined the RD&E in July 2010 after qualifying as a nurse in 1992 in Exeter. She subsequently worked in Oxford specialising in Cardiology and high dependency care. A firm interest in facilities management alongside nursing resulted in Em taking the post of Director of Nursing and Facilities at Derby Hospitals NHS Foundation Trust prior to coming to Exeter. Em’s role expanded to cover the Chief Operating Officer portfolio in January 2012. In 2015 Em was asked to lead the Trust’s five year Transformation Programme focused on delivering, in partnership with local agencies, a new model of care to facilitate population health and wellbeing. In recognition of the close working partnership between the Trust and Plymouth University, Em was appointed Associate Professor Faculty of Health and Human Sciences.

Non-executive Director Appointments

The Chairman and Non-Executive Directors are appointed by the Council of Governors (CoG) acting on the recommendation of the Nominations Committee, which is a committee of the CoG.

The Chairman chairs the Committee when appointing Non-Executive Directors. Membership of the Committee can be found in the Governors section on page 68.

The Chairman and Non-Executive Directors are initially appointed for three year terms, as approved by the CoG. Re-appointments for a further three years can be made, subject to satisfactory appraisal and the approval of the Governors. Consideration of extension beyond six years is subject to rigorous review, in line with the agreed process.

There have been no new Non-Executive Director appointments during 2015/16.

Non-executive Director Remuneration Committee

The Non-Executive Director Remuneration Committee (NEDRC) comprises five elected Governors and is chaired by the Lead Governor. The Committee is supported by the Deputy Director of Transformation and Organisational Development.

Recommendations for any changes to remuneration for the Chairman and other Non-Executive Directors are made by the NEDRC for consideration by the Council of Governors at a general meeting. Similar to last year, the Committee did not meet during the year as it did not need to on the basis of decisions reached in 2012/13. The decisions set out that the NEDs would not receive any increase in remuneration over and above any changes made in uplifting salaries in line with that agreed for staff generally as part of the nationally agreed Agenda for Change.

Membership of NEDRC

- Richard May (Lead Governor and Chairman of the NEDRC)
- Alison Wootton (Staff Governor)
- Alan Murdoch (East Devon, Dorset, Somerset & the Rest of England)
- Geoff Barr (Exeter & South Devon)
- Dianah Pritchett-Farrell (Mid, North, West Devon & Cornwall)
Enhanced Quality Governance Reporting

Patient Care

The Trust is a public benefit corporation which is inextricably linked, through the Council of Governors, to our members. The demographic information we hold about our members suggests that there is a reasonable correlation with the demographics of the wider population. To this end, we have sought to involve and engage members to seek their views on strategic direction, on service improvements or changes and on improving patient experience as a reasonable proxy for the broader population served by the Trust. As described later, we have used our annual Members’ Say event to improve our understanding of member views and we also undertake regular online surveys often followed up by in-depth focus groups to help gather the views of our membership. In addition, we seek to involve Governors, as representatives of the population as well as users of our services, on specific projects where the Trust is improving services or patient experience.

During 2015/16 unscheduled growth in activity and associated capacity constraints have resulted in waiting times for diagnostics tests, and for surgery for patients with fractured neck of femur, being challenged and extended. Actions have been taken to reduce growth in referrals wherever feasible, and to increase capacity to respond to these pressures in order that waiting times might be restored to compliance. Alongside this, work has been undertaken in conjunction with commissioners to enable assurance to be provided regarding the extent of the increased wait, the volumes of patients affected, and quantification of any associated clinical impact for those patients waiting longer than the standard. This mechanism has been extrapolated to a broader range of contractual targets including patients waiting longer than 52 weeks on an incomplete pathway from RTT, and waiting longer than 28 days for a procedure to be rebooked following an on-the-day cancellation of their procedure for non-clinical reasons, embedding quality and safety at the heart of the performance framework.

Performance Against Key Healthcare Targets

The Trust has continued to deliver each of the key national healthcare targets relating to quality of care throughout 2015/16. Notably, there have been no Trust attributable MRSA bacteraemia for the fourth consecutive financial year, and the rate of Clostridium Difficile infections per 100 000 occupied bed days is the lowest in the South West.

The Trust’s monitoring against a wider suite of metrics through its internally developed Ward to Board framework, incorporates process and outcome metrics across a range of domains relating to quality of care including pressure ulcerations, nutrition, infection control, falls and delivery of harm free care. In 2015/16, the Trust on average:

- delivered harm free care within the hospital in 98.2% of occasions
- undertook risk assessments for the likelihood of:
  - developing pressure sores for 96.6% of patients
  - falls for 89.2% of patients
  - venous thromboembolism for 96.0% of patients and
  - nutritional needs for 96.5% of patients

In addition we achieved a hand hygiene compliance rate of 89.8%.

The Trust has been challenged over a number of months on some cancer waiting targets. As a result of a consistent effort and a more in-depth understanding of the issues, the Trust has seen sustained improvement across the range of cancer targets towards the end of the financial year. By March 2016, all nine of the national cancer targets were met. When considering performance across the range of cancer targets this indicates the best performance the Trust has seen for over two years and represents significant improvement in the delivery of these key operational targets.

There was sustained pressure on the Emergency Department over the winter period. For example average daily attendances for March 2016 were 317 (compared to 287 for the same period last year). March 2016 saw a 9.8% increase in attendances compared to March 2015, against an expectation of 0% growth. This sustained pressure is reflected throughout Quarter 4 (2015/16) which has seen a 10.1% increase in attendances compared to Quarter 4 2014/15.

As a result of these operational pressures, performance against the A&E maximum waiting time of 4 hours was not maintained. In March 2016 the Trust managed to reach 93.2%, an improvement from February when performance was 92.8%. These performance figures mean that the department did not achieve the contractual and Monitor performance targets in March or for Quarter 4. In comparison to available national benchmarks for Type 1 A&E providers for February the Trust’s performance (91.2%) compares favourably to the national average (81.6%) and places the Trust in the upper quartile for performance. The Trust continues to work hard to improve this performance and the Emergency Department team developed an action plan to restore and sustain performance.
Monitoring Improvement in Quality

The Trust approach adopts a balanced scorecard, represented through the Board’s Integrated Performance Report (IPR). Governance and Performance is managed via the Governance, Operations and Performance System, overseen by the Governance Committee which takes a comprehensive oversight of the quality and safety of care.

The Trust’s CQAT was extended to include outpatients in 2015/16 and forms part of the monthly Ward to Board framework where key quality and safety indicators are reported and monitored. Furthermore a quarterly drill down report is also presented to the Board of Directors where Divisions report by exception any ward/department area that flags on the framework.

In addition the Trust uses a performance framework which provides assurance that performance including safety & quality indicators are effectively monitored and reported to support managers and clinicians in delivering the required targets.

The Trust underwent a routine, planned CQC inspection in November 2015 and was awarded an overall rating of Good, with Urgent and Emergency Services and Critical Care and the Caring Domain being awarded as Outstanding. This achievement was mirrored in the Quality and Safety indicators that are contained within the Board’s IPR. There was consistent excellent “green” performance during the year for the majority of indicators within the domains of Safety and Clinical Effectiveness. This indicates that despite the financial and operational pressures, the Trust has continued to perform well with regard to quality, patient safety and patient and staff experience.

Details of the Trust’s CQC ratings are included in the Regulatory Ratings Section of this report on page 71, a full copy of the Inspection Report can be located on the CQC website: http://www.cqc.org.uk/

Service Improvements

Outpatient Review and Redesign

Using public and patient feedback data gathered throughout 2014/15 the development of plans to:

- Improve today, e.g. establishing a single point of leadership
- Redesign tomorrow

is underway. The design of a new model of Outpatient Service is being undertaken by the Care Design Group; a group of over 40 people from across the local care economy, from different disciplines, sectors and agencies, paying particular attention to the extensive public/patient engagement/feedback obtained throughout 2014/15.

Surgical Triage and Assessment Unit (STAU)

The Surgical Triage and Assessment Unit was started as a trial in July 2015. The main aim of the trial was to ensure that all patients attending with a surgical emergency were reviewed by a senior clinician. As part of the project a Consultant Surgeon has been available to undertake regular ward rounds and undertake “Hot Clinics” ensuring that a senior review takes place as soon as possible. The Hot Clinics are still evolving but enable patients to go home overnight, avoid having to stay in hospital, come back the next day for the required scans, blood tests and for a further Consultant review. One of the main aims of this piece of work has been to reduce the number of patients having to stay in hospital unnecessarily waiting for diagnostic scans and tests. By ensuring that the surgical patients are seen in this way helps to reduce the pressure on the Emergency Department and ensure that we see all our patients in a timely manner in the right place. Due to the success of the trial, the STAU has become an established part of the admission process.

Going Home

During 2014 Healthwatch England carried out an inquiry into the hospital discharge process. In addition local Healthwatch (Devon) launched a survey into people’s experiences of leaving hospital and care throughout Devon. For those who were not satisfied with their discharge the top three causes of dissatisfaction were “timeliness”, “aftercare” and “communication”. When asked what could improve the experience of leaving hospital, the biggest single suggestion was “co-ordination of care between hospital and home”. The Trust has the Good Outcomes on Discharge (GOOD) Project Group in operation which has been reviewing and revising the discharge process. A priority for 2016/17 is to further develop and improve our discharge processes, specifically take the learning from the ICE Discharge to Assess (D2A) scheme and establish clear nurse leadership of discharge and process redesign through the Nursing, Midwifery and Allied Health Professions Vision.

Patient Surveys

Over the last year a number of surveys have been reported which demonstrate the effectiveness of our services. These include:

- National Inpatient Survey Results
- Emergency Department Survey Results
- National Children’s Survey Results
- National Maternity Services Survey Results
- Intensive Care Unit (ICU) Relatives Survey
National Inpatient Survey Results

The National Inpatient Survey is completed on an annual basis; the results were reviewed in May 2015. The results were shared with the Divisional teams and used to inform the CQAT tool and the on-going work on discharge. The results confirmed minimal changes from the previous year. The main findings and action taken were:

- Noise at night has been flagged with the nursing teams to ensure it is minimised. Individual patient ‘packs’ including ear plugs are available and the availability of these needs to be promoted. It is not always possible to eliminate noise at night

- Information for patients on medication and information for patients going home is being considered by the GOOD project which is reviewing the arrangements for going home

- There are numerous ways for patients to provide feedback, e.g. the Friends and Family Test, ‘What went well.., even better if’. Consideration has been given to what else could be offered

Emergency Department National Survey Results

This survey is carried out every two years. It outlines areas across the patient’s journey to ED and the patient’s experience; there was a response rate of 41%. Overall the results of the survey were positive and showed that we rated above average in many areas. A summary of the areas for further improvement include:

- Addressing the privacy and dignity issues for patients when attending the reception area

- Continue to work with our Commissioners and CCG colleagues to redefine the Urgent Care system, to make it easier for patients to navigate and make more informed choices around their health care

- Triangulate patient experience feedback to identify specific actions that can be put in place

National Children’s Survey Results

The 2014 National Children’s Survey results were published on the CQC website on 1st July 2015. Overall the patient satisfaction was high and the survey results were very good.

The survey had three components targeting different age groups: a parent/carer version for 0-7 year olds, a version for 8-11 year olds and one for 12-15 year olds.

An example of what went well included:

- Explanations were given to patients regarding what would happen during the operation or procedure

- Someone explained to the patient how the operation or procedure had gone

- Patients were told what to do or who to talk to if they were worried after going home

- People looking after the patients listened to them

It was identified that it would be even better if:

- Food – limited choice. As a result the management team joined a mealtime with patients to obtain feedback. In addition the diabetic dietician is working to improve the food choice

- Parent facilities – limited space for provision of facilities for parents; ways of creatively increasing this have been explored and introduced

- Activity/play – the results were variable across the age groups. Effectively communicating what is available alongside an audit to demonstrate what is mainly used has been completed

- Discharge information – parent feedback indicates this was not always adequate. The team have been working on making improvements on this for example a detailed leaflet

National Maternity Services Survey

Overall this was a positive survey with very good results for the Trust. Improvement was seen across 64% of all indicators. The Trust had 39% of indicators among the top 20% of Trusts. Significant improvements have been seen in Antenatal Care. Three areas have been identified for further improvements which are outlined below, with actions being identified to address these:

- Women being left alone

- Breastfeeding support for women

- Provision of information about women’s emotional health

Intensive Care Unit (ICU) Relatives Experience Study

The ICU participated in the Family Reported Experiences Study (FREE) study, which was a multi-centred study, run by the Intensive Care National Audit & Research Centre (ICNARC), which looked at relatives’ experiences of having family members on intensive care. The unit was selected from open applications as one of 20 units to take part in the study. Families of patients were asked if they would like to take part and if so a questionnaire was sent out to them three weeks after the patient was discharged.

Overall, the Unit performed well in the domains described, both independently and when compared to other units. The
responses were grouped into the domains of: concern and caring for patients; symptom management; consideration for family members; organisation of care; communication; the environment of the ICU and the waiting room, and decision making. The Trust received positive comments as well as suggestions for improvement in all these areas, which have been grouped by themes.

The most common themes were around improvements for parking, the waiting area and environment and more time for doctors to speak to the relatives; all of which are being addressed.

**Learning from Patient Feedback**

The “Demonstrating Difference” approach was fully implemented over the last year, where learning from patient and carer feedback is captured and used to demonstrate the difference made. The information is regularly reviewed in the Patient Experience Committee and Board reports as part of our on-going quality monitoring. The following examples demonstrate how we have improved patient experience based on feedback received:

- As a result of a complaint within Cardiology, the paper referral system to community rehabilitation services has been replaced with an electronic referral system. This has improved the ability to provide an instant referral

- Following feedback from patients and community nursing staff, a programme has been implemented to allow patients and carers to have assisted automated peritoneal dialysis (a form of treatment for kidney patients, with an exchange of fluid via a tube in the abdomen) enabling patients to have treatment in their own homes. Prior to this initiative patients would have to travel to hospital up to three times a week. The service is supported by Assistant Practitioners who visit the patient on a daily basis, prepare and clean the machine, leaving the patient to connect for treatment when convenient. This has made a considerable difference to patients and carers

- Patients, staff and paramedics raised issues regarding poor communication in ambulance handover and the triage of patients in the Emergency Department Majors area. As a result, the Emergency Department introduced a Rapid Assessment and Triage (RAT) process. Patients are ‘greeted’ in a dedicated RAT room by a triage nurse, senior clinician (usually a consultant) and a junior doctor or band 5 nurse. This provides an opportunity for a handover that the patient / carer can contribute to and senior members of the clinical team can receive first hand, rather than indirectly through handwritten paramedic documentation. Patients have fed back on the reassuring value of being seen by a senior clinician within 15 minutes of arrival who can provide information about the likely subsequent management (i.e. admission or discharge) and direct the early request of investigations (blood tests/x-rays) to facilitate a smoother journey through the department

- A urology suite has been constructed within the Endoscopy department which encompasses an admission room, pre-procedure changing area, procedure room, post-procedure toilet and changing area, and a discharge room. The same nurse now accompanies the patient throughout their journey offering continuity and reassurance to make the care pathway more efficient. The efficiency of patient flow has been markedly improved and in addition to improving the patient experience, there is more available capacity and improved waiting times for patients with suspected cancer

- Feedback from patients and families admitted to the Intensive Care Unit (ICU) has identified communication challenges for patients who have tracheostomies and are ventilated. The ICU has purchased 2 tablet computers with appropriate software to help patients with communication whilst they have their tracheostomies in situ and are unable to speak

- The Local Supervising Authority Annual Review of Midwifery Supervision highlighted the need for Supervisors of Midwives (SoMs) to increase engagement with users. In response to this, the SOMs worked with the Communications Team to develop a pilot use of a Facebook page, which has been positively received and highlighted in the recent CQC inspection as an area of outstanding practice

**Improvements in Patient/Carer Information**

The Trust has around 770 leaflets which are generally reviewed on a three yearly cycle. The clinical services own this information and ensure that it is kept up to date for patients and their carers. Information leaflets are often developed to help enhance the explanations provided by clinicians and to reinforce information on treatment choices. Information for patients can help to ensure that they know what to expect when attending for a procedure or a clinic and are often developed and/or revised following feedback from patients.

Revision of specific patient information has been completed for a number of services; for example when patients are attending an outpatient clinic they may require a physical assessment. Alerting them to this in advance helps to ensure patients are aware of what to expect. Further examples of this relate to where a clinic is described as Fast Track. Patients can expect this to be a one stop clinic for diagnostic tests. Clearly explaining what can be expected at an appointment can help manage expectations.
A specific piece of work has taken place in the Emergency Department to improve communication with patients who are waiting to be seen. A short cartoon presentation has been developed and shown in the ED waiting area. This gives patients some idea of the waiting time, together with information on what happens next and what may happen once they are seen by a doctor. This has been developed to try and reduce complaints about waiting times and improve information given to patients. There are posters and charts displayed in the waiting area giving further information and leaflets have also been produced giving a summary of the cartoon presentation in a written format.

Complaints Handling

The Trust receives approximately 500 written complaints and 450 concerns a year. This represents 0.13% of footfall, i.e. the number of patients who have used our services. All feedback from patients and their families is used to help us to further improve our services. On a quarterly basis a detailed analysis on patient experience including complaints is reviewed by our Patient Experience Committee which has Governors as part of its membership; where we ensure that learning from complaints and demonstrating difference examples are shared.

Learning from patient experience continues to be a high priority for the Trust. A number of initiatives have been implemented over the year, which can be summarised as:

- The divisional performance process has been strengthened with a focus on lessons learnt and ensuring more timely response to complainants. The demonstrating difference examples are incorporated into the Board’s reporting to ensure timely sharing of good practice and practical examples of change are shared at board level
- The Patient Experience Committee quarterly report has been developed further to provide greater assurance on learning from complaints
- Revision has been made to the subcategories of complaints to ensure the maximum learning is gained from the complaint information from April 2015
- There has been closer working between the patient experience and the safety and risk team to maximise learning and share systems and processes
- The patient experience leads meet regularly to ensure consistency of approach and to share good practice
- All complaints with End of Life (EOL) issues are reviewed at the EOL Steering Group. Work is on-going to improve communication around EOL with some targeted training to specific wards

Results of Complainant Satisfaction Survey

To ensure the Trust is making every effort to meet the needs of complainants, a satisfaction survey was included with the Chief Executive’s written response to complainants for all complaints and concerns. The survey sought information about the timeliness and clarity of the response, together with whether the complainant was satisfied with the handling of the case and actions taken. During the period 1 July 2014 to 30 June 2015 a total of 806 surveys were sent out with the response from the Chief Executive to complainants and 215 (27%) completed surveys were returned. As a result of the findings the following improvements were put in place:

- An emphasis on the importance of regular contact with the complainant, supported by a monitoring report on ‘last contact’ which is reviewed at the monthly Complaint Leads meetings, alongside performance on completion of complaint responses in a timely manner
- Assistant Directors of Nursing quality check the responses prior to them going to the Chief Executive for signature to ensure that all issues are fully answered and that the actions taken are described

As a Trust we will continue to support the National Survey programme and continue to participate in targeted pieces of work to ensure that we continue to hear from those who use our services to ensure that we continue to meet their needs.
Stakeholder Relations

Over recent years the Trust has worked hard at developing its partnership working and has sought to engage more effectively with its stakeholders. The Trust has developed its understanding of the central importance of stakeholder relations and the need to engage, involve and communicate with stakeholders in order to build a new compact that will result in better, more effective, personalised care based on the needs of the individual. Working with and alongside key partners and stakeholders is essential and this has been amplified during the year through the Trust’s participation in the Success Regime. The Success Regime is only one aspect of the Trust’s stakeholder relations.

Increasingly, the RD&E is working with and alongside partners in a way that might have been unimaginable several years ago. For example, the work described elsewhere in this Report on the ICE project is a good example of how pooling resources and energy has helped unlock system constraints and issues that, in the past, would have been hard to navigate around. While partner working can occasionally be cumbersome or not move at the pace required, it has helped to open up new ways of tackling issues that may have seemed intractable.

The orientation of the Trust’s work on FutureCare - which seeks to put in place the conditions for a new model of place-based care that focuses on assisting people to maximise wellbeing and manage their own health, whilst maintaining safe and appropriately high quality care and clinical interventions – begins from understanding the needs of the communities we serve. The process of taking on community services in the Eastern locality, which is part of the FutureCare Programme, has helped begin to develop new conversations and approaches with stakeholders in East and Mid Devon in which we are seeking to better understand needs and aspiration of the citizens of Devon building on the work that NEW Devon CCG has carried out in developing the Devon “I” statements. More remains to be done on extending and developing this conversation but the strategic intent to work with and engage with stakeholders on this journey has begun.

As set out earlier in this Report, the Trust has strengthened its partnerships with nearby NHS organisations and local government through the collaborative work underway through the Success Regime. The Success Regime has helped focus attention on some of the structural issues facing the health and care economy in NEW Devon that has led to an unsustainable financial position. In identifying some of the key issues, it has also begun to establish new ways of working right across the system to address these issues. The analysis produced by the Success Regime in its Case for Change, released in February 2016, provided analysis of the system in Devon against a range of benchmarked health economies in England.

Work has begun and will continue into the next financial year on five identified opportunities to manage activity in a way that is both better for patients, increases efficiencies and can be carried out more cost effectively. These five areas are summarised below:

- Bed based care
- Elective care
- Continuing Care
- Procurement
- Agency spend

To support the implementation of the Success Regime programme, the Trust will play a leading role in delivering an effective stakeholder engagement and communication plan which engages local communities and staff in delivering the changes needed.

Finally, the Trust has developed a positive on-going relationship with the Health and Wellbeing Scrutiny Committee of Devon County Council over recent years. During the year the Trust has met with the Committee on several occasions and has also informally discussed a number of issues with the Committee Chairman. The main issues discussed with the Committee have included:

- Progress made on facilitating hospital discharge
- Cancer waiting times position
- The proposed relocation of thoracic surgery

The Trust continued to enjoy positive relations with local charities (FORCE and ELF) and it works together with Devon Healthwatch to improve services.
Disclosures

Statement as to Disclosure to Auditors

The Annual Report, Quality Report and Annual Accounts have been approved by each individual who is a Director at the time.

Disclosure to Auditors and Further Disclosures

So far as each Director is aware, there is no relevant audit information of which the RD&E’s External Auditor is unaware. Each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the RD&E’s external auditor is aware of that information.

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

If management wishes to use the services of the Trust’s external auditor for any non-audit purposes, we demonstrate why this is appropriate. The Deputy Chief Executive/Chief Financial Officer will provide professional advice on the appropriateness of such an arrangement and the Audit Committee keep under review the level of non-audit services provided by the External Auditor taking into account relevant guidance. The safeguard is in place to ensure independence.

Income Disclosures Required by Section 43 (2a) of the NHS Act 2006

The Trust has complied with Section 43 (2a) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012). The Trust’s income from the provision of goods and services for the purposes of the health service in England is greater than its income from the provision of goods and services for any other purposes.

Income generated from the provision of goods and services for any other purposes is used by the Trust to provide healthcare services.
Remuneration Report

The membership of the Executive Director Remuneration Committee (EDRC) consists of the Chairman and all the Non-Executive Directors. During the year, the Committee was chaired by Andrew Willis as the Senior Independent Director. The Chief Executive and, as necessary, other Executive Directors were invited to attend the meetings in an advisory role but are excluded on issues directly relevant to them by the Chairman of the Committee. The Committee is supported by the Deputy Director of Transformation and Organisational Development.

The Committee’s main purpose is to set rates of remuneration, terms and conditions of service for the Chief Executive, Executive Directors and their direct reports, i.e. those persons in senior positions having authority or responsibility for directing or controlling the major activities of the Trust. Since 2014 the role of the Committee has extended to include direct reports to the Executive Directors who moved to ‘spot’ salaries outside national terms and conditions within the review of the Trust’s senior management arrangements.

A core responsibility of the Committee is to ensure effective succession planning is in place for the Chief Executive and Executive Director roles on behalf of the Trust. The importance of effective succession planning has been highlighted this year with the announcement that our Chief Executive has been appointed as the Lead Chief Executive for the Success Regime programme in Northern, Eastern and Western Devon. Whilst the announcement was made in April 2016 the work of the EDRC started some months earlier to ensure that the Trust was ready to begin the search for a successor as soon as practicable.

Non-Executive Director and Chairman Remuneration is dealt with by the Non-Executive Director Remuneration Committee (NEDRC). The arrangements are set out on page 33.

In-year Remuneration Decisions

Since the 1% non-consolidated increase made in April 2014 and reported in the 2014-15 Annual Report no change has been made to the remuneration of the Senior Managers within the scope of the EDRC with the exception of Mr Adey as reported below.

In November 2015 the EDRC approved a temporary uplift to the salary of Mr Peter Adey in the role of Operations Director. In March 2016 the Committee reviewed a recommendation from the Chief Executive to temporarily move Mr Adey into the role of Director of Operations with full Executive Director responsibilities. This was considered as a temporary change of role through to April 2018 to enable the Deputy Chief Executive/Chief Nurse to continue to focus her efforts on the delivery of the FutureCare programme including the Transfer of Community Services. This was agreed with a review in April 2017 to assess the on-going needs of the Trust to continue with the position.

Attendance at EDRC Meetings 2015/16

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<td>P</td>
</tr>
<tr>
<td>P Dillon</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
</tr>
<tr>
<td>J Kay</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>A</td>
</tr>
<tr>
<td>D Robertson</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
</tr>
<tr>
<td>M Romaine</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
</tr>
<tr>
<td>A Willis</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
</tr>
</tbody>
</table>

P = Present   A = Apologies

In addition to the scheduled EDRC meetings the Committee members met for a number of minuted meetings in the context of succession planning specifically for the Chief Executive role. These extraordinary meetings (held in January, February and March 2016) included discussion of remuneration for the new Chief Executive, the Committee recognise that any package in excess of £142,500 will require prior agreement with the regulator.
Senior Managers Remuneration Policy

The Trust adopts the principles of Agenda for Change terms and conditions when considering Senior Managers pay, remuneration is set on a spot salary basis. The spot salaries are based on market testing to identify the market rate, the experience of the candidate is also taken into account. The principles guiding the approach of the Committee's decision making are:

1. The Committee’s approach to remuneration will seek to position the Trust in a way that it is able to attract, retain and motivate Executive Directors and their direct reports of sufficient calibre to maintain high quality, patient-centred healthcare and effective management of the Trust’s resources.

2. The Committee understands that senior level positions in the Trust operate in a regional/national context and that remuneration for these positions is primarily determined by the market. In order to remain competitive and attract and retain high calibre staff, the salaries of senior staff must be regularly reviewed to ensure that they remain broadly competitive and that the salaries offered to incumbents do not denude over time so that they are out of line with comparable Trusts. Nevertheless, the Committee will avoid paying more than is necessary to recruit, retain and motivate Executive Directors and their direct reports and will take positions that are publicly defensible. Moreover, the Committee understands that its approach must strike an appropriate balance with the Committee’s duty to ensure the effective stewardship of public resources.

3. The Committee will be rigorous in ensuring that potential conflicts of interest are recognised and avoided. Executive Directors and their direct reports will not be involved in deciding their own remuneration package.

4. On an annual basis, the Committee will consider the remuneration packages of all Executive Directors and their direct reports bearing in mind the performance of the Executive Directors and their direct reports in fulfilling their duties and in regard to the overall performance of the Trust.

5. The Committee will use external comparison data on the pay and conditions of Executive Directors in comparator Foundation Trusts no less frequently than every two years. This work will be undertaken on behalf of the EDRC by a competent and suitably qualified external organisation or senior Human Resources adviser. The EDRC will identify a suitable comparator subset of Foundation Trusts and Trusts from which it wishes to derive data. The Committee will make judgements on where it wants to position its relative remuneration package for Executive Directors and their direct reports in any one year in relation to comparison data from other Foundation Trusts. The EDRC will treat comparator data with caution not least so as to avoid undue pay inflation.

6. The Committee will seek to apply the principles fairly and transparently and on the basis of data and advice from competent external bodies/consultants or senior Human Resource adviser as necessary. The Committee understands that it will use the data it gathers and the framework set out in the principles to exercise the necessary judgment on pay and reward issues. The Committee will ensure that remuneration reflects the extent of the role and responsibilities of individual posts and their contribution to the organisation and will be based on judgements relating to:

   - Market rates for comparable roles in comparable organisations
   - Interpretation of the data from an agreed comparator group
   - The size and scope of the role in question
   - Advice from the Chairman of the Trust in relation to the Chief Executive
   - Advice from the Chief Executive in relation to the Executive Directors and their direct reports
   - Affordability
   - Other NHS pay settlements
   - Wider implications that may arise from setting the remuneration packages of Executive Directors and their direct reports in relation to pay levels determined through national agreements within the NHS
   - Any other factors deemed appropriate

7. The Committee will seek to achieve broadly standardised terms and conditions for example on notice periods for all posts which fall within the scope of the principles. The EDRC has resolved to move towards a situation in which there is a higher degree of conformity (a notice period of six months).

8. The Committee will be transparent in the application of its remuneration principles. It is a requirement that details of the remuneration package for Board Directors are recorded in the Trust’s Annual Report.

9. The Trust recognises that the EDRC has the authorised responsibility to apply its independent judgement on matters within its remit within the wording and the spirit of the agreed principles. However, there may be times when a different approach is required which steps outside the scope of the principles and in these cases, particular care must be taken and clear justification must be given and recorded. Some circumstances which
may require flexibility include temporary promotions; atypical employment conditions; specific issues related to individuals etc. The Committee will reserve the right to recruit an Executive Director or a direct report on a salary below the market value in cases where a development plan would enable the employee to reach the minimum standards to undertake the role at a satisfactory level. The Committee also reserves the right to pay additional payments to Executive Directors and their direct reports when deemed necessary because of exceptional circumstances. The occasions when additional payments are required will be limited. When considering using additional payments, the EDRC will need to be able to fully justify and explain why it has opted to take this course of action. It would only normally consider such action on the basis of a clear business case. Special care must be taken to ensure that the use of additional payments is completely transparent and that consideration has been given to the impact on pay inflation among Executive Directors and their direct reports as well as to guard against accusations of bias or arbitrary practice.

The principles will apply to the pay, awards and terms of employment of the Trust’s Chief Executive and Executive Directors and their direct reports and include the following components:

- The core salary
- Any supplementary payments to the Director over and above the core salary in recognition of extraordinary factors such as matching market forces in recruitment; exceptional endeavour etc.
- Additional non-pay benefits over and above the core salary including pensions, vehicle/lease car issues, mobile phones and other such benefits
- The terms and conditions in regards to issues (such as notice periods, conditions attached at recruitment stage for professional development for example) etc
- Arrangements for termination of employment and other contractual terms

On an annual basis the Committee will consider whether any issues have emerged which require consideration of any adjustments to existing remuneration packages such as:

- At the beginning of a process to recruit a replacement Executive Director or direct report
- When issues concerning inflationary uplifts within the NHS need to be considered – on an annual basis
- When changes are made to the size and scope of Executive Director or direct report portfolios

The Chief Executive, with input from the Non-Executive Directors and the Trust Chairman, completes a formal annual performance review for all Executive Directors and the Chairman reviews the performance of the Chief Executive. These reviews are reported to EDRC and, whilst the Trust does not currently operate a performance related pay scheme, these reviews are considered as a part of the review of remuneration. Any salary that is in excess of £142,500 is subject to particular scrutiny against the policy to ensure that the remuneration is reasonable.

The Executive Directors are appointed on permanent contracts and have a six month notice period (the Chief Executive has a twelve month notice period). The Trust follows agenda for change principles in calculating severance packages for redundancy.

There were no new components of the remuneration package introduced during the year.

On 16 March 2016, 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.
# Future Policy Table

<table>
<thead>
<tr>
<th>Element of pay (Component)</th>
<th>How component supports short and long term strategic objective/goal of the Trust</th>
<th>Operation of the component</th>
<th>Performance metric used and time period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic salary</td>
<td>Provides a stable basis for recruitment and retention, taking into account the Trust’s position in the labour market and a need for a consistent approach to leadership.</td>
<td>Stability, experience, reputation and widespread knowledge of local needs and requirements supports the Trust’s short term strategic objectives outlined in its annual priorities and its long term strategic goals.</td>
<td>Following market testing (undertaken every two years) which seeks to identify salary paid for similar role, individuals are remunerated by spot salary on a case by case basis. There is no predefined upper limit.</td>
</tr>
<tr>
<td>Benefits</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Pension</td>
<td>Provides a solid basis for recruitment and retention of top leaders in sector.</td>
<td>Contributions within the relevant NHS pension scheme.</td>
<td>Contribution rates are set by the NHS Pension Scheme.</td>
</tr>
<tr>
<td>Bonus</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Fees</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>
## Directors’ Remuneration 2015/16

<table>
<thead>
<tr>
<th>Name and Title</th>
<th>Salary and Fees (bands of £5000)</th>
<th>Taxable Benefits (rounded to the nearest £100)</th>
<th>Pension related Benefits</th>
<th>Other Remuneration (bands of £2500)</th>
<th>Golden hello/ compensation for loss of office (bands of £5000)</th>
<th>Total (bands of £5000)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2015/16</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>J Brent</td>
<td>Chairmain 45 - 50</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>45 - 50</td>
</tr>
<tr>
<td>J Ashman</td>
<td>Non-Executive Director 10 - 15</td>
<td>2,400</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>15 - 20</td>
</tr>
<tr>
<td>P Dillon</td>
<td>Non-Executive Director 10 - 15</td>
<td>1,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10 - 15</td>
</tr>
<tr>
<td>J Kay</td>
<td>Non-Executive Director 10 - 15</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10 - 15</td>
</tr>
<tr>
<td>D Robertson</td>
<td>Non-Executive Director 10 - 15</td>
<td>100</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10 - 15</td>
</tr>
<tr>
<td>M Romaine</td>
<td>Non-Executive Director 10 - 15</td>
<td>2,300</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>15 - 20</td>
</tr>
<tr>
<td>A Willis</td>
<td>Non-Executive Director 10 - 15</td>
<td>2,800</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>15 - 20</td>
</tr>
<tr>
<td>A Pedder</td>
<td>Chief Executive 180 - 185</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>180 - 185</td>
</tr>
<tr>
<td>T Cottam</td>
<td>Executive Director of Transformation &amp; Organisational Development 110 - 115</td>
<td>- 25.0 - 27.5</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>135 - 140</td>
</tr>
<tr>
<td>A Harris</td>
<td>Executive Medical Director (appointed 1 April 2015) 170 - 175</td>
<td>100 0 – 2.5</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>170 - 175</td>
</tr>
<tr>
<td>S Tracey</td>
<td>Deputy Chief Executive/Chief Financial Officer 140 - 145</td>
<td>100 30.0 - 32.5</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>175 - 180</td>
</tr>
<tr>
<td>E Wilkinson-Brice</td>
<td>Deputy Chief Executive/Chief Nurse 140 - 145</td>
<td>- 20.0 - 22.5</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>165 - 170</td>
</tr>
</tbody>
</table>

There were no annual performance-related bonuses or long-term performance-related bonuses paid to any individual in the financial year.

The benefits in kind relate to the mileage allowance paid over and above the HM Revenue & Customs allowance for Executive Directors. For Non-Executive Directors official mileage is paid under a Payment Settlement Agreement (PSA) with HMRC, and the Trust makes payments for Tax and NI based on grossed up figures.

### Ratio between highest paid director and median remuneration received by employees of the Trust

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Band of highest paid Director - as above</td>
<td>180 - 185</td>
<td>180 - 185</td>
</tr>
<tr>
<td>Median remuneration received by employees within the Trust</td>
<td>26.7</td>
<td>27.6</td>
</tr>
<tr>
<td>Ratio</td>
<td>6.8</td>
<td>6.6</td>
</tr>
</tbody>
</table>
## Directors’ Remuneration 2014/15

<table>
<thead>
<tr>
<th>Name and Title</th>
<th>Salary and Fees (bands of £5000)</th>
<th>Taxable Benefits (rounded to the nearest £100)</th>
<th>Pension related Benefits</th>
<th>Other Remuneration (bands of £2500)</th>
<th>Golden hello/compensation for loss of office (bands of £5000)</th>
<th>Total (bands of £5000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014/15</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>J Brent Chairman</td>
<td>45 - 50</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>45 - 50</td>
</tr>
<tr>
<td>J Ashman Non-Executive Director</td>
<td>10 - 15</td>
<td>1,800</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10 - 15</td>
</tr>
<tr>
<td>P Dillon Non-Executive Director</td>
<td>10 - 15</td>
<td>2,200</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>15 - 20</td>
</tr>
<tr>
<td>J Kay Non-Executive Director</td>
<td>10 - 15</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10 - 15</td>
</tr>
<tr>
<td>D Robertson Non-Executive Director</td>
<td>10 - 15</td>
<td>100</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10 - 15</td>
</tr>
<tr>
<td>M Romaine Non-Executive Director</td>
<td>10 - 15</td>
<td>1,600</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>15 - 20</td>
</tr>
<tr>
<td>A Willis Non-Executive Director</td>
<td>15 - 20</td>
<td>4,500</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>15 - 20</td>
</tr>
<tr>
<td>A Pedder Chief Executive</td>
<td>180 - 185</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>180 - 185</td>
</tr>
<tr>
<td>M Cooper Medic Director (resigned 31 March 2015)</td>
<td>145 - 150</td>
<td>100</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>145 - 150</td>
</tr>
<tr>
<td>T Cottam Director of Transformation &amp; Organisational Development</td>
<td>110 - 115</td>
<td>-</td>
<td>22.0 - 22.5</td>
<td>5 - 10</td>
<td>-</td>
<td>140 - 145</td>
</tr>
<tr>
<td>S Tracey Director of Finance and Business Development</td>
<td>140 - 145</td>
<td>200</td>
<td>25.0 - 27.5</td>
<td>-</td>
<td>-</td>
<td>170 - 175</td>
</tr>
<tr>
<td>E Wilkinson-Brice Chief Nurse/Chief Operating Officer</td>
<td>140 - 145</td>
<td>100</td>
<td>30.0 - 32.5</td>
<td>-</td>
<td>-</td>
<td>175 - 180</td>
</tr>
</tbody>
</table>

Other Remuneration is a relocation payment of T Cottam.

There were no annual performance-related bonuses or long-term performance-related bonuses paid to any individual in the financial year.

The benefits in kind relate to the mileage allowance paid over and above the HM Revenue & Customs allowance.

<table>
<thead>
<tr>
<th>Ratio between highest paid director and median remuneration received by employees of the Trust</th>
<th>2014/15</th>
<th>2013/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Band of highest paid Director - as above</td>
<td>180 - 185</td>
<td>180 - 185</td>
</tr>
<tr>
<td>Median remuneration received by employees within the Trust</td>
<td>27.6</td>
<td>26.4</td>
</tr>
<tr>
<td>Ratio</td>
<td>6.6</td>
<td>6.9</td>
</tr>
</tbody>
</table>
As Non-Executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive members.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member’s accrued benefits and any contingent spouse’s pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, and the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

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

Cast Equivalent Transfer Values (CETV) are not available for members that have reached the normal retirement age or who have commenced drawing their pension or are a deferred member. No CETV is therefore available, as at 31 March 2015 and 31 March 2016 for A Pedder.

No lump sum is payable to members of the NHS Scheme (Amended 1 April 2008) and therefore no information is provided for T Cottam.

E Wilkinson-Brice has transitional protection from 1995 section to 2015 scheme (1 December 2015) and Normal Pension Age will change from 55 years of age to reflect state retirement age of 67 years of age.

Signed:

Angela Pedder OBE
Chief Executive

Date: 25 May 2016

<table>
<thead>
<tr>
<th>Name and Title</th>
<th>Real increase in pension related lump sum at age 60 (bands of £50,000)</th>
<th>Real increase in CETV at 31 March 2015 (£000)</th>
<th>Real increase in CETV at 31 March 2016 (£000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Pedder, Chief Executive</td>
<td>0.0 - 2.5</td>
<td>0.00</td>
<td>-</td>
</tr>
<tr>
<td>T Cottam, Executive Director of Transformation &amp; Organisational Development</td>
<td>0.0 - 2.5</td>
<td>0.00</td>
<td>-</td>
</tr>
<tr>
<td>A Harris, Executive Medical Director</td>
<td>0.0 - 2.5</td>
<td>0.00</td>
<td>-</td>
</tr>
<tr>
<td>S Tracey, Deputy Chief Executive/Chief Financial Officer</td>
<td>0.0 - 2.5</td>
<td>0.00</td>
<td>-</td>
</tr>
<tr>
<td>E Wilkinson-Brice, Deputy Chief Executive/Chief Nurse</td>
<td>0.0 - 2.5</td>
<td>0.00</td>
<td>-</td>
</tr>
</tbody>
</table>
The Trust recognises the exceptional work of our employees and in recognition of this the Trust has created a variety of initiatives and schemes to help support the commitment and hard work of our dedicated workforce.

We have embraced the Department of Health ‘Improving Working Lives’ initiative that provides a framework that we are using to further enhance our position as an employer of excellence and choice.

During the last year we have continued our drive to recruit nursing staff up to our safe establishment figure. This was achieved and we are alone in the region in having a nursing vacancy rate that is within the range we would associate with normal turnover. This means that we are able to have greater stability in our frontline registered nursing roles that enhances even better patient care as reflected in our ‘outstanding’ rating for caring in the recent CQC inspection report.

This has also put the Trust in a relatively strong position to engage with the Monitor programme to reduce the cost of agency staffing across the NHS.

### Staff Numbers

<table>
<thead>
<tr>
<th>Average number of employees (Whole Time Equivalent (WTE) basis)</th>
<th>2015/16 Total Number</th>
<th>2015/16 Permanent Number</th>
<th>2015/16 Other Number</th>
<th>2014/15 Total Number</th>
<th>2014/15 Permanent Number</th>
<th>2014/15 Other Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical and dental</td>
<td>684</td>
<td>667</td>
<td>17</td>
<td>660</td>
<td>660</td>
<td></td>
</tr>
<tr>
<td>Ambulance staff</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration and estates</td>
<td>1,291</td>
<td>1,291</td>
<td></td>
<td>1,250</td>
<td>1,250</td>
<td></td>
</tr>
<tr>
<td>Healthcare assistants and other support staff</td>
<td>579</td>
<td>579</td>
<td></td>
<td>595</td>
<td>595</td>
<td></td>
</tr>
<tr>
<td>Nursing, midwifery and health visiting staff</td>
<td>2,361</td>
<td>2,333</td>
<td>28</td>
<td>2,264</td>
<td>2,264</td>
<td></td>
</tr>
<tr>
<td>Nursing, midwifery and health visiting learners</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scientific, therapeutic and technical staff</td>
<td>708</td>
<td>708</td>
<td></td>
<td>646</td>
<td>646</td>
<td></td>
</tr>
<tr>
<td>Healthcare science staff</td>
<td>182</td>
<td>181</td>
<td>1</td>
<td>110</td>
<td>110</td>
<td></td>
</tr>
<tr>
<td>Social care staff</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agency and contract staff</td>
<td>156</td>
<td>156</td>
<td></td>
<td>270</td>
<td>270</td>
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</tr>
<tr>
<td>Bank staff</td>
<td>131</td>
<td>131</td>
<td></td>
<td>141</td>
<td>141</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total average numbers</td>
<td>6,092</td>
<td>5,759</td>
<td>333</td>
<td>5,936</td>
<td>5,525</td>
<td>411</td>
</tr>
</tbody>
</table>

### Gender Equality

Our Trust is committed to achieving equality and diversity in all that we do, for our staff and in the services they provide.

