Solent **NHS**
NHS Trust

Annual Report and summary accounts 2013/14

incorporating the Quality
Account 2013/14

Better health, local care

Solent NHS Trust

Annual Report and summary accounts 2013/14

incorporating the Quality Account 2013/14

Contents

Statement from the Chairman and Chief Executive Officer

We are pleased to present you with our 2013/14 Annual Report. Once again by providing safe and effective services the Trust has maintained an unwavering focus on the quality of care we provide.

2013/14 has been a year in which every part of the NHS has faced unprecedented challenges due to rising demand and costs in the face of falling investment. Many of the services which local people rely upon are delivered by Solent NHS Trust working in partnership with other organisations, for example local authorities, GPs and the hospital trusts. They have been responding to similar challenges and together we have been seeking new solutions which allow us to transform the way in which care is provided.

The year started with major NHS reform - Primary Care Trusts were abolished and were replaced by Clinical Commissioning Groups, a huge change to the NHS landscape. Rightly so, we have seen significant scrutiny on quality and the provision of safe services in the wake of the Mid-Staffordshire inquiry. This has also led to a new inspection regime.

For the Trust, this NHS landscape has required excellent leadership and huge commitment from our staff who have shown immense passion and pride. They have risen to the challenges which have been presented to them, and have been pivotal in helping us to continue to achieve our twin ambitions of clinical and business excellence.

Our business during 2013/14 continued to be driven by our vision to lead the way in local care and our three strategic objectives: improving outcomes, working in partnership and ensuring sustainability.

Throughout the year we have delivered on our Quality Promise, and have performed well on national and local contractual obligations.

We ended the year achieving a planned surplus of £1.9m, having delivered cost improvements of £10.8m. Throughout the year a robust system of assessing the impact of service changes on quality and strong clinical leadership ensures that financial outcomes are achieved without compromising on quality. During the year, we have made significant progress on our journey to become a Foundation Trust. We achieved our target to recruit 7,000 public members and welcomed the appointment of a shadow Council of Governors. We are now even more connected with our local community. In addition, we entered the Monitor phase of the application process. Changes to the national process for the licensing of Foundation Trusts resulted in our application being paused whilst we underwent a new style Care Quality Commission (CQC) inspection. This was conducted in March 2014, and subject to a satisfactory outcome, we anticipate recommencing the final stages of Foundation Trust assessment during the latter part of 2014/15.

We are looking forward to building on our solid foundations over the next twelve months. Our overriding priority remains one of working in partnership to deliver better health and local care, whilst maintaining an unwavering focus on quality. You can read about our plans for the next year in *Our Plan* which is available on our website.

None of the successes outlined within this report could have been achieved without the support of our stakeholders to whom we extend our sincerest thanks. In particular we want to thank our staff who have all worked tirelessly throughout the year to make sure that we provide excellent services to local people.

Dr Ros Tolcher
Chief Executive
Date: 27 May 2014

Alistair Stokes
Chairman
Date: 27 May 2014

Section 1: Strategic review

About us

Who are we?

We were formed in April 2011, following an establishment order by the Secretary of State for Health, after operating for one year as a merged organisation formed from Southampton and Portsmouth City Primary Care Trust's provider arms.

We are one of the largest specialist community and mental health providers in the NHS with an annual revenue of £188m for 2013/14, a workforce in excess of 3,600 (3,144 full time equivalent) staff and delivering nearly 1.5 million service user contacts per annum.

What do we do?

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

Our goal is to help individuals to stay safe and well at, or close to, home. We do this by supporting families to ensure children get the best start in life, providing services for people with complex care needs and helping older people keep their independence. We also provide screening and health promotion services which support people to lead a healthier lifestyle.

We work closely with other trusts, primary care, social care providers and the voluntary sector to make sure your care is joined up and organised around you.

We act in accordance with the Department of Health Manual for Accounts 2013/14 to ensure the transparency of public funds – further detail is provided in section 3 of this report.

Who do we serve?

We provide services to people living in Southampton, Portsmouth and wider Hampshire. For some services we also provide a small amount of care to people who live outside of Hampshire, such as for alcohol and drug detoxification and rehabilitation.

We are commissioned by Clinical Commissioning Groups and local authorities in Southampton, Portsmouth and Hampshire. Southampton and Portsmouth have around 200,000 people living within each city, covering a relatively small urban geographic area with significant health inequalities and needs generally worse than the English average. Wider Hampshire is predominantly more rural and affluent, but has some areas of significant deprivation and health needs.

Our services

Our services operate under eight service lines.

Primary Care and Long Term Conditions Services	Substance Misuse Services	Child and Family Services
Adult Services, Portsmouth	Adult Services, Southampton	Sexual Health Services
Specialist Care Dental Services	Adult Mental Health Services	

The delivery footprint of service varies according to commissioner's specific contracts. The geographical areas served by each individual service broadly covers three constituencies:

- Southampton city
- Portsmouth city
- Hampshire county.

During 2013/14 we were contracted to deliver three additional services across Hampshire, including the two cities:

- Sexual Health Services
- Substance Misuse Services
- Specialist Care Dental Services.

Our vision and mission

Our vision is: **To lead the way in local care**

Our mission is: **To work in partnership to deliver better health and local care**

Our values

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

INSPIRE — Involved | Nurturing | Striving for excellence | Passionate | Innovative | Respectful | Empowered

Our finances

During 2013/14 we had an income of £188 million and we achieved a 1.0% surplus which included £10.8m savings. All surplus funds are reinvested into services.

Our income by commissioner:

- £31m - NHS England 16%
- £109m - Clinical Commissioning Groups 58%
- £23m - Local Authorities 12%
- £7m - Education, training and research 4%
- £18m - Other income 10%
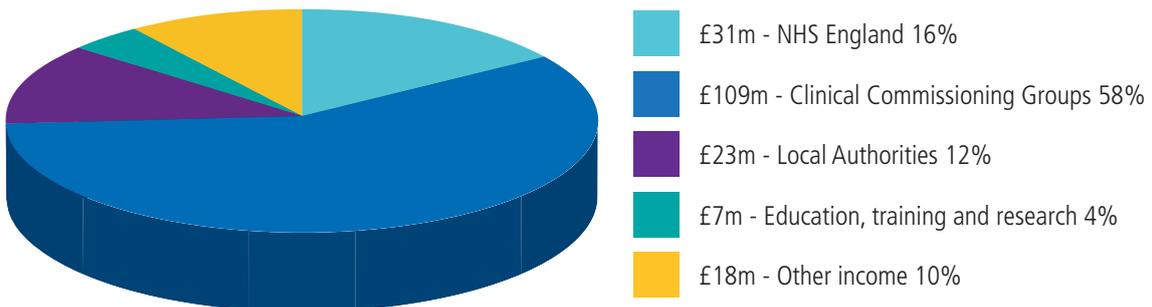
How do we spend our money?

We spent a total of £186m in the delivery of our services to patients. The majority (£123m) was spent on our staff costs. The breakdown of spending is illustrated below:

- £123m - Staff costs 66%
- £24m - Estates and Facilities 13%
- £22m - Clinical supplies and services 12%
- £7m - Purchase of healthcare 4%
- £10m - Client 5%
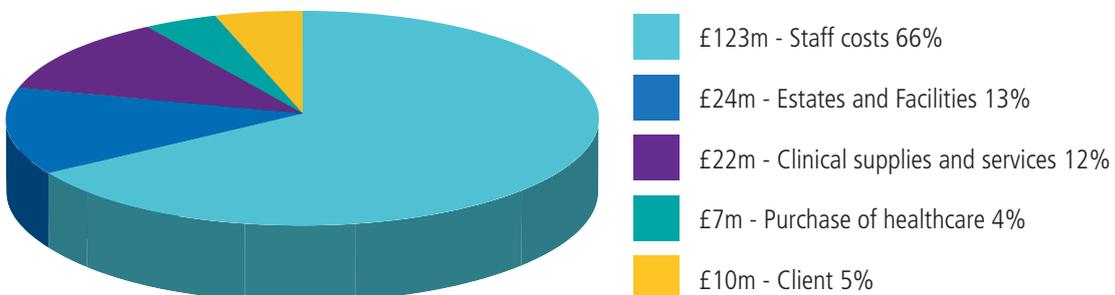
Capital investment:

We invested £2.4m to improve our ICT system, buy more medical equipment, and to invest in and maintain the buildings we work in:

- £1.6m - ICT systems and equipment 67%
- £0.5m - Buildings and maintenance 21%
- £0.3m - Medical equipment replacement 12%
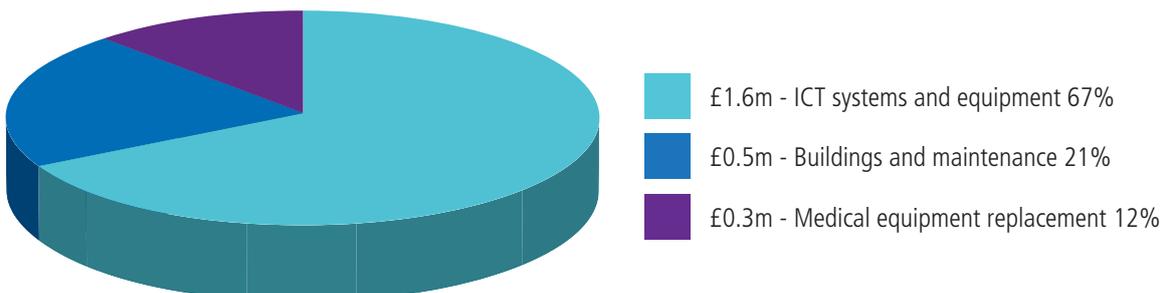
Our objectives

Our strategic objectives 2012-17

Our three high level strategic objectives are designed to deliver our vision:

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

Our corporate objectives 2013/14

At the beginning of the year, we agreed four corporate objectives. These are shown in the 'Solent Wheel':

Objective 1

We will place the people who use our services at the centre of decision making.

Objective 2

We will value, reward and develop our staff.

Objective 3

We will deliver quality, contracts and finances safely and confidently.

Objective 4

We will enhance the Trust's commercial position and business resilience.

People who use our services

Our staff

Operations

Commercial relationships

I feel safe

I am treated with dignity and respect

I would recommend Solent to my family

Our services are safe, effective and timely

Our corporate and clinical governance is robust

We are clinically led

We understand the market and respond well to developments

We are good partners

We build strong relationships and communicate well

I have enough time and resource to do my job

I have the right skills to do my job

I feel positive about what I do

Leading the way in local care

Achievement against our corporate objectives

Each year we set out the work we will deliver to achieve our four corporate objectives. At the beginning of 2013/14 we identified 77 lead indicators, linked to our three strategic objectives, to measure achievement against our four corporate objectives.