<table>
<thead>
<tr>
<th></th>
<th>Female</th>
<th>Male</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directors</td>
<td>7</td>
<td>5</td>
<td>12</td>
</tr>
<tr>
<td>Other Senior Managers</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Employees*</td>
<td>5099</td>
<td>1568</td>
<td>6667</td>
</tr>
</tbody>
</table>

*The figure for employees is the total number of employees as opposed to the whole time equivalent reported in the staff number section above.

### Sickness Absence

<table>
<thead>
<tr>
<th>Staff sickness absence</th>
<th>2015/16</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total days lost</td>
<td>52,173</td>
<td>49,453</td>
</tr>
<tr>
<td>Total staff years</td>
<td>5,772</td>
<td>5,515</td>
</tr>
<tr>
<td>Average working days lost</td>
<td>9.0</td>
<td>9.0</td>
</tr>
</tbody>
</table>

Statistics published by the Health & Social Care Information Centre (HSCIC), using data drawn for January 2015 to December 2015 from the ESR national data warehouse.
Disability

The core Trust Policy that applied during the financial year for giving full and fair consideration to applications for employment made by disabled persons having regard to their particular aptitudes and abilities, for continuing the employment and arranging appropriate training for employees who have become disabled persons during the period and for the training, career development and promotion of disabled employees is the Equality and Diversity Policy. This was subject to periodic review and was ratified by the Workforce Governance Committee in May 2015.

The ultimate aim of the policy is to harness the individuality of every employee, so everyone is fully engaged in the work of the Trust and to protect all workers and service users from all forms of discrimination, harassment and victimisation on the basis of any protected characteristic.

The Director of Transformation and Organisational Development is personally responsible for ensuring that the Trust complies with equality law and any relevant NHS standards for the promotion and assessment of equality reflecting the importance placed by the Trust on the proper and equitable treatment of all applicants, workers and service users regardless of disability. All staff undergo equality and diversity training raising awareness of personal and Trust responsibilities to those with any protected characteristic including disability.

We have been recognised as ‘Positive about Disabled People’, for our work supporting employees with disabilities and hold a number of accreditations demonstrating our supportive approach towards staff and applicants with both physical and mental health issues.

Recruitment

The Recruitment and Selection Policy is designed to ensure that recruitment is carried out in accordance with the Equality Act 2010. Its aim is to ensure that applicants feel that they have been dealt with professionally, fairly and that they feel that the Trust values its staff.

The Trust is accredited by Jobcentre Plus to use the ‘Positive about Disabled People’ symbol. This means that the Trust will:

- Interview all applicants with a disability who meet the minimum criteria for a position and consider them on their abilities
- Consult with employees with a disability about how the Trust can help develop their abilities
- Make every effort when employees acquire a disability to make sure they stay in employment
- Take action to ensure that all employees develop sufficient awareness of disability to make these commitments work
- Review these commitments and plan on ways to improve them

Our certification was renewed in April 2014.

All applicants for employment with the Trust complete a Health Questionnaire that is reviewed by the Occupational Health Service (OHS) as a part of the recruitment process. If issues are identified the individual will be invited to attend the OHS where an assessment is completed and recommendations made with respect to reasonable adjustments so that whenever possible the person may be employed safely.

Staff Who Become Disabled

Whenever possible we support staff to either prevent or minimise the impact of any disability on the ability to work. Early referrals to the Occupational Health Service are encouraged so that action can be taken to aid rehabilitation and return to work following illness or injury, making any reasonable adjustments that can assist. Actions taken to assist staff who develop disability include provision of additional software or larger screen to facilitate use of technology, adjustments to desks or chairs through to job redesign to enable a person to continue working.

Training has been designed and delivered for managers to raise awareness of mental health issues helping them to identify and support staff more effectively. The Stress Management: Prevention, Recognition and Support Policy is supported with an extensive Manager’s Toolkit to help managers have a positive impact on the health and wellbeing of employees and by doing so, indirectly have a positive impact on patient care.

Mindful Employer

This award accredits the way we promote good mental health among our employees.

This was also renewed in April 2014, against the following aims:

- Show a positive and enabling attitude to employees and job applicants with mental health issues. This will include positive statements in local recruitment literature
- Ensure that all staff involved in recruitment and selection are briefed on mental health issues and the Disability Discrimination Act, and given appropriate interview skills
The Trust has worked hard to further develop its Communication and Engagement Strategy over the course of the year building on the foundations set during the previous two years. The results of these efforts, as part of our broader organisational development and culture change agenda, has helped improve staff engagement and this is evidenced in both the results from the 2015 NHS Staff Survey and some of the comments contained in the CQC inspection report which was published in February 2016.

The Trust understands the central importance of engaging staff at all levels. It is now well evidenced that improvements in staff engagement, in empowerment and relative autonomy has a significant impact across a wide range of issues including improved patient care and safety, productivity and reduced sickness levels. To this end, the Trust has sought to enhance staff engagement in a number of different ways over recent years.

CQC

Following the CQC inspection in November 2015, the Trust received ‘Outstanding’ for caring and the report contained a number of references to positive staff engagement:

- “We saw that interactions (with patients) were very caring, respectful and compassionate”
- “Staff talked about the strong emphasis on problem solving and teams coming together on a regular basis”
- “All staff in the Critical Care Unit, including managers took a genuine interest in each other’s well-being”
- “Staff understood the value of reporting, ‘near misses’ and described examples of these”
- “Staff were overwhelmingly positive about working at the Trust”

The CQC were also very impressed with Connecting Care. The report states that this work was outstanding and offered an approach that other organisations could learn from. The report commented on how staff felt they had access to management and noted that the Extraordinary People Awards scheme was appreciated and valued by staff.

Key Activities and Approach

a. Values and Behaviours

The Trust’s Values and Behaviours charter continues to be promoted at our new Orientation and Induction day for new staff. We undertook a survey of recently recruited staff to

- Make it clear in any recruitment or occupational health check that people who have experienced mental health issues will not be discriminated against and that disclosure of a mental health issue will enable both employee and employer to assess and provide the right level of support or adjustment
- Not make assumptions that a person with a mental health issue will be more vulnerable to workplace stress or take more time off than any other employee or job applicant
- Provide non-judgemental and proactive support to individual staff who experience mental health issues
- Ensure all line managers have information and training about managing mental health in the workplace

Career Development and Promotion

The Trust holds a commitment to the support and development of all our staff, irrespective of any disability, and this supported by managers creating Personal Development Plans (PDPs) with their staff in order to identify any areas for them to learn and develop within the hospital. These are then used in conjunction with our comprehensive Learning and Development Department who can offer a range of training from clinical skills and management skills training to customer care. Many of our training and development programmes are accessible through a range of training approaches including both face to face and e-learning giving staff the opportunity to learn in through the methodology best suited to their learning preferences and needs.

The key policy that guides all staff is the Recruitment and Selection Policy is designed to ensure that selection and promotion is carried out in accordance with the Equality Act 2010. A range of policies including Staff Development, Essential Learning, e-Learning and Study and Professional Leave are all designed to support staff equitably in their career development.
find out whether the values and behaviours described to them on day one were demonstrated once they were in the workplace. 98% of staff surveyed said that the values and behaviours were very clearly demonstrated in the workplace by both colleagues and managers.

The CQC report stated: “Staff across the Trust at all levels spoke positively about the values and how they were embraced. Staff felt the charter had set out expectations more clearly. The values were embedded in the Trust’s recruitment and appraisal processes.”

b. Staff Engagement Activity

Over the past year a performance assurance framework for Staff Engagement has been established, whereby each division prepares a specific staff engagement plan based on their own staff survey results. Performance Review meetings allow for discussion and cross fertilisation of ideas and good practice. This approach has helped to embed engagement throughout the Trust and to tackle specific areas of underperformance. This approach has helped catalyse different and Division-specific approaches from Divisional newsletters and briefings, buddy systems for new staff, back to the floor days for senior staff through to cake making and competitive games. One Division introduced a “what makes me proud?” campaign during the year. Good practice in one part of the Trust is increasingly used, where appropriate, elsewhere providing positive cross pollination of ideas. Communication Cells continue to play a key role in cascading messages and engaging staff to identify and solve their own problems at different levels.

Executive Briefings give an opportunity for staff to hear and discuss issues of strategic and operational importance in sessions led by the Chief Executive and other executives. Chief Executive Blogs have continued throughout the year providing a means for Angela Pedder to provide a view from the top on key issues for staff to be updated on. The blog sits alongside a new product introduced in the year called Snapshot. This provides a one page, at a glance overview of our key performance metrics using a balanced scorecard approach. Both of these products are used to inform staff through the Connecting Care communication cells.

Our award scheme – Extraordinary People – goes from strength to strength. The recent CQC report stated that the scheme was well received and appreciated by staff. We are also continuing to distribute long service awards annually to staff who have completed 25 years’ service in the NHS.

We also undertake regular “Staff Say” meetings. These meetings provide a safe environment for staff to openly discuss issues of concern or anxiety and, through this process, anonymously raise issues with senior management.

Summary of Performance – results from the NHS Staff Survey 2015

In 2015, the RD&E, as part of its staff engagement strategy, undertook a full census survey of its staff. The response rate was 41% which was equal to the national average. The Trust was in the top 20% of Trusts nationally for fourteen of the key findings, an increase of six from 2014. The Trust was in the bottom 20% for two key findings compared with one in 2014.

**Best 20%**

- Staff agreeing their role makes a difference
- Recognition and value of staff by managers and the organisation
- Effective team working
- Staff satisfaction with resourcing and support
- Support from immediate managers
- Staff suffering from work related stress
- Organisation and management interest in and action on health and well-being
- Staff experiencing physical violence from staff
- Staff experiencing harassment/bullying or abuse from patients
- Staff experiencing harassment/bullying or abuse from staff
- Staff reporting experiences of harassment/bullying or abuse
- Staff believing the Trust provides equal opportunities for career progression
- Staff confidence and security in reporting unsafe clinical practice

**Worst 20%**

- Quality of non-mandatory training, learning or development
- Staff experiencing physical violence from patients/relatives or the public

The Trust is proud of the incremental and, more importantly, sustained improvement in staff engagement. This remains one of our priority areas of work as we move into a period of significant change in the context of the Success Regime.
### NHS Staff Survey – RD&E Summary table

<table>
<thead>
<tr>
<th>Response rate</th>
<th>2014/15 RDE Trust</th>
<th>2015/16 RDE Trust</th>
<th>Trust improvement/deterioration</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>40%</td>
<td>41%</td>
<td>Improvement</td>
</tr>
<tr>
<td></td>
<td>43%</td>
<td>41%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>KF17 Staff suffering work related stress</td>
<td>31%</td>
<td>37%</td>
<td>24%</td>
<td>36%</td>
<td>7% improvement in % points</td>
</tr>
<tr>
<td>KF25 Staff experiencing harassment, bullying or abuse from patients</td>
<td>21%</td>
<td>29%</td>
<td>19%</td>
<td>28%</td>
<td>2% improvement in % points</td>
</tr>
<tr>
<td>KF20 Staff experiencing discrimination</td>
<td>12%</td>
<td>11%</td>
<td>5%</td>
<td>10%</td>
<td>2% improvement in % points</td>
</tr>
<tr>
<td>KF21 Staff believing the organisation provides equal opportunities</td>
<td>92%</td>
<td>87%</td>
<td>93%</td>
<td>87%</td>
<td>1% improvement in % points</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>KF13 Quality of non- mandatory training, learning and development</td>
<td>n/a</td>
<td>n/a</td>
<td>3.96</td>
<td>4.03</td>
<td>n/a</td>
</tr>
<tr>
<td>KF22 Staff experiencing physical violence from patients, relatives or public</td>
<td>12%</td>
<td>14%</td>
<td>17%</td>
<td>14%</td>
<td>5% deterioration in % points</td>
</tr>
<tr>
<td>KF24 Staff reporting most recent experience of violence</td>
<td>n/a</td>
<td>n/a</td>
<td>49</td>
<td>53</td>
<td>n/a</td>
</tr>
<tr>
<td>KF32 Effective use of patient/service feedback</td>
<td>58%</td>
<td>56%</td>
<td>3.64</td>
<td>3.70</td>
<td>n/a</td>
</tr>
<tr>
<td>KF12 Quality of Appraisals (well structured appraisals in 2014)</td>
<td>40%</td>
<td>38%</td>
<td>2.98</td>
<td>3.05</td>
<td>n/a</td>
</tr>
</tbody>
</table>
Future Trust Priorities

Over the last two years, at a corporate level, we have sought to focus action in the following related areas:

- Percentage of staff feeling satisfied with the quality of work and patient care they are able to deliver
- Percentage of staff reporting good communication between senior management and staff
- Staff job satisfaction
- Staff recommendation of the Trust as a place to work or receive treatment
- Staff motivation at work

In focusing on these areas, we recognised that these were some of the hardest indicators to change partly because what impacted on staff sentiment in these areas was largely a result of factors that were determined locally or were outside the RD&E’s control. In other areas, such as training or appraisals, management action at a local level could make a quantifiable difference.

Staff motivation has improved in 2015 from 3.81 to 3.92 (national average in 2015 is 3.94). In addition, continued action needs to be taken on communication between senior management and staff even though over the last two years we have seen a marked improvement (an increase of 50% over two years). Communication has improved from 28% in 2014 to 32% which is equal to national average. Over the coming year, we are conscious of the need to sustain the marked increase in our performance whilst recognising that factors beyond our control may impede the progress we have made. There are seven key areas we will seek to develop:

- Whilst having a full set of Divisional plans was a significant improvement on previous years, there was a level of variation in the quality and impact of these plans. Over the next year we plan to work closely with divisions to enhance the quality, consistency and impact of their plans as well as do more to cross fertilise good ideas from one place to another
- While the RD&E’s performance is upper quartile, it is recognised that we are still some way off the best performing Trusts. Our ambition is to sustain and build in our progress so we intend to visit two of the best performing Trusts in the country to understand and learn from the approach they are taking and build this learning into our own plans
- Some specific areas within the Trust are much harder to reach and shift staff sentiment. These areas have shown consistently lower levels of staff engagement than elsewhere in the Trust. Managers in these areas work hard to engage with staff but, often for reasons beyond their control, these efforts have a tendency not to work as well. Over the year we intend to support the efforts already being made in these areas in order to boost performance whilst recognising that this is a longer term aim
- We intend to launch a new intranet for our staff during the summer which will provide a much easier platform for staff to access news and information they require to do their jobs within a much less cluttered and intuitive interface. In addition, the new intranet will provide a range of new functionalities to aid engagement including online forums
- We have stepped up work on communicating and engaging with the Trust’s Senior Leadership team over the previous year but we recognise that more needs to be done to further engage with this important group. A new comprehensive programme has been developed in order to engage with this group over the coming year which, if done well, will have positive impacts on wider staff engagement and culture change
- One of the most important aspects of our approach over the coming year will be to positively engage and listen to the staff that are likely to transfer from NDHT to the RD&E as part of the community services transfer. Moving employers, particularly when the change has taken so long, could have a negative impact on staff sentiment which we will seek to address. Community staff are currently very positively engaged so it is important to learn how we can adapt what the RD&E currently does to ensure that we maintain the positive engagement they have experienced. The engagement around community services is part of a significant change to the Trust as it becomes an acute and community provider. This shift in emphasis will require on-going an additional engagement with existing Trust staff
- Finally, as set out elsewhere in this Report, the RD&E is part of a broader system-wide change as part of the Success Regime. It will be essential to effectively engage our local communities, staff and external stakeholders in these changes going forward
Off-Payroll Payments

Table 1: For all off-payroll engagements as of 31 March 2016, for more than £220 per day and that last for longer than six months

<table>
<thead>
<tr>
<th>Description</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of existing engagements as of 31 March 2016</td>
<td>10</td>
</tr>
<tr>
<td>Of which...</td>
<td></td>
</tr>
<tr>
<td>No. that have existed for less than one year at time of reporting</td>
<td>4</td>
</tr>
<tr>
<td>No. that have existed for between one and two years at time of reporting</td>
<td>0</td>
</tr>
<tr>
<td>No. that have existed for between two and three years at time of reporting</td>
<td>5</td>
</tr>
<tr>
<td>No. that have existed for between three and four years at time of reporting</td>
<td>0</td>
</tr>
<tr>
<td>No. that have existed for four or more years at time of reporting</td>
<td>1</td>
</tr>
</tbody>
</table>

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

Table 2: For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2015 and 31 March 2016, for more than £220 per day and that last for longer than six months

<table>
<thead>
<tr>
<th>Description</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of new engagements, or those that reached six months in duration, between 1 April 2015 and 31 March 2016</td>
<td>4</td>
</tr>
<tr>
<td>No. of the above which include contractual clauses giving the trust the right to request assurance in relation to income tax and National Insurance obligations</td>
<td>3</td>
</tr>
<tr>
<td>No. for whom assurance has been requested</td>
<td>4</td>
</tr>
<tr>
<td>Of which...</td>
<td></td>
</tr>
<tr>
<td>No. for whom assurance has been received</td>
<td>3</td>
</tr>
<tr>
<td>No. for whom assurance has not been received</td>
<td>1</td>
</tr>
<tr>
<td>No. that have been terminated as a result of assurance not being received</td>
<td>0</td>
</tr>
</tbody>
</table>

One of the four new engagements has been made via an agency and as a consequence the contractual clause giving the right to request assurance in relation to tax and National Insurance was not applied. Assurance was requested from all four and has been received from three to date and the remaining one is being actively pursued.

Table 3: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2015 and 31 March 2016

<table>
<thead>
<tr>
<th>Description</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year</td>
<td>0</td>
</tr>
<tr>
<td>Number of individuals that have been deemed ‘board members and/or senior officials with significant financial responsibility’ during the financial year. This figure must include both off-payroll and on-payroll engagements</td>
<td>13</td>
</tr>
</tbody>
</table>

Exit Packages

During the course of the year a total of £284,000 was paid to staff leaving the Trust. These payments consisted of £144,000 as payment in lieu of notice and £140,000 in redundancy payments. All payments for exit packages were made in accordance with the standard contractual terms and conditions of the person’s employment.

Signed:

Angela Pedder OBE
Chief Executive
Date: 25 May 2016
Board Assurance Framework (BAF)

The BAF is a Board-owned document whose primary role is to inform the Board about the totality of risks or obstacles that may impede it from achieving its strategic objectives as outlined in the Trust’s long-term Strategy document. The BAF also provides assurances that adequate controls are operating to reduce these risks to acceptable levels. Over the past two years the BAF has been on an evolutionary journey, in parallel with the redevelopment of the wider governance arrangements within the Trust. A review of the BAF by Internal Audit, undertaken in February 2016, declared “It is our view that the overall assurance opinion on the design and operation of controls is Green”.
Audit Committee

The Audit Committee is a formal, statutory committee of the Board of Directors, chaired by Mr David Robertson (a Non-Executive Director with a financial background).

The primary role of the Audit Committee is to conclude upon the adequacy and effective operation of the organisation’s overall internal control system. In particular it is responsible for providing assurance to the Board in relation to the financial systems and controls of the Trust.

Four Non-Executive Directors constitute the membership of the Committee.

The Audit Committee is also attended by representatives of KPMG LLP the Trust’s External Auditors, Internal Audit and the Counter Fraud Service.

As part of the external audit plan for 2015/16, KPMG highlighted three significant audit opinion risks which have been considered by the Audit Committee.

Revaluation of Property and Land

The Trust’s accounting policies require a land and buildings revaluation to be undertaken at least every five years, dependent upon the changes in the fair value of the property.

A full revaluation of the Trust’s land and buildings was undertaken by professionally qualified valuers, in accordance with the Royal Institute of Chartered Surveyors valuation manual, as at the 31 March 2014 and was included within the Trust’s year ended 31 March 2014 audited accounts.

The Audit Committee reviewed principles that the Trust had produced which set out that only changes in market values that exceeded 10% since the previous full valuation of land and buildings are likely to provide an early indication that the change would be moving towards being significant.

The Trust would then undertake a further assessment and also seek professional advice from their external auditors (KPMG).

The Audit Committee acknowledged the revaluation of land and buildings principles. KPMG has confirmed that they were content with the principles and they had been reflected in the audit planning for 2015/16.

As the change in market values since 31 March 2014 was below 10%, no revaluation was carried out by the Trust for 2015/16.

Recognition of Income

Over 95% of the Trust’s income is received from other NHS organisations, with the majority being receivable from NEW Devon CCG. The Trust participates in the Department of Health’s agreement of balances exercise. This exercise seeks to identify all income and expenditure transactions and payable and receivables balances that arise from whole government accounting (WGA) bodies. The Audit Committee is satisfied that by participating in this exercise it helps to provide further assurance that the vast majority of income and expenditure with WGA bodies has been properly recognised and WGA receivable and payable balances are appropriately recorded. The Trust’s external auditors have reviewed the outcome of the exercise and reported their findings to the Audit Committee.

Management Override of Controls

Professional standards require KPMG to communicate the fraud risk from management override of controls as significant. Management is typically in a unique position to perpetrate fraud because of its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

KPMG have carried out appropriate controls testing and substantive procedures, including testing of journal entries, accounting estimates and significant transactions that are outside the normal course of business, or are otherwise unusual. No specific instances of management override were identified relating to this audit.

Other Issues Considered by the Audit Committee

Effectiveness of the external auditors

KPMG LLP were appointed as external auditors to the Trust from 2014/15 for a five year period under a competitive tender process.

The Audit Committee assessed the effectiveness of the external auditors. In particular the timeliness of reporting, the quality of work and whether audit fees provided value for money were considered. The Audit Committee provided the Council of Governors (CoG) with positive feedback and provided assurance to the CoG that the external auditors provided a quality, timely and cost effective external audit service.

The external auditors provided non-audit services to the Trust in relation to a VAT assurance review during 2015/16. The charge for this service was £7,700. Due to the nature of this work and the relatively low cost, the Audit Committee consider that there is no risk to auditor objectivity or independence.
The Audit Committee met five times during 2015/16. The names of members and their attendance at 2015/16 meetings are as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>April 2015</th>
<th>May</th>
<th>July</th>
<th>Nov</th>
<th>Feb 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>P Dillon</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
</tr>
<tr>
<td>D Robertson</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>P</td>
<td>A</td>
</tr>
<tr>
<td>M Romaine</td>
<td>P</td>
<td>A</td>
<td>P</td>
<td>P</td>
<td>P</td>
</tr>
<tr>
<td>J Kay</td>
<td>P</td>
<td>A</td>
<td>P</td>
<td>A</td>
<td>P</td>
</tr>
</tbody>
</table>

P = Present  A = Apologies

**Duties and Responsibilities of the Audit Committee**

**Governance, risk management and internal control**

1. The Audit Committee shall review the establishment and maintenance of an effective system of integrated governance across the whole of the Trust’s activities (both financial and non-financial), that supports the achievement of the Trust’s objectives.

2. In particular, the Audit Committee will review:
   - all risk and control related disclosure statements together with any accompanying Head of Internal Audit statement, external audit opinion or other appropriate independent assurances, prior to endorsement by the board
   - the assurance processes that underpin the achievement of the Trust’s objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements
   - the policies and procedures for all work related to fraud and corruption as set out in Secretary of State Directions and as required by NHS Protect.

3. In carrying out this work the Audit Committee will primarily utilise the work of internal audit, local counter fraud specialists, external audit and other assurance functions, but will not be limited to these functions. It will also seek reports and assurances from the Governance Committee, Directors and Managers as appropriate, concentrating on the overarching systems of integrated governance, risk management and internal control, together with indicators of their effectiveness.

4. The Audit Committee shall ensure that there is an effective internal audit function, including the Counter Fraud function, established by management that meets mandatory NHS internal audit standards and provides appropriate independent assurance to the Audit Committee, Chief Executive and Board. This will be achieved by:
   - consideration of the provision of the internal audit service, the cost of the audit and any questions of resignation and dismissal
   - review and approval of the annual internal audit plan, ensuring that this is consistent with the audit needs of the Trust as identified in the assurance framework
   - consideration of the major findings of internal audit work (and management’s response), and ensuring co-ordination between the internal and external auditors to optimise audit resources
   - consideration of the annual Head of Internal Audit’s Opinion
   - follow-up by the Governance Committee, or one of its sub-committees, where internal audit’s work is an area covered by that committee, as set out in internal audit’s plan
   - ensuring that the internal audit function is adequately resourced and has appropriate standing within the Trust, and
   - an annual review of the effectiveness of internal audit.

5. The Audit Committee shall:
   - review and monitor the external auditor’s independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements
   - keep under review the level of non-audit services provided by the external auditor, taking into account relevant guidance
   - make recommendations to the Council of Governors in relation to the appointment, re-appointment and removal of the external auditor and
   - approve the remuneration and terms of engagement of the external auditor
6. Further, the Audit Committee shall review the work and findings of the external auditor and consider the implications of and management’s responses to their work. This will be achieved by:

- discussion and agreement with the external auditor, before the audit commences, of the nature and scope of the audit as set out in their annual plan
- discussion with the external auditors of their evaluation of audit risks and associated impact on the audit fee, and
- reviewing all external audit reports, including their report on the Quality Report and agreement of the annual audit letter, before submission to the board, together with the appropriateness of management responses

Other Functions

7. The Audit Committee will consider the work of other committees within the Trust, the work of which can provide relevant assurance to the Audit Committee’s own scope of work. This will particularly include the Governance Committee because of its management of the Trust’s Corporate Risk Register and the Clinical Audit function.

8. The Audit Committee will also:

- review material changes to standing orders and standing financial instructions and schemes of delegation and
- receive a report from management on the review of data quality included in the Quality Report

Financial Reporting

9. The Audit Committee shall review and, if thought appropriate, recommend to the Board adoption of the annual report and financial statements, focusing particularly on:

- specific enquiry into the question of whether the Trust keeps proper books of account
- the integrity of the financial statements
- the wording in the Annual Governance Statement and other disclosures relevant to the terms of reference of the Committee
- changes in, and compliance with, accounting policies and practices
- unadjusted mis-statements in the financial statements
- major judgemental areas, and
- significant adjustments resulting from the audit

10. The Audit Committee shall review and if thought appropriate, provide assurance to the Department of Health around the costing process and methodology as required by the Reference cost guidance.

Board of Directors Reporting Arrangements

11. The Chair of Audit Committee will provide a report highlighting the key issues arising from the Audit Committee to the meeting of the Board that directly follows the Audit Committee. The minutes of the Audit Committee will also be available to the Board.

12. The Annual Governance Statement, which is included in the Annual Report, reviews in considerable detail the effectiveness of the system of internal control. By concurring with this statement and recommending its adoption to the Board, the Audit Committee also gives the Board its assurance on the effectiveness of the overarching systems of integrated governance, risk management and internal control.

It is the responsibility of the Trust’s Directors to produce the Annual Accounts included in this report. The external auditors provide an independent opinion on the Trust’s accounts and also audit the overall position of the Trust’s management and performance including an opinion on the quality of the system of internal control. The outcome of this work is reported in the Audit Opinion which is included with the accounts in this report and in the Annual Management letter to the Board.

The Counter Fraud Service for the RD&E is provided by Audit South West (ASW) via the services of a Local Counter Fraud Specialist (LCFS).

The LCFS’s time during 2015/16 was predominantly spent on:

- Promoting an Anti-Fraud Culture
- Intelligence gathering
- Raising awareness of current fraud scams
- Giving advice in respect of fraud risks, attempted scams, procedures and policies
- Dealing with case referrals
Our Governors and Members

Council of Governors

The Trust’s Council of Governors (CoG) remains an integral component of the RD&E’s governance structure providing a vital connection between the Trust, its members and wider community.

The Council has continued to develop its joint roles of holding the Board of Directors accountable and representing the views of members and the wider public to the Trust this year. Over the last few years, the Trust has supported the Council in developing its role and ensuring that it has the means and capacity to carry out its various duties effectively and with impact. At the same time, the Trust is mindful that the Council is an elected representative voluntary body that has a distinct role separate to that of the Board of Directors.

The Council met four times during the year. During these meetings, the CoG collectively considers the performance of the Trust over a quarter highlighting any issues or concerns it may have in relation to the way in which the Board of Directors is managing performance. The performance report contains information about the Trust’s operational performance and its adherence to various national targets, its financial performance and how it is performing in relation to the quality priorities set by the Governors themselves in the annual Quality Report. The report also provides details of what the Board has considered during the quarter in question and the response from Monitor on its own assessment of the Trust’s performance during the same quarter in order to provide assurance to the Council. The quarterly CoG meetings also focus on updating the Governors themselves on a number of regular topics including updates from the three key working groups (see below), the Patient Experience Committee, and on elections. As well as transacting its core business of holding the Board accountable during the CoG meetings, the Governors also approved new election rules, reappointed NED Michele Romaine for a further three years, reappointed NEDs Peter Dillon and David Robertson whose new terms begin in the financial year 2016/17, held a session with the CQC team ahead of its formal inspection, approved Chair and NED appraisals, and approved a revised Code of Conduct for Governors.

The CoG meetings take place in the afternoon. The morning is devoted to Governor development and a private session for Governors to discuss and prepare for the formal CoG meeting. In April 2015, the Governors introduced a new Governor discussion session, alongside the usual CoG agenda discussion – used for informal discussion on a particular topic. The NEDs are invited to take part in these sessions. Since these new sessions were introduced the cohesion, focus and collegiality of the Council has been enhanced. During the year the Governors held development sessions on:

- ICE update
- Update from the Chair of Governance Committee
- Complaints information session
- Complex discharge session – linked to the Quality Priority for 2015/16
- Update from Chair of the Patient Experience Committee
- Update from Chair of Audit Committee

The Council also held separate Development days on other occasions during the year. During these sessions the Council focused on:

- Governor training and capacity building
- The Trust’s Capacity and Escalation Framework.
- Partnership working – Pharmacy and Renal
- Quality Priorities for 2016/17
- Success Regime – Case for Change
- Financial planning and the operational plan 2016/17
- CoG effectiveness review
- The Good Outcomes on Discharge (GOOD) project - linked to the Quality Priority for 2015/16
- Member and public engagement
- CQC inspection report

The Council has continued to establish a positive relationship with the Board as befits its role. The relationship is one in which both the Board and Council share the same broad objectives of acting in the interests of the organisation whilst retaining sufficient distance to enable the Council to act as a critical friend and ensure that the Board is acting in the best interests of members and the public, is operating effectively and has the right mix of experience and skills within the Non-Executive Directors to manage the key challenges facing the Trust. Non-Executive Directors regularly attend CoG meetings for informal face to face meetings as well as more formally representing some of the work they are responsible for at CoG meetings.

A regular rota of Governors attending the public Board meetings has also helped to enable the Governors to see the Board ‘in practice’ as well as help provide intelligence that individual Governors have used in contributing to the performance assessment of individual Non-Executive Directors. During the year, the Governors have developed a “score-card” to enable them to assess the contributions of individual NEDs at a number of meetings where their paths cross including Board of Director meetings.
The Trust has an “Engagement Policy” agreed between the CoG and the Board of Directors to help manage situations in which the Council’s concerns about the performance of the Board of Directors or the welfare of the NHS Foundation Trust, have not been resolved through the normal channels. This policy was not required at any time during the year.

In addition, the Senior Independent Director acts as an independent facilitator through which concerns about the Board or the Chairman can be managed if appropriate. This facility was not required during the year.

The Board and the CoG met on two occasions during 2015/16. The two bodies met in July 2015 as part of a joint development day to discuss the Trust’s strategy and financial position as well as to hold informal discussion sessions on matters of mutual interest including an overview of the Trust’s FutureCare programme. This session also considered NED and Chair appraisals. At a further meeting in November 2015, the Board and CoG discussed the Trust’s progress on cancer targets performance. The Governors also met directly with the NEDs (without Executive Directors being present), in a session facilitated by the Senior Independent Director, to discuss issues of mutual interest.

The CoG has continued to organise itself through three key working groups:

- CoG effectiveness
- Member and public engagement
- Patient safety and quality

These groups are responsible for identified elements of the agreed consolidated CoG business plan and to provide a Governor perspective on key issues within the groups’ remit (i.e. they do not undertake executive functions that are the remit of the Trust).

The groups have a Chair and a Committee membership but are open to any member of CoG that wishes to participate. The groups are accountable directly to the CoG and the Chairs report on progress and outcomes to every CoG meeting.

The CoG Coordinating Committee, which is comprised of the Trust Chairman, the Lead Governor (and Deputy), the Chairs of the three working groups, a staff Governor representative and secretariat staff, meets every quarter and focuses on coordinating the work of the CoG and ensuring that progress is being made against the business plan and facilitating cooperation between the CoG and the Board of Directors.

The work programmes of each of the working groups is amalgamated into a single CoG business plan which is overseen by the Coordinating Committee to ensure that Governor priorities and plans are kept on track.

In addition, three Governors sit on the Trust’s Patient Engagement Group representing the views of Governors, members and the wider public.

During the last year, these groups have been busy implementing programmes of work linked to Governor’s key roles and stated priorities and the details of the work of these Groups can be found in the Council’s papers and minutes on the Trust website and the new members’ website.

The following sets out some of the key highlights for each of these groups over the year:

**Nominations Committee**

- Annual Chair and NED appraisals – approved at October 2015 CoG
- Re-appointment of Michele Romaine (took effect in-year)
- Re-appointment of David Robertson and Peter Dillon (take effect in 2016/17)

**CoG Effectiveness Working Group**

- Election rules review
- Review of information for prospective and newly elected Governors
- Members Meeting Rules of Procedure
- Working Group Terms of Reference
- Code of Conduct – review and procedure for breach
- Purpose and effectiveness of Governors attending Board meetings
- Review of CoG meeting timings and the Performance Report
- Annual effectiveness review
- Review of the schedule of document reviews
- Review of website information

**Patient Safety & Quality Working Group**

- Focus on the 2015/16 Quality Priorities – Discharge and patients with multiple health needs
- Chose the priorities for 2016/17 - Patient experience of the referral and booking process and how the Trust manages the cancellation/postponement and amendment of appointment and mental health services, focusing on maternity and young people.
- Received an update on the Trust’s Patient Safety Programme from the Lead Nurse for Patient Safety, Risk and Patient Engagement
Membership & Public Engagement

- Focused on increasing member numbers and member engagement
- Contributed to the Members’ Say event
- Begun to plan for a revised membership and public engagement strategy to take into account the move to becoming an acute and community provider
- The Group undertook a number of events during the year including recruiting members at the Devon County Show, encouraging young people to join the Trust at St James’s School, Exeter and at the Young Devon Meeting also in Exeter

In addition to this work it is also worth noting that:

- Peta Foxall was elected to be a member of the NHS Providers Governor Policy Board
- A number of Governors were involved in prospective Governor meetings and in the induction process for new Governors
- A number of Governors volunteered to be part of the Patient Led Assessments of the Care Environment (PLACE)
- Governor representatives attended two regional Governor conferences in Taunton during the year and a national Governors’ forum in April 2015

Governor Expenses

Fourteen Governors claimed expenses during the year. The aggregate sum of expenses paid to Governors during this period was £2,193. In 2014/15 the figure was £1,863.

Our Members

The Trust is a public benefit corporation that exists for the sole purpose of providing healthcare services to the population it serves. All Foundation Trusts are obliged, under statute, to have members. The Board of Directors are obliged to keep in touch with the opinions of members and the wider public as key stakeholders. Membership is a distinguishing feature of FTs which brings with it substantial benefits. As a membership organisation, the RD&E endeavours to reach out to inform members about what is happening at the Trust as well as listening to their concerns and opinions on service delivery, on how to improve patient experience and on influencing its longer term strategy.

About our members

On the whole, the Trust’s membership broadly reflects the average profile for the wider community served by the Trust. Key findings from an analysis undertaken of our members in comparison to the wider community showed that members are:

- Similar to the social-demographic groups found in our constituencies. The majority of members are, on the whole, comfortably well off
- Representative of the ethnic diversity within the wider public
- Are older than the general public served by the trust
- Marginally more likely to be female than males

For research purposes, engaging with members about their priorities, concerns and ideas for healthcare provides a “good enough” correlation with the broader community. This means that in our engagement with members, we can be confident that the views we hear can be said to be sufficiently overlapping to what members of the public generally would say. This provides a useful rationale for membership for Foundation Trusts.

Having a membership base allows a meaningful relationship to be developed between members and the Trust. Developing this engagement helps us to deepen our understanding of their views and opinions which we can correlate to the views of the wider community. Developing an on-going dialogue with members provides an opportunity for the Trust to develop its thinking, test ideas, and give members an overview of potential future strategic options which it can then engage with members on in a way that genuinely allows for influence and boundary setting (i.e. options which members would find unpalatable for example).

The on-going conversation with our members – expressed primarily through our Members’ Say events, through surveys of members and in the feedback from Governors – is a very
important aspect of the Trust’s work that provides genuine added value in informing its work, whether that is in a relatively minor operational detail, potential service change, ways to improve services in the best interests of patients/public, or on bigger and more strategic issues. The feedback from the interactive activities and focus groups at Members Say helps provide an agenda for the Governors as well as providing insight into the views of members – and thus the public – for the Board of Directors.

This makes it even more important, therefore, that we have a membership base that corresponds ever more closely with the demographics of the broader population served by the Trust. Over the course of the year, a number of initiatives were undertaken to increase membership. However, over the last year, we have not made sufficient progress in encouraging a more diverse membership.

**Membership Analysis**

At the end of the financial year 2015/16, the Trust had 11,077 public members and 6640 staff members.

**Members’ Say**

The Members Say events – in which Trust members are invited into the Trust for a day to hear from clinicians about key health-related topics as well as take part in interactive dialogue – remains the most significant way in which the Trust engages with its membership base. Members’ Say events provide members with the opportunity to give voice to their views and influence the Trust in a number of different ways in line with the ethos of a public benefit corporation.

The model works well as a way of engaging a particular group of members and the outcomes of the activities and focus groups provides useful research data on the perceptions and views of members (and thus the public) on specific topics which can help inform and influence:

- Overall strategic direction of the Trust
- Strategic issues or “wicked” problems
- Service changes or improvements
- Experiential feedback and customer insight
- Lower level service changes or improvements

In considering the outcomes of the Members’ Say events, it can be assumed that they represent the best possible interpretation of the broader views of the membership and thus the wider public and therefore provide a “good enough” basis for analysis.

The Members Say approach enables the Trust to identify, explore and understand the views, opinions, preconceptions and concerns of members on aspects of healthcare. As the profiling of our members on a range of indicators mirrors that of the wider population (being somewhat older and somewhat wealthier than the broader population), the views of members can be, with sufficient caveats, be seen as representing the broader views of the population serviced by the Trust.

In addition, Members’ Say events provide part of the rationale for membership of the Trust: having the opportunity to attend an event is part of the benefits that being a member entails and holding such events demonstrates to existing and potential future members that membership means something and offers those that want it a way of becoming more actively engaged.

**Members’ Say, September 2015**

The Annual Members Meeting and Members’ Say event held at the end of September 2015 were, once again, very successful events.

The Annual Members Meeting was well attended, the presentations were well received and there were some interesting questions raised by those members present. The tone of the discussion with members was positive with what appeared to be strong support for the Trust and an understanding about its financial position. In addition the Meeting endorsed the minor changes to the way the Annual Members Meetings are run.

The Members’ Say event was also well attended with almost 200 members present on the day to take part in the talks, the interactive activities, the focus groups and the health and care stalls. Feedback from those that attended demonstrated a high level of satisfaction with the event – 89% said the event was good with only 2% saying it was poor. Having learned from some lessons on logistics from the previous year, the event ran more smoothly than the previous year, moreover Governors were better able to take part in the event this year and were able to help run the activities and engage with those members present.

The focus groups looked at the issue of the need to change the model of care in Devon. Using the “Frank” video - which shows how a typical elderly patient might have his conditions managed at the moment and then sets out how it could be different in the future - attendees in six focus group meetings (with a range of attendance from 6 up to around 15) were asked to consider the implications of a transformed health and care offer to the people of Devon.

Some of the key issues that emerged from the discussions included:

**A new model of care:**

There was a good deal of understanding and acceptance for the need to change the way that health and care was delivered. People tended to “get” that the current approach was not sustainable financially and their experience often
highlighted inefficiencies in the system. That said, they generally felt well supported and had considerable praise for the way the current system works.

In considering a new way of working, some respondents felt that there was a concern that a new system that provided care at or closer to home would be too expensive compared to the current approach (travel times in a very rural area etc.)

Access to GPs was seen as currently problematic and could cause problems for a new way of delivering health and care services. In particular respondents liked having a named GP to manage their needs – partly because this was seen as a trust based relationship with a history but it was also felt to be inefficient. Moreover, questions were raised on why the GPs should not coordinate the care of their patients. Questions were raised about what type of person a care coordinator might be – how well qualified they would be, whether they had a medical background etc. and how it would be possible to develop trust with these people in the same way as people seemed to have with GPs.

Members also had questions about the value of the health and wellbeing hubs being set up, in Budleigh for example.

Some members thought that one way to develop a more joined up service offer was for the RD&E to own and manage GP practices.

Some members identified that cuts in social care spending and on what they perceived as training for carers, had been significantly reduced over recent years which could lead to problems in how this new model of care could work in practice.

Care homes were seen as costly (with some suggesting they rip off individuals and the state). However others said that care homes being the worst option was not true: care homes can be the right place for people living with complex needs and living longer.

Some suggested a need for hospitals to do more outreach with consultants going to community hospitals; they should be used for minor surgery or elderly conditions.

Use of technology:

There were mixed views about the role of technology. Many understood the need to use technology much more particularly given the geography of Devon and how this would save money and be more efficient. The internet was seen as an excellent way of keeping in touch and combating loneliness. It was understood that many parts of the population used technology a lot in their everyday lives and should be extended to care. On the other hand some expressed concern about IT capability both of the users – partly due to age but also access of some parts of the community – as well as infrastructure – slow or intermittent broadband.

Hospital at home:

Some people equated hospital at home with having a fully functioning ITU in their bedroom. Others raised questions about practical issues such as feeding, washing and shopping for those being looked after at home. Scepticism was expressed by some that carers coming in for short periods with no continuity is not the solution. At least having the same person on a regular basis and knowing when they are coming and for how long would really help. Some members suggested that hospital at home as an alternative to hospital care could be really controversial.

Health and wellbeing:

Members understood the need for people to take more control over the own health and wellbeing. Annoyance at people who do not but then expect the NHS to be there was expressed. However, some members pointed out the discrepancy between initiatives such as tackling obesity at the same time that high calorie food is easily and readily available at all times. Members tended to understand that promoting healthy living and behaviour was difficult – whilst recognising that self-discipline is not easy. The voluntary sector could be useful in helping here but cutbacks have reduced their effectiveness.

Some respondents supported restrictions on the use of free at the point of access treatments for things which were minor or were a result of lifestyle choices although there was acknowledgement that serious issues should be cost free – cancer etc. Also recognition that hard and fast rules that apply to individuals would be hard to enforce.
Governor Profiles

Mid, North, West Devon and Cornwall

There are five Governors in this constituency.

James Bradley

James was elected in September 2014 for a term of three years.

James was a Chartered Environmental Health Officer and Chartered Safety and Health Practitioner who having completed a military career has worked in Local Government, the National Health Service and finally as an international consultant.

James is a member of Mid Devon Patient Forum, a Community Representative for the Mid Devon sub locality and the Public Representative for the Patient and Public Engagement Committee of the Eastern locality of NEW Devon CCG. He is a member of the CoG Effectiveness working group and the Chairman for the Member and Public Engagement working group; as that Chairman he sits on the CoG Co-ordinating committee.

James lives with his wife and cat near Okehampton.

Dianah Pritchett-Farrell

Dianah is a retired University Lecturer, Examiner, Quality Standards Assessor and Senior Probation Officer. She is an International Assessor for the General Social Care Council for Social Work, and a Parish Councillor.