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

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

During 2013/14 we have:

- Achieved 100% compliance against all 26 Care Quality Commission Essential Standards.
- Increased the number of case managed patients.
- Reduced the number non-elective admissions to hospital in both cities for people with long term conditions.
- Reduced the length of time people unnecessarily spend in hospital.
- Contributed to the 10% reduction in major diabetic related amputations in Portsmouth.
- Provided physical health screening for all patients on admission to our mental health wards.
- Implemented our 6Cs (the six values and behaviours that underpin Compassion in Practice) plan.
- Achieved our target to reach a 50% recovery rate for the proportion of people who complete treatment with our Talking Change service and move to recovery.
- Achieved a score of over 60 in our patient satisfaction surveys.
- Implemented a performance tool, which includes quality, finance, staff, performance and patient experience information Trust-wide to enable services to manage their services in the best interests of their patients.
- Remained complaint with 18 week referral to treatment waiting times.
- Made real improvements in our Early Warning System results.
- Implemented health care plans for all mental health users under the Care Programme Approach.
- Achieved excellent results in the Care Quality Commission annual service user survey. We came 7th overall out of 58 trusts nationally in the satisfaction of service users for our community mental health services and came 3rd overall for the proportion of service users rating us as good or better.

Priority 2: We will value reward and develop our staff

During 2013/14 we have:

- Achieved the Investors in People Health and Wellbeing standard.
- Rolled out e-rostering across the Trust.
- Created succession plans for 2nd and 3rd tier management.
- Held our annual Valued, Involved and Proud Awards which included a Compassion in Care Award.
- Improved our rating with the staff survey for personal development and opportunities by 1%.
- Increased the number of services involved in research; all service lines now undertake research activity.
- Achieved our target for the number of staff who received an annual appraisal within the first quarter of the year.
- Completed 100% of applicable national audits for the Quality Account.
- Complied with outstanding National Institute for Health and Care Excellence (NICE) audits built into 2014/15 audit plans.

Priority 3: We will deliver quality, finance and contracts safely and confidently

During 2013/14 we have:

- Delivered our 2013/14 Cost Improvement Programme (CIP) of £10.75 million.
- Delivered our planned surplus of 1%.
- Reported compliance against our Monitor, CQC and Trust Development Authority requirements.
- Established our service line management structure.
- Established our Corporate Programme Management Office.
- Achieved Information Governance Level 3 compliance.

Priority 4: We will strengthen our commercial position and business resilience through relationship management, partnership and collaboration

During 2013/14 we have:

- Achieved our target to successfully defend or win new business of more than £10 million.
- Established formal partnership arrangements with Portsmouth Primary Care.
- Established formal partnerships to deliver frail elderly services.
- Received commissioner sign off for our one year and five year plans.
- Met our membership target to recruit 7,000 public members.
- Held our inaugural governor elections.

The year in review

It has been another rewarding year in which we have made progress on our strategic objectives and also responded to specific challenges impacting on the NHS as a whole and locally. We have seen a number of developments in the care we provide to the people who use our services. The 'year in review' provides only a snapshot of what we have achieved during 2013/14.

Our main challenges in 2013/14

Whilst we have seen a significant number of achievements across the Trust during the last 12 months, we have also faced a number of challenges. These impact on the services we provide and on our staff. Some of these challenges, and our approach to managing them, are outlined below:

- **The demand** for clinical care has increased considerably across all sectors. For some of our services, this means providing care to an ever growing number of people whose needs are more and more complex. The constraints of a 'block contract' payment mechanism (in which we receive a fixed income not linked to the amount of demand for care) affects the number of staff we can employ and the time available to provide care. The Mid-Staffordshire inquiry rightly brought about a new level of scrutiny on staffing levels and the need for organisations to provide assurances on safe staffing levels. During 2013/14, we strengthened arrangements for assuring sustainable high quality care. We learned from an incident in one of our community nursing teams where concerns were raised in relation to staffing levels. Following this, an intensive work programme focused on the uptake of incident reporting and the uptake of the staff patient safety early warning system. In the absence of national benchmarks and guidance, we have also embarked on a programme to identify safe staffing benchmarks within adult community nursing and adult mental health community nursing services. This includes clinicians using their professional judgement to assess the acuity of patients against a safe staffing baseline.

- Taking every opportunity to use **Early Warning Systems** (EWS) to detect variation in the quality of care we provide. Our own staff patient safety EWS acts as a 'smoke detector' for individual services, but levels of uptake have been variable and at times lower than we had hoped for. We have introduced electronic solutions and different methodologies to increase and encourage uptake.

- Ensuring best practice in **pressure ulcer (PU) prevention and the early detection** and treatment of PUs requires close collaboration across health and social care providers and a no-blame culture which places the patient's wellbeing at the centre of decision making. In 2013/14 a total of three avoidable grade 3 and 4 pressure ulcers were acquired whilst in our care. Whilst we record other pressure ulcers within our performance data, these were not acquired in our care (for example, the patient transferred in with the pressure ulcer from primary or acute care).

- The **Information Communication Technology** (**ICT) systems** we inherited when we were created are not fit for purpose. We commenced a major strategic upgrade of our ICT infrastructure during 2013/14. This encompassed the renewal of networks; the creation of a single domain and the roll out of 24/7 help desk support. Some of the legacy issues have a significant impact on the productivity of our workforce, and on access to clinical records which in turn impacts on the quality of care provided. Problems with ICT, connectivity and information exchange also affect staff morale.

- Ensuring **financial resilience** and the delivery of challenging cost reductions – ensuring that schemes are truly transformational and recurrent savings are identified while protecting the quality and sustainability of individual service lines.

- The **acquisition of estate**, bringing challenges in estate ownership and management, including ensuring property is fit for purpose, well maintained and safe as well as ensuring a clear strategy for estate utilisation.

Our journey to Foundation Trust

We continued on our journey towards authorisation as an NHS Foundation Trust (FT) during the year. Monitor, the organisation responsible for licensing new FTs, started their assessment by gathering information, meeting with key individuals and visiting our services.

Since we entered the Monitor phase in July 2013, there have been some changes to the national process for the licensing of FTs. These changes have had an impact on our application.

Strong assurance on the quality of care provided has always been a key part of the FT licence. The Care Quality Commission (CQC), in the wake of the mid-Staffordshire inquiries and Francis Report, appointed a Chief Inspector of Hospitals who developed a new approach to assessing provider organisations. Monitor announced that it will not authorise any Trust which has not undergone and passed the new-style CQC inspection. We were pleased to be chosen to be inspected using the new system in the first wave of aspirant community FTs. Our services were subject to the new CQC style inspection during March 2014.

Following the report of the CQC inspection, we expect to continue with our final Monitor phase towards licensing.

Working in partnership to deliver better health and local care

In line with our strategic objective for partnership and integration we have worked closely with the acute trusts in Southampton and Portsmouth and our local partners in the delivery of community and mental health services. This is particularly evident in pathways delivering care for frail elderly and long term conditions where community care has supported performance in unscheduled care, relieving pressure on acute trusts where we are able to do so.

We continue to play a strong whole system role to make further improvements in unscheduled care resource utilisation, and ensure that senior leadership in the organisation is visible in the system on these matters. In the Portsmouth and South East Hampshire health economy the option of a risk and reward whole system contract is currently being explored to reflect these changes contractually.

Our relationship with the city councils to deliver integrated care continues to develop and will be accelerated in the year ahead with the projects being developed under the Better Care Fund Programme, a move to provide more care in the community with health and social care working better together.

Increasingly our relationship with primary care is strengthening to deliver locality based integrated care, and we have started a pilot in Portsmouth with the appointment of GP Clinical Directors to lead the development of locality based services with primary care leadership. We have also developed relationships to the extent that we were co-bidders for the integration pioneer fund, and also for the Prime Minister's challenge fund.

We continue to work in partnership with other providers including from the third and independent sectors where delivery alongside them improves experience for our service users.

Commercial developments

During 2013/14 we secured new business worth over £12m. We divested a number of services where it made good business sense to do so and competitively bid for some of our existing services but were unsuccessful. Of the new business we secured we were selected as the preferred provider for two major contracts within Hampshire:

• Specialist Musculoskeletal Services for Fareham and Gosport and South East Hants Clinical Commissioning Groups (CCGs)

• Paediatric Therapy Services across South and North Hampshire

Our market position, as the main provider of community and mental health services, has broadly been held in the city regions. Our strategy to expand specialist services moved forward with the commencement of Specialist and Occasional Dental Services across Hampshire and the contract award to provide Paediatric Therapies Services to start on 1 May 2014.
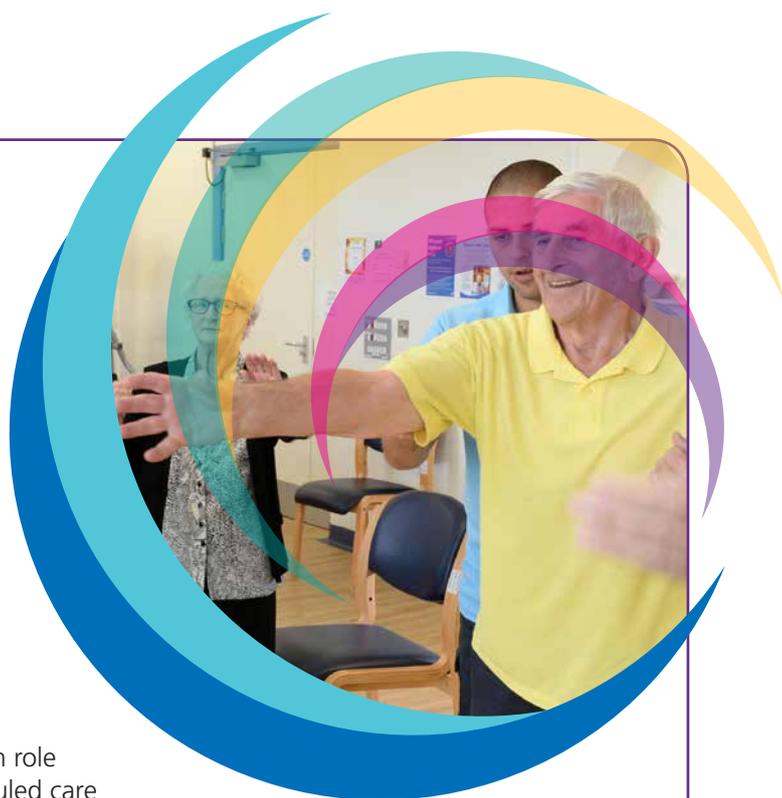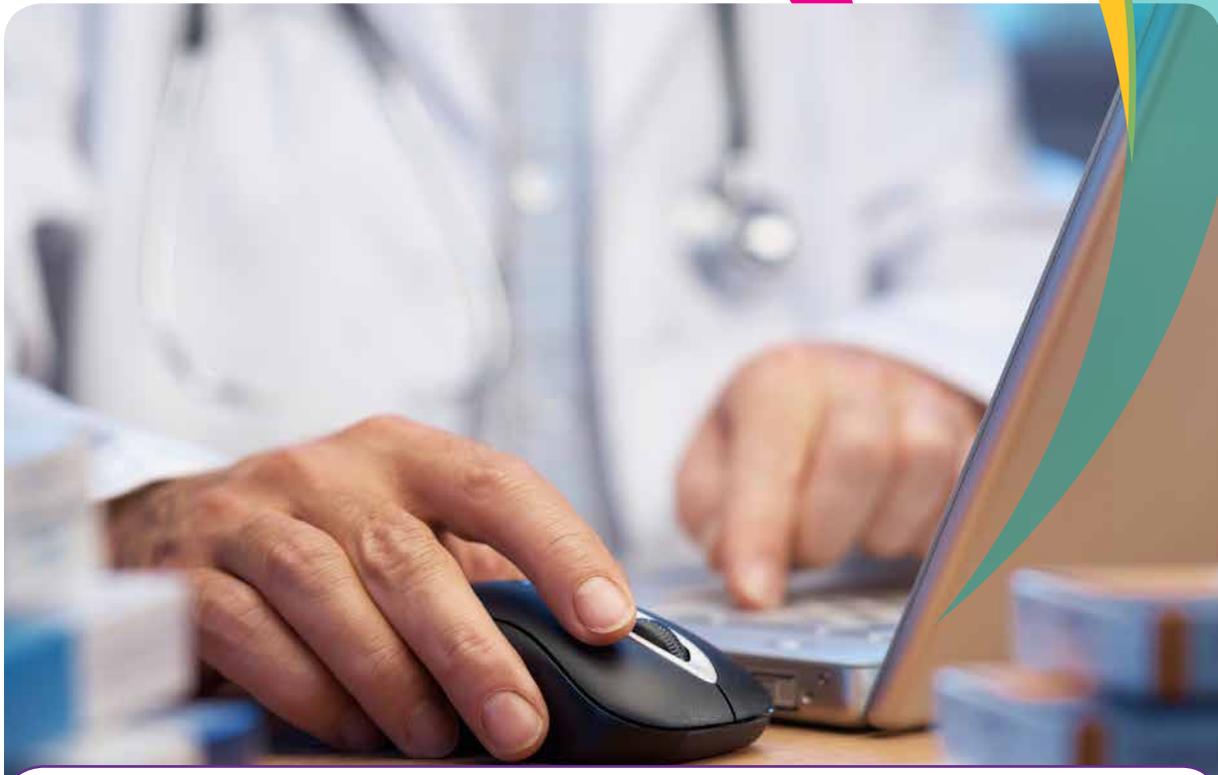
Developments in Information Communication Technology