Dianah lives near Crediton and has been a Governor since 2008. She was previously elected Chair of the National Foundation Trust Governors Association until 2015. Dianah is a member of the CoG Coordinating Committee, the Nominations Committee and is Deputy Lead Governor.

Anne Stobart

Anne was elected as a Governor in September 2012 and re-elected for a term of three years in 2015. She has lived in Mid-Devon since 1990. Anne has taught in adult education, colleges and universities for over thirty years.

Anne has clinical, research and management experience in complementary health sciences, most recently in the School of Health and Social Sciences at Middlesex University and she retired from there in August 2010.

Christopher Wilde

Christopher was elected in September 2014 and re-elected in 2015 for a further one year term. Christopher has been an owner of a general dental practice, as well as a Managing Director of a limited company specialising in dental material research. Christopher was Chairman of a government-sponsored group (SW-Smart) of research companies. Christopher lives in Tiverton.

Newly elected Governors to CoG for this constituency - 2015

Michael James

Michael was elected for a term of three years in 2015.

Michael lives in Copplestone, Crediton. An engineer and scientist by trade Michael has worked in many industries including aviation medicine. Having owned and run his own business with his wife in the heart of Devon for over 20 years he is now retired and is looking forward to offering some of his time to support and represent his local community.

East Devon, Dorset, Somerset and the Rest of England

There are seven Governors in this constituency (one vacancy in 2015/16).

Kay Foster

Kay was elected in September 2014 for a term of three years. Kay lives in Exmouth.

She is a retired State Registered Nurse and Midwife with over thirty years of nursing experience. She held Sisters post at the RD&E in ITU and CCU. Kay also served as a Nursing Officer for 18 years with Queen Alexandra Royal Army Nursing Corps retiring in the rank of Major. She has a BSc (Hons) in Health Services Management.

Kay is a member of the Patient Experience Committee, and of the Member and Public Engagement and Patient Safety and Quality working groups. She is committed to her role as Governor and is fiercely proud of working as a volunteer at such an excellent Foundation Trust as the RD&E.
Jill Gladstone

Jill lives in Otterton. Her varied nursing career included acute and emergency medicine, clinical audit and nursing adviser to the Health Service Ombudsman.

Jill was first elected in 2008 and re-elected for further three year terms in 2011 and 2014. Jill is a member of the Patient Safety and Quality working group as well as the Nominations Committee.

Alan Murdoch

Alan was elected in September 2014 for a term of three years.

Alan spent 17 years in the RAF followed by employment in the electronics and scientific instruments industries before retiring as a Director with a Multinational company. Alan lives in Exmouth.

Alan is a member of the Non-Executive Director Remuneration Committee (NEDRC) and Nominations Committee. He is also a member of the CoG Effectiveness Working Group, the Patient Safety and Quality Working Group and the Member and Public Engagement Group.

Lynne Wright

Lynne’s background is in business management and public relations, she has a teachers’ certificate in art pottery.

She sits on the Patient Experience Committee and attends the Volunteer Leads Forum and has been involved with the Frail and Older People Project.

Having a keen interest in cancer services she takes part in Peer Reviews of Cancer Services for NHS England and is a Cancer Voice for Macmillan.

First elected in September 2010, Lynne was re-elected in 2013.

Newly elected Governors to CoG for this constituency - 2015

Richard Bowes

Richard was elected for a three year term in September 2015.

Richard has lived in West Hill, Ottery St Mary since 1988. He served on East Devon District Council between 1986 and 1991. From 1980-2014 he worked in the South West in the Pharmaceutical Industry across 16 different therapy areas, including: Cardiovascular, Diabetes, Osteoporosis, Dementia, Renal, Infectious Diseases, Parkinson’s and Musculoskeletal (Osteoarthritis and Rheumatoid Arthritis).

Previously, Richard graduated with a BSc (Hons) Environmental Sciences in 1977.

Mervyn Symes

Mervyn was elected for a one year term in 2015.

Living in Axminster, Mervyn is currently the Town Council Representative for Devon & Cornwall Police, Citizens Advice Bureau and Chamber of Commerce. He also presides on the Town Council’s Planning Committee and Amenities Committee. Actively supporting Axminster Care Service as Trustee, Mervyn is also a Trustee of Axminster Hospital League of Friends and a Trustee of Axminster Hospital Action Group.

Exeter and South Devon

There are 7 Governors in this constituency.

Keith Broderick

Keith is an accountant who took early retirement from the public sector in 2005. He lives in Exeter and was re-elected in 2011 and again in 2014. Keith is Chairman of the CoG Effectiveness working group and is also a member of the Audit working group and the CoG Coordinating Committee.

Geoff Barr

Geoff was elected in 2013.

Geoff taught politics and other social studies at Exeter College for many years; however, he has now moved on to teach at the Open University and University of Exeter Medical School.

Geoff is an active member of the St Leonard’s Practice Patient Participation Group and the practice research team. Alongside this he is an active member of Keep Our NHS Public and 38 degrees. Geoff is a member of The Labour Party and a life member of the Neuro Foundation.
Kate Caldwell OBE

Kate was Director of Midwifery and Deputy Director of Nursing at the RD&E until 2002. Kate was a Non-Executive Director of Exeter Primary Care Trust (PCT) until 2006. She is also a Trustee of Exeter Municipal Charities.

Kate was first elected in 2007, and re-elected in 2010 and 2013. Kate sits on the Nominations Committee, is the Chairman of the Patient Safety and Quality working group and is the Treasurer of the League of Friends at the RD&E.

Tony Ducker

Tony was elected in September 2014 for a term of three years.

Tony spent his career in the NHS, including twenty-two years as a Consultant Neonatal Paediatrician in Kent. He served on various hospital and regional committees including a National Institute for Health and Care Excellence (NICE) guideline group. Since retirement Tony has worked with Clinical Commissioning Groups (CCGs) as Lead Clinician for the appraisal of neonatal units in East of England and South West England. Tony retired to South Devon 10 years ago.

Molly Holmes

Molly was elected in September 2014 for a term of three years.

Molly is a freelance consultant specialising in housing, health and supported living. Molly previously held posts of Non-Executive Director with Devon PCT and Torbay Care Trust. She was also Head of Partnerships with a national housing association.

Molly is currently working for NHS England as a Better Care Manager and lives in Exeter.

Richard May

Richard, who lives in Exeter, is a chartered civil engineer, and latterly ran a waste management company providing a range of waste management services within Exeter and the surrounding areas. Richard was re-elected in September 2012 and again in 2015. Richard was elected Head Governor in 2010 and re-elected in 2013 and 2016. He is a member of the CoG Coordinating Committee as well as the Nominations Committee and Non-Executive Director Remuneration Committee.

Rachel McInnes

Rachel is a scientist who works in climate research at the Met Office. Originally from Scotland, she has lived in Exeter since 2009. Rachel was elected for a term of three years in September 2013, and sits on the Nominations Committee.

Appointed

The RD&E has two appointed Governors on its Council of Governors.

Cllr Andrew Leadbetter – appointed by Devon County Council. Andrew is an elected County Councillor representing Topsham and St Loyes and has been a member of the RD&E Council of Governors since 2012.

Professor Peta Foxall – appointed by Exeter University Medical School. Peta joined the Council of Governors in December 2013.

Staff

There are five Governors in this constituency (one vacancy in 2015/16).

Paul Bedford

Paul was elected in September 2014 for a term of three years.

Paul has nearly thirty years NHS experience with fifteen years in finance and the remainder in Information Services, with eleven years at the RD&E. His work involves providing information for the RD&E’s Safety Thermometer and supporting Child and Women’s Health services. Paul’s previous voluntary experience includes being a Treasurer for Salisbury League of Friends.

Hazel Hedicker

Hazel commenced employment with the NHS in 1994 and joined the RD&E in 2000, having previously worked for another large southwest acute Trust.

She worked within NHS facilities management for 16 years and joined the Project Management Office in May 2012. She currently provides support for projects that sit within the Trust wide Integration Programme including the Transfer of Community Services (TCS) and also provides project management support and advice to colleagues within Corporate and Support Services divisions. Hazel has
a Master’s degree in Business Administration and is a fully qualified Prince 2 Practitioner. She also has a keen interest in Communications & Engagement particularly around the involvement of patients, carers and staff within service redesign and change.

She was elected a staff governor in September 2013.

**Newly elected Governors to CoG for this constituency - 2015**

**Stacey Flay**

Stacey was elected for a term of three years in 2015

Stacey has worked at the RD&E in Pathology for 20 years. The previous seven years have been based in the Haematology Unit.

**David Wilkinson**

David was elected for a term of two years in 2015.

He has worked for the NHS in various roles for almost thirty years, the last twenty at the RD&E. A founder member and previous Chairman of the Association of Physicians’ Assistants (Anaesthesia).

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**Election Results**

**Election Results**

The following Governors were elected at the annual elections 2015.

**Public Governors**

**East Devon, Dorset, Somerset and the Rest of England**

- Richard Bowes elected for a term of three years
- Mervyn Symes elected for a term of one year

A vacancy remained. As it was an uncontested election, lots were drawn to decide which candidate received which term of office.

**Exeter & South Devon (31.6% turnout)**

- Richard May was re-elected for a term of three years

**Mid, North, West Devon and Cornwall**

- Anne Stobart re-elected for a term of three years
- Chris Wilde re-elected for a term of one year
- Michael James elected for a term of three years

As it was an uncontested election, lots were drawn to decide which candidate received which term of office.

**Staff Governors (18.9% turnout)**

- Stacey Flay was elected for a term of three years
- David Wilkinson was elected for a term of two years

The Board confirmed that all elections to the Council of Governors are held in accordance with the election rules as stated in the Constitution. Governors can be contacted via email at: rde-tr.foundationtrust@nhs.net The Governor’s Register of Interests is available for inspection on the Trust website or from the Trust Secretary (01392 404551).

**Summary of attendance of Governors at CoG meetings for 2015/16**

Attendance at Council of Governor meetings from April 2015 onwards. Governors currently in post.

Trust Chairman James Brent is both Chairman of the Board of Directors and the Council of Governors and attended all CoG meetings during 2015/16. His profile can be found on page 32 of this Report.
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<thead>
<tr>
<th>Name of Governor</th>
<th>Apr-15</th>
<th>Jul-15</th>
<th>Annual Members Meeting</th>
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*P = Present   A = Apologies   DNA = Did Not Attend   * Not in post at time of meeting  
# indicates member of the Nominations Committee 
^ indicates member of the Non-Executive Remuneration Committee

Other Governors in post during the year

- Barbara Roberts (until May 2015)
- Loveday Varian (until September 2015)
- Linda Vijeh (until September 2015)
- Alison Wootton (until March 2016)
Regulatory Ratings

Monitor

Monitor assesses the performance of the Trust using key performance indicators, designated as Regulatory Ratings. There are two ratings:

- Financial Sustainability assessed 1, 2, 3 or 4 for each measure – the overall rating is the average of the two.
- Governance assessed on a scale of green, red or under review.

Deriving the Financial Sustainability Rating

The Financial Sustainability Rating incorporates four common measures of financial robustness:

- **Liquidity:** days of operating costs held in cash or cash equivalent forms, including wholly committed lines of credit available for drawdown
- **Capital servicing capacity:** the degree to which the organisation’s general income covers its financial obligations
- **Income and expenditure (I&E) margin:** the degree to which the organisation is operating at a surplus/deficit
- **Variance from plan in relation to I&E margin:** variance between a foundation trust’s planned I&E margin in its annual forward plan and its actual I&E margin within the year

Deriving the Governance Risk Rating

Monitor includes the following elements within the governance risk rating:

- Performance against selected national access and outcomes standards
- Outcomes of CQC inspections and assessments relating to the quality of care provided
- Relevant information from third parties
- Degree of financial sustainability risk and other aspects of risk relating to financial governance and efficiency
- Failures to comply with board statements
- Annual Plan

Analysis

Quarter 1

Five of the Monitor targets was not met for Quarter 1 resulting in Monitor giving a green governance rating.

- **Cancer:** two week wait from referral to date first seen, comprising all urgent referrals (cancer suspected). The position for the quarter was 87.9% against a target of 93%
- **All cancers:** 31-day wait from diagnosis to first treatment. The position for the quarter was 89.9% against a target of 96%
- **All cancers:** 31-day wait for second or subsequent treatment, comprising surgery. The position for the quarter was 87.6% against a target of 94%
- **All cancers:** 62-day wait for first treatment from urgent GP referral for suspected cancer (post breach re-allocation). The position for the quarter was 76.1% against a target of 85%
- **All cancers:** 62-day wait for first treatment from NHS Cancer Screening Service referral. The position for the quarter was 86.1% against a target of 90%

Quarter 2

Four of the Monitor targets were not met for Quarter 2 resulting in Monitor giving a green governance rating.

- **Cancer:** two-week wait from referral to date first seen for symptomatic breast patients (cancer not initially suspected). The position for the quarter was 86.7% against a target of 93%
- **All cancers:** 31-day wait from diagnosis to first treatment. The position for the quarter was 91.7% against a target of 96%
- **All cancers:** 31-day wait for second or subsequent treatment, comprising surgery. The position for the quarter was 85.8% against a target of 94%
- **All cancers:** 62-day wait for first treatment from urgent GP referral for suspected cancer (post breach re-allocation). The position for the quarter was 78.8% against a target of 85%
Quarter 3

Four of the Monitor targets were not met for Quarter 3 resulting in Monitor giving a green governance rating.

- **Cancer**: two week wait from referral to date first seen, comprising all urgent referrals (cancer suspected). The position for the quarter was 91.8% against a target of 93%

- **All cancers**: 31-day wait from diagnosis to first treatment. The position for the quarter was 94.6% against a target of 96%

- **All cancers**: 31-day wait for second or subsequent treatment, comprising surgery. The position for the quarter was 93.2% against a target of 94%

- **A&E**: maximum waiting time of four hours from arrival to admission/transfer/discharge. The position for the quarter was 94.3% against a target of 95%

Quarter 4

Two of the Monitor targets were not met for Quarter 4. At the time of writing the Trust is still awaiting confirmation of the governance rating from Monitor.

- **All cancers**: 62-day wait for first treatment from urgent GP referral for suspected cancer (post breach re-allocation). The position for the quarter was 83.4% against a target of 85%

- **A&E**: maximum waiting time of four hours from arrival to admission/transfer/discharge. The position for the quarter was 93.6% against a target of 95%

<table>
<thead>
<tr>
<th>2015/16</th>
<th>Annual Plan</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
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<td>Green</td>
<td>Green</td>
<td>Green</td>
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Care Quality Commission (CQC)

The Trust underwent a Care Quality Commission Inspection on 3rd-6th November 2015. Overall the Trust was judged as “Good”, with “Outstanding” being awarded for the Caring domain and for Urgent and Emergency Services and Critical Care.

The tables below show a breakdown of the ratings. An action plan is in place to address the areas that require improvement, with many of the actions already completed.

### Our ratings for Royal Devon and Exeter NHS Foundation Trust

<table>
<thead>
<tr>
<th>Overall trust</th>
<th>Safe</th>
<th>Effective</th>
<th>Caring</th>
<th>Responsive</th>
<th>Well-led</th>
<th>Overall</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Requires improvement</td>
<td>Good</td>
<td>Excellent</td>
<td>Good</td>
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### Our ratings for Wonford Hospital

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<thead>
<tr>
<th>Urgent and emergency services</th>
<th>Safe</th>
<th>Effective</th>
<th>Caring</th>
<th>Responsive</th>
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<tbody>
<tr>
<td>Requires improvement</td>
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<td>Excellent</td>
<td>Excellent</td>
<td>Good</td>
<td>Outstanding</td>
<td>Outstanding</td>
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<tr>
<th>Medical care</th>
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<th>Caring</th>
<th>Responsive</th>
<th>Well-led</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requires improvement</td>
<td>Good</td>
<td>Good</td>
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<td>Good</td>
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<thead>
<tr>
<th>Surgery</th>
<th>Safe</th>
<th>Effective</th>
<th>Caring</th>
<th>Responsive</th>
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<th>Caring</th>
<th>Responsive</th>
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<tbody>
<tr>
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<td>Excellent</td>
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<td>Outstanding</td>
<td>Outstanding</td>
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<tr>
<th>Maternity and gynaecology</th>
<th>Safe</th>
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<th>Caring</th>
<th>Responsive</th>
<th>Well-led</th>
<th>Overall</th>
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<tbody>
<tr>
<td>Requires improvement</td>
<td>Good</td>
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<tr>
<th>Services for children and young people</th>
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<th>Responsive</th>
<th>Well-led</th>
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<tr>
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<tbody>
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<tr>
<th>Outpatients and diagnostic imaging</th>
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<th>Effective</th>
<th>Caring</th>
<th>Responsive</th>
<th>Well-led</th>
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<tr>
<th>Overall</th>
<th>Safe</th>
<th>Effective</th>
<th>Caring</th>
<th>Responsive</th>
<th>Well-led</th>
<th>Overall</th>
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<tr>
<td>Requires improvement</td>
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<td>Excellent</td>
<td>Good</td>
<td>Outstanding</td>
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### Our ratings for Mardon Neurological Rehabilitation Unit

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<tbody>
<tr>
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<tr>
<th>Overall</th>
<th>Safe</th>
<th>Effective</th>
<th>Caring</th>
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<tr>
<td>Requires improvement</td>
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Statement of Accounting Officer’s Responsibilities

Statement of the Chief Executive’s responsibilities as the accounting officer of the Royal Devon & Exeter NHS Foundation Trust

The NHS Act 2006 states that the Chief Executive is the accounting officer of the NHS Foundation Trust. The relevant responsibilities of the accounting officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officers Memorandum issued by Monitor.

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

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

- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual have been followed, and disclose and explain any material departures in the financial statements
- Ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance and
- Prepare the financial statements on a going concern basis

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

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

Signed:

Angela Pedder OBE
Chief Executive

Date: 25 May 2016
Annual Governance Statement

Scope of Responsibility

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

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of the Royal Devon & Exeter NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Royal Devon & Exeter NHS Foundation Trust for the year ended 31 March 2016 and up to the date of approval of the annual report and accounts.

Capacity to Handle Risk

The Trust has a comprehensive governance system in place which has been developed and enhanced over a number of years and continues to be subject to regular review to ensure its continued fitness for purpose. The current governance architecture was established in October 2011. An Internal Audit interim and full review was undertaken in July 2012 and September 2013 and provided assurance that “the governance structure has been strengthened greatly”. In October 2013 an external review of governance was completed by KPMG, the findings of which were very positive.

The Audit Committee monitors and oversees both internal control issues and the process for risk management. Audit Southwest (internal audit) and KPMG (external auditors) attend all Audit Committee meetings. The Audit Committee receives all reports of the Internal and External Auditors and reports regularly to the Board.

Risk issues are reported through the Governance Committee via the Safety and Risk Committee and the Trust’s management structure. Management and ownership of risk is delegated to the appropriate level from director through to local management through the divisional management teams. There are established Governance Managers in post to support the Divisions in implementing robust risk and governance processes. Each Division has a Divisional Governance Group which meets regularly to manage risk and report and escalate concerns via the five sub committees of the Governance Committee. Performance management of any governance/risk action plan is managed via the Trust’s Performance Assessment Framework (PAF) led by the Operations Director. Strategic risks are managed via the Board-owned Board Assurance Framework. This document focuses on risks that could prevent the Trust from achieving its strategic objectives.

The Board has appointed a Senior Independent Director to be available to Governors and Members if they have concerns where contact through the normal channels of Chairman, Chief Executive or Deputy Chief Executive/Chief Financial Officer, have failed to resolve them or for which such contact is inappropriate. In addition, the Trust has a Whistleblowing Policy to guide and protect staff who raise issues of concern.

All staff joining the Trust are required to attend Corporate Induction which covers key elements of risk management. This is further enhanced at departmental induction. Training courses are run on a regular basis and provide staff with the skills needed to undertake risk management duties. Staff are trained and equipped to manage risk in a way appropriate to their authority and duties. Risk management is included in the Trust’s mandatory training programme and follow-up refresher training; the Trust’s risk management policies and procedures are available on the Trust’s intranet.

An electronic governance system, which has the ability to record and monitor incidents, complaints and risks, has been operational since June 2011. The system facilitates the reporting and management of incidents. It has been extended to include the complaints and risk register module and most recently the legal claims module to provide comprehensive reporting to support greater triangulation of incidents. During 2014/15 additional functionality to identify hotspots, which automatically pick up new trends in incident data, was established.

An established cohort of senior clinical staff and Governance Managers trained to conduct Serious Incidents Requiring Investigation (SIRI) is in place and additional staff are trained each year to add to the pool available. The Risk Management Team co-ordinates SIRIs and adverse incidents, which are reported and managed through the Incident Review Group (a sub group of the Safety and Risk Committee). In addition to direct feedback to relevant clinical teams, Lessons Learned briefings, highlighting learning points, are made available to all staff via the local intranet. All SIRI investigation reports and action plans are shared with the Trust’s lead commissioner NEW Devon CCG.

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The Risk and Control Framework

The Board of Directors is responsible for the strategic direction of the Trust. The Board of Directors has reviewed and approved a revised Risk Policy and updated, amended and approved the Board Assurance Framework accordingly. The Board Assurance Framework identifies the key risks and mitigations related to the Trust’s strategic objectives and key priorities. The Board Assurance Framework is reviewed by the Board of Directors on a quarterly basis. The Corporate Risk Register is reviewed by the Governance Committee each time it meets. The Governance Committee reports to the Board of Directors quarterly. The Audit Committee considers the Board Assurance Framework and the Corporate Risk Register when setting Internal Audit’s annual work plan.

The Board of Directors, as part of the Annual Plan reporting cycle, is responsible for the completion of the Corporate Governance Statement. The Board has adopted a process by which evidence is identified for each element of the statement to provide assurance and support a decision of compliance or gap in compliance (i.e. risk). Where risk is identified this would be risk assessed, mitigating actions put in place and added to the appropriate risk register.

Any material gaps in controls of assurance are highlighted and reported to the Board of Directors. When identified, risks to the Trust’s strategic objectives that cannot be immediately eliminated are placed on the Corporate Risk Register and actions plans put in place to address any gaps. The Board of Directors’ risk and control framework is supported by the Audit Committee and Governance Committee which provide assurance to the Board of Directors on risk and control management issues.

Additionally, the Head of Governance attends both the Governance Committee and the Audit Committee. This supports continuity and oversight of agenda preparation and completion of actions. The Chair of the Governance Committee is also a member of the Audit Committee, ensuring the two committees are aligned and there are no gaps in assurance.

The Governance Committee is chaired by a Non-Executive Director and provides oversight of the risk management process. The Committee takes a comprehensive oversight of the quality and safety of care provided by the Trust and provides assurance to the Board of Directors. The work of the Governance Committee is supported by five key sub-committees:

- Clinical Effectiveness Committee
- Integrated Safeguarding Committee
- Patient Experience Committee
- Safety and Risk Committee
- Workforce Governance Committee

These five committees are responsible for monitoring and managing specific types of risk.

The Safety and Risk Committee chaired by the Chief Executive has a number of key sub-groups leading the Trust’s management of safety and risk.

- The Patient Safety Group is accountable for delivery of the Trust’s patient safety programme, review of adverse incidents and Mortality and Morbidity Reviews
- The Incident Review Group is chaired by the Head of Safety, Risk and Patient Experience and reviews all Serious Incidents Requiring Investigation (SIRI) and action plans
- Medical Gases Group
- Radiation Safety Group
- Infection Control and Decontamination Group
- Health and Safety Group chaired by the Executive Director of Transformation and Organisational Development

Other specialist groups whose work relates closely to safety and risk report via the Clinical Effectiveness Committee.

- Clinical Audit and Guidelines Group
- Medicines Management Group

During 2013/2014, the Board reviewed its approach to mortality reviews and an enhanced approach has been introduced.

Risk Identification and Evaluation

The Trust has a Risk Management Policy which has been approved by the Board of Directors and clearly sets out the process for identifying and managing risk and the Trusts’ risk appetite. It incorporates a standard methodology in which risk is evaluated using a likelihood/consequence matrix. The roles and responsibilities of staff in managing risk are defined and key posts highlighted. The Policy also includes the governance reporting structure and the terms of reference of the Governance Committee and all the committees reporting to the Governance Committee.

The Trust maintains a comprehensive Corporate Risk Register covering both clinical and organisational risk.

There are 17 current risks on the Corporate Risk Register. All identified risks have clear mitigation plans in place. Of the Trust’s highest scoring risks two relate to mental health pathways (external factors), one relates to transfusion of blood, one relates to capacity management, one relates to the Trusts’ ability to achieve cancer waiting times, one relates to IT legacy systems, one is a risk relating to future capacity within the Resuscitation Room within the Emergency Department and one relates to antimicrobial
stewardship. Robust actions plans are in place and these risks are assigned to an appropriate executive lead and manager who are responsible for ensuring that the risk is either eliminated or managed appropriately. A robust system is in place to monitor progress of action plans, which is undertaken by both the Head of Governance and the Divisional Governance Groups to ensure that risks are proactively managed down their end target score. A detailed report is produced by the Head of Governance to the Safety and Risk and Governance Committees each time they meet.

The Trust has Divisional level risk registers which feed into the Corporate Risk Register. At Divisional level, the risk registers contain lower level localised risks which can be managed by the relevant Division. The Corporate Risk Register contains the high level risks and Trust-wide risks. This ensures that risks are identified, managed and escalated appropriately at all levels of the organisation.

Risk assessments, including Health and Safety and Infection Control, are undertaken throughout the Trust. All areas of the hospital have trained Risk Management Officers and the Risk Management Department and Head of Governance facilitate Risk Surgeries to provide support and training and to ensure consistency in approach.

The Trust has a robust process for assessing risk to cost improvement plans (CIP). A Quality Impact Assessment is undertaken which includes identification of risk, risk score and mitigating actions. The assessment is reviewed and if appropriate authorised by the Divisional triumvirate (Divisional Director, Associate Medical Director and Assistant Director of Nursing). Quality Impact Assessments with a risk score of 8 or above are reviewed by the Deputy Chief Executive and Medical Director, with the Hospital Operations Board overseeing the total process.

Other sources used to identify risks include:

- Complaints, Care Quality Commission and Health Service Ombudsman reports and recommendations
- Inquest findings and reports from HM Coroner
- Health and Safety Executive and regulatory body compliance inspections
- Medico-legal claims and litigation reports
- Health Scrutiny Committee reports
- Incident reports and trend analysis (via Datix software, identification of hot spots)
- Internal and external audit reports
- Performance Assurance Framework
- Feedback from Governors and Members
- Ward to Board Framework, Care Quality Assessment Tool
- Safety Thermometer

Risk to the achievement of the Trust’s corporate strategy is considered, assessed and managed via the Board Assurance Framework which is discussed by the Board on a quarterly basis. The Board has identified non-achievement of the Cost Improvement Programme associated with the requirement to achieve a 2% efficiency factor as the most significant risk to the achievement of the corporate strategy.

Information Governance

Information governance and data security is managed by the Information Governance Steering Group lead by the Medical Director, the Trust’s nominated Senior Information Risk Owner and Freedom of Information Lead. Information Asset Owners for critical systems have been identified; system risk assessments and Information Risk Management training is undertaken annually.

An Information Security Forum, chaired by the Caldicott Guardian, deals with all aspects of information security and data confidentiality. Risks to information security are reported directly to the Information Security Forum (a sub group of the Information Governance Steering Group) and recorded on the Corporate Risk Register. The Trust has completed the Information Governance Toolkit assessment and the Safety and Risk Committee and the Board of Directors has received a report regarding its system for control of Information Governance.

The Trust is green rated on the Information Governance Toolkit, achieving an overall score of 74%.

During 2015/16 the Trust had ten Level 2 confirmed Information Governance Serious Incidents which were reported to the Information Commissioners Office in line with the Department of Health document “Checklist Guidance for Reporting, Managing and Investigating Information Governance Serious Incidents Requiring Investigation”.

The incidents were as follows:

- four involved patients being sent incorrect letters, this was either by a wrong name or incorrect address
- one involved a bag containing an encrypted laptop and patient notes being left unattended in a public place. Both items were safely returned to the hospital immediately
- one involved a sewerage pipe breaking and leaking into a record storage area
- two were the incorrect use of an email distribution list
- one involved a letter being sent without an envelope
- one involved sensitive patient information being left on an incorrect answerphone
All of the incidents have been fully investigated by the Trust with mitigating actions put in place. The Information Commissioner has responded to four of the incidents stating no further action is required. The Trust is still awaiting responses to the remaining six.

NHS England guidance and embedded legislation on the recording and monitoring of Elective Waiting Time data is complex and allows for local agreement and flexibility in how some rules are interpreted. To ensure that inherent risks and unintended consequences from local interpretation are monitored the Trust has a robust framework and meeting structure that supports and drives the Information Governance agenda. This provides the Trust Board via the Safety and Risk Committee with the assurance that effective Information Governance best practice mechanisms are in place within the organisation.

The Trust actively promotes the importance of good Data Quality throughout the Trust to ensure accuracy, completeness and timeliness and the risks associated with any inaccuracies.

Assessment of Data Quality incorporating Referral To Treatment/Elective Waiting List Management is included in the Trust’s annual Internal Audit work plan. The audit process provides independent assurance of the design and operation of controls in place.

The Trust’s Access policy establishes a number of principles and definitions and defines roles and responsibilities to assist with the effective management of waiting lists relating to outpatient appointments, elective treatment imaging and other diagnostic tests. Furthermore standard operating procedures are in place to support staff in applying a consistent and effective approach to Waiting List Management.

Detailed operational monitoring occurs across all specialties and in conjunction with internal metrics against data quality. These are applied to identify areas for improvement and are monitored on a regular basis.

The foundation trust is fully compliant with the registration requirements of the Care Quality Commission.

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer’s contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

Control measures are in place to ensure that all the organisation’s obligations under equality, diversity and human rights legislation are complied with. The Board of Directors receive assurance that we are meeting our legal obligations through an annual report received, on behalf of the Board of Directors, by the Governance Committee. Full evidence of legal compliance is also published on the Trust’s external website. The Trust uses an NHS-designed tool, the Equality Delivery System (EDS), to ensure compliance with legal obligations and enable continuous improvement.

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

Review of Economy, Efficiency and Effectiveness of the Use of Resources

The Trust’s Operational Plan, including financial, performance, quality and governance targets, was approved by the Board of Directors in March 2016. Overall performance is monitored via an integrated performance report at the monthly meetings of the Board of Directors.

Operational management and the coordination of Trust services are delivered by the Executive Directors. Performance of individual clinical Divisions is monitored formally on a monthly basis through the newly implemented Performance Assurance Framework which is led by the Operations Director.

The Trust’s External Audit Management Letter includes commentary on the economical, effective and efficient use of resources. The Internal Audit Plan includes reviews which consider the economy, efficiency and effectiveness of the use of resources. The findings of internal and external audit are reported to the Board via the Audit Committee.

I can confirm that the Trust complies with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance.

Internal Audit has conducted reviews against the Care Quality Commission regulations, records management, data quality and information governance. Reviews are conducted using a risk-based approach. In addition they have annual reviews of the Trust’s risk management and governance arrangements.

Annual Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS foundation trust boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.
The content of the Trust’s Quality Report for 2015/16 builds on the 2014/15 report. It has been agreed by the Board of Directors and incorporates the views and priorities of Governors and the views of Trust members in setting priorities for improvement in 2016/17. The development of the report is led by the Deputy Chief Executive/Chief Nurse. The views of NEW Devon CCG, as lead commissioner, Healthwatch Devon and Devon County Council Health Scrutiny committee have been sought.

The Trust uses the same systems and processes to collate, validate, analyse and report on data for the annual Quality Report as it does for other clinical quality and performance information. The data is subject to regular review and challenge at speciality, Divisional and Trust levels. In line with the Trust’s commitment to openness and transparency, the data included is not just limited to good performance and is publicly reported at least on a quarterly basis. The Audit committee undertake a review of the data assurance underpinning the Quality Report and through this process and other review of data, the Board of Directors are assured that the Quality Report represents a balanced view.

During 2011/12, as part of the three year audit cycle, a programme to assess quality systems and data (similar to that in place for our financial systems), was agreed with our internal auditors and built into the Internal Audit plans for future years. This will be an on-going process and the Board of Directors will use the recommendations from this work to further improve the robustness of the process underpinning the Quality Report. A review was undertaken during 2015/16 and the next review is planned during quarter four of 2016/17.

Audit of Mandated Indicators

The indicators audited were:

- Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period
- Percentage of patients with a total time in A&E of four hours or less from arrival to admission, transfer or discharge

KPMG has provided assurance on the process for the recording of both the indicators.

Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS foundation trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the quality report attached to this Annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee, Internal audit, External audit and the Head of Governance. The system of internal control is regularly reviewed and plans to address any identified weaknesses and ensure continuous improvement are put in place.

The processes applied in maintaining and reviewing the effectiveness of the system of controls includes:

- The maintenance of a view of the overall position with regard to internal control by the Board of Directors through its routine reporting processes and its work on corporate risk
- Review of the Board Assurance Framework and receipt of Internal and External Audit reports to the Audit Committee
- Personal input into the controls and risk management processes from all Executive Directors, Senior Managers and clinicians
- The review of the Trust’s risk and internal control framework is supported by the Annual Head of Internal Audit opinion which states that significant assurance can be given, that there is a sound system of internal control and that controls are generally being applied
- Evidence gathering for core Care Quality Commission regulations and registration.
- The Quarterly Intelligent Monitoring Reports produced by the Care Quality Commission (May 2015)
- Self-assessment against the Care Quality Commission’s Essential Standards for Quality and Safety (reviewed by internal audit)
- Self-assessment against Monitor’s Code of Compliance and Monitor’s Governance Framework
- Performance monitoring by the Board of Directors of the Trust’s strategy and operational milestones to achieve internal and external targets
- Results of the national patient and staff survey results and development of targeted action plans
- Delivery of the health and safety action plan
- The Trust’s compliance with the Hygiene code
- The Trust’s unconditional registration with the CQC, rated overall as ‘Good’ February 2016
- Safe Staffing reviews
My review of the effectiveness of the system of internal control has been presented and approved by the Board of Directors. The Board of Directors and the Audit and Governance Committees have been kept informed of progress against action plans throughout the year.

**Conclusion**

There are no significant internal control issues I wish to report in respect of 2015/16.

Signed:

Angela Pedder OBE
Chief Executive

Date: 25 May 2016
Voluntary Disclosures

Sustainability Report

“Increasing our responsibility to the community & the environment” is one of the considerations in the RD&E’s strategy. The last year has seen a lot of hard work to develop practical ways of following through on this idea. There are several major schemes in the pipeline and the past year involved a lot of planning work to bring these closer to fruition.

As an NHS organisation, who is responsible for spending public funds, we have an obligation to work in a way that has a positive effect on the communities we serve. Sustainability means investing 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 we can improve health both in the immediate and long term.

One of the ways in which an organisation can embed sustainability is through the use of a Sustainable Development Management Plan (SDMP). The Trust is currently designing a SDMP which will be completed by the end of May 2016 and presented for consideration by the Board of Directors.

Carbon

As a part of the NHS, public health and social care system, it is our duty to contribute towards the level of ambition set by Government of reducing the carbon footprint of the NHS, public health and social care system. By working with other NHS organisations across the region we will establish a robust way of measuring performance and achieving significant reductions in our carbon emissions. We are focusing on reducing emissions from energy, waste, and water. The Government reporting standards require that the Trust report its emissions from Scope 1, 2 and 3 carbon emissions, these are defined as:

- **Scope 1**: All direct Green House Gas (GHG) emissions (gas, oil)
- **Scope 2**: Indirect GHG emissions from consumption of purchased electricity, heat or steam
- **Scope 3**: Other indirect emissions, such as the extraction and production of purchased materials and fuels, transport-related activities in vehicles not owned or controlled by the reporting entity, electricity-related activities (e.g. transmission & distribution losses) not covered in Scope 2, outsourced activities, waste disposal etc.
Energy

In 2015/16 the RD&E spent £3.2m on energy, which is a 3.5% decrease on energy spend from last year. This decrease was helped by warm weather, increased run time of the combined heat and power plant (CHP) and an effective supply contract which passed on financial benefits from the global drop in oil prices.

The RD&E buys electricity from renewable sources, however due to carbon accounting rules the Trust has to account for electricity carbon based on a grid average value, i.e. not carbon neutral. The RD&E has two solar arrays that produce around 0.4% of the total site demand for the main Wonford Hospital.

Last year’s sustainability report described a project to deliver low carbon heat across the City of Exeter. This is well underway. The Trust’s Board of Directors approved the Outline Business Case on the 27th January 2016 and work is ongoing to finalise the details with the other partners. It is planned that the procurement will commence in the next few months. The outcome will be low carbon generation of heat at the RD&E, which will be used on site and also piped to customers around the City. This is a joint project with Local Authorities and the University of Exeter undertaking an ambitious sustainability scheme that would benefit the public sector financially and help the environment. Carbon savings are expected to be at least 3,600 tonnes per year, shared between the partners.

An investment plan to make energy efficiency improvements that could potentially save £440k and 1,300 tonnes of carbon per year is being finalised, this will be funded via an application to the Salix scheme. If the funding application is successful, this is scheduled to be completed by the end of this year and move into procurement shortly after.

An analysis of the energy emissions is shown below:

<table>
<thead>
<tr>
<th>Resource</th>
<th>2013/14</th>
<th>2014/15</th>
<th>2015/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gas Use (kWh)</td>
<td>46,173,133</td>
<td>52,980,456</td>
<td>52,952,955</td>
</tr>
<tr>
<td>tCO₂e</td>
<td>9,795</td>
<td>11,115</td>
<td>11,110</td>
</tr>
<tr>
<td>Oil Use (kWh)</td>
<td>2,195,477</td>
<td>495,645</td>
<td>494,308</td>
</tr>
<tr>
<td>tCO₂e</td>
<td>701</td>
<td>159</td>
<td>158</td>
</tr>
<tr>
<td>Coal Use (kWh)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>tCO₂e</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Electricity Use (kWh)</td>
<td>19,576,597</td>
<td>21,203,300</td>
<td>22,098,724</td>
</tr>
<tr>
<td>tCO₂e</td>
<td>10,961</td>
<td>8,727</td>
<td>7,920</td>
</tr>
<tr>
<td>Green Electricity Use (kWh)</td>
<td>21,733</td>
<td>60,821</td>
<td>57,123</td>
</tr>
<tr>
<td>tCO₂e</td>
<td>-12</td>
<td>-38</td>
<td>-33</td>
</tr>
<tr>
<td>Total Energy CO₂e</td>
<td>21,445</td>
<td>19,963</td>
<td>19,155</td>
</tr>
</tbody>
</table>

Carbon emissions from energy have been dropping over the last few years. This is mainly due to increasing the run time of the CHP plant, warm weather and through small ongoing improvements such as replacing lights in the level three plant room at Wonford Hospital with efficient LEDs and controls.

Waste

A key 2016 aim for the RD&E is to retender it’s waste contracts and ensure that sustainable waste management is a priority. Several pieces of work have recently been completed to ensure that the most effective option is selected for the new domestic waste contract that will ensure no domestic waste is sent to landfill. The supporting work has included:

- Benchmarking regional prices to ensure value for money
- Engaging with regional suppliers to develop a tender that the local supply chain will be able to deliver
- Surveying the existing waste management practices
- Performing a waste audit on black bag waste to identify the potential for recycling
- Trialling recycling on Taw, Avon and CCU
- Researching the most carbon efficient way of disposing of clinical waste
The current waste composition is shown below:

Water

A comprehensive water metering system has just finished being installed on the RD&E estate. Over the last few years the Estates department has worked diligently to locate leaks across the sites and it is anticipated that the water metering system will assist in the detection of any remaining leaks and also allow new leaks to be rapidly identified. This will be achieved by automatically monitoring water consumption and raising alarms if there is a spike in consumption.

<table>
<thead>
<tr>
<th>Year</th>
<th>Mains m³</th>
<th>tCO₂e</th>
<th>Water &amp; Sewage Spend</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013/14</td>
<td>245,412</td>
<td>230</td>
<td>£1,019,565</td>
</tr>
<tr>
<td>2014/15</td>
<td>242,643</td>
<td>228</td>
<td>£1,010,662</td>
</tr>
<tr>
<td>2015/16</td>
<td>223,840</td>
<td>210</td>
<td>£898,225</td>
</tr>
</tbody>
</table>

Travel

We can improve local air quality and improve the health of our community by promoting active travel to our staff, patients and the members of the public who use our services.

The Trust supports a culture of active travel to improve staff wellbeing and reduce sickness. The RD&E Green Travel Plan is currently being updated, last year a high percentage of the actions for this plan were completed and the results of the annual travel survey showed that the RD&E is performing well when compared against other organisations. Only 35% of respondents drive to work alone, the majority walk or cycle and use of public transport is high. Last year, 186 members of staff purchased bikes through the cycle to work scheme. This brought the total number of bikes purchased under the scheme to 1,456 and a value of £888k which has benefitted the Local economy as most of this has been spent in local shops around Exeter.

This year, cycling promotional events were held around the Wonford campus, including a smoothie bike in the Oasis canteen and Dr Bike repairs at RILD. As well as these, the Staff Lottery helped fund new bike lockers in Bowmoor house. Aspirations for next year include improving cycling facilities at Heavitree, processing £1m worth of cycle to work applications and increasing the opportunities for staff to engage in active travel.

Procurement

The Trust has drafted a sustainable procurement policy which will seek to increase the benefits brought about through economic activity. This policy recognises that purchasing a product means buying into the supply chain which provides the product. It is the Trust’s goal to ensure that it engages with suppliers who are fair, honest and who minimise environmental degradation as a result of their activities.

Biodiversity

Over the last couple of years the Wonford gardens have experienced a makeover. The new Grounds and Gardens manager has implemented a programme of improvements that have tidied the site up and allowed the Grounds Staff to dress the gardens in a more accessible manner. There are now more benches, tables and grassy banks available for people to enjoy the green spaces.

The Royal Society for the Protection of Birds (RSPB) regularly visit the Oasis café to encourage people to get involved with wildlife. Working with the RSPB and Devon Wildlife Trust the Trust has drafted a biodiversity plan; this provides guidance for planting and improving green spaces across the Trust estate. The intention is to support wildlife by planting species which will provide food and habitat for insects and birds. The plan is in the final stages of drafting and should be implemented this year.

The Estates team have planted two brand new cherry trees in the grounds of the hospital to mark World Earth Day (22nd April 2015). The trees, which also form part of the RD&E’s contribution to the NHS Forest initiative, were planted in the car park close to the entrance to the Centre for Women’s Health. There are over 1,000 trees growing on the hospital site in Wonford. Green spaces across the hospital not only make a significant difference to the environment, but also have an important impact on patient care and staff wellbeing.


Equality and Diversity

Achievements

Overall

Over 80% of our Equality Delivery System (EDS) grades are at ‘achieving’ or better. Since last year, two outcomes previously reported as ‘achieving’ have improved to ‘excelling’, but, in using EDS to challenge ourselves, we have also moved two from ‘achieving’ to ‘developing’ as we realise the potential to do even more in these areas. This gives the Trust three ‘developing’ outcomes on which to focus over the next year.

The first of these concerns Board level engagement. Over the last year, we have enhanced Board level engagement through both direct presentation to the Board and through enhanced reporting. By reducing our rating to ‘developing’ we are demonstrating our intent to improve further.

We gave ourselves a second ‘developing’ grade due to issues arising for staff with disabilities, primarily from evidence from the Staff Survey 2014. The latest results, from the Staff Survey 2015, show pleasing improvement but we believe that there is more that we can still do. Our final ‘developing’ signals our commitment to further enhance our equality-related patient engagement activity.

The staff and patient profile continues to be in line with appropriate community benchmarks, as far as is reasonable to expect.

We achieved excellent results in an internal audit of our equality processes.

Staff

- We have undertaken detailed analytical work, through EDS, the Workforce Race Equality Standard (WRES) and our routine data reporting. Consultation on this has generated much promising ‘raw material’ for eventual incorporation into a comprehensive equality action plan
- Both of the key equality indicators in the staff survey reported in 2016, as regards disability, have improved since last year
- Incidence of discrimination at work, reported in the staff survey, is down
- Overall satisfaction of ethnic minorities, as evidenced in the staff survey, continues to be good.
- The staff survey shows good levels of satisfaction, overall, for Lesbian, Gay, Bisexual and Transgender staff
- We are pleased to be taking part in the national Supported Internship Programme, pioneering workplace equality for young people with learning disabilities. Developmental work has been underway since January 2016, with delivery due to begin in June 2016

Patients & Carers

- As we work towards compliance with the Accessible Information Standard we have taken this as an opportunity to overhaul our communication with patients, building a systematic approach to make sure all written information given to patients is sensitive to any disability-related needs. Whilst some IT systems are proving difficult to upgrade we anticipate compliance by the nationally mandated deadline
- We have always conducted a retrospective equality analysis of complaints and incidents, but we have upgraded our capability in this respect, to ensure that all equality issues arising from either source are now flagged to the relevant specialist, in real-time

Gender Pay Gap

Measuring the gender pay gap is an important way of showing whether men and women have equal pay. Gender pay gap analysis looks at broad patterns of pay and can suggest structural issues, for example, whether women’s careers are progressing as well as men’s. This type of headline analysis cannot in itself prove whether individual men are being paid more than individual women to do the same job.

The table below uses the standard national reporting method to show our gender pay gap. The negative percentages show where women are paid less than men. It shows the average hourly rate for basic salary by staff group:

<table>
<thead>
<tr>
<th>Staff Group</th>
<th>Female</th>
<th>Male</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prof Scientific and Technical</td>
<td>£14.41</td>
<td>£14.41</td>
<td>0%</td>
</tr>
<tr>
<td>Additional Clinical Services</td>
<td>£8.51</td>
<td>£8.65</td>
<td>-2%</td>
</tr>
<tr>
<td>Administrative and Clerical (B1-4)</td>
<td>£9.10</td>
<td>£8.79</td>
<td>4%</td>
</tr>
<tr>
<td>Administrative and Clerical (B5+)</td>
<td>£16.41</td>
<td>£17.84</td>
<td>-8%</td>
</tr>
<tr>
<td>Allied Health Professionals</td>
<td>£15.89</td>
<td>£14.41</td>
<td>10%</td>
</tr>
<tr>
<td>Estates and Ancillary</td>
<td>£7.86</td>
<td>£7.86</td>
<td>0%</td>
</tr>
<tr>
<td>Healthcare Scientists</td>
<td>£17.84</td>
<td>£17.84</td>
<td>0%</td>
</tr>
<tr>
<td>Medical and Dental (non-consultant)</td>
<td>£16.49</td>
<td>£18.13</td>
<td>-9%</td>
</tr>
<tr>
<td>Medical and Dental (consultant)</td>
<td>£162.38</td>
<td>£173.11</td>
<td>-6%</td>
</tr>
<tr>
<td>Nursing and Midwifery Registered</td>
<td>£14.41</td>
<td>£14.41</td>
<td>0%</td>
</tr>
<tr>
<td>All Staff</td>
<td>£11.09</td>
<td>£11.09</td>
<td>0%</td>
</tr>
</tbody>
</table>
The latest benchmark we have is from the Office for National Statistics, reporting the national gap, over the whole economy, as being 19% in 2014 (http://visual.ons.gov.uk/what-is-the-gender-pay-gap/ published September 2015).

**Pay Gaps Within Specific Pay Bands**

NHS Employers recommended that this pay gap be measured, in guidance issued during 2011. The analysis below is based on the two pay bands from all staff groups with the highest staff numbers, namely Band 2 and Band 5.

<table>
<thead>
<tr>
<th>Band</th>
<th>Female</th>
<th>Male</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Band 2</td>
<td>£8.07</td>
<td>£8.07</td>
<td>0%</td>
</tr>
<tr>
<td>Band 5</td>
<td>£14.41</td>
<td>£12.81</td>
<td>12%</td>
</tr>
</tbody>
</table>

**Key Performance Indicators**

**a. Overall**

The EDS is a national NHS tool to provide an overview of how well NHS organisations are delivering equality and diversity, through grading against a maximum of 18 outcomes. We have graded against 17 outcomes, as one is not relevant for our core business.

Our grades are as follows:

<table>
<thead>
<tr>
<th>Undeveloped</th>
<th>Developing</th>
<th>Achieving</th>
<th>Excelling</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>3</td>
<td>10</td>
<td>4</td>
</tr>
</tbody>
</table>

**b. Overall staff equality**

This indicator uses staff survey evidence, on the percentage of staff who report discrimination from patients, public or colleagues, in the last 12 months.

We are particularly pleased that incidence of discrimination at our Trust has declined markedly in the last year, even though the national result remains unchanged.

The latest results are:

<table>
<thead>
<tr>
<th>Year of staff survey</th>
<th>RD&amp;E</th>
<th>National (acute and specialist trusts)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>5%</td>
<td>11%</td>
</tr>
<tr>
<td>2014</td>
<td>12%</td>
<td>11%</td>
</tr>
</tbody>
</table>

**Equality objectives**

We have conducted a full review of our equality objectives for 2012-2016, examining both their on-going relevance and what has been achieved. The objectives were to improve our support of staff who have disabilities and to continuously improve the care of our older patients.

We are constantly pioneering new ways of caring for our older patients across the Trust and making great process. However, the review and staff survey suggest that some issues for staff with disabilities remain.

Review of evidence and subsequent consultation has led us to recommend to the Board three new equality objectives for 2016-2020, alongside one on staff with disabilities. Following an excellent debate the Board approved four objectives for the next four-year period:

- Improve the experience of staff with disabilities
- Understand and improve on the underrepresentation of black and minority ethnic staff in administration, managerial and board roles
- Improve the mental health experience of all patients
- Improve the experience of transgendered/non-binary patients.

We are engaged in the research phase of our plan and still formalising our metrics/benchmarks to underpin these objectives.
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</table>
Statement of the Chief Executive’s responsibilities as the Accounting Officer of the Royal Devon and Exeter NHS Foundation Trust

The National Health Service Act 2006 ("2006 Act") states that the Chief Executive is the Accounting Officer of the NHS Foundation Trust. The relevant responsibilities of the Accounting Officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by Monitor.

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

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

- observe the Accounts Direction issued by Monitor, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance: and
- prepare the financial statements on a going concern basis.

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

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

Signed

Angela Pedder - Chief Executive

Date: 25 May 2016
INDEPENDENT AUDITOR’S REPORT TO THE COUNCIL OF GOVERNORS OF ROYAL DEVON AND EXETER NHS FOUNDATION TRUST

Opinions and conclusions arising from our audit

1. Our opinion on the financial statements is unmodified

We have audited the financial statements of Royal Devon and Exeter NHS Foundation Trust for the year ended 31 March 2016 set out on pages 8 to 34. In our opinion:

- The financial statements give a true and fair view of the state of the Trust’s affairs as at 31 March 2016 and of the Trust’s income and expenditure for the year then ended; and
- The financial statements have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2015/16.

2. Our assessment of risks of material misstatement

In arriving at our audit opinion above on the financial statements the risks of material misstatement that had the greatest effect on our audit were as follow:

Valuation of land and buildings including dwellings - Land £10.8 million (2014/15: £10.8 million) and Buildings (including dwellings) £168.1 million (2014/15: £171.2 million) risk level is → (consistent) year on year

Refer to page 77 (Audit Committee Report), page 14 to 16 (accounting policies) and page 27 to 29 (financial disclosures).

The risk: Land and buildings are initially recognised at cost, but subsequently are recognised at current value in existing use (EUV). For non-specialised property assets in operational use, and, for specialised assets where no market value is readily ascertainable, they are recognised at the depreciated replacement cost (DRC) of a modern equivalent asset that has the same service potential as the existing property. A review is carried out each year to test assets for potential impairment and a full valuation is carried out every five years.

There is significant judgment involved in determining the appropriate basis (EUV or DRC) for each asset according to its degree of specialisation, as well as over the assumptions made in arriving at the valuation of the asset. In particular the DRC basis of valuation requires an assumption as to whether the replacement asset would be situated on the existing site or, if more appropriate, on an alternative site.

An interim desk-top revaluation of all the land and buildings, which did not involve a physical inspection of the assets, was undertaken by management using building price and cost indices as at 31 March 2016 provided by the Royal Institute of Chartered Surveyors. There is a high degree of judgement required in undertaking a desk-top revaluation, in particular relating to the indices applied to the assets in order to assess potential increases or decreases in the valuation. Management use this exercise to assess whether there has been a material change in the valuation that needs to be recognised in years in between their full revaluation cycle of five years.

Our Response: In this area our audit procedures included:

- Critically assessing the appropriateness of the indices used within the interim desk-top valuation produced by management;
- Considering those assets acquired or constructed during the year which were not subject to a desk-top valuation and challenging the judgement of management that the fair value of these assets was not significantly different from their initial cost;
- Challenging the bases and assumptions applied to individual assets by reference to property records held by the Trust, including the reconciliation of details provided for revalued assets to the fixed asset register and the benchmarking of indices applied to the revaluation with reference to third party data.

We also considered the adequacy of the Trust’s disclosures in respect of land and buildings.
Our response:

We agreed commissioner income to the signed contracts and selected a sample of the five largest balances (comprising 95% of income from patient care activities) to agree in more detail to supporting evidence.

We reviewed third party confirmations from your commissioners as part of the AoB exercise and compared the values they are disclosing within their financial statements to the value of income captured in your financial statements. We sought explanations for any variances over £0.25m, and all balances in dispute.

We reviewed the approach to providing for bad debt and confirmed that they were in line with the Trust’s accounting policies, and the judgement for the level of provision was appropriate.

We reviewed the judgement made in accounting for incomplete spells to determine whether income had been recognised in the appropriate period.

We carried out testing of other income by analysing the movement in key balances and obtaining explanations for significant variances.

We reviewed income recognised close to the period end to ensure it had been appropriately recognised in the relevant accounting period.

We also considered the adequacy of the Trust’s disclosures in respect of income, particularly in relation to any key judgments made and estimates used in recognising income.
3  **Our application of materiality and an overview of the scope of our audit**

The materiality for the financial statements (excluding non-current assets) was set at £8.0 million (2014/15: £7.9 million), determined with reference to a benchmark of income from operations (of which it represents 2%; 2014/15: 2%). We consider income from operations to be more stable than a surplus related benchmark.

For non-current assets, we set materiality at £20.0 million, determined with reference to the underlying carrying value of fixed assets (of which it represents 10%).

We report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £0.4 million (2014/15: £0.25 million), in addition to other identified misstatements that warrant reporting on qualitative grounds.

4  **Our opinion on other matters prescribed by the Code of Audit Practice is unmodified**

In our opinion:

- the parts of the Remuneration and Staff Reports to be audited have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2015/16; and

- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

5  **We have nothing to report in respect of the matters on which we are required to report by exception**

Under ISAs (UK and Ireland) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the Annual Report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

In particular, we are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our audit and the directors’ statement that they consider that the Annual Report and Accounts taken as a whole is fair, balanced and understandable and provides the information necessary for patients, regulators and other stakeholders to assess the Trust’s performance, business model and strategy; or

- the Audit Committee Report (within the Annual Report) does not appropriately address matters communicated by us to the Audit Committee.

Under the Code of Audit Practice we are required to report to you if, in our opinion:

- the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2015/16 is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements.

- The Trust has not made proper arrangement for securing economy, efficiency and effectiveness in its use of resources.

In addition we are required to report to you if:

- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006.

- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit.

We have nothing to report in respect of the above responsibilities.

**Certificate of audit completion**

We certify that we have completed the audit of the accounts of Royal Devon and Exeter NHS Foundation Trust in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office.
Respective responsibilities of the accounting officer and auditor

As described more fully in the Statement of Accounting Officer’s Responsibilities on page 2 the accounting officer is responsible for the preparation of financial statements which 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 UK Ethical Standards for Auditors.

Scope of an audit of financial statements performed in accordance with ISAs (UK and Ireland)

A description of the scope of an audit of financial statements is provided on our website at www.kpmg.com/uk/auditscopeother2014. This report is made subject to important explanations regarding our responsibilities, as published on that website, which are incorporated into this report as if set out in full and should be read to provide an understanding of the purpose of this report, the work we have undertaken and the basis of our opinions.

Respective responsibilities of the Trust and auditor in respect of arrangements for securing economy, efficiency and effectiveness in the use of resources

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

Under Section 62(1) and Schedule 10 paragraph 1(d), of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust’s arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

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

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General (C&AG), as to whether the Trust has proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The C&AG determined this criterion as 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 31 March 2016.

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.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust, as a body, for our audit work, for this report or for the opinions we have formed.

Jonathan Brown
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
100 Temple Street
Bristol
BS1 6AG

25 May 2016
FOREWORD TO THE ACCOUNTS

These accounts for the year ended 31 March 2016 have been prepared by the Royal Devon and Exeter NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006 in the form which Monitor has, with the approval of the Treasury, directed.

The Royal Devon and Exeter NHS Foundation Trust Annual Report and Accounts are presented to Parliament pursuant to Schedule 7, paragraph 25(4) of National Health Service Act 2006.

Signed:

Angela Pedder - Chief Executive

Date: 25 May 2016
## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED
### 31 MARCH 2016

<table>
<thead>
<tr>
<th>Note</th>
<th>2015/16 £000</th>
<th>2014/15 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from activities</td>
<td>3</td>
<td>332,272</td>
</tr>
<tr>
<td>Other operating income</td>
<td>4</td>
<td>71,210</td>
</tr>
<tr>
<td>Operating income</td>
<td></td>
<td>403,482</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>5</td>
<td>(417,000)</td>
</tr>
<tr>
<td><strong>Operating deficit</strong></td>
<td></td>
<td>(13,518)</td>
</tr>
<tr>
<td>Finance costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance income</td>
<td>10</td>
<td>84</td>
</tr>
<tr>
<td>Finance expense</td>
<td>11</td>
<td>(773)</td>
</tr>
<tr>
<td>PDC dividends payable</td>
<td></td>
<td>(5,848)</td>
</tr>
<tr>
<td><strong>Net finance costs</strong></td>
<td></td>
<td>(6,537)</td>
</tr>
<tr>
<td><strong>Total comprehensive deficit for the year</strong></td>
<td></td>
<td>(20,055)</td>
</tr>
</tbody>
</table>
### STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

<table>
<thead>
<tr>
<th>Note</th>
<th>31 March 2016 (£000)</th>
<th>31 March 2015 (£000)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td>14</td>
<td>431</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>15</td>
<td>199,560</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>17</td>
<td>972</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories</td>
<td>16</td>
<td>6,664</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>17</td>
<td>17,756</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>21</td>
<td>16,507</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>18</td>
<td>(31,178)</td>
</tr>
<tr>
<td>Borrowings</td>
<td>19</td>
<td>(1,270)</td>
</tr>
<tr>
<td>Provisions</td>
<td>20</td>
<td>(333)</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>18</td>
<td>(1,867)</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total assets less current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowings</td>
<td>19</td>
<td>(13,861)</td>
</tr>
<tr>
<td>Provisions</td>
<td>20</td>
<td>(362)</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total assets employed</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Financed by taxpayers’ equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public dividend capital</td>
<td></td>
<td>152,444</td>
</tr>
<tr>
<td>Revaluation reserve</td>
<td></td>
<td>24,677</td>
</tr>
<tr>
<td>Income and expenditure reserve</td>
<td></td>
<td>15,898</td>
</tr>
<tr>
<td><strong>Total taxpayers’ equity</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The notes on pages 12 to 34 form part of these accounts.

The Annual Accounts on pages 8 to 34 were approved by the Board of Directors on 25 May 2016 and signed on its behalf by:

Angela Pedder - Chief Executive

Date: 25 May 2016
### STATEMENT OF CHANGES IN TAXPAYERS’ EQUITY FOR THE YEAR ENDED 31 MARCH 2016

<table>
<thead>
<tr>
<th>Public dividend capital</th>
<th>Revaluation reserve</th>
<th>Income and expenditure reserve</th>
<th>Total £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Taxpayers’ equity at 1 April 2014</td>
<td>150,930</td>
<td>26,813</td>
<td>45,035</td>
</tr>
<tr>
<td>Deficit for the year excluding property impairment charge</td>
<td>-</td>
<td>-</td>
<td>(11,218)</td>
</tr>
<tr>
<td>Transfer of the excess of current cost depreciation over historical cost depreciation to the income and expenditure reserve</td>
<td>-</td>
<td>(1,060)</td>
<td>1,060</td>
</tr>
<tr>
<td>Public dividend capital received</td>
<td>862</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Taxpayers’ equity at 31 March and 1 April 2015</td>
<td>151,792</td>
<td>25,753</td>
<td>34,877</td>
</tr>
<tr>
<td>Deficit for the year</td>
<td>-</td>
<td>-</td>
<td>(20,055)</td>
</tr>
<tr>
<td>Transfer of the excess of current cost depreciation over historical cost depreciation to the income and expenditure reserve</td>
<td>-</td>
<td>(1,076)</td>
<td>1,076</td>
</tr>
<tr>
<td>Public dividend capital received</td>
<td>652</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Taxpayers’ equity at 31 March 2016</td>
<td>152,444</td>
<td>24,677</td>
<td>15,898</td>
</tr>
</tbody>
</table>

**Public dividend capital ("PDC")**

PDC represents the excess of assets over liabilities at the time of establishment of the Trust. It also includes new PDC received to fund capital expenditure on schemes supported by the Department of Health central capital budgets. PDC has no fixed capital repayment period.

**Revaluation reserve**

The reserve reflects movements in the value of purchased property, plant and equipment and intangible assets as set out in the accounting policies.

**Income and expenditure reserve**

The reserve is the cumulative surplus / (deficit) made by the Trust since its inception. It is held in perpetuity and cannot be released to the Statement of Comprehensive Income.
## CASH FLOW STATEMENT FOR THE YEAR ENDED
### 31 MARCH 2016

<table>
<thead>
<tr>
<th>Note</th>
<th>2015/16 £000</th>
<th>2014/15 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating deficit</td>
<td>(13,518)</td>
<td>(4,618)</td>
</tr>
<tr>
<td>Non-cash income and expense</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>11,882</td>
<td>11,712</td>
</tr>
<tr>
<td>Impairments</td>
<td>3,524</td>
<td>-</td>
</tr>
<tr>
<td>Decrease / (increase) in trade and other receivables</td>
<td>845</td>
<td>(3,371)</td>
</tr>
<tr>
<td>Decrease / (increase) in inventories</td>
<td>1,361</td>
<td>(1,312)</td>
</tr>
<tr>
<td>Increase in trade and other payables</td>
<td>1,493</td>
<td>1,798</td>
</tr>
<tr>
<td>(Decrease) / increase in other liabilities</td>
<td>(510)</td>
<td>860</td>
</tr>
<tr>
<td>Increase / (decrease) in provisions</td>
<td>30</td>
<td>(73)</td>
</tr>
<tr>
<td>Increase in tax liability payable</td>
<td>30</td>
<td>89</td>
</tr>
<tr>
<td>Income recognised in respect of capital donations</td>
<td>(105)</td>
<td>(104)</td>
</tr>
<tr>
<td>Loss on disposal of property plant and equipment</td>
<td>9</td>
<td>31</td>
</tr>
<tr>
<td><strong>Net cash generated from operations</strong></td>
<td>5,041</td>
<td>5,012</td>
</tr>
</tbody>
</table>

| Cash flows from investing activities | | |
| Interest received | 84 | 114 |
| Purchase of intangible assets | (146) | (353) |
| Purchase of property, plant and equipment | (8,990) | (8,873) |
| Sale of property, plant and equipment | - | 3 |
| Receipt of cash donations to purchase capital assets | 105 | 104 |
| **Net cash used in investing activities** | (8,947) | (9,005) |

| Cash flows from financing activities | | |
| PDC received | 652 | 862 |
| Loans repaid | (1,271) | (1,270) |
| Interest paid | (768) | (830) |
| PDC dividend paid | (5,567) | (5,822) |
| **Net cash used in financing activities** | (6,954) | (7,060) |

| Decrease in cash and cash equivalents | (10,860) | (11,053) |
| Cash and cash equivalents at 1 April | 27,367 | 38,420 |
| **Cash and cash equivalents at 31 March** | 16,507 | 27,367 |
NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

Monitor has directed that the accounts of the Trust shall meet the accounting requirements of the NHS Foundation Trust Annual Reporting Manual which shall be agreed with the Secretary of State. Consequently, the accounts have been prepared in accordance with the 2015/16 NHS Foundation Trust Annual Reporting Manual issued by Monitor. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) and HM Treasury’s Financial Reporting Manual to the extent that they are meaningful and appropriate to NHS Foundation Trusts. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention

The accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangibles assets and inventories at their value to the business by reference to their fair value.

Going concern

The Trust incurred a deficit of £20.055m for the year ending 31 March 2016. The Trust has prepared its annual plan for the year ending 31 March 2017, which includes a detailed cashflow forecast which provides assurance that the Trust will remain within their current facilities. The Directors have therefore a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they consider it appropriate to continue to adopt the going concern basis in preparing the accounts.

1.1 Income recognition

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the Trust is contracts with commissioners in respect of healthcare services.

Revenue relating to patient care treatments (also known as 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. Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred.

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract, less the fair value of the asset.

1.2 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the accounts to the extent that employees are permitted to carry forward leave into the following period.

Pension costs

Past and present employees are covered by the provisions of the 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 Secretary of State, in England and Wales. It is not possible for the Trust to identify its share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as a defined contribution scheme.

Employers pension cost contributions are charged to operating expenses as and when they become due.

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

1.3 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

1.4 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Trust’s business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably.

Intangible assets are capitalised when they are capable of being used in the Trust's activities for more than one year and have a cost of at least £15,000.

Internally generated intangible assets

Internally generated goodwill, brands, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at fair value. Revaluation gains and losses and impairments are treated in the same manner as for property, plant and equipment (see note 1.5).

Amortisation and impairment

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

The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Software

Software that is integral to the operation of hardware, e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, e.g. application software, is capitalised as an intangible asset.

Purchased computer software licences are capitalised as intangible assets where expenditure of at least £15,000 is incurred and amortised over the shorter of the term of the licence and their useful lives.

<table>
<thead>
<tr>
<th>Asset category</th>
<th>Useful life (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Software licences</td>
<td>3 - 10</td>
</tr>
</tbody>
</table>
NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.4 Intangible assets (continued)

Research and development

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
- the Trust intends to complete the asset and sell or use it;
- the Trust has the ability to sell or use the asset;
- how the intangible asset will generate probable future economic or service delivery benefits, e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset; and
- the Trust can measure reliably the expenses attributable to the asset during development.

Expenditure which does not meet the criteria for capitalisation is treated as an operating cost in the year in which it is incurred.

Where possible the Trust will disclose the total amount of research and development expenditure charged in the Statement of Comprehensive Income separately. However, where research and development activity cannot be separated from patient care activity it cannot be identified and is therefore not separately disclosed.

Other property, plant and equipment assets acquired for use in research and development are amortised over the life of the associated project.

1.5 Property, plant and equipment

Recognition

Property, plant and equipment are capitalised where:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably and;
- has an individual cost of at least £15,000; or
- the items form a group of assets which individually have a cost of more than £250, collectively have a cost of at least £15,000, 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
- form part of the initial equipping and setting-up costs of a new building or on refurbishment, may also be "grouped" for capitalisation purposes.
1. ACCOUNTING POLICIES (CONTINUED)

1.5 Property, plant and equipment (continued)

Measurement and revaluation

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

Property assets

The fair value of land and buildings is determined by valuations carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. The valuations are carried out primarily on the basis of depreciated replacement cost for specialised operational property based upon providing a modern equivalent asset. Existing use value is used for non-specialised operational property. For non-operational properties, including surplus land, the valuations are carried out at open market value. The frequency of revaluation is dependent upon changes in the fair value of property assets however, in line with Monitor's view, the frequency of property asset revaluations will be at least every five years.

Assets under construction are valued at cost and may subsequently be revalued by professional valuers when brought into use or when factors indicate that the value of the asset differs materially from its carrying value.

Non-property assets

For non-property assets the depreciated historical cost basis has been adopted as a proxy fair value. Non-property assets acquired up to 31 March 2008 were revalued through an annual uplift by the change in the value of the GDP deflator. These revalued assets are included in the non-property assets valuation, but further indexation of these assets has ceased.

Additional alternative open market value figures have only been supplied for operational assets scheduled for imminent closure and subsequent disposal.

Subsequent expenditure

Expenditure incurred after items of property, plant and equipment have been brought into operation, such as repairs and maintenance, is normally charged to the Statement of Comprehensive Income in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, and where the cost of an item can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement.

Depreciation

Items of property, plant and equipment are depreciated on a straight-line basis over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits.

Useful lives are determined on a case by case basis. The typical lives for the following assets are:

<table>
<thead>
<tr>
<th>Asset category</th>
<th>Useful life (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freehold property - buildings</td>
<td>16 - 53</td>
</tr>
<tr>
<td>Freehold property - dwellings</td>
<td>32 - 37</td>
</tr>
<tr>
<td>Plant and machinery</td>
<td>4 - 20</td>
</tr>
<tr>
<td>Equipment - transport</td>
<td>5 - 7</td>
</tr>
<tr>
<td>Equipment - information technology</td>
<td>3 - 10</td>
</tr>
<tr>
<td>Equipment - furniture and fittings</td>
<td>5 - 10</td>
</tr>
</tbody>
</table>

Freehold land is considered to have an infinite life and is not depreciated.
NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.5 Property, plant and equipment (continued)

The excess depreciation on revalued assets over the historical cost is released to the income and expenditure reserve. On disposal of an asset any remaining revaluation reserve balance is released to the income and expenditure reserve.

Impairment

The carrying values of property, plant and equipment assets are reviewed for impairment when events or changes in circumstances indicate their carrying value may not be recoverable.

Increases in asset values arising from revaluation are recognised in the revaluation reserve, except where, and to the extent that, they reverse an impairment previously recognised in operating expenses, in which case they are recognised in operating income.

Decreases in asset values that are due to a loss of economic benefits or service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income.

1.6 Donated, government grant and other grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is recognised as income unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

1.7 Inventories and work in progress

Inventories and work in progress are valued at the lower of cost and net realisable value. Cost is determined using a first in, first out method.

Work in progress comprises goods in intermediate stages of production.

Provision is made where necessary for obsolete, slowing moving and defective inventories and work in progress.

1.8 Provisions

The Trust provides for legal or constructive obligations that are of uncertain timing or amount at the Statement of Financial Position date on the basis of the best estimate of the expenditure required to settle the obligation. The Trust uses HM Treasury's pension rate of 1.37% (2014/15 - 1.3%), in real terms, as the discount rate for early retirement and injury benefit provisions.
NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.8 Provisions (continued)

Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the Trust pays an annual contribution, which, in return, settles all clinical negligence claims. Although the NHSLA is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at note 20. The provision relates to the excess payable on each of the Trust's cases administered by the NHSLA.

Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to the NHSLA and in return receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses when the liability arises.

1.9 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 non-current assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.10 Contingent liabilities

The Trust has contingent liabilities in respect of NHSLA legal claims arising in the normal course of activities. Where the transfer of economic liabilities in respect of legal claims is possible the Trust discloses the estimated value as a contingent liability in note 23.

1.11 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. However, they are disclosed in a separate note, note 26, to the accounts in accordance with the requirements of HM Treasury’s Financial Reporting Manual.

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

The losses and special payments note is compiled directly from the losses and compensations register which reports on an accruals basis with the exception of provisions for future losses.
1. ACCOUNTING POLICIES (CONTINUED)

1.13 Critical accounting estimates and judgements

In the application of the Trust’s accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed.

Accounting judgement - Modern Equivalent Asset valuation

The majority of the Trust's estate is considered to be specialised assets as there is no open market for an acute hospital. The modern equivalent asset valuation is based on the assumption that any modern equivalent replacement hospital would be built on an alternative site within the Exeter locality.

Revisions to accounting estimates are recognised in the period in which the estimate is revised.

1.14 Leases

Operating leases

Where leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

1.15 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS trust, the Royal Devon and Exeter Healthcare NHS Trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the forecast cost of capital utilised by the Trust, is paid over as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust.

Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for donated assets and the average daily cash held with the Government Banking Service. Average relevant net assets are calculated as a simple means of opening and closing relevant net assets in the pre-audit version of the accounts after adjusting for the average daily cash held within the Government Banking Service.
NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.16 Financial instruments and financial liabilities

Recognition

goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs i.e. when receipt or delivery of the goods or services is made.

All other financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

De-recognition

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

Financial liabilities are derecognised when the obligation is discharged, cancelled or expires.

Classification and measurement

Financial assets are categorised as 'loans and receivables'. Financial liabilities are classified as 'other financial liabilities'.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets.

The Trust's loans and receivables comprise: cash and cash equivalents, NHS receivables, accrued income and 'other receivables'.

Loans and receivables are recognised initially at fair value, net of transactions costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

Other financial liabilities

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

They are included in current liabilities except for amounts payable more than 12 months after the statement of financial position date, which are classified as non-current liabilities.

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

1.16 Financial instruments and financial liabilities (continued)

   **Impairment of financial assets**

   At the statement of financial position date, the Trust assesses whether any financial assets are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

   For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset’s carrying amount and the present value of the revised future cash flows discounted at the asset’s original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced through the use of a bad debt provision that is determined specifically on individual assets.

1.17 Corporation tax

   The Trust is a Health Service Body within the meaning of s519A of the Income and Corporation Tax Act 1988 and accordingly is exempt from taxation in respect of income and capital gains within categories covered by this. There is a power for HM Treasury to dis-apply the exemption in relation to specified activities of an NHS foundation trust (s519A (3) to (8) of the Income and Corporation Taxes Act 1988). Accordingly, the FT is potentially within the scope of corporation tax in respect of activities which are not related to, or ancillary to, the provision of healthcare, and where the profits there from exceed £50,000 per annum. Until the exemption is dis-applied then the FT has no corporation tax liability.

1.18 Consolidation of NHS charitable funds

   The Trust is the Corporate Trustee of the Royal Devon and Exeter NHS Foundation Trust General Charity. The Charity has not been consolidated within these annual accounts as the value of the Charity is low and consolidation into the Trust’s accounts would have no material effect. Further information relating to transactions between the Trust and the Charity is disclosed in note 24.

2. Segmental analysis

   The Chief Operating Decision Maker, who is responsible for the allocation of resources and the assessment of the performance of operating segments has been identified as the Trust's Board of Directors.

   Throughout the financial year the Trust's Board of Directors received a monthly integrated performance report, that provided information against key standards and targets. The reports included financial performance information which has assisted the Board of Directors with their financial decisions. The monthly information provided to the Board of Directors has been similar to the primary statements within these accounts.

   The Board of Directors received financial information at service line level on a quarterly basis. Note 2.1 provides details of the financial information reported by the operating segments.
### 2.1 Segmental analysis (continued)

<table>
<thead>
<tr>
<th>Service Line</th>
<th>NHS Clinical Income</th>
<th>Non-Patient Income - Staff</th>
<th>RTA Income</th>
<th>Services Provided</th>
<th>Education Income</th>
<th>R&amp;D Income</th>
<th>Non-Patient Income - Other</th>
<th>Total Income *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surgical</td>
<td>£113,338</td>
<td>£829</td>
<td>£409</td>
<td>£6,009</td>
<td>£6,940</td>
<td>£6,940</td>
<td>£4,984</td>
<td>£137,362</td>
</tr>
<tr>
<td>Medical</td>
<td>£114,181</td>
<td>£424</td>
<td>£7,252</td>
<td>£6,061</td>
<td>£7,552</td>
<td>£8,967</td>
<td>£6,380</td>
<td>£145,359</td>
</tr>
<tr>
<td>Specialist</td>
<td>£104,735</td>
<td>£240</td>
<td>£19,526</td>
<td>£19,622</td>
<td>£6,061</td>
<td>£3,922</td>
<td>£4,980</td>
<td>£121,801</td>
</tr>
<tr>
<td>Corporate</td>
<td>(£1,106)</td>
<td></td>
<td>£1,094</td>
<td>(£1,094)</td>
<td>£2,249</td>
<td>(£1,386)</td>
<td>£2,351</td>
<td>(£1,098)</td>
</tr>
<tr>
<td>Other</td>
<td>£331,148</td>
<td></td>
<td>£2,672</td>
<td>£18,991</td>
<td>£18,991</td>
<td>£18,991</td>
<td>£18,991</td>
<td>£403,424</td>
</tr>
</tbody>
</table>

**Note**
- Finance income and other income totaling £142k is shown gross in the SOCI and net in the segmental analysis.
- Overhead costs totaling £43,519k have been separately disclosed as they are not directly attributable at the service line level.
- Depreciation, amortisation and impairment costs totaling £15,406k have been separately disclosed as they are not directly attributable at the service line level.

### 3.1 Reconciliation between segmental analysis and figures reported in SOCI

<table>
<thead>
<tr>
<th>Segmental Analysis</th>
<th>SOCI Balance</th>
<th>(Increase) / Decrease to SOCI deficit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Income *</td>
<td>£137,362</td>
<td>£145,359</td>
</tr>
<tr>
<td>Pay Costs</td>
<td>£65,604</td>
<td></td>
</tr>
<tr>
<td>Contribution</td>
<td>£20,056</td>
<td></td>
</tr>
<tr>
<td>Overheads</td>
<td>£15,523</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>(£3,334)</td>
<td></td>
</tr>
<tr>
<td>Depreciation, amortisation and impairment</td>
<td>(£3,726)</td>
<td></td>
</tr>
<tr>
<td>Total Operating Surplus (deficit)</td>
<td>(£7,855)</td>
<td>(£3,414)</td>
</tr>
<tr>
<td>PDC Dividend and net interest payable</td>
<td>(£2,463)</td>
<td>(£104)</td>
</tr>
<tr>
<td>Net Surplus / (deficit)</td>
<td>(£10,318)</td>
<td>(£2,557)</td>
</tr>
</tbody>
</table>

**Note**
- The segmental analysis discloses income and expenditure that is directly attributable at a service line level to a service line. Expenditure that is not directly attributable at a service line level is disclosed separately.
### 2.2 Segmental analysis (continued) 2014/15 comparatives

<table>
<thead>
<tr>
<th></th>
<th>Surgical Services</th>
<th>Medical Services</th>
<th>Specialist Services</th>
<th>Corporate and other</th>
<th>Trust total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>NHS clinical income</td>
<td>111,763</td>
<td>110,347</td>
<td>102,408</td>
<td>5,307</td>
<td>329,825</td>
</tr>
<tr>
<td>Non-patient income - staff</td>
<td>792</td>
<td>1,372</td>
<td>408</td>
<td>-</td>
<td>2,572</td>
</tr>
<tr>
<td>RTA income</td>
<td>381</td>
<td>409</td>
<td>221</td>
<td>-</td>
<td>1,011</td>
</tr>
<tr>
<td>Services provided</td>
<td>5,894</td>
<td>7,109</td>
<td>5,752</td>
<td>-</td>
<td>18,755</td>
</tr>
<tr>
<td>Education income</td>
<td>5,782</td>
<td>5,668</td>
<td>2,345</td>
<td>-</td>
<td>13,795</td>
</tr>
<tr>
<td>R&amp;D income</td>
<td>5,880</td>
<td>10,068</td>
<td>1,630</td>
<td>-</td>
<td>17,578</td>
</tr>
<tr>
<td>Non-patient income - other</td>
<td>4,803</td>
<td>5,959</td>
<td>4,797</td>
<td>10</td>
<td>15,569</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>135,295</td>
<td>140,932</td>
<td>117,561</td>
<td>5,317</td>
<td>399,105</td>
</tr>
<tr>
<td><strong>Pay costs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medical staff</td>
<td>31,649</td>
<td>23,209</td>
<td>15,775</td>
<td>-</td>
<td>70,633</td>
</tr>
<tr>
<td>Nursing staff</td>
<td>30,498</td>
<td>36,768</td>
<td>18,914</td>
<td>-</td>
<td>86,160</td>
</tr>
<tr>
<td>Admin. staff</td>
<td>8,846</td>
<td>8,295</td>
<td>7,336</td>
<td>56</td>
<td>24,533</td>
</tr>
<tr>
<td>AHP staff</td>
<td>7,381</td>
<td>8,829</td>
<td>10,955</td>
<td>-</td>
<td>27,165</td>
</tr>
<tr>
<td>Other staff</td>
<td>3,088</td>
<td>3,577</td>
<td>1,649</td>
<td>36</td>
<td>8,350</td>
</tr>
<tr>
<td><strong>Non-pay costs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Drugs</td>
<td>9,358</td>
<td>16,501</td>
<td>20,588</td>
<td>-</td>
<td>46,447</td>
</tr>
<tr>
<td>Clinical supplies</td>
<td>19,001</td>
<td>13,798</td>
<td>13,879</td>
<td>-</td>
<td>46,678</td>
</tr>
<tr>
<td>Non clinical supplies</td>
<td>1,579</td>
<td>1,771</td>
<td>614</td>
<td>-</td>
<td>3,964</td>
</tr>
<tr>
<td>Other non-pay</td>
<td>10,490</td>
<td>13,167</td>
<td>7,079</td>
<td>679</td>
<td>31,615</td>
</tr>
<tr>
<td><strong>Total pay &amp; non-pay expense</strong></td>
<td>121,890</td>
<td>125,915</td>
<td>96,789</td>
<td>971</td>
<td>345,565</td>
</tr>
<tr>
<td><strong>Contribution</strong></td>
<td>13,405</td>
<td>15,017</td>
<td>20,772</td>
<td>4,348</td>
<td>53,540</td>
</tr>
<tr>
<td>Contribution %</td>
<td>9.9%</td>
<td>10.7%</td>
<td>17.7%</td>
<td>81.7%</td>
<td>13.4%</td>
</tr>
<tr>
<td>Overheads *</td>
<td>22,242</td>
<td>22,917</td>
<td>19,592</td>
<td>7</td>
<td>64,758</td>
</tr>
<tr>
<td>[includes interest, depreciation, PDC and impairments]</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net surplus / (deficit)</strong></td>
<td>(8,837)</td>
<td>(7,900)</td>
<td>1,180</td>
<td>4,339</td>
<td>11,218</td>
</tr>
<tr>
<td>Net margin %</td>
<td>(6.5%)</td>
<td>(5.6%)</td>
<td>1.0%</td>
<td>81.6%</td>
<td>(2.8%)</td>
</tr>
</tbody>
</table>

The segmental analysis discloses income and expenditure that is directly attributable at a service line level to a service line. The segmental analysis discloses expenditure that is not directly attributable at a service line level within overheads.

**Note**

[a] £114k finance income and £28k of other income is shown gross in the SOCI and net in the segmental analysis.

[b] Cost totalling £64,758k, which are not directly attributable at the service line level, have been allocated to overheads.
NOTES TO THE ACCOUNTS

3. Income from activities

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elective income</td>
<td>80,642</td>
<td>80,878</td>
</tr>
<tr>
<td>Non-elective income</td>
<td>69,540</td>
<td>69,347</td>
</tr>
<tr>
<td>Outpatient income</td>
<td>54,146</td>
<td>51,784</td>
</tr>
<tr>
<td>Other NHS clinical income</td>
<td>116,103</td>
<td>116,662</td>
</tr>
<tr>
<td>A &amp; E income</td>
<td>10,460</td>
<td>10,712</td>
</tr>
<tr>
<td>Private patient income</td>
<td>1,331</td>
<td>1,453</td>
</tr>
<tr>
<td>Other non-protected clinical income</td>
<td>50</td>
<td>29</td>
</tr>
<tr>
<td></td>
<td>332,272</td>
<td>330,865</td>
</tr>
</tbody>
</table>

Income from commissioner requested services

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>330,891</td>
<td>329,383</td>
</tr>
</tbody>
</table>

Income from non-commissioner requested services

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,381</td>
<td>1,482</td>
</tr>
<tr>
<td></td>
<td>332,272</td>
<td>330,865</td>
</tr>
</tbody>
</table>

3.1 Income from activities - by source

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>NHS foundation trusts</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>NHS trusts</td>
<td>49</td>
<td>136</td>
</tr>
<tr>
<td>CCGS and NHS England</td>
<td>328,809</td>
<td>327,663</td>
</tr>
<tr>
<td>Non-NHS - private patients</td>
<td>1,199</td>
<td>1,357</td>
</tr>
<tr>
<td>Non-NHS - overseas patients (non-reciprocal)</td>
<td>132</td>
<td>96</td>
</tr>
<tr>
<td>NHS injury scheme</td>
<td>1,063</td>
<td>1,011</td>
</tr>
<tr>
<td>Non-NHS - other</td>
<td>1,018</td>
<td>602</td>
</tr>
<tr>
<td></td>
<td>332,272</td>
<td>330,865</td>
</tr>
</tbody>
</table>

NHS Injury Scheme income is subject to a provision for doubtful debts of 21.99% (2014/15 - 18.9%) to reflect expected rates of collection based upon historical experience.

4. Other operating income

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research and development</td>
<td>19,362</td>
<td>19,274</td>
</tr>
<tr>
<td>Education and training</td>
<td>13,576</td>
<td>13,517</td>
</tr>
<tr>
<td>Charitable and other contributions to expenditure</td>
<td>105</td>
<td>104</td>
</tr>
<tr>
<td>Non-patient care services to other bodies</td>
<td>22,357</td>
<td>23,465</td>
</tr>
<tr>
<td>Staff recharges</td>
<td>4,655</td>
<td>4,130</td>
</tr>
<tr>
<td>Profit on disposal of property</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Profit on disposal of plant and equipment</td>
<td>-</td>
<td>4</td>
</tr>
<tr>
<td>Rental revenue from operating leases</td>
<td>134</td>
<td>135</td>
</tr>
<tr>
<td>Other</td>
<td>11,021</td>
<td>7,639</td>
</tr>
<tr>
<td></td>
<td>71,210</td>
<td>68,268</td>
</tr>
</tbody>
</table>

Included within "Non-patient care services to other bodies" are laundry services, transport services, payroll services, IT services, procurement services, estates services, pathology services, pharmacy services and drug sales totalling £12 million (2014/15 - £12 million).