We have continued to invest in Information Communication Technology (ICT). During the year we appointed CGI, a leading provider of information technology and business process services, to run and improve our ICT infrastructure for at least the next seven years. The improved ICT infrastructure will allow us to maintain and develop the sustainable delivery of high quality care to service users. It will provide a reliable infrastructure that supports innovative, integrated ways of working and will also lay the foundations for us to be able to replace our clinical records system and the ICT elements of its transformation programme.

Key aspects to the new infrastructure include:

- provision of a single 24/7 ICT help desk across the Trust, supporting staff wherever they may be
- improvements to the ageing infrastructure enhancing the access, reliability, connectivity and speed of our network to allow safer patient care and increased productivity
- replacement of our ICT hardware including desktop PCs and laptops
- implementation of a communications tool (MS Lync) that will provide us with voice and video conferencing as well as instant messaging capabilities for staff.

During the years ahead we will also be reviewing our intranet facility and our wireless and mobile phone connectivity.

The majority of our services currently use a national clinical system, provided by the Department of Health. The contract for this ends in October 2015. In preparation for contract end we have been looking at investing in a new patient system which will provide us with the opportunity to integrate our community, child and mental health service records.

We have also continued with our work to bring services, still using paper-based records, onto a clinical record system. This will help with our work to become a paperless Trust.

Developing our eight service lines

During the year we began an ambitious programme to deliver service line management, devolving our previous three clinical directorates into eight service lines. Each service line is led by a clinician and supported by a senior operational manager. This structure gives clinicians a leading role in the development, performance and quality of their services.

Service lines are accredited following a vigorous process. All of our service lines are fully accredited with the exception of Adults Services Southampton, who are live with caveats and will return to the accreditation panel in June 2014.

Our corporate functions have been reconfigured to better support service line reporting and service line management.

Environmental management and sustainability

During the year we established our Sustainability and Carbon Management Strategy. The strategy, which includes a sustainable development management plan for 2013/14 to 2018/19, demonstrates our commitment towards environmental management and sustainability.

In line with Department of Health guidelines, a Sustainability Sub-Committee has been established to drive and shape the development of the strategy. The committee is also responsible for ensuring that we meet national initiatives as well as statutory guidelines and objectives in relation to sustainability.

During the year we signed up to the 'Good Corporate Citizenship Model' with regard to meeting our environmental obligations.

We have:

• encouraged staff to save energy and switch off lighting and equipment

• invested in energy and carbon reduction

• displayed energy certificates at our community hospital entrances

• considered how we establish our carbon footprint.

We have also invested in a new contract for the total management of waste. To assist with our recycling programme, all waste streams are now disposed of through one contractor.

Building our charitable funds

During 2013/14, we have continued with our work to build our charitable funds. We have been reviewing the future of these funds, including how we create a public facing charity.

We are immensely grateful to everyone who has donated money. The donations we received during 2013/14 amounted to £15,219.

During the year, we have used our charitable funds to purchase various items to enhance the care we provide to our patients. This has included books, carer training, study days, activity groups and toys.

Our volunteers

Volunteers are seen as an integral part of the workforce. They make a valuable and unique contribution to service users, patients, visitors and services. We recognise the important role they play.

We have both regular volunteers who undertake a range of important activities, and volunteers who are with us for a short time to learn new skills.

We plan to further develop opportunities for volunteers across the Trust during the year ahead, ensuring that our processes and services positively support this.

Highlights from our clinical services

Mental Health Awareness Week

Throughout Mental Health Awareness Week we ran a range of different activities across Southampton and Portsmouth. These included drop-in sessions for wellness checks, workshops and a 'wellbeing for all' event focussing on The Orchards, our day treatment centre for people with mental health difficulties.

Multi-faith events

Our Adult Mental Health (AMH) services and community development workers hosted two multi-faith events in March and early July in Portsmouth. The events explored how our AMH services work in partnership with faith communities to serve the diverse spiritual needs of their patients.

PLACE 2013

Five hospitals that we provide services at across Portsmouth and Southampton were rated highly in our 2013 Patient Led Assessments of the Care Environment (PLACE) inspections.

The new PLACE inspections were introduced this year to ensure patients are at the centre of all inspections of non-clinical activities which impact on patient care. The inspections looked at the ward environment including: cleanliness, food, privacy, dignity and wellbeing, as well as condition, appearance and maintenance. We were rated above 84% in all areas.

Sexual health consultant awarded

The International Union against Sexually Transmitted Infection (IUSTI) is a leading society on research into sexually transmitted infections (STIs). Their gold medal award is a highly respected accolade, awarded only to the best in their field. Only five people have received the award. Our Consultant Physician for Genitourinary and HIV Medicine, Dr Raj Patel, was the fifth person to be awarded the gold medal.

Dr Patel is an exceptional Consultant Physician for Genitourinary and HIV Medicine. The gold medal was awarded in recognition of his work in promoting international cooperation in the fight against HIV and STIs.

Solent Recovery College launched

During September we were delighted to launch the Solent Recovery College.

The college, which is provided in partnership with Highbury College and Richmond Fellowship, helps people manage their mental health illnesses and earn credits for further education.

The college is open to anyone who has used mental health services in Portsmouth, or to people who have supported or worked with someone who has used mental health services. The courses are delivered by past service users and by staff who work in mental health. They provide information and develop skills to help manage recovery.

Students also receive learning credits, helping them to gain employment, education or training, whilst learning about how to support their own, or someone else's, recovery. This initiative demonstrates our commitment to giving people with long term mental health problems the necessary support to help with their recovery – or to live with their illness.

Sexual Health Service opens doors at Aldershot Centre for Health

During September we opened the doors to our new Sexual Health Service at Aldershot Centre for Health. Local GPs, voluntary sector partners and local stakeholders were all invited to the official opening performed by Rushmoor Borough Council Mayor, Councillor Terry Bridgeman.

The service offers a wide range of free and confidential NHS sexual health services including:

• access to sexually transmitted infection testing and treatment services

• HIV treatment and care

• specialist contraception

• unplanned pregnancy services

• referral to vasectomy.

Best of Health Awards 2013

We were delighted to be presented with two awards at the Best of Health Awards, an annual event run by The News to honour and celebrate unsung heroes in health.

Pauline Taylor, Team leader for our Children's Community Nursing Team in Portsmouth, won Community Nurse/Team of the Year, and the Brooker Ward were successfully awarded top prize in the Mental Health Worker/Team of the Year category.

Portswood Solent GP surgery

In October, we launched a new GP practice in Southampton. The Portswood Solent Surgery brought together two surgeries, Linfield Road and Portswood Road Practice, following the retirement of the practice partners.

To provide patients and members of the public with the chance to see the new surgery and meet the staff, we held a welcome day at the end of September. People were able to drop into the practice, have a look around and ask the team questions. We also asked patients what they liked about their current practice, what changes they would like to see, and invited them to become a member of the surgery's patient involvement group.

Supporting the Emergency Department

During the year, we submitted a number of community-based service bids to NHS England for national money to support Emergency Departments across the country.

We were pleased that NHS England supported a number of our initiatives which were made jointly with Southern Health NHS Foundation Trust.

Our successful bids included:

- Community Assessment Lounge: The money awarded continued to fund the Community Assessment Lounge at Queen Alexandra Hospital until the end of 2013/14. The service continued to help avoid acute inappropriate admissions of frail elderly patients.
- Psychiatric assessment: This additional resource helped improve assessment and support to patients in the Emergency Department.
- In reach support: This service ensured that clinically stable patients were transferred back into the community as soon as they were deemed medically fit, avoiding long stays.

HIV Lives

During national HIV testing week (22-29 November) and in the run up to World AIDS Day 2013 (1 December), our Sexual Health team ran a campaign to encourage people to get tested for HIV. As part of the campaign, the team also updated our HIV Lives website which features real stories from real people living with HIV.

Talking Change tackle Blue Monday

20 January 2014 was 'Blue Monday', statistically the most depressing day of the year. To support local Portsmouth residents our Talking Change service, which provides psychological support for adults who are experiencing mild to severe depression and/or anxiety, ran a series of 'stress less' workshops.

Nearly 100 people attended these free workshops, which covered a range of topics including how to say "no" and how to sleep better.

'Milk for meals' nominated for Queen's Nursing Institute grant

A project undertaken by our Health Visiting team in central Southampton was successfully nominated as one of nine projects awarded a grant from the Queen's Nursing Institute (QNI) Fund for Innovation and Leadership in 2014.