Included within "Other income" above is catering income of £2.1 million, (2014/15 - £2.1 million), car parking income of £2.0 million (2014/15 - £1.7 million), nursery/crèche income of £1.1 million (2014/15 - £1 million), staff accommodation £0.7 million (2014/15 - £0.6 million).
5. Operating expenses

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services from other NHS foundation trusts</td>
<td>£3,148</td>
<td>£3,348</td>
</tr>
<tr>
<td>Services from NHS trusts</td>
<td>£2,720</td>
<td>£2,379</td>
</tr>
<tr>
<td>Services from other NHS bodies</td>
<td>£929</td>
<td>£656</td>
</tr>
<tr>
<td>Employee expenses - executive directors (see note 5.1)</td>
<td>£924</td>
<td>£876</td>
</tr>
<tr>
<td>Employee expenses - non-executive directors (see note 5.1)</td>
<td>£145</td>
<td>£149</td>
</tr>
<tr>
<td>Employee expenses - staff</td>
<td>£243,925</td>
<td>£237,265</td>
</tr>
<tr>
<td>Drug costs</td>
<td>£49,075</td>
<td>£46,690</td>
</tr>
<tr>
<td>Supplies and services - clinical (excluding drug costs)</td>
<td>£44,072</td>
<td>£45,314</td>
</tr>
<tr>
<td>Supplies and services - general</td>
<td>£5,225</td>
<td>£5,174</td>
</tr>
<tr>
<td>Establishment</td>
<td>£2,300</td>
<td>£2,290</td>
</tr>
<tr>
<td>Research and development - not included in employee expenses</td>
<td>£13,629</td>
<td>£14,016</td>
</tr>
<tr>
<td>Research and development - included in employee expenses (note 6.1)</td>
<td>£4,628</td>
<td>£4,091</td>
</tr>
<tr>
<td>Transport</td>
<td>£1,271</td>
<td>£1,272</td>
</tr>
<tr>
<td>Premises</td>
<td>£13,312</td>
<td>£14,159</td>
</tr>
<tr>
<td>(Decrease) / increase in bad debt provision</td>
<td>(£34)</td>
<td>£153</td>
</tr>
<tr>
<td>Depreciation</td>
<td>£11,757</td>
<td>£11,577</td>
</tr>
<tr>
<td>Amortisation of intangible assets</td>
<td>£125</td>
<td>£135</td>
</tr>
<tr>
<td>Impairments</td>
<td>£3,524</td>
<td>-</td>
</tr>
<tr>
<td>Audit fees - statutory audit</td>
<td>£78</td>
<td>£79</td>
</tr>
<tr>
<td>Other auditors' remuneration</td>
<td>£8</td>
<td>£1</td>
</tr>
<tr>
<td>Internal audit fees</td>
<td>£210</td>
<td>£210</td>
</tr>
<tr>
<td>Clinical negligence - amounts payable to NHSLA (premiums)</td>
<td>£11,191</td>
<td>£7,289</td>
</tr>
<tr>
<td>Losses, ex gratia and special payments</td>
<td>£132</td>
<td>£168</td>
</tr>
<tr>
<td>Loss on disposal of plant and equipment and intangibles</td>
<td>£9</td>
<td>£35</td>
</tr>
<tr>
<td>Consultancy</td>
<td>£164</td>
<td>£643</td>
</tr>
<tr>
<td>Other</td>
<td>£4,623</td>
<td>£5,762</td>
</tr>
</tbody>
</table>

Total: £417,000/£403,751

“Other expenditure” above includes operating lease expenditure, training courses and conferences, and patient travel.

The total employer's pension contributions are disclosed in note 6.1.

5.1 Directors’ remuneration and other benefits

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate directors’ remuneration</td>
<td>£993</td>
<td>£970</td>
</tr>
<tr>
<td>Employer’s contribution to pension scheme</td>
<td>£76</td>
<td>£55</td>
</tr>
<tr>
<td>Total</td>
<td>£1,069</td>
<td>£1,025</td>
</tr>
</tbody>
</table>

In the year ended 31 March 2016 four directors accrued benefits under defined benefit pension schemes (2015 - three).

5.2 Other auditors’ remuneration

The audit fee, which includes statutory audit and quality accounts, in 2015/16 was £78,000 (2014/15 - £79,000) including VAT not recoverable. This was the fee for an audit in accordance with the Audit Code issued by Monitor in March 2011. Fees of £8,000 (2014/15 - £1,000) were incurred in respect of non-audit relating to VAT assurance services.

5.3 Auditors’ liability

The Board of Governors has appointed KPMG LLP as external auditors. The engagement letter signed on 8th December 2014, states that the liability of KPMG, its members, partners and staff (whether in contract, negligence or otherwise) shall in no circumstances exceed £1 million in the aggregate in respect of all services (2014/15 - £1 million).

5.4 Operating leases

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating lease payments recognised in expenses</td>
<td>£1,974</td>
<td>£1,833</td>
</tr>
</tbody>
</table>

Lease expenditure relates to minimum lease payments and is charged to the Statement of Comprehensive Income in a straight line basis over the term of the lease.

Future aggregate minimum lease payments due under non-cancellable operating leases are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land and buildings</td>
<td>£320</td>
<td>£328</td>
</tr>
<tr>
<td>Other</td>
<td>£264</td>
<td>£780</td>
</tr>
<tr>
<td>Total</td>
<td>£584</td>
<td>£452</td>
</tr>
<tr>
<td>No later than 1 year</td>
<td>£452</td>
<td>£328</td>
</tr>
<tr>
<td>Later than 1 year and no later than 5 years</td>
<td>£1,787</td>
<td>£923</td>
</tr>
<tr>
<td>Later than 5 years</td>
<td>£3,200</td>
<td>£74</td>
</tr>
<tr>
<td>Total</td>
<td>£4,794</td>
<td>£4,058</td>
</tr>
</tbody>
</table>

Future aggregate minimum lease payments due under non-cancellable operating leases are as follows:
NOTES TO THE ACCOUNTS

6. Staff costs and numbers

6.1 Staff costs

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and wages</td>
<td>202,987</td>
<td>193,542</td>
</tr>
<tr>
<td>Social security costs</td>
<td>14,298</td>
<td>14,187</td>
</tr>
<tr>
<td>Employer contributions to NHSPA</td>
<td>23,913</td>
<td>22,378</td>
</tr>
<tr>
<td>Termination benefits</td>
<td>284</td>
<td>13</td>
</tr>
<tr>
<td>Agency and contract staff</td>
<td>7,995</td>
<td>12,132</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>249,477</td>
<td>242,252</td>
</tr>
</tbody>
</table>

Analysed into operating expenses (note 5):

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee expenses staff</td>
<td>243,925</td>
<td>237,285</td>
</tr>
<tr>
<td>Employee expenses executive directors</td>
<td>924</td>
<td>876</td>
</tr>
<tr>
<td>Research and development</td>
<td>4,628</td>
<td>4,091</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>249,477</td>
<td>242,252</td>
</tr>
</tbody>
</table>

6.2 Average number of persons employed including directors

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical and dental employees</td>
<td>667</td>
<td>684</td>
</tr>
<tr>
<td>Other employees</td>
<td>17</td>
<td>660</td>
</tr>
<tr>
<td>Administration and estates</td>
<td>1,291</td>
<td>1,291</td>
</tr>
<tr>
<td>Healthcare assistants and other support staff</td>
<td>579</td>
<td>579</td>
</tr>
<tr>
<td>Nursing, midwifery and health visiting staff</td>
<td>2,333</td>
<td>2,361</td>
</tr>
<tr>
<td>Scientific, therapeutic, technical and healthcare science staff</td>
<td>889</td>
<td>890</td>
</tr>
<tr>
<td>Bank and agency staff</td>
<td>287</td>
<td>756</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,759</td>
<td>6,092</td>
</tr>
<tr>
<td></td>
<td>333</td>
<td>411</td>
</tr>
</tbody>
</table>

6.3 Staff exit packages

<table>
<thead>
<tr>
<th>Exit package cost</th>
<th>2015/16</th>
<th>2015/16</th>
<th>2014/15</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Less than £10,000</td>
<td>18</td>
<td>56</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>£10,000 to £25,000</td>
<td>4</td>
<td>56</td>
<td>1</td>
<td>12</td>
</tr>
<tr>
<td>£25,001 to £50,000</td>
<td>1</td>
<td>32</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>£50,001 to £100,000</td>
<td>2</td>
<td>140</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>£100,001 to £150,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>£150,001 to £250,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total number</strong></td>
<td>25</td>
<td>284</td>
<td>2</td>
<td>13</td>
</tr>
</tbody>
</table>

Exit packages relate to staff redundancies and payments in lieu of notice and include employer's NIC.

7. Pensions

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded defined benefit schemes covering NHS employers, general practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. It is not possible for the Trust to identify its share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme.

Employer pension cost contributions are charged to operating expenses as and when they become due.

The NHS Pension Schemes are subject to a full valuation every four years by the scheme actuary (currently the Government Actuary's Department), with approximate assessments in intervening years.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012.

The Scheme Regulations allow contribution rates to be 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.

Employer and employee contribution rates are reviewed every four years, based on the results of the full scheme valuation. At the last valuation it was recommended that employer contribution rates should increase in 2015/16 from 14% to 14.3% of pensionable pay. During 2015/16 employees' pay contributions were tiered on scales from 5% to 13.3% of their pensionable pay.

8. Retirements due to ill-health

During 2015/16 there were 6 (2014/15 - 5) early retirements from the Trust agreed on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £299,000 (2014/15 - £176,000). The cost of these ill-health retirements will be borne by the NHS Pensions Agency.

9. The late payment of commercial debts (Interest) Act 1998

In 2015/16 the Trust did not incur expenditure (2014/15 - £nil) arising from claims made under this legislation.

10. Finance income

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest on cash and cash equivalents</td>
<td>84</td>
<td>114</td>
</tr>
</tbody>
</table>
11. Finance expense

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans from the Independent Trust Financing Facility</td>
<td>768</td>
<td>823</td>
</tr>
<tr>
<td>Unwinding of discount on provisions</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>773</strong></td>
<td><strong>830</strong></td>
</tr>
</tbody>
</table>

12. Better Payment Practice Code

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2014/15</th>
<th>2015/16</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total non-NHS trade invoices paid in the year</td>
<td>109,708</td>
<td>147,378</td>
<td>117,190</td>
<td>145,308</td>
</tr>
<tr>
<td>Total non-NHS trade invoices paid within target</td>
<td>103,988</td>
<td>136,914</td>
<td>112,267</td>
<td>132,637</td>
</tr>
<tr>
<td>Percentage of non-NHS trade invoices paid within target</td>
<td>94.8%</td>
<td>92.9%</td>
<td>95.8%</td>
<td>91.3%</td>
</tr>
<tr>
<td>Total NHS trade invoices paid in the year</td>
<td>2,554</td>
<td>2,228</td>
<td>2,778</td>
<td>35,543</td>
</tr>
<tr>
<td>Total NHS trade invoices paid within target</td>
<td>2,317</td>
<td>2,123</td>
<td>2,551</td>
<td>31,852</td>
</tr>
<tr>
<td>Percentage of NHS trade invoices paid within target</td>
<td>90.7%</td>
<td>96.3%</td>
<td>91.8%</td>
<td>89.6%</td>
</tr>
</tbody>
</table>

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

13. Losses and special payments

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2015/16</th>
<th>2014/15</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Losses:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash losses</td>
<td>4</td>
<td>-</td>
<td>9</td>
<td>4</td>
</tr>
<tr>
<td>Bad debts and claims abandoned</td>
<td>30</td>
<td>1</td>
<td>51</td>
<td>52</td>
</tr>
<tr>
<td>Stores losses, including damage to buildings</td>
<td>2</td>
<td>63</td>
<td>23</td>
<td>66</td>
</tr>
<tr>
<td><strong>Total losses</strong></td>
<td>36</td>
<td>64</td>
<td>83</td>
<td>122</td>
</tr>
<tr>
<td>Special payments - Ex-gratia</td>
<td>85</td>
<td>68</td>
<td>86</td>
<td>46</td>
</tr>
<tr>
<td><strong>Total losses and special payments</strong></td>
<td>121</td>
<td>132</td>
<td>169</td>
<td>168</td>
</tr>
</tbody>
</table>

14. Intangible assets

14.1 Intangible assets at 31 March 2015

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Software licences</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fair value at 1 April 2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additions - purchased</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disposals</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Fair value at 31 March 2015</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated amortisation at 1 April 2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provided during the year</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eliminated on disposals</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Accumulated amortisation at 31 March 2015</strong></td>
<td>1,433</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net book value</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchased at 31 March 2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donated at 31 March 2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total at 31 March 2015</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,226</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

14.2 Intangible assets at 31 March 2016

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Software licences</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fair value at 1 April 2015</td>
<td>2,659</td>
<td>2,559</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additions - purchased</td>
<td>146</td>
<td>144</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impairments</td>
<td>(816)</td>
<td>(816)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disposals</td>
<td>(28)</td>
<td>(28)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Fair value at 31 March 2016</strong></td>
<td>1,961</td>
<td>1,961</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated amortisation at 1 April 2015</td>
<td>1,433</td>
<td>1,433</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provided during the year</td>
<td>125</td>
<td>125</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eliminated on disposals</td>
<td>(28)</td>
<td>(28)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Accumulated amortisation at 31 March 2016</strong></td>
<td>1,530</td>
<td>1,530</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net book value</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchased at 31 March 2016</td>
<td>431</td>
<td>431</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donated at 31 March 2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total at 31 March 2016</strong></td>
<td>431</td>
<td>431</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### 15. Property, plant and equipment

#### 15.1 Property, plant and equipment at the statement of financial position date comprise the following elements:

<table>
<thead>
<tr>
<th></th>
<th>Freehold land</th>
<th>Freehold buildings excluding dwellings</th>
<th>Freehold dwellings</th>
<th>Assets under construction and payments on account</th>
<th>Plant and machinery</th>
<th>Transport equipment</th>
<th>Information technology</th>
<th>Furniture and fittings</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost or valuation at 1 April 2015</td>
<td>10,825</td>
<td>175,840</td>
<td>2,218</td>
<td>4,768</td>
<td>43,531</td>
<td>1,148</td>
<td>7,614</td>
<td>45</td>
<td>245,989</td>
</tr>
<tr>
<td>Additions - purchased</td>
<td>-</td>
<td>3,587</td>
<td>-</td>
<td>2,463</td>
<td>1,502</td>
<td>21</td>
<td>121</td>
<td>-</td>
<td>7,694</td>
</tr>
<tr>
<td>Additions - donated</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>105</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>105</td>
</tr>
<tr>
<td>Reclassifications</td>
<td>-</td>
<td>357</td>
<td>-</td>
<td>(1,780)</td>
<td>767</td>
<td>-</td>
<td>656</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Impairment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(2,708)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(2,708)</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(1,724)</td>
<td>-</td>
<td>(622)</td>
<td>-</td>
<td>(2,346)</td>
</tr>
<tr>
<td>Total at 31 March 2016</td>
<td>10,825</td>
<td>179,784</td>
<td>2,218</td>
<td>2,743</td>
<td>44,181</td>
<td>1,169</td>
<td>7,769</td>
<td>45</td>
<td>248,734</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Freehold land</th>
<th>Freehold buildings excluding dwellings</th>
<th>Freehold dwellings</th>
<th>Assets under construction and payments on account</th>
<th>Plant and machinery</th>
<th>Transport equipment</th>
<th>Information technology</th>
<th>Furniture and fittings</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accumulated depreciation at 1 April 2015</td>
<td>-</td>
<td>6,737</td>
<td>95</td>
<td>-</td>
<td>27,410</td>
<td>716</td>
<td>4,751</td>
<td>45</td>
<td>39,754</td>
</tr>
<tr>
<td>Provided during the year</td>
<td>-</td>
<td>6,951</td>
<td>95</td>
<td>-</td>
<td>3,534</td>
<td>139</td>
<td>1,038</td>
<td>-</td>
<td>11,757</td>
</tr>
<tr>
<td>Eliminated on disposals</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(1,715)</td>
<td>-</td>
<td>(622)</td>
<td>-</td>
<td>(2,337)</td>
</tr>
<tr>
<td>Accumulated depreciation at 31 March 2016</td>
<td>-</td>
<td>13,888</td>
<td>190</td>
<td>-</td>
<td>29,229</td>
<td>855</td>
<td>5,167</td>
<td>45</td>
<td>49,174</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Freehold land</th>
<th>Freehold buildings excluding dwellings</th>
<th>Freehold dwellings</th>
<th>Assets under construction and payments on account</th>
<th>Plant and machinery</th>
<th>Transport equipment</th>
<th>Information technology</th>
<th>Furniture and fittings</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchased at 31 March 2016</td>
<td>10,825</td>
<td>163,256</td>
<td>2,028</td>
<td>2,743</td>
<td>14,512</td>
<td>314</td>
<td>2,602</td>
<td>-</td>
<td>196,280</td>
</tr>
<tr>
<td>Donated at 31 March 2016</td>
<td>-</td>
<td>3,580</td>
<td>-</td>
<td>-</td>
<td>440</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3,920</td>
</tr>
<tr>
<td>Total at 31 March 2016</td>
<td>10,825</td>
<td>166,096</td>
<td>2,028</td>
<td>2,743</td>
<td>14,952</td>
<td>314</td>
<td>2,602</td>
<td>-</td>
<td>199,560</td>
</tr>
</tbody>
</table>

There were no assets held under finance leases, hire purchase contracts or private finance initiative (PFI) at the statement of financial position date.

The Trust’s land, buildings and dwellings were revalued as at 31 March 2014. The valuation was undertaken by the District Valuer, in accordance with International Financial Reporting Standards and also complies with HM Treasury’s requirements to value land and buildings on the basis of utilising modern equivalent buildings that would give the same service potential as is provided by the actual estate that the Trust owns, note 15.3 provides further details.
### 15. Property, plant and equipment (continued)

15.2 Property, plant and equipment at the prior year’s statement of financial position date comprised the following elements:

<table>
<thead>
<tr>
<th>Description</th>
<th>£000</th>
<th>£000</th>
<th>£000</th>
<th>£000</th>
<th>£000</th>
<th>£000</th>
<th>£000</th>
<th>£000</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost or valuation at 1 April 2014</td>
<td>10,825</td>
<td>170,717</td>
<td>2,200</td>
<td>6,990</td>
<td>42,703</td>
<td>1,193</td>
<td>7,924</td>
<td>45</td>
<td>242,597</td>
</tr>
<tr>
<td>Additions - purchased</td>
<td></td>
<td>2,534</td>
<td></td>
<td>3,643</td>
<td>2,271</td>
<td></td>
<td>205</td>
<td>6,853</td>
<td></td>
</tr>
<tr>
<td>Additions - donated</td>
<td></td>
<td>52</td>
<td></td>
<td>52</td>
<td></td>
<td></td>
<td>2,889</td>
<td>104</td>
<td></td>
</tr>
<tr>
<td>Reclassifications</td>
<td></td>
<td>2,537</td>
<td></td>
<td>18</td>
<td>5,865</td>
<td>421</td>
<td></td>
<td>104</td>
<td></td>
</tr>
<tr>
<td>Disposals</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(1,916)</td>
<td></td>
<td>(3,404)</td>
<td></td>
</tr>
<tr>
<td>Total at 31 March 2015</td>
<td>10,825</td>
<td>175,840</td>
<td>2,218</td>
<td>4,768</td>
<td>43,531</td>
<td>1,148</td>
<td>7,614</td>
<td>45</td>
<td>245,989</td>
</tr>
<tr>
<td>Accumulated depreciation at 1 April 2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>25,552</td>
<td>605</td>
<td>7,307</td>
<td>44</td>
<td>33,508</td>
</tr>
<tr>
<td>Provided during the year</td>
<td></td>
<td>6,737</td>
<td></td>
<td>95</td>
<td>3,767</td>
<td>158</td>
<td>819</td>
<td>11</td>
<td>11,577</td>
</tr>
<tr>
<td>Eliminated on disposals</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(1,909)</td>
<td>(47)</td>
<td>(3,375)</td>
<td></td>
<td>(5,331)</td>
</tr>
<tr>
<td>Accumulated depreciation at 31 March 2015</td>
<td></td>
<td>6,737</td>
<td></td>
<td>95</td>
<td></td>
<td>27,410</td>
<td>716</td>
<td>4,751</td>
<td>45</td>
</tr>
<tr>
<td>Purchased at 31 March 2015</td>
<td>10,825</td>
<td>166,159</td>
<td>2,123</td>
<td>4,768</td>
<td>15,674</td>
<td>429</td>
<td>2,863</td>
<td></td>
<td>202,841</td>
</tr>
<tr>
<td>Donated at 31 March 2015</td>
<td></td>
<td>2,944</td>
<td></td>
<td></td>
<td>447</td>
<td></td>
<td>3</td>
<td></td>
<td>3,394</td>
</tr>
<tr>
<td>Total at 31 March 2015</td>
<td>10,825</td>
<td>169,103</td>
<td>2,123</td>
<td>4,768</td>
<td>16,121</td>
<td>432</td>
<td>2,863</td>
<td></td>
<td>206,235</td>
</tr>
</tbody>
</table>

There were no assets held under finance leases, hire purchase contracts or private finance initiative (PFI) at the statement of financial position date.
NOTES TO THE ACCOUNTS

15. Property, plant and equipment (continued)

15.3 Impairment and revaluation of land, buildings and dwellings

The Trust’s accounting policy requires a land and buildings revaluation to be undertaken at least every five years, dependent upon the changes in the fair value of the property. A full revaluation of the Trust’s land and buildings was undertaken by professionally qualified valuers, in accordance with the Royal Institute of Chartered Surveyors valuation manual, as at the 31 March 2014 and was included within the Trust’s year ended 31 March 2014 audited accounts. An evaluation of the fair value and assessment of the assumptions underpinning the modern equivalent asset valuation was undertaken as at 31 March 2016. From this evaluation and assessment it was calculated that the change in the fair value of the Trust’s land and buildings was considered to be immaterial and the MEA valuation methodology was still appropriate. No revaluation adjustment is therefore required as at 31 March 2016.

16. Inventories

16.1 Inventories held at year end

<table>
<thead>
<tr>
<th></th>
<th>31 March 2016</th>
<th>31 March 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Drugs</td>
<td>1,698</td>
<td>2,203</td>
</tr>
<tr>
<td>Work in progress</td>
<td>86</td>
<td>79</td>
</tr>
<tr>
<td>Consumables</td>
<td>4,480</td>
<td>5,137</td>
</tr>
<tr>
<td>Energy</td>
<td>172</td>
<td>250</td>
</tr>
<tr>
<td>Inventories carried at fair value less costs to sell</td>
<td>228</td>
<td>356</td>
</tr>
<tr>
<td><strong>Total inventories</strong></td>
<td><strong>6,664</strong></td>
<td><strong>8,025</strong></td>
</tr>
</tbody>
</table>

16.2 Inventories recognised in expenses

<table>
<thead>
<tr>
<th></th>
<th>2015/16</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Inventories recognised in expenses</td>
<td>56,291</td>
<td>60,847</td>
</tr>
<tr>
<td>Write-down of inventories recognised in expenses</td>
<td>49</td>
<td>66</td>
</tr>
<tr>
<td><strong>Total inventories recognised in expenses</strong></td>
<td><strong>56,340</strong></td>
<td><strong>60,913</strong></td>
</tr>
</tbody>
</table>

17. Trade and other receivables

<table>
<thead>
<tr>
<th></th>
<th>31 March 2016</th>
<th>31 March 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NHS receivables</td>
<td>10,435</td>
<td>11,595</td>
</tr>
<tr>
<td>Non-NHS receivables</td>
<td>2,927</td>
<td>2,572</td>
</tr>
<tr>
<td>Provision for impaired receivables</td>
<td>(51)</td>
<td>(85)</td>
</tr>
<tr>
<td>Prepayments</td>
<td>1,999</td>
<td>2,930</td>
</tr>
<tr>
<td>Accrued income</td>
<td>1,992</td>
<td>1,155</td>
</tr>
<tr>
<td>Other receivables</td>
<td>153</td>
<td>161</td>
</tr>
<tr>
<td>PDC dividend receivable</td>
<td>1</td>
<td>282</td>
</tr>
<tr>
<td>VAT receivable</td>
<td>300</td>
<td>405</td>
</tr>
<tr>
<td><strong>Total current trade and other receivables</strong></td>
<td><strong>17,756</strong></td>
<td><strong>19,015</strong></td>
</tr>
<tr>
<td><strong>Non-current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrued income</td>
<td>972</td>
<td>839</td>
</tr>
<tr>
<td><strong>Total trade and other receivables</strong></td>
<td><strong>18,728</strong></td>
<td><strong>19,854</strong></td>
</tr>
<tr>
<td><strong>Provision for impairment of receivables</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 April</td>
<td>85</td>
<td>71</td>
</tr>
<tr>
<td>(Decrease) / increase in provision</td>
<td>(34)</td>
<td>153</td>
</tr>
<tr>
<td>Unused amounts reversed</td>
<td>-</td>
<td>(139)</td>
</tr>
<tr>
<td><strong>At 31 March</strong></td>
<td><strong>51</strong></td>
<td><strong>85</strong></td>
</tr>
</tbody>
</table>

The provision for impairment of receivables relates to specific receivables over 3 months old.

17.1 Analysis of impaired receivables

<table>
<thead>
<tr>
<th></th>
<th>31 March 2016</th>
<th>31 March 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>90 - 180 days</td>
<td>184</td>
<td>192</td>
</tr>
<tr>
<td>Over 180 days</td>
<td>158</td>
<td>223</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>342</strong></td>
<td><strong>415</strong></td>
</tr>
</tbody>
</table>

17.2 Ageing of non-impaired receivables

<table>
<thead>
<tr>
<th></th>
<th>0 - 30 days</th>
<th>30 - 60 days</th>
<th>60 - 90 days</th>
<th>90 - 180 days</th>
<th>Over 180 days</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2,199</td>
<td>2,830</td>
<td>1,011</td>
<td>476</td>
<td>269</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6,785</strong></td>
<td><strong>6,296</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
NOTES TO THE ACCOUNTS

18. Current trade and other payables

<table>
<thead>
<tr>
<th></th>
<th>31 March 2016</th>
<th>31 March 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>NHS payables</td>
<td>5,057</td>
<td>3,390</td>
</tr>
<tr>
<td>Trade payables - capital</td>
<td>1,267</td>
<td>2,458</td>
</tr>
<tr>
<td>Other trade payables</td>
<td>4,443</td>
<td>4,856</td>
</tr>
<tr>
<td>Other taxes payable</td>
<td>4,586</td>
<td>4,556</td>
</tr>
<tr>
<td>Other payables</td>
<td>3,533</td>
<td>3,340</td>
</tr>
<tr>
<td>Accruals</td>
<td>12,292</td>
<td>12,246</td>
</tr>
<tr>
<td></td>
<td>31,178</td>
<td>30,846</td>
</tr>
</tbody>
</table>

Other liabilities

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Other deferred income</td>
<td>1,867</td>
</tr>
<tr>
<td></td>
<td>2,377</td>
</tr>
</tbody>
</table>

19. Borrowings

<table>
<thead>
<tr>
<th></th>
<th>31 March 2016</th>
<th>31 March 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Loans from Foundation Trust Financing Facility</td>
<td>1,270</td>
<td>1,271</td>
</tr>
<tr>
<td>Non-current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans from Foundation Trust Financing Facility</td>
<td>13,861</td>
<td>15,131</td>
</tr>
<tr>
<td>Total borrowings</td>
<td>15,131</td>
<td>16,402</td>
</tr>
</tbody>
</table>

Amounts falling due within:

- In one year or less by instalments: 1,270 / 1,271
- Between one and five years by instalments: 5,082 / 5,082
- Over five years by instalments: 8,779 / 10,049

Total: 15,131 / 16,402

Two loans are repayable to the Secretary of State for Health.

The first loan of £17 million, was entered into in the year ended 31 March 2006. It is a repayable over a 20 year period, ending 30 March 2026, by equal quarterly instalments. The interest rate of the loan is fixed at 4.55% per annum.

The second loan of £10 million, was entered into in the year ended 31 March 2007, and is repayable over a 25 year period, ending 30 March 2032, by equal quarterly instalments. The interest rate of the loan is fixed at 5.05% per annum.


<table>
<thead>
<tr>
<th></th>
<th>Early retirements</th>
<th>Legal claims</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>At 1 April 2015</td>
<td>114</td>
<td>259</td>
<td>287</td>
<td>660</td>
</tr>
<tr>
<td>Arising during the year</td>
<td>2</td>
<td>142</td>
<td>5</td>
<td>149</td>
</tr>
<tr>
<td>Utilised during the year</td>
<td>(10)</td>
<td>(48)</td>
<td>(15)</td>
<td>(73)</td>
</tr>
<tr>
<td>Reversed unused</td>
<td>-</td>
<td>(46)</td>
<td>-</td>
<td>(46)</td>
</tr>
<tr>
<td>Unwinding of discount</td>
<td>1</td>
<td>-</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>At 31 March 2016</td>
<td>107</td>
<td>307</td>
<td>281</td>
<td>695</td>
</tr>
</tbody>
</table>

Expected timing of cash flows:

<table>
<thead>
<tr>
<th></th>
<th>31 March 2016</th>
<th>31 March 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>In one year or less</td>
<td>333</td>
<td>284</td>
</tr>
<tr>
<td>Between one and five years</td>
<td>99</td>
<td>98</td>
</tr>
<tr>
<td>Over five years</td>
<td>263</td>
<td>278</td>
</tr>
<tr>
<td></td>
<td>695</td>
<td>660</td>
</tr>
</tbody>
</table>

Legal claims relate to employee and public liability claims.

The "Other" category relates to injury benefit claims against the Trust.

Contingent liabilities relating to legal claims are shown in note 23.

The NHS Litigation Authority (NHSLA) is carrying provisions as at 31 March 2016 in relation to Existing Liabilities Scheme and in relation to Clinical Negligence Scheme on behalf of the Trust of £97.6m (2015 - £63.4m). The Public Expenditure System (PES) real discount rates that are applied by the NHSLA changed in December 2015. The long term PES real discount rate changed significantly from +2.20% to -0.80%. This change in discount rates has resulted with an increase of £35.6m in the carrying provision held by the NHSLA.
NOTES TO THE ACCOUNTS

21. Cash and cash equivalents

<table>
<thead>
<tr>
<th></th>
<th>31 March 2016</th>
<th>31 March 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 1 April</td>
<td>27,367 £000</td>
<td>38,420 £000</td>
</tr>
<tr>
<td>Net change in the year</td>
<td>(10,860) £000</td>
<td>(11,053) £000</td>
</tr>
<tr>
<td>At 31 March</td>
<td>16,507 £000</td>
<td>27,367 £000</td>
</tr>
</tbody>
</table>

Broken down into:

- Cash at commercial banks and in hand          21 £000  18 £000
- Cash with Government Banking Service         16,486 £000  27,349 £000
- Cash and cash equivalents as in SoFP and Cash Flow Statement 16,507 £000  27,367 £000

Cash and cash equivalents represents cash in hand and deposits with any financial institution with a short term maturity period of three months or less from the date of the acquisition of the investment.

22. Capital commitments

Commitments under capital expenditure contracts, which relate to property, plant and equipment, at the statement of financial position date were £1,390,000 (2015 - £2,099,000).

23. Contingent liabilities

Contingent NHSLA legal claims. - -

24. Related party transactions

The Trust is a public benefit corporation established under the NHS Act 2006. Monitor, the Regulator of NHS foundation trusts has the power to control the Trust within the meaning of IAS 27 'Consolidated and Separate Financial Statements' and therefore can be considered as the Trust's parent. Monitor does not prepare group accounts but does prepare separate NHS Foundation Trust Consolidated Accounts. The NHS Foundation Trust Consolidated Accounts are then included within the Whole of Government Accounts. Monitor is accountable to the Secretary of State for Health. The Trust's ultimate parent is therefore HM Government.

The Trust is under the common control of the Board of Directors.

Directors' remuneration and other benefits are disclosed within the operating expenditure, note 5.1.
NOTES TO THE ACCOUNTS

24. Related party transactions (continued)

The Royal Devon and Exeter NHS Foundation Trust is the Corporate Trustee of the Royal Devon and Exeter NHS Foundation Trust General Charity ("Charity"), registered charity number 1061384, registered office Bowmoor House, Barrack Road, Exeter, EX2 5DW. The Charity's objective is for any charitable purpose and purposes relating to the National Health Service wholly or mainly for the Royal Devon and Exeter NHS Foundation Trust. The Trust has received during the year £58,000 (2014/15 - £58,000) revenue income and £105,000 (2014/15 - £104,000) capital contributions from the Charity. At 31 March 2016 the Trust was due £76,000 (2015 - £95,000) from the Charity. The Charity's most recent audited accounts were for the year ended 31 March 2015. The Charity held aggregated reserves of £1,559,000.

During the year the Royal Devon and Exeter NHS Foundation Trust has had a significant number of material transactions with the Department of Health ("DoH"), and with other entities for which the DoH is regarded as the parent of those entities. Income from activity - by source (note 3.1) and the operating expense (note 5) provides details of revenue transactions with those entities. Below are considered to be the significant material transactions.

<table>
<thead>
<tr>
<th></th>
<th>Income £000</th>
<th>Expenditure £000</th>
<th>Receivables £000</th>
<th>Payables £000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2015/16</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Department of Health (excludes PDC dividend)</td>
<td>17,593</td>
<td>9</td>
<td>8</td>
<td>-</td>
</tr>
<tr>
<td>Health Education England</td>
<td>13,862</td>
<td>-</td>
<td>24</td>
<td>174</td>
</tr>
<tr>
<td>NHS England (Includes Bristol North Somerset and South Gloucester LAT)</td>
<td>83,757</td>
<td>-</td>
<td>4,237</td>
<td>-</td>
</tr>
<tr>
<td>NHS North East West Devon CCG</td>
<td>219,506</td>
<td>704</td>
<td>2,385</td>
<td>3,518</td>
</tr>
<tr>
<td>NHS Somerset CCG</td>
<td>4,875</td>
<td>-</td>
<td>-</td>
<td>377</td>
</tr>
<tr>
<td>NHS South Devon and Torbay CCG</td>
<td>16,582</td>
<td>-</td>
<td>36</td>
<td>51</td>
</tr>
<tr>
<td>Northern Devon Healthcare NHS Trust</td>
<td>7,200</td>
<td>2,030</td>
<td>918</td>
<td>373</td>
</tr>
<tr>
<td><strong>2014/15</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Department of Health (excludes PDC dividend)</td>
<td>18,549</td>
<td>32</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Health Education England</td>
<td>13,618</td>
<td>-</td>
<td>2</td>
<td>87</td>
</tr>
<tr>
<td>NHS England (Includes Bristol North Somerset and South Gloucester LAT)</td>
<td>82,263</td>
<td>8</td>
<td>3,879</td>
<td>5</td>
</tr>
<tr>
<td>NHS North East West Devon CCG</td>
<td>219,333</td>
<td>499</td>
<td>3,617</td>
<td>2,487</td>
</tr>
<tr>
<td>NHS Somerset CCG</td>
<td>6,745</td>
<td>-</td>
<td>109</td>
<td>3</td>
</tr>
<tr>
<td>NHS South Devon and Torbay CCG</td>
<td>16,391</td>
<td>-</td>
<td>385</td>
<td>54</td>
</tr>
<tr>
<td>Northern Devon Healthcare NHS Trust</td>
<td>7,508</td>
<td>1,873</td>
<td>1,250</td>
<td>318</td>
</tr>
</tbody>
</table>

25. Financial instruments

A financial instrument is a contract that gives rise to both a financial asset in one entity and a financial liability or equity instrument in another entity. IFRS 7, Financial Instruments: Disclosures, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. The financial assets and liabilities of the Trust are generated by day to day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

Credit risk

Credit risk arises when the Trust is exposed to the risk that a party is unable to meet its obligation to the Trust in respect of financial assets due.

Financial assets mainly comprise monies due from clinical commissioning groups (CCG) and local area teams (LAT) for services rendered by the Trust in fulfilment of service agreements, and cash balances held on deposit. It is considered that financial assets due from these organisations pose a low credit risk as these entities are funded by HM Government.

A significant proportion of the Trust's cash balances are held on deposit with the Government Banking Service, and as such the credit risk on these balances is considered to be negligible.

Liquidity risk

Liquidity risk arises if the Trust is unable to meet its obligations arising from financial liabilities. The Trust's financial liabilities mainly arise from net operating costs, which are mainly incurred under legally binding annual service agreements with CCG and LAT, and liabilities incurred through expenditure on capital projects. Other liquidity risks are loans repayable to the Foundation Trust Financing Facility.

Income from contracted activities with CCG and LAT are based upon a nationally set tariff, which under Payment by Results is paid to the Trust in twelve monthly instalments throughout the year; any performance in excess of agreed targets is paid in accordance with the terms of the relevant contract. Payment by instalments allows the Trust to accurately forecast cash inflows and through the preparation and review of cash flow forecasts, as well as the controls in place governing the authorisation of expenditure, ensures that the Trust maintains sufficient funds to meet obligations as they fall due.

Market risk

Market risk arises when the Trust is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.
NOTES TO THE ACCOUNTS

25. Financial instruments (continued)

Currency risk
The Trust receives income denominated in sterling. The Trust, on occasion, does enter into agreements to make payments in non-sterling denominated currencies. Non-sterling payments are principally short term liabilities and for non-significant amounts. Given this, the Trust does not consider that it is exposed to any material currency risk and therefore has elected not to hedge its exposure.

Interest rate risk
The Trust does not enter into contracts where cash flows are determined by the use of a variable interest rate.

Other price risk
The Trust enters into legally binding contracts with both its customers and suppliers that stipulate the price to be paid. As such it does not consider itself exposed to material other price risk.

25.1 Financial assets by category

<table>
<thead>
<tr>
<th>Category</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>NHS receivables</td>
<td>11,595</td>
</tr>
<tr>
<td>Accrued income</td>
<td>1,994</td>
</tr>
<tr>
<td>Other receivables</td>
<td>2,648</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>27,367</td>
</tr>
<tr>
<td><strong>Total at 31 March 2015</strong></td>
<td><strong>43,604</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>NHS receivables</td>
<td>10,435</td>
</tr>
<tr>
<td>Accrued income</td>
<td>2,964</td>
</tr>
<tr>
<td>Other receivables</td>
<td>3,029</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>16,507</td>
</tr>
<tr>
<td><strong>Total at 31 March 2016</strong></td>
<td><strong>32,935</strong></td>
</tr>
</tbody>
</table>

An analysis of any impairment of receivables is provided in note 17.1.

25.2 Financial liabilities by category

<table>
<thead>
<tr>
<th>Category</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Borrowings</td>
<td>16,402</td>
</tr>
<tr>
<td>NHS payables</td>
<td>3,390</td>
</tr>
<tr>
<td>Other payables</td>
<td>8,196</td>
</tr>
<tr>
<td>Accruals</td>
<td>12,246</td>
</tr>
<tr>
<td>Capital payables</td>
<td>2,458</td>
</tr>
<tr>
<td>Provisions under contracts</td>
<td>660</td>
</tr>
<tr>
<td><strong>Total at 31 March 2015</strong></td>
<td><strong>43,352</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Borrowings</td>
<td>15,131</td>
</tr>
<tr>
<td>NHS payables</td>
<td>5,057</td>
</tr>
<tr>
<td>Other payables</td>
<td>7,976</td>
</tr>
<tr>
<td>Accruals</td>
<td>12,292</td>
</tr>
<tr>
<td>Capital payables</td>
<td>1,267</td>
</tr>
<tr>
<td>Provisions under contracts</td>
<td>695</td>
</tr>
<tr>
<td><strong>Total at 31 March 2016</strong></td>
<td><strong>42,418</strong></td>
</tr>
</tbody>
</table>

25.3 Fair value

For all of the financial assets and liabilities at 31 March 2016 and 31 March 2015 the fair value is equal to book value.

26. Third party assets

The Trust held £nil cash at bank and in hand at 31 March 2016 (2015 - £nil) relating to monies held on behalf of patients.
27. **Accounting standards issued and not adopted**

The accounts have been prepared in accordance with the 2015/16 NHS Foundation Trust Annual Reporting Manual (FT ARM) issued by Monitor. The accounting policies contained in that manual follow International Reporting Standards (IFRS) and HM Treasury's Financial Reporting Manual to the extent that they are meaningful and appropriate to NHS foundation trusts. Below is a list of recent standards issued but not yet adopted in the NHS. It is not known or it is reasonably estimated that when these accounting standards are adopted they will not materially affect the Trust's annual accounts.

- IFRS 11 (amendments) - acquisition of an interest in a joint operation
- IAS 16 (amendment) and IAS 38 (amendment) - depreciation and amortisation
- IAS 16 (amendment) and IAS 41 (amendment) - bearer plants
- IAS 27 (amendment) - equity method in separate financial statements
- IFRS 10 (amendment) and IAS 28 (amendment) - sale or contribution of assets
- IFRS 10 (amendment) and IAS 28 (amendment) - investment entities applying the consolidation exception
- IAS 1 (amendment) - disclosure initiative
- IFRS 15 Revenue contracts with customers
- Annual improvements to IFRS: 2012-15 cycle
- IFRS 9 Financial instruments
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<td>20</td>
</tr>
<tr>
<td>Patient Safety Programme 2016/17</td>
<td>20</td>
</tr>
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<td>Goals Agreed with Commissioners</td>
<td>22</td>
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<td>CARE QUALITY COMMISSION</td>
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<td>NHS Number and General Medical Practice Code Validity</td>
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<td>28</td>
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<td>28</td>
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<td>CORE INDICATORS</td>
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<td>43</td>
</tr>
<tr>
<td>INDEPENDENT AUDITOR’S REPORT TO THE COUNCIL OF GOVERNORS OF ROYAL DEVON AND EXETER NHS FOUNDATION TRUST ON THE QUALITY REPORT</td>
<td>59</td>
</tr>
</tbody>
</table>
CHIEF EXECUTIVE’S INTRODUCTION

Welcome to our Annual Quality Report 2015/16

Our annual Quality Report sets out how the RD&E delivers safe, high quality joined-up care delivered with courtesy and respect to the communities we serve in Devon and beyond. Our report provides an overview of:

- The quality of our services over the last year and how we have performed
- Some of our key achievements
- The progress we have made against the priorities set out in last year’s Quality Report
- Our quality priorities for the coming year

In addition, the report provides a commentary on our quality performance during the year from our Governors, our principal commissioners, Devon Health and Wellbeing Scrutiny Committee and Devon Healthwatch.

The year has been yet another challenging one for the RD&E, the wider health economy in Devon and the whole of the NHS. Never before, in my time in the NHS, has this pressure been so intense and so prolonged. The combination of rising demand coupled with a challenging financial position is now well rehearsed and apply right across the NHS. While these pressures are well understood, they are translated into a daily reality for staff at the RD&E who endeavour to do their very best to maintain sound and safe operational delivery for the patients that need us. This has been another exceptionally busy year and the demand for our services continues to rise. However, through our investment in good partner working, we have been better able to cope with demand this year compared to the previous year. Cancellations have come down, patient flow has improved and we have maintained consistently high standards of patient safety throughout the year. At a time when resources are really stretched, the fact that we have continued to provide high quality safe care is a truly exceptional achievement.

I know that patients, family and carers rightly expect that, when they come into our hospital, they will receive the best possible care, that they will be safe and cared for, that the environment will be clean and infection free, and they will be treated with compassion, dignity and consideration. That is what our patients and our members say to us and that is what we, as a public benefit corporation, seek to provide. Thanks to the dedication, commitment and hard work of our staff and volunteers, we strive each and every day to meet these expectations despite the pressures we face. I would like to take this opportunity to thank each and every member of staff for the part they play in contributing to excellent patient care.

The results we have achieved in our national and local patient satisfaction results demonstrate that patients rate the services we provide. Moreover, our staff survey and staff Friends and Family test show that the overwhelming majority of staff would recommend the Trust as a place to receive treatment – a significant endorsement.

Our 2015 staff survey demonstrated that we have made good progress on staff engagement over the last year. This is important because we know that effective staff engagement is the key to positive patient experience, improved patient safety and good clinical outcomes. In looking through the detail of this year’s staff survey, what really stands out is our performance on teamwork. The survey demonstrates something about the RD&E that makes this organisation so special. This, I think, revolves around the strong emphasis we have on teamwork, on sharing common goals as a team, and on coming together as a team to solve problems. This approach has been magnified in the last couple of years through our work on Connecting Care and the emphasis on developing a team ethos. For me, this attitude, in many ways, sums up the very heart of what we at the RD&E are all about.

As a learning organisation we aim to ensure that we continuously improve our performance and implement quality improvement initiatives – and many of these are reported on in this year’s Annual Quality Report. This learning approach is a hallmark of the RD&E and it encompasses not only on-going improvement but the application of the latest thinking and research from our partnership with the University of Exeter and further afield to ensure that we continually improve the quality, safety, experience and clinical outcomes of the care we provide to our patients.

While the vast majority of our patients are treated safely by dedicated healthcare professionals motivated to provide high quality care, from time to time we do make errors and mistakes – and this is almost inevitable in a system that is intrinsically human and that is impacted by culture, behaviour and context. We ensure that we learn from these incidents and apply the learning. For example, our Safety & Risk Committee issues regular bulletins to members of staff to provide an easily navigable “lessons learned” document to capture good practice and issues to avoid. We also seek to ensure that all members of staff are aware of the interface between human beings and technical processes which is why we have integrated Human Factors training into the first day of the Trust’s Orientation day.
The publication of our CQC Inspection Report on 9th February 2016 was a day of great pride and joy. To be rated as Outstanding for care is a great tribute to all our staff who do so much to provide compassionate personalised care for people in the communities we serve. I have no doubt about the contribution that our staff make to safe and high quality care, but external validation of just how great the care we provide is at the RD&E is the icing on the cake. As we outline later in this report, particular congratulations go to Emergency and Urgent Care and Critical Care services for the outstanding rating they achieved. The patient feedback in the inspection report contains fantastic examples of care in every area of the hospital.

The pressures facing the NHS can feel daunting at times. However, I believe there is real and genuine cause for optimism in Devon. All NHS organisations in the county are facing the same pressures and while this is difficult for all of us, it has helped to fundamentally change the nature and tone of the conversations we are now having. This has been helped, of course, by the designation of the NEW Devon footprint area as one of three Success Regime’s in England. The support from the centre for the programme, the clarification about the structural problems facing the health economy in Devon, and the realisation that to manage the issues facing Devon requires a system-wide solution, has transformed the depth and nature of partnership working over the last 12 months. The road ahead will undoubtedly be tricky and at times highly contentious, but I am now convinced that together we can take the transformative steps we need to, together as a system, to move towards a new model of care right across Devon.

The Quality Report is prepared in line with the requirements set out in the Quality Accounts legislation (part of the Health Act 2009) and Monitor’s annual reporting guidance. To the best of my knowledge and belief, the information contained in this document is accurate and, on behalf of the Board, I am confident to stand by its contents.

Angela Pedder, OBE
Chief Executive
PROGRESS ON OUR 2015/16 PRIORITIES

Governor Priorities

- Discharge
- Patients with multiple health needs

Discharge

The Governors of the Trust asked us to focus on discharge within 2015/16. A key thrust of the Trust’s FutureCare programme is the development of a pathway approach for our patients, particularly focussing on and improving the interface between agencies. What has become clear throughout the year as we have progressed this work is that greater collaboration through better understanding of each other’s part of the system of care is critical if we are to collectively improve the experience of people. Em Wilkinson-Brice, Deputy Chief Executive/Chief Nurse and Exec Lead for FutureCare says “Setting up conversations between colleagues rather than purely relying on ‘filling in forms’ can often facilitate a more streamlined, informed and individualised transfer of care for both a patient and their carer. It has been exciting to see how a future model of care can be achieved if all parts of the system come together across health, social care and 3rd sector. I am genuinely optimistic for 2016/17 that we will make more systemic improvements not just around the discharge process but across the whole pathway of care.”

Improving our patients and carers experience of discharge is multi-layered and below is description of the many areas of work which have been progressed throughout the year and will be further developed over 2016/17.

During 2015/16, through our work with Integrated Care Exeter (ICE), we have made even stronger links with voluntary and community sector agencies, such as Westbank and Age UK (Exeter). A key example is how the Neighbourhood Friends Service has been involved as an equal partner in the design and delivery of the Discharge to Assess (D2A) model, resulting in over a third of people needing help to get home within Exeter after a stay in hospital being supported by volunteers from Neighbourhood Friends Regarding Discharge to Assess (D2A), an element of focus has been improved dialogue and information sharing between acute, community and voluntary staff, with the aim of making better use of support services within local settings. Within the D2A team, Band 7 therapists at the RD&E now screen patients formally and initiate any referral; Priority Services then support the patient in their own home for the first 24 hours if their need is urgent, or involve appropriate colleagues from the relevant community team. Adel Jones, Divisional Director, Medical Services is Trust lead for this work-stream and she has begun working with new colleagues who will become part of the RD&E team formally following the transfer of community services to support a joined up approach to all pathways. Of particular note is her direct working with the Assistant Director for Health and Social Care to ensure more effective alignment between health and social resources to support patients.

Evaluation of outcomes continues to determine if early evidence in relation to reduced length of stay and effective transfer of patients back to their normal place of residence is statistically significant. It is anticipated the learning from D2A will be adopted in the form of a principle to guide the development of new models of care enabled through the Integration/FutureCare Programme.

- Over the past twelve months we have continued to work closely with Bay 6 (a Community Housing Association) which provides an efficient, reactive service to any patient who is homeless or who has no safe place to go on leaving hospital. Wherever possible, patients are allocated temporary accommodation whilst Bay 6 continues to work at providing a permanent housing solution whilst also signposting and supporting with challenges of lifestyle choices.

- Forming part of the GOOD (Good Outcomes on Discharge) project within the RD&E routine review on a weekly basis of our patients with a 10+ day stay now includes our colleagues from the Clinical Commissioning Group (CCG) and colleagues from the community services. This is to enable a team approach to finding solutions to enable discharge plans to be put in place for our most complex patients. In addition a discharge checklist and handbook have been introduced within the Trust to ensure a regular, formal focus on discharge for all patients.

- Towards the end of 2015/16 and moving into 2016/17, we are embracing learning from Northern Devon Healthcare Trust and the national Emergency Care Intensive Support Team – attempting to deliver a perfect week where all parts of the system work to surface and unblock whatever constraints there are to providing the best pathway for patients. The RD&E, following feedback from patients on language will call this ‘Help Me Home’. More of this to follow in next year’s Quality Report!
Patients with Multiple Health Needs

As we live longer, it is inevitable that we will live with increasing long term conditions. The Trust’s FutureCare transformation programme recognises this fact and ahead of, but in complete alignment with the national policy document ‘Five Year Forward View’ NHS England, October 2014 the programme articulates a vision for population health and wellbeing. As well as streamlining and coordinating services within a system of care, it is imperative for us all to think about the prevention agenda too. How can we take more responsibility for our own health and wellbeing?

A first step in better coordinating care for people is to understand need in a more sophisticated way. Detail below in relation to Programme B of the Integrated Care Exeter (ICE) work outlines how we are working with the Academic Health Science Network and Public Health to create a risk stratification tool. Once need is understood, it is possible to look at how we can better deliver a comprehensive service offer to people, specifically those with multiple health needs.

The Outpatient Review and Redesign work, again as part of the FutureCare Programme, is detailed below and has built upon the extensive information gained from Trust Members and the Public in response to a request for feedback in relation to experience of Outpatient services at the RD&E.
PROGRESS ON OUR 2015/16 PRIORITIES

Trust Priorities
- Nursing, Midwifery and Allied Health Professions Vision
- FutureCare Programme
- Patient Safety Programme

Nursing, Midwifery and Allied Health Professions Vision

The focus over the last year has been to ensure that our nurses and midwives are aware of their responsibility and accountability for professional revalidation. This essential piece of work has been project managed by the Head of Midwifery and has involved awareness sessions, workshops, revision of the staff performance review process and assistance for staff in the development of a professional portfolio. The Nursing and Midwifery Council guidance and paperwork has been adopted to ensure consistency of approach and adherence to the requirements. Feedback from patients and carers will be captured as a key part of the process.

Monitoring of our safe staffing levels has continued throughout the year and confirmed that staffing has remained at an appropriate level. This has been supported by the particularly successful recruitment of staff over the last year. One of the main areas of focus has been to ensure that we have appropriately supported and developed our staff to ensure that they remain working with us. We have achieved this with the implementation of a Practice Education Team which started in January 2015. The team comprises nurses from both a medical and a surgical background who deliver specific training and advice to staff, enabling them to develop their clinical skills and essential learning.

The Practice Education Team’s focus has been to help build the confidence and competence of nurses by working alongside them and providing structured training days, to help address any issues that have been identified. The training and support is designed to enable nurses to carry out their roles to provide high quality, compassionate and safe patient care. Examples of the support that has been provided can be summarised as:
- Pastoral care for nurses that are new to the Trust
- Advice for overseas nurses on English language and support
- Working alongside staff to enable them to become confident with clinical care including the administration of medication

Teaching and assisting staff in the development of key skills for example following the correct processes for enabling patients to go home
- Support with completion of documentation including assessment and care planning
- Individualised support of staff during the probationary period.

Evaluation of the team has demonstrated a positive impact on staff morale, recruitment and retention of staff. This will inevitably further improve the experience of our patients.

FutureCare Programme

During 2015/16, the Trust commenced the FutureCare Programme which has been devised and developed to enable the RD&E to provide a sustainable, effective, efficient and personalised care system for the population of eastern Devon and the surrounding areas. A key aim of the Programme is to deliver a new model of care that focuses as much on wellness and prevention as the treatment of ill health; that drives the need to see patients as people first and that empowers them to be in control of their own healthcare. The delivery of the new model of care, in a financially sustainable way, aligns to the direction of travel outlined in the NHS Five Year Forward View, and with the Success Regime work programme.

Specifically within the FutureCare Programme, for 2015/16 the following 2 quality priorities/programme areas were defined:
- Integration Programme
- Acute Pathway Transformation (APT)

Integration Programme for 2015/16

The community services within the Trust’s natural catchment area are due to be transferred to the Trust during 2016.

The Trust, in line with the Clinical Commissioning Group’s (CCG’s) strategy intends to transform the acute and community pathway by developing new models of integrated care, with a particular focus on,
Single pathways of care between the acute hospital and community services for adults with complex care needs.

Frailty – improving the co-ordination of services wrapped around frail older people, providing a rapid and integrated response to crisis supported by intensive reablement aimed at minimising the hospital length of stay and maximising rehabilitation potential.

Long term condition management of “mostly well” and “pre-frail” people. This includes a fundamental review of how, why and where we deliver outpatient services for people with multiple long-term conditions that work to meet the holistic needs of the people (not just their disease management) and pulls on a wider range of service providers, in particular the voluntary sector and local community groups.

Increased delivery of outpatient services closer to the people they serve, making better use of existing community and social facilities and resources.

Work with the established social care and mental health teams to develop care co-ordination, system navigation and collaboration of multidisciplinary teams.

Work with Eastern Devon GPs to identify groups with multiple health conditions and partnering with them to redesign services whilst promoting self-management and control for people e.g. through patients holding their own health and care budgets.

For 2015/16 the specific focus for Integration was:

- Community Services Transfer
- Integrated Care Exeter (ICE)

**Work Completed During 2015/16**

**Community Services Transfer**

- Award of contract subject to negotiation to the RD&E – December 2015
- Due Diligence (DD) process being undertaken
- This work reports into the FutureCare Programme Board which provides the opportunity to align with:
  - Acute Pathway Transformation
  - Success Regime Work streams, including:
    - Elective Work stream
    - Bed-Based Care Work stream
  - Trust’s strategic approach to Information Technology, including the Electronic Patient Record
  - Workforce planning required to service the new, emerging model of care

**Integrated Care Exeter (ICE)**

**Programme A1 – Discharge to Assess (D2A)**

The interim D2A Team (which consisted of community and acute clinicians, social care assessors and co-ordinators) began on 11th January. During the first 8 weeks 99 patients were supported, following an unplanned hospital admission, back to their home with a range of community and voluntary sector support. There are strong indicators that the new process reduced length of stay by an average of 2 days for the whole cohort and number of bed days lost to delays went from 18 to 12 days per person delayed.

The prototype is now being revised and mainstreamed but will continue to be evaluated as part of the ICE programme to ensure that the impacts on patients and their families is understood and informs further developments.

**Programme A2 - Improving the health inequalities of street homeless people**

During 2015 a system review of the offer for people who are street homeless or vulnerably housed has been completed along with a health needs of over 150 individuals.

There is plenty of good to build on: and practitioners are challenging each other to deliver more effective, person-centred and sustainable care: small, but significant changes have begun to take effect. The ICE Board recently agreed a plan for a more connected response to be delivered during 2016/17 as well as a review of commissioning.

**Programme B – Create Risk Stratification Model**

The main objective for 2015/6 was to develop a risk stratification model to identify at-risk individuals; identify patterns of need, risk factors and protective factors, and develop whole system cost methodologies. Under the leadership of Public Health Devon a risk stratification tool for population health and wellbeing that uses an Electronic Frailty Index (EFI) has been designed and is in the final stages of testing with 4 Exeter GP Practices with a plan for full roll out across Exeter by September 2016.

The tool means that GP’s will be able to generate lists of patients by scores and assign patients to groups for targeted interventions. The data from GPs will also be linked to NHS and Social care activity and costing data as well demographic data from MOSAIC which means the tool can also be used at GP practice, community or area level, to target early intervention and prevention programmes at particular groups or areas with defined needs. With regular data extracts, over time the tool could be used to evaluate the impact of individual or population based interventions to target areas for system cost realignment and/or reduction.
Programme C – Develop Community Resilience Model

A key objective for 2015/16 was to undertake research to identify future opportunities for supporting communities to do more to help themselves and provide the infrastructure for population health and wellbeing. A body of work has been completed that has resulted in:

- Learning from existing work and international research
- The publication of an agreed Architecture for Community Resilience and Prevention
- Presenting a case for investment to Devon County Council and Social Investors
- Testing models for social prescribing in 4 GP practices (early indicators showing reductions in hospital admissions)
- Development of an evaluation framework
- Understanding opportunities around Social Investment

Priorities for 2016/17 are to:

- Extend the social prescribing pilots and evaluation
- Map existing resources onto the framework
- Identify gaps and opportunities for redesign
- Seek pump priming funds to support implementation

Outpatient review and redesign:

Using public and patient feedback data, the plans are in two parts:

- Improve today – e.g. establishing single point of leadership
- Redesign tomorrow

The work to reimagine the function and scope of outpatients at the RD&E has accelerated over recent months with the development of the Outpatient Care Design Group. This work builds on the Outpatient mapping exercise and the patients and staff engagement exercise where 600 patients and Trust members were consulted on an ideal Outpatient service.

The Care Design Group is a close collaboration of healthcare professionals (doctors, nurses, administrators and allied healthcare professionals) from both the acute sector and the community sector along with, most importantly, patients. The Trust is currently concentrating on specialties of Orthopaedics, Ophthalmology, Gastroenterology and Cardiology; these were chosen due to their volumes and their suitability for redesign.

From the outset, the Care Design Group has been clear in its ambition to fundamentally reimagine and redesign how Outpatients could be delivered rather than seek to improve the current model. To drive this, seven design principles have been agreed, the most important of which are:

a) Patients will be managed in the most appropriate location by the most appropriate practitioner;

b) A face-to-face follow-up appointment with a Consultant will be offered only when required;

c) Alternatives to face-to-face appointments will be explored and implemented where appropriate and safe to do so.

Work continues at pace with a particular current focus on aligning this work with the elective care work stream of the Success Regime.

Acute Pathway Transformation (APT)

The APT Programme will redesign acute pathways and processes across the Trust in order to reduce variation, improve the safety and quality of care delivered and to increase the accessibility and reliability of information for the population of Devon, the provider partners and our commissioner stakeholders. These changes were planned to be enabled by a comprehensive Electronic Patient Record (EPR) and IT infrastructure as well as the appropriate organisational structure which will align workforce requirements to the future model of care requirements. Whilst there has been a delay in the Trust’s ability to secure funding for the EPR, much progress has been made throughout the year, nonetheless. Through addressing inefficiencies, the Trust will establish standardised ways of working that improves patient care outcomes and experience.

The focus for APT is:

- Outpatient Review and Redesign
- Engaging with the CCG’s RightCare programme
- Productivity and Efficiency – Lord Carter Review
- Securing funding for Electronic Patient Record

Right Care

Planned workshops completed

- Outputs reviewed and planning underway for 2016/17 implementation as part of the New Devon CCG Success Regime Programme

Lord Carter Review

- One of the 32 Trusts to participate
- Received initial feedback – review and next steps being planned for 2016/17

EPR business case

- Given the national financial landscape, options are being progressed.
Patient Safety Programme

The Trust has an annual Patient Safety Programme which is led by the Deputy Chief Executive/Chief Nurse and delivered by the Patient Safety Group (a sub group of the Governance Committee) which is chaired by the Head of Safety, Risk and Patient Experience. The Patient Safety Programme describes how we intend to achieve reductions in harm and mortality and improve ward / department safety, improve patient experience and reliability of care as well as supporting and empowering our staff.

This year we have achieved the following main highlights:

Skin Matters: Pressure Ulcer Reduction

- Over 3 years since a patient suffered from a grade 4 pressure ulcer
- 70% reduction in grade 3 pressure ulcers
- 49% reduction in grade 1-4 pressure ulcers against a target of 20% reduction
- 83% wards /units ward areas have not had a grade 3 pressure ulcer in over a year
- 85% of patients across the Trust receive all the interventions required of the SKIN bundle to reduce their risk of developing pressure ulcers against a target of 85% for the year

Sepsis

The Trust has signed up to the National Sepsis CQUIN this year as each year in the United Kingdom around 65,000 people survive a life-threatening brush with Sepsis (serious infection). The areas agreed with the local Clinical Commissioning Group were delivery of Sepsis Screening in the Acute Medical Unit, Surgical Assessment Unit and sustaining the work from the previous year’s Safety Programme in the Emergency Department.

The National Sepsis CQUIN has two elements to it and the year end results are shown below:

- The total number of patients presenting to emergency departments and other units that directly admit emergencies who met the criteria of the local protocol and were screened for sepsis: Trust wide position 91% against a national CQUIN quarter 4 target of >90%
- The numbers of patients who present to emergency departments and other wards/units that directly admit emergencies with severe sepsis who received intravenous antibiotics within 1 hour of presenting: Trust wide position of 39% against a CQUIN quarter 4 target of >90%. The Surgical Assessment Unit achieved 100% and the Acute Medical Unit achieved 85%. The Emergency Department due to operational capacity challenges did not sustain its 77% level of achievement from quarter 3 and therefore overall Trust performance dropped. The teams remain committed to improving performance in this area through winter pressures next year as part of the repeat National CQUIN on Sepsis.

Acute Kidney Injury (AKI)

Acute Kidney Injury (AKI) is estimated to occur in around 13-18% of hospital admissions in the UK. The 2009 NCEPOD report estimated that 20% of deaths from AKI which began after the patient was admitted to hospital were predictable and avoidable. AKI significantly increases in-hospital mortality (to 15-30%) and increases length of stay by a mean of 8 days. Longer term consequences include the development of chronic kidney disease (CKD), increased cardiovascular events and higher long-term mortality. The cost of AKI in the UK is estimated to be £430-620 million per annum.

In view of the elevated long-term risk following an episode of AKI (even if kidney function has returned to baseline) of both repeated episodes of AKI and of progressive CKD with its associated complications, the national CQUIN proposed by NHS England for 2015/16 highlighted the importance of good discharge communication with Primary Care. In addition that confirmation that an episode of AKI has occurred, what changes were made to medications and why, and what the GP should do in terms of follow-up and monitoring on discharge.

Having established electronic alerts for AKI, we have used this information to ensure that whenever AKI has occurred during that inpatient stay, this information (specifically the highest AKI stage during the admission) is automatically pulled across to the discharge summary. The Trust has achieved 100% completion of all the elements of the discharge summary against a national CQUIN target of >90% for quarter 4.

Think Glucose

The safety programme focus this year was to sustain the work of Think Glucose as business as usual within the Trust. Think Glucose focuses on the following elements of the Triple Assessment:

- assessing if the patient needs review by the in-patient diabetes team
- has high risk feet (and needs review by the in-patient podiatrist)
- needs a review by a dietician.

The Trust has achieved 51% triple assessments completed within 24 hours of admission by the end of quarter 4 against a quarter 4 trajectory of 75%; continuous improvement towards this trajectory will continue through 2016/17. However in relation to sustaining all the triple assessments completed during the hospital admission 93% has been achieved against a quarter 4 trajectory of 90%.
Reducing Harm From Falls

Falls and reducing harm from falls has been a key area of focus. In-patient ward areas have been focusing on delivering cohort bay nursing and toilet tagging reliably to prevent harm for patients from falls.

- The Trust has achieved 95%. Trust wide compliance with the falls care bundle against a quarter 4 trajectory of 85%
- 86% of wards have met the target of >85% compliance with the falls care bundle against a quarter 4 trajectory of >85%
- We have seen a 30% reduction in avoidable harm from falls

Reducing Mortality

The revised Mortality review process was launched Trust wide in September 2015. Approximately 50% of in-patient adult deaths have been reviewed with no emergent themes to date. The Trusts Standardised Hospital Mortality Indicator (SHMI) across all 72 views of the SHMI, is in the ‘as expected’ or ‘lower than expected’ banding.

Medication Safety Thermometer

This programme of work was deferred during the year whilst the Matrons decreased their supervisory time to support the financial challenges and will be a key component of the 2016 / 2017 Patient Safety Programme.
IMPROVEMENTS TO QUALITY AND SAFETY 2015/16

Cardiac Arrest Outcomes – More Than Double the National Average!

Well over a third of patients who suffered cardiac arrest at the RD&E last year survived and were later discharged from hospital compared to 18% nationally, a clinical study has found.

The latest National Cardiac Arrest Audit Report compared hospital cardiac arrest survival data for the period April-December 2014. Some 37.5% of patients at the RD&E survived and were later discharged compared to a national average of 18.4% at hospitals across England. The percentage applies to those patients who suffered cardiac arrest in the RD&E and who were given cardiopulmonary resuscitation via chest compressions and/or defibrillation by the hospital’s resuscitation team.

The results demonstrate the exceptional clinical standards provided at the RD&E along with the hospital’s commitment to high quality training and best practice in resuscitation procedures.

Peninsular Centre for Reproductive Medicine

Couples across the South West now have access to improved fertility services to help them achieve their dreams of starting a family thanks to the re-launch of our Fertility Exeter clinic.

Fertility Exeter combines the high quality NHS fertility services provided by the RD&E with the self-funded treatment previously provided by the independent Peninsular Centre for Reproductive Medicine (PCRM). The RD&E took over the successful PCRM clinic in June 2014, and has since undertaken extensive work to unify the two services.

The service now offers patients a single pathway of care from their initial consultation through diagnostics, planning, counselling, and treatment. If further self-funded treatment is required then patients can continue to attend the same clinic, with access to the same experienced fertility specialists in familiar surroundings.

The service has benefited from investment in key equipment in the laboratory as well as a new state of the art ultrasound scanner. Following an extensive and inclusive rebranding exercise the clinic has been redecorated and furnished with brand images and colour; this has greatly improved the patient environment and portrays a centre that is focused, modern, caring, but most of all passionate about helping people to conceive. All patient information has been reviewed, re-written, and designed to be more patient friendly and this is hosted on a new and improved dedicated website (www.fertilityexeter.co.uk).

Building on the clinics integration, during 2015/16, working alongside the Genetics service hosted at the RD&E and in partnership with Guy’s and St Thomas’ NHS Foundation Trust, Fertility Exeter introduced a new satellite service for patients who require Pre-implantation Genetic Diagnosis (PGD). PGD is an assisted conception technique that enables couples at high risk of having a baby with a specific severe genetic disorder to have a baby without the disorder. Previously, most patients who needed PGD had to travel to Guy’s and St Thomas’ Hospital in London on 8-10 occasions to receive treatment. Often, couples requiring this treatment already have an affected child (usually who is disabled or has significant health needs) and travelling to London multiple times for PGD treatment is very expensive, extremely difficult, or impossible. The new satellite service, which is the first in the southwest, has improved access for these patients as the majority of treatment is now delivered locally.
Maternity Facebook

As a group of Supervisors of Midwives we championed the setting up of a Facebook page to share information about our service and gain feedback from service users.

The Maternity service did not have a presence on Facebook at the time and after significant consultation an initial 6 month pilot was agreed.

The page went live on 5 May 2015 and received 600 likes within the first day. The popularity of the page grew organically and has reached approx. 3,000 to date. The pilot period ended on 5th November and the site has continued to function as business as usual since then.

Evaluation

There was overwhelmingly positive feedback from users. The page has proved to be a useful tool for positive patient engagement and gathering feedback, and has provided an opportunity for patients and service users to have their say. It also shows the Trust is open and transparent to complaints and negative feedback. Although there have only been a small number of low level negative comments, the page has given the team the opportunity to address these issues and prevent them from escalating further. We endeavour to work with any negative feedback and use it as a positive opportunity to learn about our service and make service changes where appropriate.

Facebook has enabled more engagement with service users and created opportunities for greater patient involvement (e.g. asking women to take part in surveys or take part in a review process). We feel we now have a ready-made user group to engage with via the page, who are keen and willing to be involved. In return, we have responded to suggestions of what they want to see posted on the page. The page has now become integrated into daily routine and has become easily manageable by a small but dedicated core group. Although the page doesn’t require a lot of maintenance, it is clear that you do need a committed team to make it work. The Facebook initiative received positive commendation following our recent Care Quality Care (CQC) inspection.

The Future

To continue to utilise the Facebook page to actively promote our service and actively engage with users following the overwhelming success so far. To consider areas of development such as the potential to engage with Neonatal and Health Visiting Services for health promotion and on-going user engagement. Going forward we have now started to involve women in service improvements such as visiting hours and engaging users in clinical guidance reviews, information leaflets and changes to service. We are keen to continue to post current health promotion information to encourage the health and wellbeing of our mothers and babies.

Refocusing the Emergency Department

The Emergency Department has recently been recognised by the Care Quality Commission (CQC) for its ‘Outstanding’ service, making it one of only 4 Trusts in the country to achieve such status. Further to this, the department was recognised as being ‘outstanding’ for effectiveness – a marker of how effective care and treatment are delivered to patients. We are the only department in the country to have received such recognition in this area.

Over the past few years, the department has refocused on ‘care’. Whilst we have always aimed to provide the best service for patients using the Emergency Department, the Francis report led us to re-evaluate the way in which we delivered care to our patients, to ensure that we not only get the correct diagnosis and deliver timely treatment for all of our patients, but that we put ‘patient care’ at the forefront of our ambitions. There have been a number of notable changes that have contributed to a change in culture within the Department that was recognised by the CQC.

Central to this has been the adoption of a process known as the ‘RAT’ or ‘RATTING’. RATTING or Rapid Assessment and Triage has long been recognised to have benefits in terms of improving the patient journey, yet has not been widely adopted in the UK. A variant of the process has been adopted in Exeter and is now an established part of our process, which takes place in a refurbished, dedicated space that permits privacy and dignity. Patients brought into the department by ambulance are met by the ‘RAT’ team. This consists of a senior nurse, a senior doctor (usually a consultant) and a dedicated nurse, doctor or medical student. The RAT has 4 key steps:

1. Meet and Greet: the patient is greeted and reassured by the most senior clinician available in the department. The value of this for patients can’t be understated when they may be unwell, in pain, anxious or frightened.

2. Multidisciplinary Handover: a handover takes place, led by the paramedics, but with contributions encouraged from the patients and their relatives or carers, whose presence is encouraged. This allows a complete transfer of relevant information which is invaluable in directing appropriate further treatment.

3. RAT directed investigations: the senior clinician will instigate appropriate investigations (such as blood tests & x rays), management and referral that will speed the patient journey through the department. Attention is paid specifically to the levels of pain with pain relief provided as required.

4. RAT directed ‘dispatch’: the patient is given information about their likely diagnosis and broad management plan – are they likely to stay in or be discharged home? Early discharge planning (within 10 minutes of arrival) helps
to put in place all of the steps that may be required to get patients with more complex needs home where appropriate. This contrasts with a ‘traditional’ model where patients may not get this information for 4 hours or more, if at all.

Other measures have helped to contribute to a change in direction:

- **Waiting room information**: a significant amount of energy has been committed to the patient waiting room to provide a more comfortable environment and a level of information that gives those waiting an understanding of the processes within the department, likely delays and the steps they may encounter. Accurate information about waiting times is now provided and a charity book stall allows the opportunity to purchase second hand books and magazines. New chairs have contributed to a cleaner and more comfortable area, with a television showing 24 hour news and free WiFi.

- **‘Squash rounds’**: jugs of fresh squash are now available for patients and relatives in all areas with signs to encourage their use. Staff are encouraged to perform ‘squash rounds’ in the different areas of the department to ensure that this is available for non-ambulant patients too. Hot drinks and sandwiches are offered to all patients except for the very small number whose condition doesn’t allow. A snack trolley is now wheeled through the department twice a day to allow patients and relatives to purchase extra food and drink.

- **‘Care Rounds’**: a regular impromptu ward round of patients is undertaken by a senior clinician to evaluate ‘hot’ feedback from patients about the care they have received. This is relayed to the staff to highlight generic areas where care is particularly good, or indeed areas of deficit.

These represented a selection of examples of how the culture within the ED at the Royal Devon and Exeter has changed. A culture recognised by the CQC as being of the highest quality. The challenge that lies ahead is not just to maintain such ‘outstanding’ performance, but to improve on those areas of perceived weakness and to continue in the face of ever growing demand.

**Baby Friendly Neonatal Unit Accreditation**

The unit is the first in the country to achieve this award.

The Baby Friendly Initiative, set up by UNICEF and the World Health Organisation, is a global programme which provides a practical and effective way for health services to improve the care provided for all mothers and babies. It is based on a comprehensive set of standards for maternity, health visiting, neonatal units and children’s centres. The standards are designed to provide parents with the best possible care to build close and loving relationships with their baby.

The award demonstrates consistent high standards of family integrated care in our neonatal unit.

The standards assessed by UNICEF were:

- Close and loving relationships
- Breast milk and breast feeding
- Parents as partners in care

The NNU team has worked closely with parents and our parent support group (SNUG), over a number of years, to develop the unit culture as fully family integrated.

Examples of practice change have been as simple as changing security passes to read ‘NNU parents’ rather than ‘NNU visitors’ and the introduction of fold down beds to enable more parents to stay by their babies side, to more complex behavioural changes, such as ensuring ‘low voices’ being used to create a calm and quiet environment and the redesign of medical ward rounds to minimise disruption and empower parents to be as fully involved as possible in care planning.

Receiving this award, provides our families and the RD&E with the assurance that they will be cared for as a family unit and will be supported in their parenting during what can often be, a very stressful and difficult start to family life.

**Transition of Children to Adult Service**

More children with long-term conditions now live into adulthood. There is a growing need for health services to ensure a seamless transition of young people to adult health care services. This is achieved by maintaining good liaison between Paediatricians, Physicians, General Practitioners (GP), Nurses, Allied Health Professionals (AHP), and external agency professionals. Inadequate transitional care impacts on long-term health outcomes for children and young people.

Transition can be considered a gradual process of empowerment that equips young people with the skills necessary to manage their own healthcare as they move towards and into adult services and lifestyles. It is a carefully planned process undertaken over time which includes (but is more than) a planned transfer to adult services.

The Trust has been part of a wider project led by the NHS England South (South West) Maternity & Children’s Strategic Clinical Network to improve children’s and their families’ experiences when transferring to adult services. Generally, the level of service has not met the standard we would like to provide, and by focussing on this it should result in improved quality and care for all young adults, and their families who are transferring from children’s to adult’s services.
Electrochemotherapy

Electrochemotherapy is a new and innovative procedure for the treatment of skin metastases (cancer), delivered under general anaesthetic by the Plastic Surgery Team. This is an effective treatment for patients who have few, if any, other effective options. The skin tumours will not kill the patient, but the cancer will eventually spread to other organs and this can be the cause of death. In the meantime, the patient has to suffer significant pain and other problems from these tumours. The ulcerating and fungating tumours are very painful, sometimes preventing patients from sleeping or undergoing normal activities of daily living, depending on the location of the tumours. Patients with disfiguring facial tumours are often further limited from being able to sustain normal social interactions. In addition, the fungating tumours have a terrible smell which is very distressing for patients and relatives.

Electrochemotherapy (ECT) is a procedure which shrinks the skin tumours, preventing ulceration and fungation and its effects lasts for up to 2 years. In (ECT) an anticancer drug is given by injection either into a vein or directly into a tumour. Short, powerful pulses of electricity are then applied to the tumour. The electrical energy opens the membranes of the tumour cells, allowing the anticancer drug to pass through into the cells and have a more damaging effect. The procedure is quick, effective and delivers dramatic results in the majority of cases.

Using funding provided by FORCE, the RD&E was commissioned to provide this procedure in 2015. Patients with significant ulcerated tumours, whose only option is amputation on an extremity or dressings if on the head, neck or truck, have had tumours shrunk and healed. The results achieved using ECT are dramatic and have a significant impact on quality of life.

One patient submitted this comment on ‘Patient Opinion’ about the service:

‘Highly professional without being impersonal. Incredibly efficient nurses and staff at every level. Very, very caring. High hygiene standards. The admission and post op procedures were efficient, very caring, and the most highly motivated staff I have seen in any hospital or clinic. I felt safe and secure in every part of the Electrochemotherapy procedure. You are all awesome 😊’

Reduced Time in Communicating Results for Routine Mammograms

The Breast Team have introduced a new system to speed up the time taken from undertaking a routine mammogram to communicating the results to patients. Patients who have had Breast Cancer Treatment return for an annual mammogram for a number of years. In the past, patients were receiving results 4 to 6 weeks after their scan and...
were experiencing understandably high levels of anxiety whilst waiting for results.

A new process was introduced in September 2014 aiming to reduce the time waiting for results to 3 working days. Routine mammograms are now being read 1 to 2 days post the test. Where results are clear or normal a standard letter is generated and sent out to the patient. Where results show a concern, a clinic appointment is booked for the patient in the next available Consultant lead clinic.

On average 158 patients receive a routine follow up mammogram per month. Results are now being sent out to patients in an average of 3½ working days. There are approximately 1900 patients per year in this patient group. Reducing waiting times from four weeks to three days over the course of a year saves 129 years of patient anxiety! This shows how team working and continual improvements can make a significant impact to the quality of the service given to our patients.

**Doctors’ Electronic Handover**

Smooth handover of patients between junior doctors working weekday shifts and those working evening/night/weekend ‘out of hours’ shifts is essential to ensure we maintain safe, high quality care. It’s also important that doctors working evening/night/weekend shifts are clear about their priorities so they work efficiently during shifts when there are fewer staff available. However, feedback from doctors suggested the handover and priority-setting process on wards could be improved.

Previously, ward nurses bleeped or paged doctors requesting that the doctor call them back so they could pass on details of the task required. They would also write non-urgent tasks in a paper ‘Doctor’s book’ located on each ward.

Doctors and nursing staff found this system inefficient and felt it could be improved. For example, sometimes tasks relating to very ill patients were being recorded in the book but not followed-up with a bleep or other communication to the doctor on duty. It was also occasionally unclear whether tasks had been completed and there wasn’t a clear enough process of monitoring the bleep system so that staff knew who had been handed tasks and when. In addition, doctors’ books were hard to find because they were in different places on different wards and some tasks were communicated to doctors more than once in different ways unnecessarily.

A multidisciplinary team of Doctors, Nurses, Site Practitioners and support staff came together to design a new and improved approach. They concluded that a shift away from paper to an electronic system would help reduce inefficiencies, improve communication across teams and, most importantly, enhance patient safety.

The team developed a new ‘Doctors’ Whiteboard’, which displays doctors’ tasks and their status electronically on desktop screens and hand-held tablets. The Doctors’ whiteboard went live in October 2015. Ward staff can now send a request to a doctor via the whiteboard and doctors pick these up in real time. When a doctor starts their shift they are able to instantly access their task lists containing relevant information such as the type of task, the patient’s details and location, and the level of urgency for the task plus timescales. Doctors then acknowledge the task and confirm when it is completed so that ward staff are kept informed.

Since the Doctors’ Whiteboard went live more than 16,500 out-of-hours tasks have been requested and completed using the new system. As a result an estimated average of 20 hours per week of junior doctors’ time has been redirected to providing patient care and treatment, rather than responding to bleeps.
### OUR PRIORITIES FOR 2016/17

#### Governor Priorities

1. Patient experience of the referral and booking process and how the Trust manages the cancellation/postponement and amendment of appointments
   - How do GPs categorise the referral to hospital Consultants?
   - Is there a priority according to the patient’s condition (not including cancer).
   - Does the system allow the patient to request a named consultant? Why aren’t all Consultant profiles available to patients through the Trust’s website?
   - What number referrals are cancelled and rebooked
   - Monitoring of same day cancellations
   - Does the system allow for a patient to ask to be on standby to enable them to be slotted into cancelled referrals

2. Mental Health services, focusing on maternity and young people
   - How do staff know if a patient is already known to mental health teams, including mental health services in the community?
   - What training do staff have to recognise mental health problems in patients, particularly young people or pregnant women / mothers?
   - Having assessed that someone has a mental health problem how do staff:
     a) refer to mental health service team (i.e. what are the pathways, is this same for all departments e.g. the Emergency Department, outpatient, inpatients)
     b) cope and provide necessary support to the patient until above service in place?
   - What mental health support is in place for children with long term health conditions?
   - What data is available (e.g. survey results) on staff attitudes to mental health?
OUR PRIORITIES FOR 2016/17

Trust Priorities

- **Emergency Pathways** – reviewing and redesigning the current pathway including all key stakeholders and making the most of the opportunities afforded by the integration of community and acute services for eastern Devon from June 2016. To fully maximise the opportunities for a streamlined pathway from person to home through community, through acute and back again the opportunities afforded by Transforming Community Services which have been articulated and supported by our local community and staff, will be maximised through this work. The Trust is currently reviewing its reporting structure to take account of the emerging Sustainability and Transformation Plan and Success Regime work programmes, this Priority will report within the revised architecture.

- **Improving discharge processes across local care economy** – continuation of the work already underway in line with Integrated Care Exeter and rolled out to the Eastern sector. An important aspect of quality initiatives is to ensure sustainability, we have included in previous Quality Reports feedback from Healthwatch, Members, Council of Governors and Overview and Scrutiny that ensuring patients get home in a safe, coordinated way is an area of focus to which every system of care should take account. The Trust is currently reviewing its reporting structure to take account of the emerging Sustainability and Transformation Plan and Success Regime work programmes, this Priority will report within the revised architecture.

- **Supporting mental health needs for people** – supporting the development of the Integrated Psychological Medicines Service with Devon Partnership Trust. Aligned to the local Crisis care concordat and the Five Year forward view collaborative working across acute and mental health providers is critical. In addition people living with mental health needs often also have physical needs and therefore viewing a person through a lens of need rather than clinical speciality is both necessary and prudent if services are to be delivered in the most efficient and effective way. The Trust is currently reviewing its reporting structure to take account of the emerging Sustainability and Transformation Plan and Success Regime work programmes, this Priority will report within the revised architecture.

Patient Safety Programme 2016/17

The Trust will continue its commitment to patient safety and improvement by focusing on the following areas of work within the Patient Safety Programme. The work of the Programme is monitored and reported through the Safety and Risk Committee, up to the Governance Committee and thereby to the Board of Directors.

- **Acute Kidney Injury** – implementation of an acute kidney injury care bundle to prevent cases of Acute Kidney Injury developing.

- **Medication Safety Thermometer** – The traditional NHS Safety Thermometer is firmly embedded within the Trust and performance is consistently in the upper quartile nationally. The aim of the programme this year will be to adopt a Trust wide approach on alternate months to support the improvement in Medication Reconciliation, Allergy Status, Medication Omission, and identifying harm from high risk medicines in line with Domain 5 of the NHS Outcomes Framework.

- **Sepsis Care including the use of SBAR** – the aim of the work will be to ensure that our ward based areas including maternity rapidly assess and treat patients who develop sepsis through their in-patient admission.

- **Safety Culture is of paramount importance.** We are in the upper quartile nationally for incident reporting and we plan to work with the Academic Health Science Networks (AHSN) to take some designated teams through safety climate work. Following the transfer of community services the Trust will look to develop an integrated Patient Safety Programme for 2016/2017 that will include formal sign up to the Sign Up to Safety Campaign.
**Duty of Candour**

The Trust remains committed to being open and honest with patients and their families when things go wrong. The Trust has implemented a process for Duty of Candour from August 2013 which was communicated and led through the Trust’s Governance system. Monitoring of compliance of Duty of Candour happens at different levels. The Trust uses its electronic incident reporting system Datix for overseeing the Duty of Candour requirements. Duty of Candour compliance is monitored through the Trust’s Incident Review Group. This compliance is also reported through to the Safety & Risk Committee and is included in the monthly Integrated Performance Report to the Board. This year we will engage with patients and relatives to seek their views of what it is like to experience duty of candour from us to identify areas for improvement.

**NHS Staff Survey Results for Indicators KF19 and KF27**

The Trust score for the percentage of staff experiencing harassment, bullying or abuse from staff in the last 12 months was 1% in 2015. The same indicator was 2% in 2014 and is below the national acute Trust average of 2%. The Trust was in the lowest 20% of all acute Trusts on this indicator.

The Trust score for percentage believing that the Trust provides equal opportunities for career progression or promotion was 93% in 2015 up from 92% in 2014 placing us in the top 20% of all acute Trusts. The acute Trust average was 87%.

**Review of services**

During 2015/16 the Royal Devon & Exeter NHS Foundation Trust provided and/or sub-contracted 104 relevant health services.

The Royal Devon & Exeter NHS Foundation Trust has reviewed all the data available to them on the quality of care in 104 of these relevant services.

The income generated by the relevant health services reviewed in 2015/16 represents 100% per cent of the total income generated from the provision of relevant health services by the Royal Devon & Exeter NHS Foundation Trust for 2015/16.

**Participation in Clinical Audit**

During 2015/16 38 national clinical audits and 3 national confidential enquiries covered relevant health services that the Royal Devon & Exeter NHS Foundation Trust provides.

During that period the Royal Devon & Exeter NHS Foundation Trust participated in 98% (37)* national confidential enquiries of the national clinical audits and 100% (3/3) national confidential enquiries which it was eligible to participate in. *The Trust was unable to participate in the National Ophthalmology Audit due to challenges with data collection.

The national clinical audits and national confidential enquiries that the Royal Devon & Exeter NHS Foundation Trust was eligible to participate in during 2015/16 are listed in Annex F.

The reports of 26 national clinical audits were reviewed by the provider in 2015/16 and the Royal Devon & Exeter NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided as detailed in Annex F.

The reports of 31 local clinical audits were reviewed by the provider in 2015/16 and the Royal Devon & Exeter NHS Foundation Trust intends to take the following action to improve the quality of healthcare provided as detailed in Annex F.
Participation in Clinical Research

The number of patients receiving relevant health services provided or sub-contracted by Royal Devon & Exeter NHS Foundation Trust in 2015/16 that were recruited during that period to participate in research approved by a research ethic committee was 5600.

Participation in clinical research demonstrates RD&E’s commitment to improving the quality of care we offer and to contributing to implementation of evidenced based patient care. Our clinical staff stay abreast of the latest possible treatment possibilities and active participation in research leads to successful patient outcomes.

The high quality of the research at the Trust is demonstrated by the level of external grant funding which in 2015/16 exceeded £7 million. The number of chief investigators with successful external grants increased during the year.

In 2015 there were 170 publications in peer reviewed journals, which shows our commitment to transparency and desire to improve patient outcomes and experience across the NHS.