Their project, called 'Milk to Meals', aims to reduce delayed weaning within the Black and Minority Ethnic (BME) population, particularly in Asian and Afghani communities. Delayed weaning has a negative effect on both children's health and their education outcomes.

As part of the project health promotion materials, aimed at the local community, have been produced and the team run café-style weaning sessions.

Southampton nurses are finalists in Nursing Standards Nurse Awards 2014

Pamela Campbell and Anya Farmborough from the Alcohol Day Detoxification Service were declared finalists in the Public Health Nursing category of the Nursing Standards Nurse Awards 2014.

Launching HIV rapid testing

Our Sexual Health Service launched rapid HIV testing in community settings across Hampshire. The service, which is free of charge, allows clients to receive their result within a minute of undergoing the test at convenient locations in their community. The launch was well reported on throughout the local media.

Falls prevention classes prevent 1,000 falls

Thanks to falls prevention classes run in Portsmouth, the Falls Prevention Exercise Team has prevented 1,000 falls by older people, helping them to stay well and out of hospital.

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

Falling can be serious for older people. By preventing over 1,000 falls, the team have avoided people going into hospital, enabling them to stay in their own home and keep their independence.

Duchess visits Treetops

Staff at Treetops, our Sexual Assault Referral Centre in Cosham, were delighted to welcome The Duchess of Cornwall to the centre as part of her recent visit to Portsmouth.

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

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

Colleagues from the police and voluntary organisations including Hidden Violence and Young People Service, Abuse and Rape Counselling Service and Home Group also met The Duchess during the visit.

Research and development

Details of our achievements within the field of research and development can be found in the Quality Report on page 82.

Our staff

Policy on equal opportunities

We are committed to building a culture of inclusivity that encourages, supports and maximises the potential of all our employees, ensuring that each and every member of staff is trained, committed and able to deliver the highest standard of care. Our aim is to create an environment that is characterised by dignity and mutual respect; where differences are valued and respected, in the same way as the unique contribution an individual's experience, knowledge and skills can make.

As an employer, we believe that all people should have equality of opportunity to be considered for employment, training and promotion and that all employees and job applicants should be treated fairly and valued equally. We recognise that discrimination is unacceptable and that it is in the Trust's best interest, as well as the interest of its employees and the local population, to utilise the skills of the total workforce.

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

We continue to increase awareness of equality and diversity across the Trust through training and the activities of the Equality and Human Rights Sub-Committee of the Board.

Breakdown of gender in staff group

Staff group	Female	Male
Admin and estates	694	80
Healthcare assistants and other support staff	716	171
Managers and senior managers (excluding directors)	46	26
Medical and dental	145	59
Nursing and midwives	959	81
Scientific, therapeutic an technical	660	76
Directors (including non-executive directors)	9	9

Policy in relation to disabled employees

We are a registered 'Mindful Employer' and accredited with the 'Two Tick' disability symbol which is awarded by Job Centre Plus to employers who have made a commitment to employ, keep and develop the abilities of disabled staff. We are positive about the employment of disabled people and believe that all employees should be treated fairly and valued equally.

Sickness absence

In our commitment to promote the health and wellbeing of our staff we have introduced a Workforce Health and Wellbeing Strategy: 'Healthy, Happy, Here'. We have introduced a working group to support the delivery of an underpinning action plan.

The graph below shows sickness absence rates for April 2012 to February 2014. Sickness rates have fluctuated throughout the period, with the average being 4.2% compared to the average for community and mental health trusts of 4.7%.

Sickness rate trend
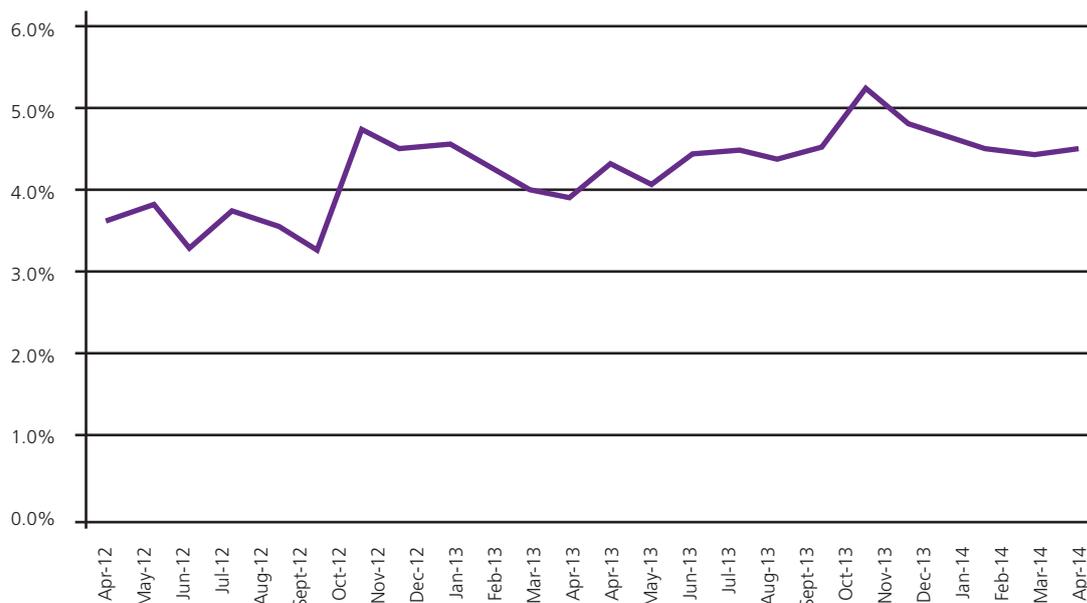
We continue in our commitment to reduce sickness absence through effective management and support from our Occupational Health and Wellbeing and HR teams. We also provide an Employee Assistance Programme for staff which offers a 24/7 confidential helpline.

In January 2014, we achieved the Investors in People Health and Wellbeing accreditation, reflecting the significant activities underway to promote health and wellbeing across the Trust. The transformation from traditional occupational health to a proactive health and wellbeing service was recognised during the assessment as a significant achievement.

Employee engagement

We have a comprehensive employee engagement programme with initiatives to deliver against our aim to ensure that our staff feel valued, involved and proud (VIP) to work for the Trust.

We recognise that if we get the culture right, it will create a motivated and valued workforce enabled to deliver excellent customer service and patient care.

Increasing evidence shows that there is a clear relationship between staff satisfaction and patient satisfaction - the highest quality of care for patients is delivered through a high quality and engaged workforce where staff feel empowered to really make a difference.

We believe that engaged and empowered staff not only generate better outcomes for patients but also in terms of clinical quality and business benefits, such as lower levels of sickness absence and greater productivity, making employee engagement a key focus for the Trust.

Our employee engagement priorities, which are linked to the outcome of our staff survey, are outlined below:

• To clearly communicate our business strategy to staff.

• To introduce effective communication mechanisms that encourage dialogue with staff.

• Leadership and management development

• To ensure all staff understand how their role supports overall objectives and everyone has an appraisal.

• To encourage staff involvement.

• To ensure effective communication between senior management and staff encouraging staff to suggest and explore new ideas for improving services.

• To respond to staff feedback in our annual staff survey.

We enjoy effective partnership working with our staff side (union) colleagues and believe this is critical to our success as well as our newly appointed staff governors.

Staff survey

The 2013 annual staff survey was carried out by Pickers Institute Europe during the period October to December 2013. 1,811 staff out of 3,297 eligible staff returned their completed questionnaire giving a response rate of 54.9% compared to the previous year's response rate of 51.7%. The national average response rate of the survey was 54%.

	2011/12		2012/13		Trust improvement or deterioration
	Trust	**National average**	**Trust**	**National average**	
Response rate	51.7%	54.6%	54.9%	54%	3.2% improvement

The results of our 2013 staff survey showed that more staff than in any previous survey reported feeling proud of the care that they provide and would recommended the Trust as a place to work. This is coupled with a significant improvement in our staff receiving appraisals with our percentage increasing positively from 76% in 2012 to 89% in 2013, and an improvement in the staff's relationships with their managers which has positively increased from 30% in 2012 to 37% in 2013. This is 8% above the national 2013 score for community trusts.

In addition to the full Pickers survey results, NHS England take a sample of our responses (24% of staff eligible to receive the survey) and use this data to publish key findings for the Trust compared to national average scores.

The following table highlights the key findings for which the Trust compares most favourably with other community trusts in England.
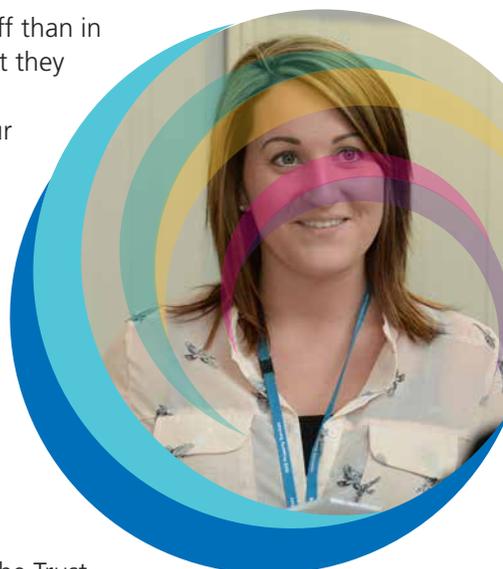
Top four ranking scores	2011/12		2012/13		Trust improvement
	Trust	**National average**	**Trust**	**National average**	
Percentage of staff experiencing harassment, bullying or abuse from staff in the last 12 months	21%	20%	16%	20%	5% improvement
Percentage of staff reporting good communication between senior management and staff	30%	28%	37%	29%	7% improvement
Percentage of staff having well structured appraisals in last 12 months	39%	38%	41%	37%	2% improvement
Staff job satisfaction	3.61 (scale of 1-5)	3.61 (scale of 1-5)	3.65 (scale of 1-5)	3.60 (scale of 1-5)	0% improvement

The following table highlights the key findings for which we compare least favourably with other community trusts in England suggesting areas of focus for action planning;

Bottom four ranking scores	2011/12		2012/13		Trust deterioration
	Trust	**National average**	**Trust**	**National average**	
Percentage of staff experiencing physical violence from staff in the last 12 months	1%	1%	2%	1%	1% deterioration
Percentage of staff witnessing potentially harmful errors, near misses or incidents in the last month	27%	26%	30%	26%	3% deterioration
Percentage of staff suffering work-related stress in the last 12 months	40%	40%	48%	43%	8% deterioration
Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in the last 12 months	34%	26%	29%	27%	5% deterioration

In response to our staff feedback, during the coming 12 months we will focus on the following areas for improvement:

• employee engagement – greater involvement from our staff

• targeted programme to reduce violence and harassment

• improving the effectiveness of appraisals

• continued investment in our health and wellbeing programme.

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

Our performance – Activity review and regulatory ratings

We use robust monitoring mechanisms to ensure delivery against quality and contractual indicators. The performance is reported to monthly Service Line Performance Sub-Committee meetings. Improvement and action plans are put in place where the required standard is not being met to ensure continuous quality improvement and delivery of high quality, safe and clinically effective services to our patients. Monthly performance reports are submitted to Board for review and progress updates.

A summary of our activity:

Service line	Contacts	Inpatient	Outpatient	Total
Adult Mental Health	48,078	10,087	3,801	61,966
Adult Services, Portsmouth	278,161	19,336	1,392	298,889
Adult Services, Southampton	189,075	19,510	9,048	217,633
Child and Family Services	289,744	-	33,602	323,346
Special Care Dental Services	46,776	2,065	-	48,841
Primary Care and Long Term Conditions Services	264,097	-	3,737	267,834
Sexual Health Services	218,105	3,275	10,355	231,735
Substance Misuse Services	39,756	5,069	-	44,825
TOTAL	1,373,792	59,342	61,935	1,495,069

During 2013/14 we reported in shadow form our compliance against the Monitor Risk Ratings.

Monitor Governance Risk Ratings (GRR)

We were compliant against all 26 applicable standards of the 2013/14 Governance Risk Rating Framework, achieving green ratings throughout the year for all standards. This was in line with our expectation of the annual risk rating.

Monitor Continuity of Service Risk Rating (CoSRR)

The Continuity of Service Risk Rating is designed to reflect the likelihood of a financial breach of an NHS Foundation Trust's terms of authorisation. A rating of 4 reflects the lowest risk and a rating of 1 the highest. We achieved a rating of 4 for 2013/14.

Strategic objectives

Under our three strategic objectives, there were a total of 77 indicators, linked to our corporate objectives, underpinning these that we set out to meet at the start of 2013/14. Progress against these 3 objectives is as follows:

Strategic objective 1: Improving outcomes

Of 29 indicators, we successfully met 16, marginally missed 10 and failed to meet three. Important work included increasing the number of case managed patients, meeting the 18 weeks referral to treatment targets, reducing non-elective admissions in key care groups and reducing the length of stay in acute and community hospitals.

Strategic objective 2: Working with partners

Of four indicators, we successfully achieved three and marginally missed one. This included agreeing formal partnerships with key providers to deliver frail elderly services and with primary care in Portsmouth.

Strategic objective 3: Ensuring sustainability

Of 44 indicators, we successfully achieved 37, marginally missed six and failed to meet one. Those achieved included 100 percent compliance against all 26 Care Quality Commission Essential Standards, lead quality indicators reported through service line dashboards, the annual VIP Awards took place with the new Compassion in Care Award and a Corporate Programme Management Office (PMO) was established.

Accident and Emergency

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

Accident and Emergency Ref		Baseline Mar 2013	Target 2013/14	Actual 2013/14	RAG
ACC04	PHQ23 Percentage of A&E attendances where the patient spent 4 hours or less in A&E from arrival to transfer, admission or discharge	100.0%	95.0%	100.0%	G
ACC04a	Bitterne WiC - under 4 hours in A&E	100.0%	95.0%	100.0%	G
ACC04b	Central MIU - under 4 hours in A&E	100.0%	95.0%	100.0%	G

Waiting times – Inpatients and outpatients

We achieved the 18 week referral to treatment targets for inpatients and outpatients, the six week diagnostic test target and delayed discharges target.

Waiting Times IP and OP - 18 wks RTT, Diagnostic Waits & Delayed Transfer of Care					
Ref		Baseline Mar 2013	Target 2013/14	Actual 2013/14	RAG
ACC01	The percentage of admitted pathways within 18 weeks for admitted patients whose clocks stopped during the period	99.9%	90.0%	99.9%	G
ACC02	The percentage of non-admitted pathways within 18 weeks for non-admitted patients whose clocks stopped during the period	99.2%	95.0%	99.9%	G
ACC03	The percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the period	99.5%	92.0%	99.9%	G
CS06	The percentage of patients waiting 6 weeks or less for a diagnostic test	100.0%	100%	100%	G
LO33	Number of patients (consultant led) who wait over 52 weeks to be seen for an appointment	0.0%	0.0%	0.0%	G

Mental health

Our Mental Health Services achieved all national and local key indicators; including Care Programme Approach (CPA), Crisis Resolution and Home Treatment and Early Intervention in Psychosis targets.

Mental health performance					
Ref		Baseline Mar 2013	Target 2013/14	Actual 2013/14	RAG
ACC11	The number of new cases of psychosis served by early intervention teams	100.0%	95.0%	100.0%	G
ACC10	% inpatient admissions that have been gatekept by CR/HT	100.0%	95.0%	100.0%	G
ACC09a	The proportion of people under adult mental illness specialties on CPA who were followed up within 7 days of discharge from psychiatric inpatient care during the quarter (QA).	99.0%	95.0%	100.0%	G
ACC09b	% CPA patients having formal review < 12 months	97.8%	95.0%	97.0%	G
MH04a	The proportion of people who have depression and/or anxiety disorders who receive psychological therapies	10.0%	11.9%	12.4%	G
MH04b	PHQ13b % people receiving psychological therapies who are moving to recovery	46.4%	50.0%	50.0%	
OUT16	Minimising mental health delayed transfers of care	1.8%	7.5%	0.5%	

Future development and performance

We are developing service line dashboards. We will providing services with financial, quality, performance, workforce, Cost Improvement Programme and other indicator information to support services to manage their resources and deliver the best quality of care for their patients.

The dashboards enable robust performance monitoring and data triangulation to inform our clinical service lines and the Board of overall performance.

Section 2: Governing our services

Regulation and inspection of our services

We operate a culture of continuous improvement, ensuring that we learn from incidents, patient experience, complaints, internal and external assessments. We adhere to the Ombudsman's principles for remedy which are incorporated into our complaints handling policy and procedures.

As an aspirant Foundation Trust we strive to adhere to Monitors' regulation and guidance and we scrutinise our performance against key Monitor performance indicators.

Care Quality Commission

The Care Quality Commission (CQC) is responsible for ensuring that health and social care providers in England are meeting essential standards through its registration system and are driving improvements by conducting planned (announced) and unannounced (ad-hoc) inspections of services. Standards are grouped into five key outcome areas:

- involvement and information
- personalised care, treatment and support
- safeguarding and safety
- suitability and safety
- quality and management.

We are registered with the CQC for a number of regulated activities without conditions and have been fully compliant with all CQC 16 essential standards for quality and safety during 2013/14. The Board and the Assurance Committee receive routine reports on all elements of the CQC Essential Standards and risk registers are specifically linked to applicable CQC standards. The information is also compared with a range of other data available within the Trust. The Assurance Committee is a Board Committee charged with oversight of the safety and quality of our services.

Responsibility for ensuring adequate processes are in place to meet CQC requirements sits with the Director of Nursing and Quality.

In line with the CQC requirements, we are registered to provide the following regulated activities:

- accommodation for persons who require nursing or personal care
- accommodation for persons who require treatment for substance misuse
- assessment or medical treatment for persons detained under the Mental Health Act 1983
- diagnostic and screening procedures
- family planning
- nursing care
- personal care
- surgical procedures
- transport services, triage and medical advice provided remotely
- maternity and midwifery services, and
- treatment of disease, disorder or injury.

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

The following visits to our services have taken place during 2013/14:

- Her Majesty's Prison (HMP) Winchester - Healthcare (no longer provided by the Trust)
- Spinnaker Ward, Royal South Hants Hospital
- Mental Health Services, St James' Hospital

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

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

The Trust underwent a new-style CQC inspection of all services in March 2014, the outcome of which is awaited. Compliance with the national guidance on elimination of mixed sex accommodation within an eight bedded unit is under investigation following feedback from CQC inspectors and interim measures have been put in place pending a substantive resolution.

Health and safety

We are committed to the continuous development and further embedding of a maturing and transparent safety culture. Ensuring the health and safety of our patients, staff and visitors is a key priority. We have a proactive approach to health and safety and a number of key initiatives have been led by the Health and Safety Sub-Committee, along with the on-going review and approval of all health and safety related polices. This committee regularly reviews our health and safety issues and risk registers. This process helps to identify, manage and monitor health and safety related risks. We have a very positive ratio between near-miss and low harm, in comparison to more significant incidents and have received no improvement notices from the Health and Safety Executive during this reporting period.

Emergency preparedness

We have a comprehensive framework for emergency preparedness, business continuity and resilience. This includes a number of key polices and arrangements to enable the swift establishment of command and control arrangements (including appropriate major incident centres) which link with the wider NHS response. Our response includes:

- assessing the effects of an incident on vulnerable care groups, such as children, dialysis patients, the elderly, medically dependent, or physically or mentally unwell

- mobilising community and social care resources (staff, facilities, capacity and/or equipment) to support acute trusts and other healthcare providers as required to enable accelerated discharge from acute trusts and admission avoidance to the hospitals

- rapidly recovering services through robust business continuity plans.

2013/14 has provided a number of situations and exercises to provide plenty of opportunities to test our internal arrangements and resilience. This has helped us to continually reflect, identify and implement a number of improvements to strengthen our arrangements.

Other essential arrangements are in place to ensure:

- we maintain the health, safety and welfare of our patients and staff

- we co-operate with, support and provide information to the coordinating commissioner and health and social care providers

- we identify vulnerable patients in the community as soon as possible when a major incident occurs.

Our membership

We have continued to explore opportunities to engage with the local community throughout the last 12 months.

The following key engagement activities have taken place:

- We held the first of our 'Wellbeing for all' events for members.

- We jointly ran a members' evening around emergency care with University Hospitals Southampton NHS Foundation Trust and South Central Ambulance NHS Foundation Trust.

- Members continue to support the Trust through the Virtual Patient Information Group. This group reviews all patient information to ensure it meets patient needs in terms of the information included and ease of understanding.

- Shine, our flagship newsletter, has been re-launched for both staff and public members. This quarterly publication keeps members up-to-date with our latest news.

- We are supporting an Accessible Information project to ensure we provide information to our service users and members in a format which meets their needs. This includes key summaries in patient leaflets and an easy read version of Shine. We also produced easy read materials and a short film about how to vote in the Council of Governor elections.

- Members have been invited to take part in several focus groups run by our Health Promotion Team. The outcomes from the groups have been used to inform service provision.

- We began our programme to provide local secondary schools and colleges with information about careers in the NHS.

- A number of members and governors took part in the Patient-Led Assessments of the Care Environment (PLACE) inspections.