Research highlights that have impacted positively on patient care:

- The Emergency Department conducted the world’s first randomised controlled trial to investigate the use of a modified Valsalva manoeuvre to treat patients with abnormal fast heart rhythm. The results have been published in the Lancet and have improved treatment for these patients.

- The Gastroenterology department has established a series of high profile NIHR CRN studies to investigate the genetic basis of drug response and side effects with the aim of developing safe individualised treatment strategies for patients with inflammatory bowel disease. These studies are open in 145 UK hospitals and to date have recruited in excess of 5,000 patients. The research team have identified the genetic basis for a number of serious drug side effects including pancreatitis caused by Azathioprine. These findings, which will lead to new pre-treatment pharmacogenetic testing, have been published in Nature Genetics. The research team has also launched a national study investigating why patients with Crohn’s disease fail to respond to anti-TNF drugs. As a direct result of this research the trust has established a UK wide biologic drug & antibody level service to facilitate smarter, cost-effective use of these expensive drugs.

- The Gastroenterology department has discovered a genetic predisposition in some inflammatory bowel disease patients to develop pancreatitis after taking a common drug used to treat the condition and this has been published in Nature Genetics. The research team have also investigated the use anti-TNF drugs for patients with Crohn’s disease. As a result of the research the Trust has set up a drug and antibody testing service which is currently used across the UK to help inform Gastroenterology clinicians on how to manage their patients when treating them with expensive biologics drugs.

- The RD&E is one of the highest recruiting NHS organisations to clinical trials in the South West Peninsula. The RD&E was involved in conducting 392 clinical research studies in a wide range of specialties during 2015/16. Over 98% of studies were approved within 30 days of receiving valid application.

- The RD&E collaborates with the University of Exeter Medical School, hosting the NIHR Clinical Research Facility for experimental medicine. A total of 6200 participants were recruited into research studies during 2015/16 at this facility. Research focuses on understanding mechanisms of disease and introducing improvements into patient care.

Goals Agreed with Commissioners

A proportion of the Royal Devon & Exeter NHS Foundation Trust income in 2015/16 was conditional on achieving quality improvement and innovation goals between the Royal Devon & Exeter NHS Foundation Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework.

Further details of the agreed goals for 2015/16 and for the following 12 month period are available electronically at www.rdehospital.nhs.uk

The 2015/16 NHS Planning guidance continued the potential for Trust to earn additional income, conditional upon achieving quality improvement and innovation goals. The Trust agreed a suite of schemes for which the Trust could earn an additional £5.746m of income in 2015/16. In 2014/15 the Trust received payment to the value of £5.408m.
QUALITY SCHEMES

Commissioning for Quality and Innovation (CQUIN) Schemes for Delivery in 2015-16

Name of Scheme – Acute Kidney Injury

Objective
This CQUIN focuses on the timely diagnosis of Acute Kidney Injury (AKI) in order to support treatment in hospital and the development of a care plan to monitor kidney function after discharge.

Key achievements
- Template developed for communication of information to primary care on acute kidney injury, with key mandated information fields
- Education sessions run with clinical staff
- Measures outlined above have led to a significant increase from 23.3% to 99% (against a target of 90%) in completeness of AKI information on discharge summary

Name of Scheme – Dementia & Delirium

Objective
This CQUIN scheme encourages improved care for patients with dementia or delirium, through
(a) the delivery of staff training to raise awareness of the needs of patients with dementia and delirium,
(b) ensuring that all adult inpatients aged 75 years or older who are admitted in an emergency are assessed for dementia and delirium, and that the outcomes of this assessment are shared with primary care
(c) seeking feedback from carers of patients who have dementia, to understand how the Trust can best support them.

Key achievements
- Consistently over 90% (against a target of 90%) of patients aged 75 years or above who are admitted in an emergency are screened for possible dementia and/or delirium
- Of those who are identified as possibly having dementia and/or delirium, 100% are formally assessed (against a target of 90%)
- Of those who score positively in the assessment, in more than 90% of cases primary care are advised, so as to better enable follow up assessment and care to be provided
- 97% against a target of 95% of staff in the fourteen wards and departments identified as specialising in caring for older people, have received dementia & delirium awareness training
- Four separate Dementia & Delirium Awareness Training sessions provided free of charge for staff from care homes in Devon

Name of Scheme – Sepsis

Objective
This CQUIN focusses on patients arriving in the hospital via the Emergency Department (ED), Acute Medical Unit or Surgical Assessment Unit. It seeks to encourage the importance of screening for suspected sepsis for appropriate patients, and to rapidly initiate the administration of intravenous antibiotics within 1 hour of presentation for those patients who have suspected sepsis, Red Flag Sepsis or septic shock.

Key achievements
- Rollout of Sepsis Six bundle to Emergency Department (ED), Acute Medical Unit (AMU) and Surgical Triage and Assessment Unit (STAU) to enable rapid screening and assessment of appropriate patients for sepsis
- 91% of appropriate patients screened (against a target of 90%)

Name of Scheme – Urgent & Emergency Care

Objective
Through better data recording within the Emergency Department of patients’ diagnoses, this CQUIN supports improved understanding between acute trusts and mental health providers, and more focussed action to improve outcomes for those with MH conditions seeking urgent and emergency care.
Name of Scheme – Community Dermatology

Objective
This CQUIN supports the on-going development of community based dermatology services to help reduce pressure on secondary care including encouraging increased understanding in primary care of uncertain lesions.

Key achievements
- Extensive programme of clinics held in community locations across the Eastern locality, 90% of which included a GP with a Special Interest in Dermatology as required
- Clinics available to patients on Choose & Book

Name of Scheme – Clinical Pathways & GP Education

Objective
To enable General Practice to provide a consistent approach to treating patients for a number of conditions, using standard care pathways and referral guidelines; ensuring that referrals to hospital are only made when commensurate with need and that wherever appropriate, patients are treated by their GP outside of hospital.

The CQUIN aims to develop a number of standardised care pathways / referral guidelines for publication on an electronic system, for GPs to follow. The guidelines will be developed in partnership between RD&E Consultants and specialists and GPs. To support the understanding and use of these pathways/referral guidelines, the RD&E Consultants will provide additional educational materials and will host a number of educational sessions for GPs to attend.

Key achievements
- 26 individual clinical pathways and referral guidelines have been developed, agreed and added to the system (Covering a wide range of specific conditions across a number of specialties e.g. Gastroenterology, Cardiology, Renal, Urology)
- Two separate GP education sessions have been held with overwhelmingly positive feedback from around 100 GP attendees.
- Across the two Education events, pathways within the following areas were discussed; Cardiology, Dermatology, Gastroenterology, Paediatrics, Urology, Stroke, Diabetes, Orthopaedics, Ear Nose and Throat, Upper Gastrointestinal Surgery and Gynaecology
- Alongside the education sessions, videos and information leaflets have been provided for sharing with any GP unable to attend the education sessions in person

Name of Scheme – Children’s Transition

Objective
This CQUIN focusses upon improving the quality of the transition from Children’s to Adult services for patients requiring long term access to hospital based healthcare services. Key elements of this CQUIN include the development of a cross professional group to lead on transition, a generic trust policy with ability to add specialist services specific processes, agreed training regime and compliance targets with essential staff, data collection of transition figures, and an increasing number of children/young people with transition care plans/records.

Key achievements
- Multi-professional steering group established to scope the current service and address any gaps.
- Adoption of the “Ready Steady Go” Programme to guide the process
- A generic Transition Policy has been developed and adopted, together with speciality pathways.
- Appropriate training package identified for staff who lead on transition and 95% of all clinical leads for transition have completed this (against a target of 90%)
- Cohorts of children and young people for whom transition is appropriate have been identified. Over one hundred and forty transition plans have been commenced (Q4) supporting young people on their journey towards adult services.
- A system to easily identify young adults who fail to attend two follow-up outpatient appointments
- Fixed-term appointment of a Transition Nurse to lead the various projects associated with this work
Name of Scheme – Blueteq

Objective
This CQUIN aims to improve the recording of activity to demonstrate that providers are treating in line with CCG commissioned pathways. This CQUIN focusses on drugs and devices that due to their value are outside the national tariff arrangements and associated treatment costs.

Key achievements
The Blueteq system is now in place for making applications for funding for high cost drugs for the following conditions:
- Crohn’s disease
- Ulcerative colitis
- Wet Age Related Macular Degeneration
- Diabetic macular oedema
- Macular oedema secondary to retinal vein occlusion

NHS England CQUIN Schemes

Name of Scheme – Eligible Patients Receiving a NICE DG10 Compliant Test with Provision of Monitoring Data

Objective
The Oncotype breast cancer test is a multigene diagnostic test that determines the individual risk of the cancer recurring in early-stage invasive breast cancer. The test identifies patients with minimal, if any, likelihood of benefit and patients with substantial benefit from chemotherapy. The Oncotype tests reveal the underlying tumour biology to help guide treatment decisions.

Key Achievements
The oncology team has offered this test to all eligible patients; this has allowed several women to decline chemotherapy. This has significant benefits for this group of women as often chemotherapy is difficult to tolerate, carries significant risks and can cause long-term disabilities.

Name of Scheme – Neonatal: Two Year Outcomes for Infants < 30 Weeks Gestation

Objective
This CQUIN scheme requires hospitals to assess children’s development at 2 years of age if they were born before 30 weeks gestation in order to measure the quality and effectiveness of neonatal services in addition to providing crucial information to parents.

Key Achievements
- 94.4% % of the required developmental assessments have been carried out, against a target of 40%.
- The national target is for 75% of required assessments to be carried out in 2017/18 and so the Trust is on track to deliver this early

Name of Scheme – Neonatal: Prevention of Hypothermia in Preterm Babies

Objective
This CQUIN was set up to achieve a reduction in the number of preterm babies admitted to neonatal care (neonatal unit or transitional care) with hypothermia (< 36.0 °C) as it is a major cause of morbidity in preterm babies nationally.

Key Achievements
- Since April 2015 only 1 baby, out of the 70 (99% against a target of 95%) that have been admitted to the Neonatal unit in this age category, has had a temperature below 360C (the actual temperature for this baby was recorded as 35.90C).

Name of Scheme – Neonatal: Reduce Separation of Mothers and Babies and Reduce Demand on Neonatal Services by Improving Learning from Avoidable Term Admissions ≥37 Weeks Gestation into Neonatal Units

Objective
Nationally the numbers of babies who are born and then need to be admitted to the Neonatal Unit are increasing year on year. This CQUIN focuses on reducing the number of avoidable admissions and by so doing reducing unnecessary separation of mother and baby.
Key Achievements

- Clinical reviews have been carried out on 100% (against a target of 95%) of babies born at ≥37 weeks gestation who are then admitted to the Neonatal Unit
- Any reasons for avoidable admissions are identified and actions put into place to address them
- The reviews have been carried out jointly with neonatal and maternity staff. Those involved have found the process so useful that there are plans to continue these regular reviews after the CQUIN ends

Name of Scheme – Hepatitis C Networks

Objective

The CQUIN was set up to establish partnership working within Hepatitis C networks to ensure that patients with chronic Hepatitis C receive specialist management or treatment with oversight from Hepatitis C centres and multidisciplinary teams. This will improve quality of life and prevent premature death, particularly amongst vulnerable groups such as prisoners, homeless, currently injecting drug users, migrant populations).

Key Achievements

- Proposed patient pathway written
- A specialist multidisciplinary team (MDT) has been set up at the RD&E, which links into the South West Peninsula Hepatitis C Operational Delivery Network MDT
- The South West Peninsula Hepatitis C Operational Delivery Network MDT meets on a weekly basis. This group carries out complex case reviews and recommends treatment decisions to the local MDT
- A database has been set up to collect information on all patients to ensure that they get the care that they need

Name of Scheme – Clinical Utilisation Review

Objective

The use of Clinical Utilisation Review (CUR) software applications by hospitals has been shown to reduce admission rates, improve flow and discharge and enable appropriate services to be identified to match clinical need. The software enables hospitals to more easily identify whether patients are receiving the right levels of care in the right settings at the right time.

Key Achievements

- A project team to manage installation and implementation has been set up
- A contract has been agreed with a company to supply CUR software, with an agreed ‘Go Live’ date of 1st June 2016
- A plan to implement CUR across 500 medical service beds by December 2016 has been agreed
CARE QUALITY COMMISSION

The Royal Devon & Exeter NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is registered in full without conditions.

The Royal Devon & Exeter NHS Foundation Trust has not participated in any special reviews or investigations by the Care Quality Commission during the reporting period.

The Care Quality Commission has not taken enforcement action against the Royal Devon & Exeter NHS Foundation Trust during 2015/16.

The Royal Devon & Exeter NHS Foundation Trust underwent a planned, routine Care Quality Commission Inspection in November 2015. Below is a breakdown of the ratings for the Trust.

<table>
<thead>
<tr>
<th>Our ratings for Royal Devon and Exeter NHS Foundation Trust</th>
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<tbody>
<tr>
<td><strong>Overall trust</strong></td>
</tr>
<tr>
<td>Safe</td>
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<tr>
<td>Requires improvement</td>
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<table>
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<tr>
<th>Our ratings for Wonford Hospital</th>
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<tbody>
<tr>
<td><strong>Urgent and emergency services</strong></td>
</tr>
<tr>
<td>Safe</td>
</tr>
<tr>
<td>Good</td>
</tr>
</tbody>
</table>

| **Medical care** |
| Safe            | Effective          | Caring | Responsive | Well-led | Overall |
| Requires improvement | Good | Good | Good | Good | Good |

| **Surgery** |
| Safe            | Effective          | Caring | Responsive | Well-led | Overall |
| Requires improvement | Good | Good | Good | Good | Good |

| **Critical care** |
| Safe            | Effective          | Caring | Responsive | Well-led | Overall |
| Good            | Outstanding        | Good | Good | Outstanding | Outstanding |

| **Maternity and gynaecology** |
| Safe            | Effective          | Caring | Responsive | Well-led | Overall |
| Requires improvement | Good | Good | Good | Good | Good |

| **Services for children and young people** |
| Safe            | Effective          | Caring | Responsive | Well-led | Overall |
| Good            | Good               | Good | Good | Good | Good |

| **End of life care** |
| Safe            | Effective          | Caring | Responsive | Well-led | Overall |
| Good            | Good               | Good | Good | Good | Good |

| **Outpatients and diagnostic imaging** |
| Safe            | Effective          | Caring | Responsive | Well-led | Overall |
| Requires improvement | N/A | Requires improvement | Good | Good | Requires improvement |

| **Overall** |
| Safe            | Effective          | Caring | Responsive | Well-led | Overall |
| Requires improvement | Good | Outstanding | Good | Outstanding | Good |

<table>
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<tr>
<th>Our ratings for Mardon Neurological Rehabilitation Unit</th>
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<tbody>
<tr>
<td><strong>Medical care</strong></td>
</tr>
<tr>
<td>Safe</td>
</tr>
<tr>
<td>Requires improvement</td>
</tr>
</tbody>
</table>

| **Overall** |
| Safe            | Effective          | Caring | Responsive | Well-led | Overall |
| Requires improvement | Good | Good | Good | Requires improvement | Requires improvement |

The Trust has submitted an action plan to the CQC. The Trust’s Governance Committee will monitor the action plan through to completion; the target date is 1 April 2017.
**NHS Number and General Medical Practice Code Validity**

The Royal Devon & Exeter NHS Foundation Trust submitted records during 2015/16 to the Secondary Users Service for inclusion in the Hospital Episodes Statistics which are included in the latest published data.

The percentage of records in the published data:

- Which included the patient’s valid NHS number was:
  - 99.8% for admitted patient care
  - 99.8% for outpatient care
  - 97.8% for accident and emergency care

- Which included patient’s valid General Medical Practice Code was:
  - 100% for admitted patient care
  - 100% for outpatient care
  - 99.8% for accident and emergency care

**Information Governance**

The Royal Devon & Exeter NHS Foundation Trust Information Governance Assessment Report overall score for 2015/16 was 75% and was graded green.

**Clinical Coding**

The Royal Devon & Exeter NHS Foundation Trust was subject to the Payment by Results clinical coding audit during the reporting period by the Audit Commissions and the error rates reported in the latest published audit for that period for diagnosis and treatment coding were:

- Primary diagnosis 6%
- Secondary diagnosis 10.2%
- Primary procedures 4.1%
- Secondary procedures 11.1%

The Royal Devon & Exeter NHS Foundation Trust will be taking the following actions to improve data quality:

- Ensure clinic coding staff study the episode documentation in full detail to capture all information regarding diagnoses and procedures performed
- Liaise with the relevant staff to improve the quality of information provided on the day case lists used for coding
- Liaise with relevant staff to complete the comorbidity information in the spaces provided on the discharge summaries

The results should not be extrapolated further than the actual sample size audited (170 records were audited). Services reviewed within the sample were 88 Haematology procedures and disorders and 82 Urological and male reproductive procedures and disorders.
CORE INDICATORS

The Trust has chosen the safety, effectiveness and patient experience indicators which reflect the Board of Directors approach to monitoring performance, adopting a balanced score card approach. A mixture of process and outcome measures provide assurance of cause and effect.

<table>
<thead>
<tr>
<th>Indicator Description</th>
<th>Data</th>
<th>The Royal Devon and Exeter NHS Foundation Trust considers that this data is as described for the following reasons:</th>
<th>The Royal Devon and Exeter NHS Foundation Trust intends to take/has taken the following actions to improve this percentage/proportion/score/rate/number, and so the quality of its services, by:</th>
<th>Source of measure</th>
<th>Definition</th>
</tr>
</thead>
</table>
| 12. The data made available to the National Health Service trust or NHS foundation trust by the Health and Social Care Information Centre with regard to – (a) the value and banding of the summary hospital-level mortality indicator ("SHMI") for the trust for the reporting period; and (b) The percentage of patient deaths with palliative care coded at either diagnosis or specialty level for the trust for the reporting period. | October 2014 - September 2015
SHMI – 0.9613 (as expected) (18 trusts higher than expected, 103 as expected and 15 lower than expected) Palliative Coding 17.3% (Highest 53.5%, Lowest 0.2%, National average 26.6%)

July 2014 - June 2015:
SHMI – 0.9527 (as expected) (14 trusts higher than expected, 109 as expected and 13 lower than expected) Palliative Coding 17.4% (Highest 52.9%, Lowest 0.0%, National average 26.0%) | 1. The data has been sourced from the Health & Social Care Information Centre.
2. The SHMI values are comparable to those calculated independently by the University Hospitals Birmingham Foundation Trust Healthcare Evaluation Data (HED) system. | The Trust will continue to monitor this data regularly via the Patient Safety Group, Safety & Risk Committee and the monthly Board Report. | HSCIC Indicator Portal | National Definition |
<table>
<thead>
<tr>
<th>Indicator Description</th>
<th>Data</th>
<th>The Royal Devon and Exeter NHS Foundation Trust considers that this data is as described for the following reasons:</th>
<th>The Royal Devon and Exeter NHS Foundation Trust intends to take/has taken the following actions to improve this percentage/proportion/score/rate/number, and so the quality of its services, by:</th>
<th>Source of measure</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>18. The data made available to the National Health Service trust or NHS foundation trust by the Health and Social Care Information Centre with regard to the trust's patient reported outcome measures scores for – (i) groin hernia surgery, (ii) varicose vein surgery, (iii) hip replacement surgery, and (iv) knee replacement surgery, during the reporting period.</td>
<td>Casemix-adjusted average health gains comparing pre- and post-operative ‘EQ-5D Index’ scores (a combination of five key criteria concerning patients’ self-reported general health) (i) Groin hernia surgery: Apr-15 to Sep-15 – 0.125 (National 0.088, Lowest 0.008, Highest 0.135) Apr-14 to Mar-15 – 0.100 (National 0.084, Lowest 0.000, Highest 0.154) (ii) Varicose vein surgery: Apr-15 to Sep-15 – N/A* (National 0.104, Lowest 0.037, Highest 0.130) Apr-14 to Mar-15 – 0.143 (National 0.095, Lowest -0.002, Highest 0.154) (ii) Hip replacement surgery: Apr-15 to Sep-15 – 0.479 (National 0.454, Lowest 0.359, Highest 0.520) Apr-14 to Mar-15 – 0.480 (National 0.437, Lowest 0.331, Highest 0.524) (iv) Knee replacement surgery: Apr-15 to Sep-15 – 0.395 (National 0.334, Lowest 0.207, Highest 0.412) Apr-14 to Mar-15 – 0.343 (National 0.315, Lowest 0.204, Highest 0.418)</td>
<td>1. The data has been sourced from the Health &amp; Social Care Information Centre. 2. These PROMs scores are consistent with other internal patient satisfaction measure results.</td>
<td>The data will be reviewed by the Surgical Division through their Governance structure.</td>
<td>HSCIC Indicator Portal</td>
<td>National Definition</td>
</tr>
<tr>
<td>Indicator Description</td>
<td>Data</td>
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</tbody>
</table>
| 19. The data made available to the National Health Service trust or NHS foundation trust by the Health and Social Care Information Centre with regard to the percentage of patients aged – (i) 0 to 15; and (ii) 16 or over, Readmitted to a hospital which forms part of the trust within 28 days of being discharged from a hospital which forms part of the trust during the reporting period. | (i) **0 to 15:**
2011/12 – 7.88% (National N/A*, Lowest 6.40%, Highest 14.94%)
2010/11 – 7.33% (National N/A*, Lowest 6.41%, Highest 14.11%)

(ii) **16 or over:**
2011/12 – 10.01% (National 11.45%, Lowest 9.34%, Highest 13.8%)
2010/11 – 10.09% (National 11.43%, Lowest 9.2%, Highest 14.06%)

*National values for this age range are no longer published. ‘Lowest’ and ‘Highest’ values are from the ‘Large acute’ trust category of which the RD&E is assigned* | 1. The data has been sourced from the Health & Social Care Information Centre.
2. They are broadly comparable with internal information. | The Good Outcome on Discharge (GOOD) Project was set up in 2014 to improve the process of Discharge and Transfer of care from hospital. As part of the work to improve standards, a number of work streams were set up covering ‘Standards of Discharge’ ‘Complex Discharge’ ‘Medication on Discharge’ ‘Education & Training’ and ‘Patient, Carer and Staff Communication and Engagement’. A discharge checklist has been implemented and now used routinely on all inpatient wards. These checklists are regularly monitored and audited using the NHS Safety thermometer. A patient information booklet and leaflet on ‘Leaving Hospital’ has been designed. These are now given to patients within 48hrs of admission to enable patients, carers and relatives plan for discharge. A ‘Discharge Directory’ has been designed which all staff are able to access via the IaN intranet for guidance, advice and support in discharge and transfer. Regular training and education events on discharge take place, with particular emphasis on specialist training for those members of staff from overseas. A patient experience survey has been undertaken to ask patients their experience of the Trust’s discharge process with overall feedback being very positive (61% Very Good & 28% Good). Community wide workshops and forums have, and remain to take place with patients, carers and health and social care providers to identify areas for continual improvement. | HSCIC Indicator Portal | National Definition |
<table>
<thead>
<tr>
<th>Indicator Description</th>
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<th>Definition</th>
</tr>
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</table>
| 20. The data made available to the National Health Service trust or NHS foundation trust by the Health and Social Care Information Centre with regard to the trust’s responsiveness to the personal needs of its patients during the reporting period. | Average weighted score of 5 questions relating to responsiveness to inpatients’ personal needs (score out of 100)  
2014/15 – 74.0 (National 68.9, Lowest 59.1, Highest 86.1)  
2013/14 – 72.7 (National 68.7, Lowest 54.4, Highest 84.2) | 1. The data has been sourced from the Health & Social Care Information Centre.  
2. These results are comparable to those from the internal care quality assessment tool (a real time audit). | The Patient Experience committee reviews the full report and oversees any actions required.                                   | HSCIC Indicator Portal | National Definition |
<table>
<thead>
<tr>
<th>Indicator Description</th>
<th>Data</th>
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<th>Definition</th>
</tr>
</thead>
</table>
| 21. The data made available to the National Health Service trust or NHS foundation trust by the Health and Social Care Information Centre with regard to the percentage of staff employed by, or under contract to, the trust during the reporting period who would recommend the trust as a provider of care to their family or friends. | 2015 – 80.97% (National position across all Acute Trusts 69.17%, Lowest 45.95%, Highest 85.44%)  
2014 – 78.53% (National position across all Acute Trusts 64.71%, Lowest 38.17%, Highest 89.27%) | 1. Capita that oversee the staff survey are an approved Survey Contractor having met the necessary data quality standards.  
2. The 2015 survey results were compared to previous responses and of the 23 comparable key findings, only 4 recorded a statistically significant move. | A workshop for all HOB members on the outcomes of the staff survey, “Staff Say” meetings and the leadership training module on staff engagement held. This will provoke actions at a corporate, Divisional and local levels which will be compiled into a single plan. | HSCIC Indicator Portal | National Definition |
| 21.1 Friends and Family Test – Patient. The data made available by National Health Service Trust or NHS Foundation Trust by the Health and Social Care Information Centre for all acute providers of adult NHS funded care, covering services for inpatients and patients discharged from Accident and Emergency (types 1 and 2) | Inpatients – Percentage Recommended  
January 2016 – 98.1% (National 95.7%, Lowest 72.7%, Highest 100.0%)  
December 2015 – 97.0% (National 95.6%, Lowest 73.4%, Highest 100.0%)  
Accident and Emergency – Percentage Recommended  
January 2016 – 97.7% (National 86.3%, Lowest 52.5%, Highest 100.0%)  
December 2015 – 100.0% (National 87.4%, Lowest 57.6%, Highest 100.0%) | 1. The data has been sourced from the Health & Social Care Information Centre.  
2. The results are similar to internal patient experience measures. | The Trust reviews this data monthly at a Divisional level as part of the Trust performance assurance framework. | HSCIC Indicator Portal | National Definition |
<table>
<thead>
<tr>
<th>Indicator Description</th>
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<th>The Royal Devon and Exeter NHS Foundation Trust considers that this data is as described for the following reasons:</th>
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<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>23. The data made available to the National Health Service trust or NHS foundation trust by the Health and Social Care Information Centre with regard to the percentage of patients who were admitted to hospital and who were risk assessed for venous thromboembolism during the reporting period.</td>
<td>2015/16 (Quarter 3) – 95.5% (National position across all NHS acute providers 95.4%, Lowest 61.5%, Highest 100.0%) 2015/16 (Quarter 2) – 95.7% (National position across all NHS acute providers 95.8%, Lowest 75.0%, Highest 100.0%)</td>
<td>1. The data has been sourced from the Health &amp; Social Care Information Centre. 2. These results are comparable to the monthly NHS Safety Thermometer audit data.</td>
<td>On-going work with clinical teams to strive for 100% risk assessment. Monthly performance is reviewed at divisional level through the Performance Assurance Framework meetings.</td>
<td>HSCIC Indicator Portal</td>
<td>National Definition</td>
</tr>
<tr>
<td>24. The data made available to the National Health Service trust or NHS foundation trust by the Health and Social Care Information Centre with regard to the rate per 100,000 bed days of cases of C difficile infection reported within the trust amongst patients aged 2 or over during the reporting period.</td>
<td>2015/16 – 8.6 (National 14.9, Lowest and Highest to be confirmed) 2014/15 – 13.9 (National 15.1, Lowest 0.0, Highest 62.2) 2013/14 – 11.5 (National 14.7, Lowest 0.0, Highest 37.1)</td>
<td>The Trust has continued to implement effectively measures proven to reduce the risk of C.difficile infection, namely: ● Antimicrobial Stewardship ● Environmental hygiene including an annual deep clean programme ● Hand hygiene ● Isolation of symptomatic patients on a designated ward</td>
<td>The Trust will continue striving to eliminate avoidable C.difficile infection, however, the rate of infection is now below the regional and national rate and given the aging population served by this hospital a further reduction may not be possible.</td>
<td>HSCIC Indicator Portal</td>
<td>National Definition</td>
</tr>
<tr>
<td>Indicator Description</td>
<td>Data</td>
<td>The Royal Devon and Exeter NHS Foundation Trust considers that this data is as described for the following reasons:</td>
<td>Source of measure</td>
<td>Definition</td>
<td></td>
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<td>------------------</td>
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</tr>
</tbody>
</table>
| 25. The data made available to the National Health Service trust or NHS foundation trust by the Health and Social Care Information Centre with regard to the number and, where available, rate of patient safety incidents reported within the trust during the reporting period, and the number and percentage of such patient safety incidents that resulted in severe harm or death. | **Total Patient Safety Incidents**  
October 2014 to March 2015 – 6340 (National position across all Acute Trusts 641822, Lowest 300, Highest 12784)  
April 2014 to September 2014 – 6625 (National position across all Acute Trusts 606353, Lowest 35, Highest 12020)  
**Patient Safety Incidents per 1000 bed days**  
October 2014 to March 2015 – 49.7 (National position across all Acute Trusts 36.4, Lowest 3.6, Highest 108.5)  
April 2014 to September 2014 – 52.6 (National position across all Acute Trusts 35.43, Lowest 0.2, Highest 94.8)  
**Number of Patient Safety Incidents that resulted in severe harm or death**  
October 2014 to March 2015 – 4 (National position across all Acute Trusts 3164, Lowest 0, Highest 128)  
April 2014 to September 2014 – 5 (National position across all Acute Trusts 2958, Lowest 0, Highest 97)  
**Patient Safety Incidents that resulted in severe harm or death per 1000 bed days**  
October 2014 to March 2015 – 0.03 (National position across all Acute Trusts 0.18, Lowest 0.00, Highest 1.53)  
April 2014 to September 2014 – 0.04 (National position across all Acute Trusts 0.17, Lowest 0.00, Highest 1.22) | 1. The data has been sourced from the Health & Social Care Information Centre.  
2. The data is directly uploaded from Datix and subject to vigorous data quality checks by the Trust and NRLS. | HSCIC Indicator Portal | National Definition |
## Monitor Indicators

<table>
<thead>
<tr>
<th>Indicator Group</th>
<th>Indicator Description</th>
<th>Data</th>
<th>Source of measure</th>
<th>Definition</th>
</tr>
</thead>
</table>
| Monitor Indicators – Access | Maximum time of 18 weeks from point of referral to treatment in aggregate – incomplete pathways | 2015/16 – 93.0%  
  2014/15 – 94.1% | Unify2 Submission | National Definition |
| Monitor Indicators – Access | A&E: maximum waiting time of four hours from arrival to admission/transfer/discharge | 2015/16 – 94.8%  
  2014/15 – 95.6% | Unify2 Submission | National Definition |
| Monitor Indicators – Access | All cancers: 62-day wait for first treatment from: urgent GP referral for suspected cancer (post breach re-allocation) | 2015/16 – 81.1%  
  2014/15 – 80.4% | Open Exeter | National Definition |
| Monitor Indicators – Access | All cancers: 62-day wait for first treatment from: NHS Cancer Screening Service referral (post breach re-allocation) | 2015/16 – 91.7%  
  2014/15 – 96.3% | Open Exeter | National Definition |
| Monitor Indicators – Access | All cancers: 31-day wait for second or subsequent treatment comprising: surgery | 2015/16 – 90.9%  
  2014/15 – 92.6% | Open Exeter | National Definition |
| Monitor Indicators – Access | All cancers: 31-day wait for second or subsequent treatment comprising: anti-cancer drug treatments | 2015/16 – 99.9%  
  2014/15 – 99.6% | Open Exeter | National Definition |
| Monitor Indicators – Access | All cancers: 31-day wait for second or subsequent treatment comprising: radiotherapy | 2015/16 – 99.0%  
  2014/15 – 96.5% | Open Exeter | National Definition |
| Monitor Indicators – Access | All cancers: 31-day wait from diagnosis to first treatment | 2015/16 – 93.4%  
  2014/15 – 93.2% | Open Exeter | National Definition |
| Monitor Indicators – Access | Cancer: two week wait from referral to date first seen comprising: all urgent referrals (cancer suspected) | 2015/16 – 92.1%  
  2014/15 – 91.8% | Open Exeter | National Definition |
| Monitor Indicators – Access | Cancer: two week wait from referral to date first seen comprising: for symptomatic breast patients (cancer not initially suspected) | 2015/16 – 95.4%  
  2014/15 – 97.0% | Open Exeter | National Definition |
| Monitor Indicators – Outcomes | Clostridium (C.) difficile – meeting the C. difficile objective | 2015/16 – 2 cases due to lapses in care (target 31)  
  2014/15 – 6 cases due to lapses in care (target 30) | Public Health England - HCAI Data Capture System | National Definition |
| Monitor Indicators – Outcomes | Certification against compliance with requirements regarding access to healthcare for people with a learning disability | 2015/16 - Compliant  
  2014/15 - Compliant | Internal Audit | National Definition |
| Additional Indicator – Safety | Safe Staffing – Average Fill Rate  
  - Average fill rate (Day) – registered nurses/midwives  
    2015/16 – 101.5%  
    2014/15 – 107.4%  
  - Average fill rate (Day) – care staff  
    2015/16 – 100.9%  
    2014/15 – 109.6%  
  - Average fill rate (Night) – registered nurses/midwives  
    2015/16 – 103.2%  
    2014/15 – 108.9%  
  - Average fill rate (Night) – care staff  
    2015/16 – 107.5%  
    2014/15 – 118.5% | Unify2 Submission | National Definition |
### MONITOR DASHBOARD 2015-16

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Trend</th>
<th>Position for Year End</th>
<th>Target</th>
<th>Monitor Weighting</th>
<th>Risk for Period</th>
<th>Risk for Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area 1 RTT Admitted</td>
<td></td>
<td></td>
<td>89.0%</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Area 2 RTT Non-Admitted</td>
<td></td>
<td></td>
<td>97.5%</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Area 3 RTT Incomplete</td>
<td></td>
<td></td>
<td>91.0%</td>
<td>min. 92%</td>
<td>1.0</td>
<td>Medium</td>
</tr>
<tr>
<td>Area 4 A&amp;E 4-Hour Target</td>
<td></td>
<td></td>
<td>94.8%</td>
<td>min. 95%</td>
<td>1.0</td>
<td>High</td>
</tr>
<tr>
<td>Cancer 62 Day GP Urgent (pre breach re-allocation)</td>
<td></td>
<td></td>
<td>74.0%</td>
<td>min. 85%</td>
<td>1.0</td>
<td>Medium</td>
</tr>
<tr>
<td>Cancer 62 Day Screening (pre breach re-allocation)</td>
<td></td>
<td></td>
<td>91.7%</td>
<td>min. 90%</td>
<td>1.0</td>
<td>Low</td>
</tr>
<tr>
<td>Area 5 Cancer 62 Day GP Urgent (post breach re-allocation)</td>
<td></td>
<td></td>
<td>81.1%</td>
<td>min. 85%</td>
<td>1.0</td>
<td>Medium</td>
</tr>
<tr>
<td>Area 5.2 Cancer 62 Day Screening (post breach re-allocation)</td>
<td></td>
<td></td>
<td>91.7%</td>
<td>min. 90%</td>
<td>1.0</td>
<td>Low</td>
</tr>
</tbody>
</table>

**Trend graphs run from April 2013 to current month**

- [Green] Indicates that the target has been achieved for the quarter
- [Red] Indicates that the target has not been achieved for the quarter
- [Grey] Indicates that the target is not enforced

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**Additional Notes:**

- Compliance level: Compliant
- Risk levels: Low, Medium, High
- Target completion rate: [50.0%](#) of 1087
- Target completion rate: [99.0%](#) of 163
- Target completion rate: [99.0%](#) of 150
- Target completion rate: [53.4%](#) of 137
- Target completion rate: [52.1%](#) of 23
- Target completion rate: [55.4%](#) of 23
- Target completion rate: [2 (51)](#)

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STATEMENT FROM THE COUNCIL OF GOVERNORS

Annex A

Once again looking at the Quality Report for 2015/16 I am amazed and marvel at the amount of work undertaken and planned by the Royal Devon and Exeter NHS Foundation Trust’s staff. It is an absolute pleasure to read of the work being done in spite of the NHS having on-going difficulties nationally. The staff have continued to find ideas and plans for the care of their patients in so many ways.

The Chief Executive praises and thanks the staff for their commitment and dedication and, on behalf of the Governors, I would like to echo those words.

The Governors’ chosen priorities for the year focused on Discharge and on Patients with multiple needs and, led by Em Wilkinson Brice, not only have initiatives such as Integrated Care Exeter and Discharge to Assess been developed, but they have paved the way for the Integrated Care programmes being developed as the Trust is poised to take on community services working in close liaison with community teams. The population in this area is getting older and therefore has more complex needs and this will not change, so the initiatives developed by and carried out by staff are vital. The Council of Governors has received regular presentations on progress being made against the chosen priorities.

The work done by the Reproductive Medicine Centre, the Cardiac Arrest Team, the Emergency Department and Children’s Services are to be applauded. Not always are the staff’s efforts congratulated although the Extraordinary People Awards give Governors and colleagues a chance to hear about the wonderful work.

The Members Say is an annual event which gives members an opportunity to hear about and comment on the work of the hospital and these are well attended and popular.

Governors have been involved in several hospital meetings such as the Audit Committee, Patient Experience Committee, the Care Quality Assessment tool process and PLACE (Patient Led Assessments of the Care Environment) inspection.

The Care Quality Commission results for the Trust are to be congratulated. Few Trusts in the country have had such brilliant results and the Chief Executive and all the Trust staff should be praised.

The list is long of the brilliant work done by the Trust detailed on pages 3 to 24 in this report.

Next year the Governors’ priorities are Patient Experiences of the outpatient booking process and Mental Health services, focusing on maternity and young people; the Governors look forward to working with Trust staff on these subjects.

Kate Caldwell OBE MSc
Public Governor for Exeter and South Devon
STATEMENT FROM THE NEW DEVON CCG

Annex B

Thank you for the opportunity to comment on the 2015/16 quality account for the Royal Devon and Exeter NHS Foundation Trust (RDEFT) which describes the quality of services and priorities for the Trust.

Northern Eastern and Western Devon Clinical Commissioning Group (NEW Devon CCG) is pleased to see the progress on last year’s priorities and the impact they have had. The Future Care Programme focussed on work around integration and pathways, co-ordinating and personalising care around the patient. Projects such as Integrated Care Exeter (known as ICE) have strengthened links with partner organisations and agencies, and this work will be carrying on next year through the ‘Help Me Home’ project. The focus on professional revalidation for staff has meant increased support for clinical staff. A well supported workforce is known to have an impact on the quality of services experienced. The quality account outlines the highlights of the Patient Safety Programme that will also carry on in to the next year.

The RDEFT took part in local and national Commissioning for Quality and Innovation schemes (CQUINs) and will be taking part in national CQUINs again in the coming year. The urgent care CQUIN was an example of how multi-agency working will support the best outcomes for patients. The RDEFT was required to work closely with Devon Partnership Trust, and will continue to work with them in order to achieve their priority for the coming year.

The Care Quality Commission (CQC) inspected the RDEFT’s services in November 2015 and subsequently rated the Trust as ‘Good’ overall. Where improvements are required the Trust has an action plan in place and underway.

During 2015/2016 NEW Devon CCG worked with RDEFT to reduce the breaches in waiting times for 62 day and 31 day cancer referrals. A remedial action plan has been implemented which is now delivering sustained performance in line with the national standards.

NEW Devon CCG congratulates the Trust, in particular the Exeter Neonatal Unit, for being awarded a UNICEF baby friendly initiative accreditation specific to neonatal units, an example of how working as a team making small changes can have a positive effect on the needs of babies.

Looking ahead, NEW Devon CCG acknowledges and supports the Trust priorities for 2016/2017: emergency pathways, discharge processes, and supporting the mental health needs of patients.

The year ahead will no doubt bring challenges in order to deliver services in a safe but cost effective way. The success regime across the whole health and care economy will be looking to find opportunities to make improvements to services and the RDEFT will be involved in the implementation of those strategic plans. The CCG looks forward to continuing to work closely with the RDEFT in providing a safe and effective service.

Lorna Collingwood-Burke
Chief Nursing Officer
May 2016
STATEMENT FROM HEALTHWATCH DEVON

Annex C

Healthwatch Devon welcomes the opportunity to provide a statement in response to the Quality Account produce by the RD&EFT for the year 2015/16. Our statement this year focusses not only on the Trust’s progress in relation to discharge from hospital, as this topic is particularly pertinent to a recent report that we published, but also on the priorities that the Trust Governors have identified for the coming year.

With reference to progress in relation to discharge from hospital, we are very encouraged by the work that the RD&E has done and continues to do to ensure patients are safely discharged from hospital. In particular, we commend the collaborative approach that the Trust has applied in driving this work forward, working on several related projects in partnership with commissioners, Northern Devon Healthcare NHS Trust and the voluntary and community sector.

We are pleased to learn that the patient experiences and feedback included our recent report focussing on hospital discharge have been used to inform the Integrated Care Exeter (ICE) programme, and has also helped to inform development of the Discharge to Assess initiative (D2A) in Exeter.

D2A aims to cut the time it takes social services and other agencies to work out what support a person might need when they come home from hospital. D2A has enabled us to demonstrate where people’s voices have been heard and shows that their feedback and experiences are directly helping to improve service design and delivery on the ground.

We are committed to supporting the work in relation to next year’s Governor priorities:

1. Patient experience of the referral and appointment booking process and
2. Mental health services, focusing on maternity and young people.

These are both service areas that Healthwatch Devon has received patient experiences on that have been shared with the Trust throughout the year. We are keen to work with the RD&E to ensure any further feedback we receive relating to these areas helps to inform the work that is planned for the coming year.

Overall, the report is clearly presented and demonstrates considerable progress in relation to last year’s Trust and Governor Priorities succinctly. We welcome any opportunity to work with the Trust on this year’s priority areas and will continue to feedback patient experience data to them on a regular basis.
STATEMENT FROM THE HEALTH AND WELLBEING SCRUTINY COMMITTEE

Annex D

Devon County Council’s Health and Wellbeing Scrutiny Committee has been invited to comment on the Royal Devon and Exeter NHS Foundation Trust Draft Quality Report 2015/16 which includes the priorities for 2016/17. All references in this commentary relate to the reporting period 1st April 2015 to 31st March 2016 and refer specifically to the Trust’s relationship with the Scrutiny Committee and its members.

The Scrutiny Committee believes that the Quality Report 2015-16 is a fair reflection and gives a comprehensive coverage of the services provided by the Trust, based on the Scrutiny Committee’s knowledge. The Chief Executive of the Foundation Trust has maintained a good relationship with scrutiny and has had specific contact with the Scrutiny Committee Chair, providing briefings and reports as issues have arisen.

The RD&E presented to the scrutiny committee in June and November 2015 on hospital discharge, the establishment of Integrated Care for Exeter (ICE) and meeting key cancer targets. The latter followed concerns from the scrutiny committee on the inability to meet key cancer targets.

The Committee is impressed with overall RD&E performance and would like to commend the RD&E on their latest CQC inspection, being awarded overall good status, with aspects of Outstanding care. Specifically the Committee would like to highlight the areas where the RD&E was awarded outstanding status: Care Domain, Urgent and Emergency Services and Critical Care. The Committee would like to make special mention of the RD&E cardiac arrest survival results which is double the national average at 37.5%. This is a great achievement and one the Committee would like to see continue on the upwards trajectory.

The committee would welcome further information on progress ensuring the correct procedure for people with allergies, 10% of patients did not have the correct procedure as well as progress towards the Trust’s domestic violence reporting rate, only achieving 40% against the target of 80%.

Overall the Committee is pleased with the RD&E’s performance and recommend that other acute hospitals within Devon work with the RD&E to improve their performance. The committee welcomes a continued positive working relationship with the RD&E in 2016/17 and beyond.
STATEMENT OF DIRECTORS’ RESPONSIBILITIES FOR THE QUALITY REPORT

Annex E

The directors are required under the Health Act 2009 and the National Health Service Quality Accounts Regulations to prepare quality accounts for each financial year.