- We held our inaugural elections for the Council of Governors. The governors are currently operating 'in shadow', until we become licenced as a Foundation Trust.
- Directors and key staff continued to meet with local stakeholders, such as Healthwatch, Clinical Commissioning Groups and Health and Wellbeing Boards.
- Senior managers from the Trust have continued to regularly attend Health and Overview Scrutiny Panel/Committee meetings.
  We provided updates and answered questions on the following subjects:
    o   our plans for the Special and Occasional Care Dental Service
    o   the 'Right Place, Right Time' community assessment lounge trial
    o   our Podiatry Service
    o   Diabetes foot care in Portsmouth
    o   our proposals for the future of St James' Hospital and St Mary's Community Health Campus.
- The Membership Team, supported by our new governors, continued to explore opportunities to engage with the local community and successfully reached our initial target to recruit 7,000 public members by 31 December 2013.
- Staff embraced NHS Change Day and pledged ways to introduce improvements in their working environment.
- Our Sexual Health Service engaged with young people regarding our Quick Check sexual health campaign to ensure we created a successful and relevant marketing campaign.
- We held our second Annual General Meeting. Presentations about the 2012/13 year were preceded by a health fair which was very well attended.
- Our community development workers held a conference to tackle mental health and keeping well. The event was organised for the ethnic community in Portsmouth.

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

The membership figures as at 31 March 2014 are shown on the following page.

Public membership report

Public constituency	as at 31 March 2014	Target figures per category	Local population per category
Age (years):			
0-16	135	1,382	353,141
17-21	1,064	457	116,655
22-29	1,116	742	189,566
30-39	1,019	854	218,236
40-49	954	1,001	255,855
50-59	864	896	228,818
60-74	1,232	1,069	273,042
75+	627	600	153,283
Not stated	66	0	0
	7,077	**7,001**	**1,788,596**
Ethnicity:			
White	5,860	6,511	1,636,833
Mixed	84	116	29,196
Asian or Asian British	260	269	67,722
Black or Black British	148	68	17,142
Other	89	36	8,833
Not stated	636	0	0
	7,077	**7,000**	**1,759,726**
Socio-economic groupings*:			
AB	1,693	1,817	138,259
C1	2,050	2,260	171,968
C2	1,463	1,455	110,742
DE	1,792	1,468	111,714
Unknown	0	0	0
	6,998	**7,000**	**532,683**
Gender analysis			
Male	2,748	3,456	882,953
Female	4,235	3,544	905,644
Not stated	94	0	0
	7,077	**7,000**	**1,788,597**

*Monitor requires us to report on the age category 0-16 years and the target figure is based on the local population within this age range. Our membership is open to anyone aged 14 years or older and therefore our members only fall into three years of the 0-16 years category. The membership figure is therefore significantly less than the target figure.

Staff membership report

Public constituency	as at 31 March 2014	Representation figures
Staff members	3,884	3,500

Shadow Council of Governors

The results of our inaugural elections for the Council of Governors were announced on 27 August 2013. Until we are licenced as a Foundation Trust the Council will operate in shadow form.

The shadow Council comprises of 14 publicly elected governors and five staff elected governors representing the constituencies of Portsmouth, Southampton and Hampshire as well as six appointed governors from partner organisations. Usually all governors serve a three year term of office. However, in this initial period publicly elected governors and uncontested seats retire after two years before re-election to ensure continuity of governors on the Council.

Since its inception, the Council has established the statutory Nomination and Remuneration Committee (recognising the role the Council will have in appointing/removing and remunerating Non-Executive Director members of the Board, including the Chair) and working groups focusing on Governor Development, Quality and Patient Experience, Membership Recruitment and Engagement and Planning and Strategy.

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

Composition of Shadow Council of Governors

Publicly elected governors (14)		
Name	**Constituency**	**Tenure**
Christine Cassell	Southampton	3 years
Clive Clifford	Southampton	3 years
Hope Jackman	Southampton	3 years
David Lickman	Southampton	2 years
Jon Clark	Southampton	2 years
Narcisse Kamga	Portsmouth	3 years
Michael North (Lead Governor)	Portsmouth	3 years
Paul Rolfe	Portsmouth	3 years
Sharon Ward	Portsmouth	2 years
David Stephen Butler	Portsmouth	2 years
Sharon Collins	Hampshire	3 years
Pearl Elizabeth Dell May	Hampshire	3 years
Harry Hellier	Hampshire	2 years
Robert Blackman	Hampshire	2 years
Staff elected governors (5)		
Teresa Freeman	Southampton	3 years
Sarah Oborne	Southampton	3 years
Jenny Ford	Portsmouth	3 years
Fran Williams	Portsmouth	3 years
Lucy Foord	Hampshire	2 years

Our vision: **To lead the way in local care**

Appointed governors (6)	
David Williams – Portsmouth City Council	3 years
Councillor Dave Shields – Southampton City Council	3 years
Councillor Patricia Stallard – Hampshire County Council	3 years
Dr Chris Stephens - University of Southampton *	3 years
Dr Elizabeth Fellows – Portsmouth City Clinical Commissioning Group	3 years
Dr Elizabeth Palmer – Southampton City Clinical Commissioning Group	3 years

*rotational seat with University of Portsmouth

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

Council attendance 2013/14

Governor	9 October 2013	29 January 2014
Christine Cassell	✓	✓
Clive Clifford	Apologies	Apologies
Hope Jackman	Apologies	Apologies
David Lickman	✓	✓
Jon Clark	✓	✓
Narcisse Kamga	✓	✓
Michael North	✓	✓
Paul Rolfe	✓	Apologies
Sharon Ward	✓	Apologies
David Stephen Butler	✓	Apologies
Sharon Collins	✓	✓
Pearl Elizabeth Dell May	✓	✓
Harry Hellier	✓	✓
Robert Blackman	✓	✓
Teresa Freeman	✓	✓
Sarah Oborne	✓	Apologies
Jenny Ford	✓	✓
Fran Williams	✓	✓
Lucy Foord	Apologies	Apologies
David Williams – Portsmouth City Council	✓	✓
Councillor Dave Shields – Southampton City Council	Apologies	✓
Councillor Patricia Stallard – Hampshire County Council	Apologies	✓
Dr Chris Stephens - University of Southampton*	Apologies	✓
Dr Elizabeth Fellows – Portsmouth City Clinical Commissioning Group	Apologies	✓
Dr Elizabeth Palmer – Southampton City Clinical Commissioning Group	(representative not nominated at this point)	(representative not nominated at this point)

*rotational seat with University of Portsmouth

Declarations of interest

Name	Interest registered
Dr Chris Stephens	Employed by Faculty of Medicine, University of Southampton
Cllr. Dave Shields	Member – Healthwatch England
David Williams	Board member of Portsmouth Clinical Commissioning Group (CCG)
Cllr. Patricia Stallard	Nil
Dr Elizabeth Fellows	Partner in Milton Park Practice. Involved in Southsea Integrated Care Pilot Clinical Executive Portsmouth CCG
Dr Elizabeth Palmer	Clinical Programme Lead for Paediatrics and Supporting Families for Southampton City CCG
Lucy Foord	Nil
Teresa Freeman	Member of 'Friends of Snowdon', a registered Charity
Sarah Oborne	Volunteer with St John Ambulance
Jenny Ford	Nil
Fran Williams	Nil
Christine Cassell	Director and shareholder in Rise Community Development Ltd Volunteer for Stroke Association Member of UKIP
Clive Clifford	Lay member of Southampton Local Child Protection Board
Hope Jackman	Nil
David Lickman	Nil
Jon Clark	Spouse works for Faculty of Medicine at the University of Southampton
Narcisse Kamga	The Sickle Cell Society MENCAP
Michael North	Nil
Paul Rolfe	Trustee John Pounds Centre Employed by Highbury College as Head of Technology and Innovation
Sharon Ward	Nil
David Stephen Butler	Portsmouth Citizens Advice Bureau Portsmouth Royal Dockyard Historical Trust Portsmouth Panel of the Hampshire & Isle of Wight Charities Foundation
Sharon Collins	Nil
Pearl Elizabeth Dell May	Nil
Harry Hellier	Nil
Robert Blackman	Nil

Engagement with the Board of Directors:

- The shadow Council is Chaired by the Trust Chair which provides a link between the Board of Directors and the Council.

- Board members participated in the governors' induction process.

- The Chair and Chief Executive Officer hold monthly governor surgeries and quarterly staff governor surgeries where governors are invited to meet with them to discuss any key issues or concerns.

- The Chief Executive Officer, the Company Secretary, one non-executive director (NED) (on rotation) and either the Director of Finance and Performance, the Director of Nursing and Quality or the Medical Director, depending on the agenda items, attend each Council meeting.

- In addition, the entire Board of Directors are invited to join two Council meetings a year. The Chairs of the Council committees and working groups are invited to meet with the Chairman, the Chief Executive and the Senior Independent Director (SID) every six months. The Lead Governor is also invited to attend quarterly meeting with the Chairman, SID and Company Secretary.

- Board members participated in governor workshops focusing on the development of the our annual Operating Plan.

- Board members and governors are invited to key events such as the annual staff VIP event (a celebration of staff achievement and recognition) and the annual research and development conference.

- At each Board meeting, the Chairman has the opportunity to raise any concerns or issues put forward by the Governors or via the Trust's membership.

- Nominated governor observers attend the Assurance Committee, Audit and Risk Committee, Mental Health Act Scrutiny Committee and the Charitable Funds Committee and are invited to meet with the NED chairs before / after the meeting to raise any queries .

- A governor representative joins executive and non-executive colleagues on monthly Board to floor patient safety visits.

- Non-executive directors are invited to attend all governor development activities facilitating engagement.

- Governors and non-executive directors participate in Patient-Led Assessments of the Care Environment (PLACE) inspections.

Board of Directors

The Board

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

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

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

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

Engagement activities between the Board and Council of Governors is described on page 38.

Meetings of the Board

The Board meets once a month in public. Additional meetings with Board members and invited attendees are held monthly to discuss confidential matters.

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

The Board of Directors comprises six non-executive directors (NED) including the Chairman and five executive directors (including the Chief Executive Officer). Together they bring a wide range of skills and experience to the Trust enabling us to achieve balance at the highest level. The structure is statutorily compliant and considered to be appropriate. The composition, balance of skills and experience of the Board is reviewed annually by the Governance and Nominations Committee.

Appointments

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

Declaration of interests

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

Declarations of interest

Name	Interest registered
Dr Alistair Stokes Chairman	• Trustee of Hants and IOW Community Foundation • Governor of University of West London. (KPMG are Solent's and University of West London internal auditors). • Subscription paying member of the New Forest West Conservative Association and thereby a member of the Conservative Party • Chair and Trustee of Ringwood Foodbank • Chair of Avon Valley Concerts
Barry Neaves Non Executive Director	• Director - Spectrum Premier Homes Ltd. • Trustee and Treasurer - The League of Friends of Romsey Hospital • Lay Member - Chartered Insurance Institute Disciplinary Committee and Membership Application sub-committee • Board Member Spectrum Housing Group Ltd *Retired interests since last declaration* • Audit Committee Member Spectrum Housing Group Ltd • Director - Signpost Homes Ltd.
Jon Pittam Non Executive Director	• Secretary of Alresford Rotary Club • Chartered Institute of Public Finance and Accountancy
Liz Bailey Non Executive Director	No interests to declare *Retired interests since last declaration* • Facilitator of a series of personal development workshops for staff post MARs
Brad Roynon Non-executive director	No interests to declare
Mick Tutt Non Executive Director	• Pelican Consulting – Management advice and support to health and social care organisations • The Committed Network • Registered with Nursing and Midwifery Council *Retired interests since last declaration* • Non-Executive Director for (South Central) Patient Safety Federation
Dr Ros Tolcher Chief Executive	No interests to declare
Dr Tony Snell Medical Director	• Minority Shareholder - Orion CRO
Michael Parr Director of Finance	• Hospitality received - IT Forum - April 2013; Finance Director Forum on board Aurora; fact finding visit on SBS outsourcing to India Oct 2013 • Public Sector Director of Hampshire Lift Co Ltd • Local Public Sector Director for Hampshire Lift Co Ltd
Judy Hillier Director of Nursing and Quality	• Son and husband are GPs in the Trust primary care services and West Hampshire CCG area.
Alex Whitfield Chief Operating Officer	No interests to declare

Board development and performance evaluation

The Board has an agreed development plan and holds workshops every two months to focus on developmental and strategic topics. Annually the Board conducts a self-assessment appraisal and any developmental or improvement areas are addressed via the developmental plan. In addition, an annual governance review is conducted by the Governance and Nominations Committee and each Board committee completes a mid-year review against its agreed annual objectives and at year end presents an annual report to the Board on the business conducted.

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

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

The people

Non-executive directors

Dr Alistair Stokes, Chairman

Alistair was appointed to the Trust in April 2011. He has had a wide ranging career in marketing, business development and administration in the chemical and pharmaceutical industries including working as Commercial Director with Monsanto Company and as Managing Director for UK operations and subsequently Regional Director for the Far East and South East Asia for Glaxo PLC. From 2007, Alistair served as Chairman of the Ipsen Group's UK companies, retiring from that role in 2010. Alistair also served as Regional General Manager for the NHS in Yorkshire and for several years as a member and Vice Chairman of a District Health Authority and from 1992 until 1998 as Chairman of an NHS Trust. He is a Fellow of the Institute of Directors and a Chartered Director. He is currently a governor of the University of West London and chairs the University's Audit and Risk Committee. He is also a Trustee of the Hampshire and Isle of Wight Community Foundation. Alistair is the lead NED for Health and Safety (including Local Security Management).

Qualifications: BSc, PhD, CDir, FIoD

Barry Neaves, Deputy Chairman

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

Qualifications: BA, FCCA.

Brad Roynon, Senior Independent Director

Brad was appointed to the Trust in April 2011. He retired in December 2010 as Chief Executive of Southampton City Council where he held this post since 2001 and was responsible for reshaping services increasing efficiencies, improving customer care and developing effective partnerships. Prior to that Brad was Chief Executive of Carmarthenshire County Council between 2007 and 2001 and of East Hampshire District Council between 1988 and 1997. Brad started his career with the NHS as a management adviser with London Teaching Hospitals, where he undertook a wide variety of projects. He later joined the London Borough of Richmond to become Director of the Chief Executive's Office, before moving to East Hampshire. Brad is the chair of the Charitable Funds Committee and lead NED for Safeguarding Children. Brad is the Senior Independent Director and provides a channel through which Trust members and governors are able to express concerns, other than through the normal route of the Chairman or Chief Executive.

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

Mick Tutt

Mick was appointed to the Trust in April 2011. He has more than 40 years' NHS experience, including 20 years in senior management and more than a decade at Executive Director (and equivalent) level. As a qualified nurse Mick has managed mental health and learning disabilities services in a number of different trusts and has experience of working with the CQC and its predecessors, most recently as a bank Compliance Inspector. Mick has also acted as the Nurse/Manager representative on several independent inquiries and has undertaken many investigations into disciplinary and grievance matters and serious incidents. Mick was a former lay member of the Portsmouth Community and Mental Health Service Board before being appointed as Non-Executive Director for Solent NHS Trust. He now acts as a manager for appeals against Mental Health Act detentions and also chairs the Mental Health Scrutiny Committee and Assurance Committee.

Qualifications: RMN, SRN, Dip Nursing

Liz Bailey

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

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

Qualifications: MCIPD (People Development), ACIB Banking

Jon Pittam

Jon was appointed to the Trust in June 2012. Since 1997 until his retirement in 2010, Jon was the County Treasurer for Hampshire County Council as well as being Treasurer for the Hampshire Police and Fire Authorities. In these roles, Jon provided financial and strategic advice in support of the authorities' corporate strategies and was the chief financial officer for budgets approaching £2 billion. Jon was an elected council member of his chartered accountancy body and the national spending convenor for local government finance during several public expenditure rounds. Jon is the chair of the Finance Committee and the lead NED for procurement.

Qualifications: BSc, CIPFA

Executive directors

Dr Ros Tolcher, Chief Executive Officer

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

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

Michael Parr, Director of Finance and Performance

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

Qualifications: ACMA, BSc

Dr Tony Snell, Medical Director

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

Qualifications: MBChB, DRCOG, MRCGP

Alex Whitfield, Chief Operating Officer

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

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

Judy Hillier, Director of Nursing and Quality

Judy was appointed to Solent NHS Trust in April 2011. Judy trained as a nurse at Westminster Hospital, London and worked there as a sister in ITU and cardiology. After a career break to have a family and run a small commercial business Judy returned to the NHS to take up a career in clinical leadership and management. Roles have covered a wide range of responsibilities ranging from Operational Director in large acute trust, to a Primary Care and Quality Manager in a Health Authority, a Commissioning Manager covering cancer and children's services in a PCT and working as the Director of Provider Services for Portsmouth Community and Mental Health Services. Following the merger of Portsmouth and Southampton community and mental health services, Judy took on the role covering both operational and clinical leadership as the Director of Clinical Excellence and Delivery. Judy is presently the Director of Nursing and Quality in Solent NHS Trust and combines this with a role as Joint Chair of the FTN Clinical Leads Network. In the past she has combined her day job with additional roles such as the Chair of the South Central Health Visitor Challenge group, the South Central SHA Patient Safety Federation lead for 'No Needless Falls', she was a member of the national Department of Health Fractures and Falls Advisory Group, developing the national commissioning toolkit for falls, chaired the Hampshire and Isle of Wight Equality and Diversity Board and has been a national speaker on Falls Prevention and Nursing Productivity.

In her present role she is dedicated to the delivery and governance of safe and effective care, working to ensure the people who use the services provided by Solent NHS Trust have a good experience.

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

Non-voting directors

Sarah Austin, Director of Strategy

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

Qualifications: RGN, BSc, MBA

Julie Pennycook, Director of Human Resources and Organisational Development

Having worked in the independent healthcare sector for 15 years, Julie joined the NHS in Southampton in 2003 and Solent NHS Trust in April 2011. She leads a comprehensive Human Resources (HR) and Organisational Development (OD) Department comprising HR Business Partners, Learning and Development, Workforce Information and Planning, Employment Administration, in-house Bank Staffing Service and Occupational Health.

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

The Board's committees

The Board has established the following committees:

Statutory committees	Designated committees
• Audit and Risk Committee	Assurance Committee
• Governance and Nominations Committee	Finance Committee
• Remuneration Committee	Mental Health Act (MHA) Scrutiny Committee
• Charitable Funds Committee	

Composition of Board committees at 31 March 2014

Director	Position	Board	Finance Committee	Remuneration Committee	Assurance Committee	MHA Scrutiny Committee	Governance and Nominations Committee	Audit and Risk Committee	Charitable Funds Committee
Alistair Stokes	Chairman	(Chair)	-	✓	-	✓	(Chair)	-	-
Liz Bailey	Non-Exec Director	✓	-	(Chair)	✓	✓	-	✓	-
Barry Neaves	Non-Exec Director	✓	-	✓	-	✓	✓	(Chair)	-
Brad Roynon	Non-Exec Director	✓	✓	✓	✓	-	-	✓	(Chair)
Mick Tutt	Non-Exec Director	✓	-	✓	(Chair)	(Chair)	✓	-	✓
Jon Pittam	Non-Exec Director	✓	(Chair)	✓	-	✓	-	-	-
Ros Tolcher	Chief Executive	✓	✓	-	✓	Invited	✓	Invited	-
Judy Hillier	Dir. of Nursing and Quality	✓	-	-	✓	✓	-	Invited	✓
Alex Whitfield	Chief Operating Officer	✓	-	-	✓	✓	-	-	-
Michael Parr	Dir. of Finance and Performance	✓	✓	-	-	-	-	Invited	✓
Tony Snell	Medical Director	✓	-	-	✓	✓	-	-	-
Non-Voting Directors									
Sarah Austin	Dir. of Strategy	Attendee	-	-	-	-	-	-	-
Julie Pennycook	Dir. of HR and OD	Attendee	-	-	✓	-	-	-	-

46

Attendance records for the year ended 31 March 2014

Director	Position	Board (11 meetings)	Finance Committee (4 meetings)	Remuneration Committee (4 meetings)	Assurance Committee (10 meetings)	MHA Scrutiny Committee (5 meetings)	Governance and Nominations Committee (2 meetings)	Audit and Risk Committee (5 meetings)	Charitable Funds Committee (4 meetings)
Alistair Stokes	Chairman	11/11	-	3/4	(invited: 1/10)	2/4	2/2	-	-
Liz Bailey	Non-exec	9/11	-	4/4	10/10	4/4	-	3/5	-
Barry Neaves	Non-exec	7/11	-	3/4	-	2/4	2/2	4/5	-
Brad Roynon	Non-exec	10/11	3/4	3/4	9/10	-	-	4/5	4/4
Mick Tutt	Non-exec	11/11	-	4/4	10/10	4/4	2/2	-	3/4
Jon Pittam	Non-exec	8/11	4/4	3/4	-	3/4	-	(rep: 2/5)	-
Ros Tolcher	Chief Exec	10/11	2/4	-	9/10	(Invited: 1/4)	2/2	(Invited: 5/5)	-
Judy Hillier	Exec	9/11	-	-	8/10	-	-	(Invited: 3/5)	3/4
Michael Parr	Exec	10/11	4/4	-	-	-	-	(Invited: 2/5)	2/4
Tony Snell	Exec	11/11	-	-	9/10	(invited: 1/4)	-	-	-
Alex Whitfield	Exec	10/11	-	-	9/10	(invited: 3/4)	-	-	-

Audit and Risk Committee

Frequency of meeting: At least quarterly (plus private meeting with External Auditor). During 2013/14 the committee met 5 times.

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

• Governance, risk management and internal control
• Internal audit
• External audit
• Other assurance functions – including Counter Fraud
• Financial reporting

The Audit and Risk Committee composition and attendance 2013/14 is summarised above. No significant issues in relation to the financial statements of 2013/14, operations or compliance were raised by the Audit and Risk Committee during the year.