Monitor has issued guidance to NHS foundation trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS foundation trust boards should put in place to support data quality for the preparation of the quality report.

In preparing the quality report, directors are required to take steps to satisfy themselves that:

- the content of the quality report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2015/16;
- the content of the quality report is not inconsistent with internal and external sources of information including:
  - board minutes and papers for the period April 2015 to March 2016
  - papers relating to Quality reported to the Board over the period April 2015 to March 2016
  - feedback from Commissioners dated 9 May 2016
  - feedback from Governors dated 13 May 2016
  - feedback from local Healthwatch organisations dated 19 May 2016
  - feedback from Overview and Scrutiny Committee dated 10 May 2016
  - the Trust’s complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 26 August 2015
  - 2015 national patient survey no report published for the RD&E
  - 2015 national staff survey February 2016
  - the head of internal audit’s annual opinion over the trust’s control environment dated 19 May 2016
- the quality report presents a balanced picture of the NHS foundation trust’s performance over the period covered;
- the performance information in the quality report is reliable and accurate;
- there are proper internal controls over the collection and reporting of the measures of performance included in the quality report, and these controls are subject to review to confirm that they are working effectively in practice;
- the data underpinning the measures of performance in the quality report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review; and
- the quality report has been prepared in accordance with Monitor’s annual reporting guidance (which incorporates the Quality Accounts Regulations) as well as the standards to support data quality for the preparation of the quality report.

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

By order of the Board.

Date: 25 May 2016  Chairman:

Date: 25 May 2015  Chief Executive:
CLINICAL AUDIT

Annex F

During 2015/16 38 national clinical audits and three national confidential enquiries covered relevant health services that the Royal Devon & Exeter NHS Foundation Trust provides.

During that period the Royal Devon & Exeter NHS Foundation Trust participated in 98% (37)* national confidential enquiries of the national clinical audits and 100% (3/3) national confidential enquiries which it was eligible to participate in. *The Trust was unable to participate in the National Ophthalmology Audit due to challenges with data collection.

The national clinical audits and national confidential enquiries that the Royal Devon & Exeter NHS Foundation Trust was eligible to participate in during 2015/16 are listed below.

<table>
<thead>
<tr>
<th>National Clinical Audit / Confidential Enquiry Title</th>
<th>Trust Eligible?</th>
<th>Trust Participated?</th>
<th>% Participation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adherence to BSCN/ANS Standards for Ulnar Neuropathy at Elbow testing</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>Bowel Cancer Audit (NBOCAP)</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>British Thoracic Society (BTS) Emergency Use of Oxygen</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>BTS Paediatric Asthma</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>Cardiac Rhythm Management</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>Case Mix Programme (ICNARC)</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>Coronary Angioplasty (PCI)</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>Maternal, New-born and Infant Mortality (MBRRACE)</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>Myocardial Ischaemia National Audit Project (MINAP)</td>
<td>Yes</td>
<td>Yes</td>
<td>65%</td>
</tr>
<tr>
<td>National Chronic Obstructive Pulmonary Disease (COPD) Audit – Pulmonary Rehabilitation Work stream</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>National Comparative Audit Lower Gastrointestinal Bleeding</td>
<td>Yes</td>
<td>Yes</td>
<td>6 cases submitted</td>
</tr>
<tr>
<td>National Comparative Audit of Blood Transfusion Programme: Audit of Patient Blood Management in Scheduled Surgery 2015</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>National Complicated Diverticulitis Audit (CADs)</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>National Diabetes Audit</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>National Diabetes Foot care Audit</td>
<td>Yes</td>
<td>Yes</td>
<td>67 cases submitted</td>
</tr>
<tr>
<td>National Diabetes Inpatient Audit</td>
<td>Yes</td>
<td>Yes</td>
<td>133 cases submitted</td>
</tr>
<tr>
<td>National Emergency Laparotomy Audit (NELA)</td>
<td>Yes</td>
<td>Yes</td>
<td>72%</td>
</tr>
<tr>
<td>National Heart Failure Audit</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>National Joint Registry (NJR)</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>National Lung Cancer Audit (LUCADA)</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>National Neonatal Audit Programme (NNAP)</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>National Oesophago-Gastric Cancer Audit</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>National Clinical Audit / Confidential Enquiry Title</td>
<td>Trust Eligible?</td>
<td>Trust Participated?</td>
<td>% Participation Rate</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
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<td>----------------------</td>
</tr>
<tr>
<td>National Ophthalmology Audit</td>
<td>Yes</td>
<td>No</td>
<td>0%</td>
</tr>
<tr>
<td>National Paediatric Diabetes Audit</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>National Pregnancy Inpatient Diabetes Audit</td>
<td>Yes</td>
<td>Yes</td>
<td>22 cases submitted</td>
</tr>
<tr>
<td>National Prostate Cancer Audit</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>National Trauma Audit Research Network</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>National Vascular Registry</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>NCEPOD Acute Pancreatitis Study</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>NCEPOD Mental Health Study</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>NCEPOD Young Peoples Mental Health Study</td>
<td>Yes</td>
<td>Yes</td>
<td>On-going data submission</td>
</tr>
<tr>
<td>Paracetamol overdose in adults (CEM)</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>Procedural Sedation in Adults (CEM)</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>Renal Registry</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>Rheumatoid and early inflammatory arthritis</td>
<td>Yes</td>
<td>Yes</td>
<td>30 cases submitted</td>
</tr>
<tr>
<td>Sentinel Stroke National Audit Programme (SSNAP)</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>UK Cystic Fibrosis Registry</td>
<td>Yes</td>
<td>Yes</td>
<td>75 cases submitted</td>
</tr>
<tr>
<td>UK IBD National Audit (Paediatric IBD Services)</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>UK Parkinson’s Audit 2015</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>Venous Thromboembolism (VTE) Risk in Lower Limb Immobilisation (CEM)</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
<tr>
<td>Vital Signs in Children (CEM)</td>
<td>Yes</td>
<td>Yes</td>
<td>100%</td>
</tr>
</tbody>
</table>
The reports of 26 national clinical audits were reviewed by the provider in 2015/16 and the Royal Devon & Exeter NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided.

<table>
<thead>
<tr>
<th>National Clinical Audit/Confidential Enquiry Title</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adherence to BSCN/ANS Standards for Ulnar Neuropathy at Elbow testing</td>
<td>No actions required</td>
</tr>
<tr>
<td>Audit to assess the utility of an office tool to diagnose Grave’s Ophthalmology for Endocrinologists</td>
<td>No actions required</td>
</tr>
</tbody>
</table>
| BTS Asthma in Children | The audit identified that the initial treatment children received followed the BTS asthma guidelines closely. The patient population appeared to have a greater proportion of children admitted to Paediatric High Dependency Unit (PHDU) where they received more invasive treatments but there was no increase in the duration of hospital stay. It was identified that the Trust sends more children home on prophylaxis, and yet the readmission rate is similar to the national average. The results for a new standard expectation regarding enquiring and documenting smoking amongst carers were 82.5% versus the national average of 54.6%. However, the audit demonstrated that the Trust is obtaining chest x-rays (CXR’s) (35%) and prescribing antibiotics more frequently (30%) than the National mean (26% for both). Nationally, only 53% of children recorded as receiving a written asthma plan at discharge and 44% were recorded as having inhaler device use checked. The Trust achieved 98% and 68% respectively for these outcomes.

The following actions were agreed:
- Further education and update departmental guidelines regarding smoking habits of carers, over investigation in relation to CXRs and excessive prescription of antibiotics
- Improve patient education and comprehensive discharge package by reviewing Respiratory Clinical Nurse Specialist role and workload
- Antimicrobial stewardship for antibiotic prescriptions |
| Cardiac Rhythm Management | Report received by Trust, review underway |
| CEM Mental Health in the Emergency Department (ED) | Overall, the Trust performed well in comparison with other Trusts nationally. However, it was highlighted that there was no dedicated facility for mental health assessments in the ED compared to 77% of audited EDs nationally. The Trust’s overall performance in the audit was commended all the more despite this limitation.

The following actions were agreed:
- adoption of a mental health triage tool
- development of a dedicated room for Psychiatric Assessment |
| College of Emergency Medicine (CEM) Paracetamol overdose in adults | The audit demonstrated an improved performance of N-acetylcystine administration within 8 hours (86%) and an overall increased compliance with MHRA guidelines.

It was agreed that support with guidelines/links need to be included at induction to improve awareness and that a proforma be designed to help prompt clinicians when treating patients |
<p>| Coronary Angioplasty (PCI) | Report received by Trust but review pending |
| Fitting Child – Royal College Emergency Medicine (RCEM) 2014/15 | No actions required |</p>
<table>
<thead>
<tr>
<th>National Clinical Audit/Confidential Enquiry Title</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heavy Menstrual Bleeding (HMB)</td>
<td>No actions required</td>
</tr>
<tr>
<td>ICNARC 2014</td>
<td>No actions required</td>
</tr>
<tr>
<td>MBRACE 2014</td>
<td>No actions required</td>
</tr>
<tr>
<td>MINAP</td>
<td>Report received by Trust, review underway</td>
</tr>
<tr>
<td>National Audit of Inpatient Falls FFFAP</td>
<td>Report received by Trust, review underway</td>
</tr>
<tr>
<td>National Clinical Audit of Biological Therapies; UK Inflammatory Bowel Disease (IBD) audit</td>
<td>No actions required</td>
</tr>
<tr>
<td>National Comparative Audit of Blood Transfusion Programme: Audit of Patient Blood Management in Scheduled Surgery 2015</td>
<td>No actions required</td>
</tr>
<tr>
<td>National COPD Audit - Pulmonary Rehabilitation Work stream</td>
<td>Report received by Trust, review underway</td>
</tr>
<tr>
<td>National Diabetes Footcare Audit</td>
<td>Report received by Trust, review underway</td>
</tr>
<tr>
<td>National Diabetes Inpatient Audit</td>
<td>Inpatient diabetes care at the Royal Devon and Exeter Hospital has been highly rated in the 2015. At the RD&amp;E, 133 inpatients with diabetes took part in the 2015 audit. In the hospital-level results, the RD&amp;E's Inpatient diabetes team scored highly for patient experience and displayed excellent daily diabetes management for patients across the hospital. Key areas of success include:</td>
</tr>
<tr>
<td></td>
<td>● an excellent reduction on the rates of hypoglycaemia (11.2%) and severe hypoglycaemia (0%) which are well below the average for England</td>
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<tr>
<td></td>
<td>● low rates of intravenous insulin infusions (2.3%), with no inappropriate usage</td>
</tr>
<tr>
<td></td>
<td>● a continued increase in 'good diabetes days' (an average of 5 out of 7 days), when blood glucose control was adequate</td>
</tr>
<tr>
<td></td>
<td>● a significant increase in the number of patients receiving a diabetic foot assessment within 24 hours of admission, well above the English average</td>
</tr>
<tr>
<td></td>
<td>Patients also praised the care and knowledge of staff, with 88.7% saying they were satisfied or very satisfied with their care, which places the RD&amp;E amongst the top performing English Trusts in the audit.</td>
</tr>
<tr>
<td>National Clinical Audit/Confidential Enquiry Title</td>
<td>Actions</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>---------</td>
</tr>
</tbody>
</table>
| National Emergency Laparotomy Audit (NELA)    | The report highlighted that in 100% of high risk cases both a consultant surgeon and consultant anaesthetist were present in theatre. The Trust is one of only ten trusts to achieve this. These areas were identified for improvement:  
  - Only 42% of patients were reviewed by a consultant surgeon; 58% of patients had operative risk documented preoperatively, there is reasonable evidence that if pre-operative risk is documented before surgery then the care of the patient is significantly improved.  
  - Only 15% of patients at the RDE had a documented P-POSSUM score. 60% of patients were reviewed by a consultant surgeon and anaesthetist pre-operatively (100% would be impossible due to life threatening emergencies and some low risk cases but a figure higher than 60% is expected).  
  - There were 75% of cases that had a consultant surgeon and anaesthetist in theatre, 100% is not the target as it is entirely appropriate for senior trainees to manage the low risk cases independently.  
   The following actions were agreed:  
    - Changes to pre-operative form to improve documentation of P-POSSUM score.  
    - Improvements to IT access to encourage ‘real time’ data collection by surgical and anaesthetic teams  
    - Consideration of an all-day general surgical CEPOD lists |
| National Joint Registry (NJR)                  | Report received by Trust, review underway |
| National Lung Cancer Audit (LUCADA)           | Report received by Trust, review underway |
| National Clinical Audit/Confidential Enquiry Title | Actions |
| National Oesophago-Gastric Cancer Audit 2015  | No actions required |
| National Paediatric Diabetes Audit 2013-2014  | No actions required |
| National Prostate Cancer Audit                | The report demonstrates that data completeness exceeds the national average in all eight fields with seven of these fields recorded at over 60% (range 61-87%). Data completeness for multiparametric MRI (mpMRI) was recorded at 36%, This is above the national average (21%) but falls short of the stated target (50%). The following key actions were agreed:  
  • Review data collection processes for capture of mpMRI  
  • Discuss patient pathway and role of MRI prior to biopsy with view to aligning processes across all referring Trusts  
  • Liaise with referring Trusts to facilitate improved data collection  
  • Liaise with Diagnostic Cluster to help identify a solution to national reporting requirements |
<p>| National Review of Asthma Deaths              | No actions required |</p>
<table>
<thead>
<tr>
<th>National Clinical Audit/Confidential Enquiry Title</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>National Trauma Audit Research Network (TARN)</strong></td>
<td>The Trust has participated continuously in TARN since 2003. The Trust is an outlier in terms of data completeness at 48.7%. This is a percentage measure of the number of patients that are submitted compared to those who are eligible. This figure is low partly due to the way patients identified via coding and partly due to a part time trauma co-ordinator role. The Trust agreed that a review of TARN co-ordinator role and expansion of hours to increase data capture would be undertaken.</td>
</tr>
<tr>
<td><strong>National Vascular Registry Report</strong></td>
<td>No actions required</td>
</tr>
<tr>
<td><strong>NBOCAP</strong></td>
<td>Report received by Trust, review underway</td>
</tr>
<tr>
<td><strong>NBOCAP 2013/14 – National Bowel Cancer Audit</strong></td>
<td>No actions required</td>
</tr>
<tr>
<td><strong>RCEM Older People Clinical Audit 2014-15</strong></td>
<td>No actions required</td>
</tr>
<tr>
<td><strong>Renal Registry</strong></td>
<td>Report received by Trust, review underway</td>
</tr>
<tr>
<td><strong>SAMBA – Society for Acute Medicine’s Benchmarking Audit</strong></td>
<td>No actions required</td>
</tr>
<tr>
<td><strong>National Clinical Audit/Confidential Enquiry Title</strong></td>
<td>Actions</td>
</tr>
<tr>
<td><strong>Sentinel Stroke National Audit programme (SSNAP)</strong></td>
<td>Through a multidisciplinary programme of quality improvement, the RD&amp;E has risen substantially from an overall SSNAP score of 48% (grade D) in 2013 to 66% (grade C) in the latest quarter. An on-going action plan is in place, and to further improve the Trust’s SSNAP score, it was agreed that a trust-wide approach was required to enhance access to the Stroke Unit within 4 hours of hospital arrival and access to acute brain imaging.</td>
</tr>
</tbody>
</table>
| **UK Cystic Fibrosis Registry** | The Trust’s paediatric outcomes have consistently been in the top quartile. This position has been maintained despite our patient numbers increasing to include the cohort of patients in North Devon. However use of mucolytics (DNase) in adult CF patients is below the target and national average of 60%. The outcome indicates usage, rather than patients being given the option of treatment, and so does not reflect patients who may choose not to have this treatment. The following actions were put in place to try and improve compliance with the uptake/usage of DNase:  
- patient education about long term value of DNase  
- proactive discussion and promotion of treatment trials when patients seen in clinic |
| **UK IBD National Audit (Paediatric IBD Services)** | No actions required |
| **Ulnar Neuropathy at the Elbow** | No actions required |
The reports of 31 local clinical audits were reviewed by the provider in 2015/16 and the Royal Devon & Exeter NHS Foundation Trust intends to take the following action to improve the quality of healthcare provided.

<table>
<thead>
<tr>
<th>Local Clinical Audit Title &amp; Aim</th>
<th>Actions</th>
</tr>
</thead>
</table>
| **Coagulation Screen Audit**     | A total of 93 patients were audited. Within the surgical cohort only 8 patients fulfilled the British Committee for Standards in Haematology (BCSH) guidelines for pre-operative coagulation screens performed. The Medical cohort had a total of 53 patients, 15 had duplicate samples sent, 9 inappropriately. Audit highlighted the Trust were ordering screens inappropriately. The below actions were agreed to further improve compliance:  
  ● Add prompt on Ordercomms system  
  ● Education of Doctors |
| **Peripheral Cannula phlebitis rate** | 732 patients audited, 349 cannulae observed. The results showed a very slight increase in phlebitis observed between the studies, due to fewer patients and cannulae observed compared to last year. The auditors found that Visual Infusion Phlebitis (VIP) stickers were still not being used or completed correctly. 20 cannulae were found covered with dressings so the site could not be observed. The actions below were agreed to improve compliance:  
  ● Inform Matrons by email to discuss completion of VIP stickers at daily Board Round  
  ● Re-audit September 2016 |
| **Central Line Audit**           | The audit highlighted that overall compliance levels have improved. There was evidence of clear assessment of each patient to ensure the appropriate vascular access device is inserted. It was identified that documentation remains to have low compliance levels due to the variety of systems in place. The following actions were agreed to improve future compliance:  
  ● Full documentation of all elements of line insertion to be incorporated in the various systems in place  
  ● Line placers to be informed of the elements that need to be included in their paperwork |
| **Audit of the completion of risk assessments during pregnancy** | 39 patients were audited. 29 patients had a risk assessment completed at the onset of labour, two being partially completed. A further 9 patients did not have a risk assessment carried out at this point. Out of the 39 patients, 17 had risk factors identified and all had a referral for consultant-led care. The compliance level for the risk assessment being completed at the onset of labour was 76%. However, all women birthed in a location that was appropriate to the level of risk. It was evident that risk assessments at the onset of labour were not always completed. To improve this compliance, the following actions were agreed:  
  ● Reminder to be added to the maternity governance and supervisor of midwives newsletter regarding risk assessments being completed at the onset of labour  
  ● Random spot checks of patient notes in labour in various locations  
  ● Reminder to be added to the Comm cell board regarding risk assessments being completed at the onset of labour  
  ● Email to be sent to all midwives reminding them of the requirement of risk assessments at time of onset of labour |
<table>
<thead>
<tr>
<th>Local Clinical Audit Title &amp; Aim</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maternity booking appointment audit</td>
<td>The audit demonstrated that although there has been an improvement in the number of women having urinalysis for protein at the booking appointment since the initial audit in 2013, compliance still remains low at 40%. To improve compliance the following actions were agreed: ● Guideline to be amended to make the requirement clearer for urinalysis being carried out and recorded appropriately ● Reminder to be sent to midwives by email, newsletter and report results that urinalysis is a requirement</td>
</tr>
<tr>
<td>Administration of Postnatal MMR</td>
<td>The audit showed that 95% of all appropriate patients were offered an MMR and 86% overall compliance with the standards. To improve future compliance the following action plan was agreed: ● Reminder of all audit standards to be included in the Maternity Matters newsletter and sent to all maternity staff ● Email to be sent to matrons requesting that audit standards/requirements are highlighted to staff</td>
</tr>
<tr>
<td>Neonatal Therapeutic Hypothermia</td>
<td>The audit overall showed areas of good compliance. Areas for improvement were identified and the following actions agreed: ● Senior medical staff to clearly document in the notes about the discussion with level 3 units, and discussion with parents regarding the admission ● Administration staff to identify all the babies booked for child development assessments</td>
</tr>
<tr>
<td>Infloran Use for the Prevention of NEC in Neonates</td>
<td>It was noted that the target of 100% compliance with guidelines for prescribing Infloran was not met. The education of doctors on the unit was identified as requiring improvement and a number of actions were agreed to improve communication and enhance use of the guideline.</td>
</tr>
</tbody>
</table>
### Local Clinical Audit Title & Aim

<table>
<thead>
<tr>
<th>Domestic Abuse Audit &amp; re-audit</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aim:</strong> To ensure there is a robust process in place within Gynaecology to provide assurance that routine enquiry into domestic abuse was embedded into practice.</td>
<td>The results demonstrated that current compliance is 40% which is significantly below the target set out in the Domestic Abuse policy of 80%. Use of out of date documentation was identified as a factor in the low compliance as it did not prompt clinicians to undertake routine enquiry. Due to this low level of compliance the following actions were agreed:</td>
</tr>
<tr>
<td>- To re-audit both inpatient and emergency admission notes by March 2016</td>
<td>- To share findings with other areas to improve compliance</td>
</tr>
<tr>
<td>- To ensure all old documents are removed from circulation</td>
<td>- Communicate with teams via comms cell the importance of documenting this information</td>
</tr>
<tr>
<td>- Ensure staff aware to document reasons for not asking patients questions in the notes</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>One sucker, more blood - cell salvage audit</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aim:</strong> Review whether using a single suction device in obstetrics led to an increased amount of blood processed and re-transfused back to the patient.</td>
<td>This re-audit demonstrated an improvement following the 2014 audit, which had 21.8% of cases where blood was being processed. The 2015 report confirmed that using a single suction device increased the amount of blood being processed in 29% of cases. Further improvements can be made, therefore the following actions were agreed:</td>
</tr>
<tr>
<td>- Share audit finding with obstetricians, anaesthetists and theatre teams</td>
<td>- Incorporate discussion of guidelines into multidisciplinary obstetric training days</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>How many allergies are drug allergies?</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aims:</strong> To review the documentation of allergy status of patients presenting to main theatre anaesthetic rooms, to determine the proportion of drug allergies compared to non-allergic drug reactions, such as intolerances.</td>
<td>The report highlighted that out of the 248 patients audited, 90% of allergens were documented on the drug chart. The majority of missing allergens were food stuff and intolerances. It was highlighted that documentation was inconsistent, particularly when it was food items or non-steroidal anti-inflammatory drugs (NSAIDS). Clarification on what is to be included on the drug chart as well as qualifying patients for red band was required, therefore written guidance of appropriate inclusion and exclusion criteria for staff involved in writing on drug charts and placing red bands on patients pre-operatively will be provided.</td>
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<table>
<thead>
<tr>
<th>Use of surgical antibiotic prophylaxis</th>
<th>Actions</th>
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</thead>
<tbody>
<tr>
<td><strong>Aims:</strong> To assess adherence to the local antibiotic guidance for surgical prophylaxis.</td>
<td>This audit demonstrated that while 90% of patients received the correct antibiotic as surgical prophylaxis, only 74% received the correct antibiotic at the correct dose. In 10% of cases, the antibiotics given were not in line with Trust guidance. It was also identified that improvement is required with regard to documentation of antibiotics. Currently only 64% of one off perioperative doses of antibiotics are documented on the drug chart. An action plan was agreed to improve future compliance:</td>
</tr>
<tr>
<td>- Raise awareness of the guidelines and where they can be accessed</td>
<td>- Ensure a copy of guidelines are available in each theatre</td>
</tr>
<tr>
<td>- Discussions to be made with microbiology department</td>
<td>- Incorporate into handover process to recovery staff</td>
</tr>
<tr>
<td>- Incorporate into handover process to recovery staff</td>
<td></td>
</tr>
<tr>
<td>Local Clinical Audit Title &amp; Aim</td>
<td>Actions</td>
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<tr>
<td><strong>Perioperative Temperature Management</strong>&lt;br&gt;Aims:</td>
<td>The main areas of improvement are raising awareness of high risk theatres and consistent temperature measurement. The following actions were agreed with an aim to improve compliance:</td>
</tr>
<tr>
<td>• All patients should have their temperature measured regularly in the perioperative period. They should be assessed for their risk of perioperative hypothermia and appropriate temperature management actions taken. All patients should arrive in recovery with a core temperature of 36 degrees or above</td>
<td>• Close monitoring of high risk sites&lt;br&gt;• Consider alteration to theatre check-in procedure to include a temperature challenge&lt;br&gt;• Raise profile of temperature management in theatres by presenting findings of audit to anaesthetic department and theatre staff&lt;br&gt;• Reminder to theatre staff, ODPs in particular, about importance of temperature monitoring&lt;br&gt;• Publish findings highlighting high risk theatres&lt;br&gt;• Ensure guidelines for intraoperative warming measures available in all anaesthetic rooms&lt;br&gt;• Change from intermittent audit cycles to continuous data analysis using prospective data from Plato collected by recovery staff&lt;br&gt;• Monthly feedback from Plato data to individual anaesthetists (anonymised) and theatres&lt;br&gt;• Check consistency of measurement devices&lt;br&gt;• Consider appropriateness of perioperative temperature measurement devices</td>
</tr>
<tr>
<td>• Compliance with NICE guidelines and aim to identify any shortcomings and introduce measures to help improve performance</td>
<td></td>
</tr>
<tr>
<td><strong>Incidence and management of post-operative nausea and vomiting (PONV)</strong>&lt;br&gt;Aims:</td>
<td>The audit highlighted that results are within the acceptable range. Interventions discussed to improve future compliance are as follows:</td>
</tr>
<tr>
<td>• Identify incidence of PONV both in hospital and following discharge home, and identify strategy for dealing with this based upon recognised risk stratification tools</td>
<td>• Increased use of strategies if high risk, in particular; - increased use of total intravenous anaesthesia (TIVA) - increased use of Intravenous antiemetics - Stemetil added to TTOs from Knapp/Wynard Day Case if PONV&lt;br&gt;• Raise awareness through audit meeting&lt;br&gt;• Prescribe prochlorperazine as a TTO to patients requiring an anti-emetic on Knapp ward&lt;br&gt;• Departmental education and training in use of TIVA for day-case patients at risk of PONV</td>
</tr>
<tr>
<td>Local Clinical Audit Title &amp; Aim</td>
<td>Actions</td>
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</table>
| **ICU – Microbiology antibiotic stewardship audit** | The audit found that 31.3% had adequate plans recorded in the microbiology notes and microbiology advice to ICU was recorded adequately in 37.5% of patients’ ICU notes. The complete antimicrobial plan was transmitted to the ward via ICU summaries and/or drug charts in 68.8% cases, complete antimicrobial plan was present in ICU summaries in 50% of patients, and the number of drug charts completed correctly prior to discharge was 81.3%. The most common error was the start date being recorded as the date the drug chart was written instead of when the antibiotic was started. As well as a re-audit, the following actions were agreed to improve compliance:  
- Recording methods to be reviewed  
- Recording methods to be reviewed  
- ICU to review current practice and re-educate doctors regarding completing these documents  
- Prescribing methods to be reviewed and education provided where relevant  
- Audit results have been referred to the Antimicrobial Stewardship sub-committee for clarification with a view to educating Junior Doctors to ensure consistent practice & understanding throughout the Trust |
| **Treatment of Dental Trauma** | The audit demonstrated that following the initial audit cycle there was an improvement from the 66% overall compliance to 80% compliance for waiting times and splinting of avulsed, luxated or vertically displaced permanent teeth. The 80% standard for taking appropriate pre-op radiographs to diagnose injuries was met. Documentation of post-operative instructions was the only area which required improvement to reach the 80% target. The following actions were agreed to improve future compliance:  
- Results to be presented to the team at the monthly audit meeting and the importance of documenting post-op care to be stressed  
- Written information will be kept on the Emergency Department (ED) database and members of the ED team will be periodically educated on how to appropriately manage and triage dental trauma cases. |
| **Reporting of Radiographs in patient notes** | The audit highlighted that 90% of radiographic exposures were reported at a time that would influence the management of the patient. This is an improvement of the initial audit result of 67% but is short of the 100% standard which had been set. This audit has identified that radiographs are not being reported on in every case and the location of the radiograph is not always clearly stated in the patient’s clinical notes. The following actions were agreed to improve compliance:  
- Risk assessment to be completed and to discuss identified areas amongst the clinical team  
- Re-audit to be completed, following any necessary changes |
### Local Clinical Audit Title & Aim

<table>
<thead>
<tr>
<th>Reporting of Radiographs in patient notes re-audit</th>
<th><strong>Actions</strong></th>
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<tbody>
<tr>
<td><strong>Aims:</strong></td>
<td><strong>The re-audit found that 92% of radiographic exposures were reported at a time that would influence the management of the patient. This is essentially unchanged since the previous audit (90%). Between the studies there has been variation in compliance amongst different grades of staff. Some staff groups had small sample sizes, a limitation due to the design of the audit.</strong></td>
</tr>
<tr>
<td>· To set appropriate standards for reporting of radiographs</td>
<td>· Risk assessment to be monitored and to discuss identified areas of improvement amongst the clinical team</td>
</tr>
<tr>
<td>· Compare current practice against set standards</td>
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<tr>
<td>· Identify opportunities for improvement compliance</td>
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<td>· Implement changes and re-audit</td>
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<tr>
<th>Monitoring of patients receiving epidural and PCA analgesia</th>
<th><strong>Actions</strong></th>
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<tr>
<td><strong>Aims:</strong></td>
<td><strong>This audit highlighted that compliance has improved compared with previous audits. Some limitations experienced whilst completing the audit such as: administration support and training new staff. The initial audit plan was to audit up to 72 hours. However, the numbers were too small at this point to add any relevant information.</strong></td>
</tr>
<tr>
<td>· To establish percentage compliance with monitoring for patient-controlled analgesia (PCA)</td>
<td><strong>The following actions were agreed:</strong></td>
</tr>
<tr>
<td></td>
<td>· Audit report to be circulated to Surgical Services Matrons/Senior Nurse and relevant Audit Leads</td>
</tr>
<tr>
<td></td>
<td>· Re-audit PCA monitoring compliance in January 2016 and produce report by 31/03/2016</td>
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<td>· Continue to re-audit every two years to maintain a high level of compliance</td>
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<thead>
<tr>
<th>6 month Denosumab injections</th>
<th><strong>Actions</strong></th>
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<tr>
<td><strong>Aims:</strong></td>
<td><strong>The audit demonstrated relatively low compliance with both standards set. The mean time between injections was 211 days, which should ideally be between 168 and 197 days. The number of patients getting injections outside of the recommended time was 74 out of 141 (52.5%). The delay between patient injections was mainly due to clinic capacity.</strong></td>
</tr>
<tr>
<td>· To audit whether patients are getting the injections at 6 months or if there are delays</td>
<td><strong>The following actions were agreed to improve compliance:</strong></td>
</tr>
<tr>
<td>· To identify possible causes for delays and to think about ways of preventing these in the future</td>
<td>· Increase clinic space by arranging for additional monthly clinic</td>
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<td>· Free up nurse to do the clinic admin required pre injections</td>
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<td></td>
<td>· Review demand and capacity with primary care</td>
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<tr>
<td></td>
<td>· Re-audit to be undertaken in July 2017</td>
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<thead>
<tr>
<th>Assess use of dual energy X-ray absorptiometry (DEXA) scans for patients between the age of 50-75 with a fragility fracture</th>
<th><strong>Actions</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aims:</strong></td>
<td><strong>The audit results highlighted low compliance for eligible patients receiving a DEXA scan. It was noted that a range of varying discharge letters requesting referral for a DEXA scan may have been a major factor and an action plan was agreed to improve compliance: raising awareness to the orthopaedic department regarding emphasis on discharge letters to GPs to include a referral for a DEXA scan following all fragility fractures:</strong></td>
</tr>
<tr>
<td>· The aim is to improve the pick-up rate of fragility fractures, such as a Colles fracture and ensure patients are appropriately referred onwards for a DXA scan to diagnose osteoporosis.</td>
<td>· Present the results to staff in the orthopaedic team to raise awareness</td>
</tr>
<tr>
<td></td>
<td>· Flyers in the clinic room to prompt healthcare professionals to include a reminder for GPs to consider a DXA scan referral</td>
</tr>
<tr>
<td></td>
<td>· Standard template for all patients being discharged over 75 that will prompt for a DXA scan referral if appropriate</td>
</tr>
<tr>
<td>Local Clinical Audit Title &amp; Aim</td>
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| **Cystic Fibrosis (CF) Nebuliser Audit**      | The audit demonstrated overall good compliance. 91% of patients were able to demonstrate correct set up of nebuliser equipment and nebuliser technique and 96% of patients were able to demonstrate good understanding of the correct timing of nebulised medications around airways clearance techniques. However, only 51% of patients were able to demonstrate correct maintenance of their equipment. The following actions have been put in place to improve this compliance:  
  ● All patients to be provided with written instructions on cleaning and maintenance of their nebuliser equipment in line with manufacturer guidelines  
  ● To create ‘credit-card’ cleaning instructions that can be handed out as an extra prompt/reminder to those patients who need more guidance on manufacturer cleaning recommendations  
  ● To review patient cleaning and maintenance of nebuliser equipment as part of the physiotherapy annual review  
  ● To collect data on all nebuliser/airways clearance equipment held by patients attending peripheral clinics  
  ● To re-audit nebuliser equipment in October 2016 |
| **Developmental Dysplasia (DDH) of the Hip**   | The audit report results showed very good compliance with the DDH guidelines. The majority of referrals are instigated at the first day baby check and the hip examination is recorded on the proforma which includes a tick box prompt for ultrasound if the criteria are met. Only 4.1% of referrals did not comply with current guidelines. Further actions were agreed to improve compliance:  
  ● Review guidelines to clarify age range they refer to  
  ● All cases outside guidelines to be reviewed by a member of the hip ultrasound group with feedback to the relevant clinicians  
  ● GPs to be informed of cases of late referral and invite for additional training in Consultant clinic  
  ● Requests to be vetted only by ultrasonographers who perform hip ultrasound of paediatric radiologists  
  ● Rolling audit to be completed by members of hip ultrasound group |
<p>| <strong>Aim:</strong>                                       |                                                                                                                                 |
| ● Assess CF patient nebuliser use, against ACPxCF guidelines on correct use of nebuliser equipment and timing of nebulised medications, and manufacturer guidelines on cleaning/maintenance of equipment. |                                                                                                                                 |
| <strong>Aim:</strong>                                       |                                                                                                                                 |
| ● To ensure that babies attending the radiology department, for hip ultrasound, fulfil the criteria for screening according to local guidelines to limit delay in referrals to an Orthopaedic Consultant Late referrals will also be identified and investigated and educational feedback given to the appropriate members of the team. |                                                                                                                                 |</p>
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<tr>
<th>Local Clinical Audit Title &amp; Aim</th>
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</table>
| **Appropriateness of usage of CTPA and isotope perfusion scan in the investigation of suspected pulmonary embolism in pregnancy** | The audit results highlighted a discrepancy which was that chest radiographs were not being completed within 24 hours prior to more advance imaging (CTPA or perfusion scan). Compliance increased to 87% if flexibility is permitted on the timing of a recent chest radiograph to 1 week. DVT Doppler studies demonstrate 100% compliance.  

The following action has been agreed to improve compliance:  
- All radiology consultants and registrars should ensure that a chest radiograph has been completed and reviewed within 24 hours prior to CTPA or perfusion scan for PE |
| **Improving the management of sepsis in Acute Medical Unit (AMU)** | The audit results showed a significant improvement in compliance pre to post sepsis sticker. The entire Sepsis 6 guidelines post sticker was above 80%, one even achieving 100%. The results were so positive that the Sepsis sticker is being considered for implementation across the Trust.  

There are still areas which require improvement and these will be managed by the following actions:  
- Maintain awareness and knowledge of how suspected sepsis is to be managed with on-going education of the nursing and medical staff  
- Manage the education of the initial management of sepsis as part of a mandatory short lecture or via e learning on a yearly basis  
- Develop the role of Sepsis Champions for different clinical areas across the Trust to support staff in various clinical areas  
- Achieve hands on sepsis training for clinical staff using the SIM man suite  
- Continue a rolling audit of work on AMU to monitor and try to maintain this change in practice |
| **Oxygen Prescribing in Acute Medicine** | The audit highlighted that of the total number of patients receiving oxygen therapy during the data collection period, 45% had an oxygen prescription, and all of those prescribed were of adequate standard (target sats, delivery method, and signature). Of those with prescriptions, 76% had their oxygen given as prescribed. Common differences included the device method or the saturations not being kept within target. Only 16% of prescriptions (7% of all patients on Oxygen with or without prescription) had the drug chart completed as ‘given’ by a member of the nursing team, thus acknowledging the prescription.  

To improve compliance, the following actions were agreed:  
- Teaching session to be held regarding oxygen prescribing  
- Sign attached to bedside oxygen therapy  
- Re-audit to be undertaken March 2016 |
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<thead>
<tr>
<th>Local Clinical Audit Title &amp; Aim</th>
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<tbody>
<tr>
<td>An audit of alopecia areata diagnosis and management</td>
<td>The audit demonstrated that the history taken in alopecia is appropriate and complete in the majority of cases. However, family history is frequently omitted. The examination is appropriate for the scalp in the majority of cases but nail examination is infrequently performed. Prognosis is discussed in a minority of cases but the majority of patients are offered treatment. Limitations of treatment are not frequently discussed although information leaflets are provided in most cases but falls below expected standard. To improve future compliance the below actions have been agreed:</td>
</tr>
<tr>
<td>Aims:</td>
<td>● Share the findings of the audit and remind colleagues of the need to adhere to the BAD standards</td>
</tr>
<tr>
<td>CCG Psoriasis Audit - Adalimumab, Infliximab &amp; Ustekinumab for Psoriasis</td>
<td>The audit found generally good compliance with NICE Guidance. However, despite the use of a biologics proforma to ensure patients fulfil the NICE criteria, further improvement is needed in documentation of Psoriasis Area and Severity Index (PASI) and Dermatology Life Quality Index (DLQI) pre-treatment. To improve compliance the below actions have been agreed:</td>
</tr>
<tr>
<td>Aims:</td>
<td>● Findings to be presented to Dermatology registrars and will be circulated by email to dermatology consultants and specialist nurses</td>
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<tr>
<td></td>
<td>● Audit will be repeated in 12 months</td>
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<td>● Better documentation of scores and adherence to policy by all doctors</td>
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<tr>
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<td>● Awareness of ‘Understanding NICE guidelines booklet’ documentation and ordering a stock of this document</td>
</tr>
<tr>
<td>Assessment of Knowledge on How to Manage Alcohol Withdrawal Re-audit</td>
<td>This re-audit highlighted a general improvement compared to the initial audit. However, there are still improvements to be made to raise awareness.</td>
</tr>
<tr>
<td>Aims:</td>
<td>The following actions have been agreed to implement change and improve future compliance:</td>
</tr>
<tr>
<td></td>
<td>● Annual teaching to junior doctors to improve doctors knowledge or recognising alcohol withdrawal in patients and instigate appropriate management</td>
</tr>
<tr>
<td></td>
<td>● Provision of leaflets on AMU which can be given to all patients presenting with alcohol withdrawal</td>
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<tr>
<td></td>
<td>● Re-audit to be undertaken in January 2016</td>
</tr>
<tr>
<td>Non melanoma skin cancer (NMSC) surveillance in renal transplant patients</td>
<td>The audit demonstrated that current practice is not fulfilling the recommendation made by NICE and the Renal Association. There was evidence that skin surveillance had at some point been performed in 32% of patients, but there was no evidence of annual skin surveillance in any patients, and skin health education in 20% of patients. The following actions were agreed to improve compliance:</td>
</tr>
<tr>
<td>Aims:</td>
<td>● Provide patients with BAD patient information leaflet prior to going on holiday</td>
</tr>
<tr>
<td></td>
<td>● Create document for annual review, sticker to be created to confirm what has been discussed, funding to be sought</td>
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<td></td>
<td>● Re-audit to be completed in 2016</td>
</tr>
<tr>
<td>Local Clinical Audit Title &amp; Aim</td>
<td>Actions</td>
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</tr>
<tr>
<td><strong>Stroke Scanning Time</strong></td>
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<td><strong>Aims:</strong></td>
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<tr>
<td>● To identify the causes of the time delays between stroke patients being admitted to hospital and having their initial brain imaging between April-June 2014. The intention was to determine any improvements that could be made and prevent a recurrence of these events.</td>
<td>The audit report 28% of patients did not meet the Royal College of Physicians (RCP) guidelines, which state that initial brain imaging should be completed within 12 hours of admission. The crucial role of the stroke nurse practitioners (SNPs) was demonstrated by the results, which show that in the cases in which they were involved within 24 hours, the proportion of scans completed in 12 hours was 78%. Although immediate action was taken to improve compliance of the RCP guidelines the below action was put in place to further improve compliance: ● Continue to liaise with the radiology team to ensure that the department are aware of the urgency to complete within this time frame ● Re-audit to be undertaken in due course</td>
</tr>
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</table>
INDEPENDENT AUDITOR’S REPORT TO THE COUNCIL OF GOVERNORS OF ROYAL DEVON AND EXETER NHS FOUNDATION TRUST ON THE QUALITY REPORT

We have been engaged by the Council of Governors of Royal Devon and Exeter NHS Foundation Trust to perform an independent assurance engagement in respect of Royal Devon and Exeter NHS Foundation Trust’s Quality Report for the year ended 31 March 2016 (the ‘Quality Report’) and certain performance indicators contained therein.

Scope and subject matter
The indicators for the year ended 31 March 2016 subject to limited assurance consist of the following two national priority indicators (the indicators):

- percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period; and
- A&E: maximum waiting time of four hours from arrival to admission/transfer/discharge.

Respective responsibilities of the directors and auditors
The directors are responsible for the content and the preparation of the Quality Report in accordance with the criteria set out in the NHS Foundation Trust Annual Reporting Manual issued by Monitor.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in the Detailed Guidance for External Assurance on Quality Reports 2015/16 (‘the Guidance’); and
- the indicator in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and supporting guidance and the six dimensions of data quality set out in the Guidance.

We read the Quality Report and consider whether it addresses the content requirements of the NHS Foundation Trust Annual Reporting Manual and supporting guidance and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with the FT ARM 2015/16 and other documents, listed below:

- board minutes and papers for the period April 2015 to May 2016;
- papers relating to quality reported to the board over the period April 2015 to May 2016;
- feedback from commissioners;
- feedback from governors;
- feedback from local Healthwatch organisations;
- feedback from Overview and Scrutiny Committee;
- the Trust’s complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009;
- the 2015/16 national staff survey;
- the 2015/16 Head of Internal Audit’s annual opinion over the trust’s control environment; and

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively, the ‘documents’). Our responsibilities do not extend to any other information.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised of assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for the Council of Governors of Royal Devon and Exeter NHS Foundation Trust as a body, to assist the Council of Governors in reporting the NHS Foundation Trust’s quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2016, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an
independent assurance report in connection with the indicator. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Royal Devon and Exeter NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

**Assurance work performed**

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – ‘Assurance Engagements other than Audits or Reviews of Historical Financial Information’, issued by the International Auditing and Assurance Standards Board (‘ISAE 3000’). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicator;
- making enquiries of management;
- testing key management controls;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the NHS Foundation Trust Annual Reporting Manual to the categories reported in the Quality Report; and
- reading the documents.

A limited assurance engagement is smaller in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the NHS Foundation Trust Annual Reporting Manual.

The scope of our assurance work has not included governance over quality or the non-mandated indicator, which was determined locally by Royal Devon and Exeter NHS Foundation Trust.

**Conclusion**

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2016:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual;
- the Quality Report is not consistent in all material respects with the sources specified in the Guidance; and
- the indicators in the Quality Report subject to limited assurance have not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.

**Jonathan Brown**
KPMG LLP
Chartered Accountants 100 Temple Street Bristol BS1 6AG
25 May 2016