Details of other committees of the Board are described in the Annual Governance Statement, page 57.

Internal audit

Our Internal Auditors, KPMG LLP were appointed from 1 April 2012 for 3 years. Internal audit provides an independent assurance with regards to the Trust's systems of internal control to the Board. The Audit and Risk Committee considers and approves the internal audit plan and

receives regular reports on progress against the plan, as well as the Head of Internal Audit Opinion which provides an opinion on the overall adequacy and effectiveness of the organisation's risk management, control and governance processes. The committee also receives and considers internal audit reports on specific areas.

The cost of the internal audit provision for 2013/14 was £70k.

External audit

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

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

External audit is required to review and report on:

• the Trust's accounts
• whether the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

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

The cost of the external audit provision to conduct the statutory audit for 2013/14 was £70k. No other assurances or services were provided by external audit during 2013/14.

No non-audit services were carried out by the external auditors for the year 2013/14 and there were therefore, no conflicts of interest in relation to their role during this time.

Disclosure of information to auditors

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

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

Counter fraud

Local Counter Fraud Services (LCFS) are provided by Hampshire and IOW Counter Fraud Team. The role of the LCFS is to assist in creating an anti-fraud, corruption and bribery culture within the Trust; to deter, prevent and detect fraud, to investigate suspicions that arise, to seek to apply appropriate sanctions; and to seek redress in respect of monies obtained through fraud. The Audit and Risk Committee receives regular progress reports from the LCFS during the course of the year and also receives an annual report. The Trust's Counter Fraud service has received a rating of 4 (excellent – the highest possible rating) from the NHS Counter Fraud Service.

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

Remuneration

Full details of remuneration are given in the remuneration report on page 49.

Compliance with the NHS Foundation Trust Code of Governance

In accordance with the compliance requirements of Foundation Trusts, we are working to ensure the necessary foundations are in place in readiness for licencing, taking into consideration the requirements of Monitor's Code of Governance. The Board is assured that there are no current departures from compliance requirements and further details can be located in the Annual Governance Statement on page 57.

Remuneration report

Remuneration of the Chief Executive and directors accountable to the Chief Executive is determined by the Remuneration Committee. Its Terms of Reference comply with the Secretary of State's "Code of Conduct and Accountability for NHS Boards".

The Remuneration Committee has met four times during 2013/14. The committee considers the terms and conditions of appointment of all executive directors, and the appointment of the Chief Executive and other executive directors.

All non-executive directors and the Chairman are members of the committee. Although the Chief Executive, Director of Human Resources and Organisational Development, and Director of Finance and Performance do attend the meetings by invitation, they are not members of the Committee. The number of meetings and attendance is detailed below:

Remuneration Committee: Meetings and attendance

Board member	18/06/13	30/09/13 (virtual)	19/11/13 (virtual)	17/03/14
Elizabeth Bailey (Chair)	✓	✓	✓	✓
Barry Neaves	✓	✓	✓	✓
Michael Tutt	✓	✓	✓	✓
Bradley Roynon	✓	✓	A	✓
Jonathan Pittam	✓	✓	✓	A
Alistair Stokes	✓	✓	A	✓

✓ = Attended meeting   A= Apologies received

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

The Trust's policy on the remuneration of senior managers for current and future financial years is based on principles agreed nationally by the Department of Health, taking into account market forces and benchmarking. During 2013/14 Gatenby Sanderson undertook a benchmarking exercise on executive director and non-executive director pay, which has been used to review remuneration of the Chief Executive and executive directors.

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

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

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

All executive directors are employed without term in accordance with the Trust Recruitment and Selection Policy.

Duration of contracts

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

Within the 2013/14 financial year there have been no early terminations of executive directors and as a result no provisions were necessary.

The Chair and non-executive directors are appointed on a term determined by the Secretary of State. They are office holders and as such are not employees, so are not entitled to any notice periods or termination payments.

Awards made to previous senior managers

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

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

Off payroll engagements

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

In accordance with PES (2012) 17 Annual Reporting Guidance 2012/13, all public bodies are required to publish the following information within their 2013/14 Annual Report:

Off payroll engagements in place as at 31/03/14, for more than £220 per day that last longer than six months	
Total number of off pay scale engagements in place as at 31 March 2014	6
Of which, the number that have existed for:	
less than one year	4
between one and two years at the time of reporting	2
between two and three years at the time of reporting	0
between three and four years at the time of reporting	0
four or more years at the time of reporting	0

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

Off payroll engagements entered into between 01/04/13 and 31/03/14, at a rate of £220 or more per day and that last 6 months or more in duration	
Number of new engagements, or those that reached six months in duration, between 1 April 2013 and 31 March 2014	2
Number of new engagements which include contractual clauses giving the Trust the right to request assurance in relation to the contractors' Income Tax and National Insurance obligations	2
Number for whom assurance has been requested	2
Of which	
assurance has been received	2
assurance has not been received	0
engagements terminated as a result of assurance not being received.	0

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

Number of off-payroll engagements of board members, and or senior officers with significant financial responsibility, during the year	0
Number of individuals that have been deemed "board members, and/or senior officers with significant financial responsibility" during the financial year. This figure includes both off-payroll and on-payroll engagements	0

Pay multiples

The banded remuneration of the highest paid director in the Trust in the financial year 2013/14 was £160k-165k (2012-13, £165k-170k). This was six times (2012/13 1:6) the median remuneration of the workforce, which was £27,244 (2012/13 - £28,316).

In 2012/14 one (2012/13 one) employee received remuneration in excess of the highest paid director. Remuneration ranged from £13k-£175k (2012/13, £14k - £170k).

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

When calculating the median figure, individuals employed via a bank contract who did not work in March 2014 have been excluded, together with honorary appointments, non-executive directors who receive allowances only, and individuals who were not directly employed by the Trust during the 2013/14 financial year.

Expenses

During the 2013/14 financial year, subsistence and travel costs were paid as follows:

	Number	Number making a claim	2012/2013 £	17/03/14 £
Executive directors	7	7	20,021.48	11,521.69
Non executive directors	6	4	9,418.48	4,729.55
Shadow governors	24	7	-	948.55
Total	37	18	29,439.96	17,199.79

The salary, emoluments, allowances, exit packages, and pension entitlements of the Trust's senior managers are detailed in the following sections.

Exit packages[1]

Changes have continued to take place within the organisation in the 2013/2014 financial year and whilst we endeavour to do all we can to ensure the continued employment of our staff there have been 28 severance payments totalling £783k made in the year. All of these payments relate to compulsory redundancies. All payments have been made in accordance with the NHS Pension Scheme procedures and National Terms and Conditions, as a result Treasury approval has not been required.

[1] Subject to Audit

Salaries and allowances[2]

Name and title	2013/14					
	(a)	(b)	(c)	(d)	(e)	Total
	Salary (bands of £5,000)	Expense payments (taxable) total to nearest £100	Performance pay and bonuses (bands of £5,000)	Long term performance pay and bonuses (bands of £5,000	All pension-related benefits (bands of £2,500)	(a to e) (bands of £5000)
	£000	£00	£000	£000	£000	£000
R Tolcher – Chief Executive	160-165	0	0	0	20-25	180-185
J Pennycook – Director of Human Resources and Organisational Development	90-95	0	0	0	10-15	105-110
M Parr – Director of Finance and Performance	95-100	0	0	0	10-15	110-115
A Snell – Medical Director	125-130	0	0	0	0	125-130
A Whitfield – Chief Operating Officer	105-110	0	0	0	10-15	120-125
J Hillier – Director of Nursing and Quality	90-95	0	0	0	10-15	105-110
S Austin – Director of Strategy	95-100	0	0	0	10-15	110-115
A Stokes – Chairman	15-20	0	0	0	0	15-20
E Bailey – Non Executive Director	5-10	0	0	0	0	5-10
B Neaves – Non Executive Director	5-10	0	0	0	0	5-10
B Roynon – Non Executive Director	5-10	0	0	0	0	5-10
M Tutt – Non Executive Director	5-10	0	0	0	0	5-10
J Pittam – Non Executive Director	5-10	0	0	0	0	5-10

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

[2] Subject to Audit

Pensions[3]

	Real increase in pension at age 60 (bands of £2,500) £000	Real increase in pension lump sum at aged 60 (bands of £2,500) £000	Total accrued pension at age 60 at 31 March 2014 (bands of £5,000) £000	Lump sum at age 60 related to accrued pension at 31 March 2014 (bands of £5,000) £000	Cash equivalent Transfer Value at 31 March 2013 £000	Cash equivalent Transfer Value at 31 March 2014 £000	Real increase in Cash Equivalent Transfer Value £000	Employers Contribution to Stakeholder Pension to nearest £100
R Tolcher	0.0 - 2.5	5.0 - 7.5	45 - 50	135 - 140	787	865	59	
M Parr	0.0 - 2.5	2.5 - 5.0	20 - 25	65 - 70	319	358	31	
A Whitfield	0.0 - 2.5	2.5 - 5.0	10 - 15	30 - 35	145	170	22	
A Snell *	----	----	----	----	----	----	----	
J Hillier **	0.0 - 2.5	2.5 - 5.0	25 - 30	75 - 80	----	----	----	
J Pennycook	0.0 - 2.5	2.5 - 5.0	10 - 15	35 - 40	189	217	24	
S Austin	2.5 - 5.0	2.5 - 5.0	40 - 45	90 - 95	553	623	58	

* No longer a member of the pension scheme.

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

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

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

Past and present employees are covered by the provisions of the NHS Pensions Scheme[4].

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

[3] Subject to Audit

[4] The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

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 scheme or arrangement) and uses common market valuation factors for the start and end of the period.

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

(In shadow, the Trust has duly considered the NHS Foundation Trust Accounting Officer Memorandum and the NHS Foundation Trust Annual Reporting Manual 2013/14)

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

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

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

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

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

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

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

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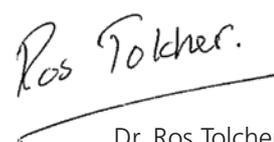
Ros Tolcher.

Dr. Ros Tolcher

Chief Executive 27 May 2014

Annual Governance Statement (AGS) 2013/14

Scope of responsibility

As Accountable Officer (and future Accounting Officer once licenced as a Foundation Trust), I have responsibility for maintaining a sound system of internal control that supports the achievement of the Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the Trust is administered prudently and economically and that resources are applied efficiently and effectively.

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Solent NHS Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in Solent NHS Trust for the year ended 31 March 2014 and up to the date of approval of the annual report and accounts.

The governance framework of the organisation

Solent NHS Trust Board

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

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

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

The Board has established the following committees:

Statutory committees	Designated committees
Audit and Risk Committee	Assurance Committee
Governance and Nominations Committee	Finance Committee
Remuneration Committee	Mental Health Act Scrutiny Committee
Charitable Funds Committee	

Figure 1 illustrates the committees

Figure 1
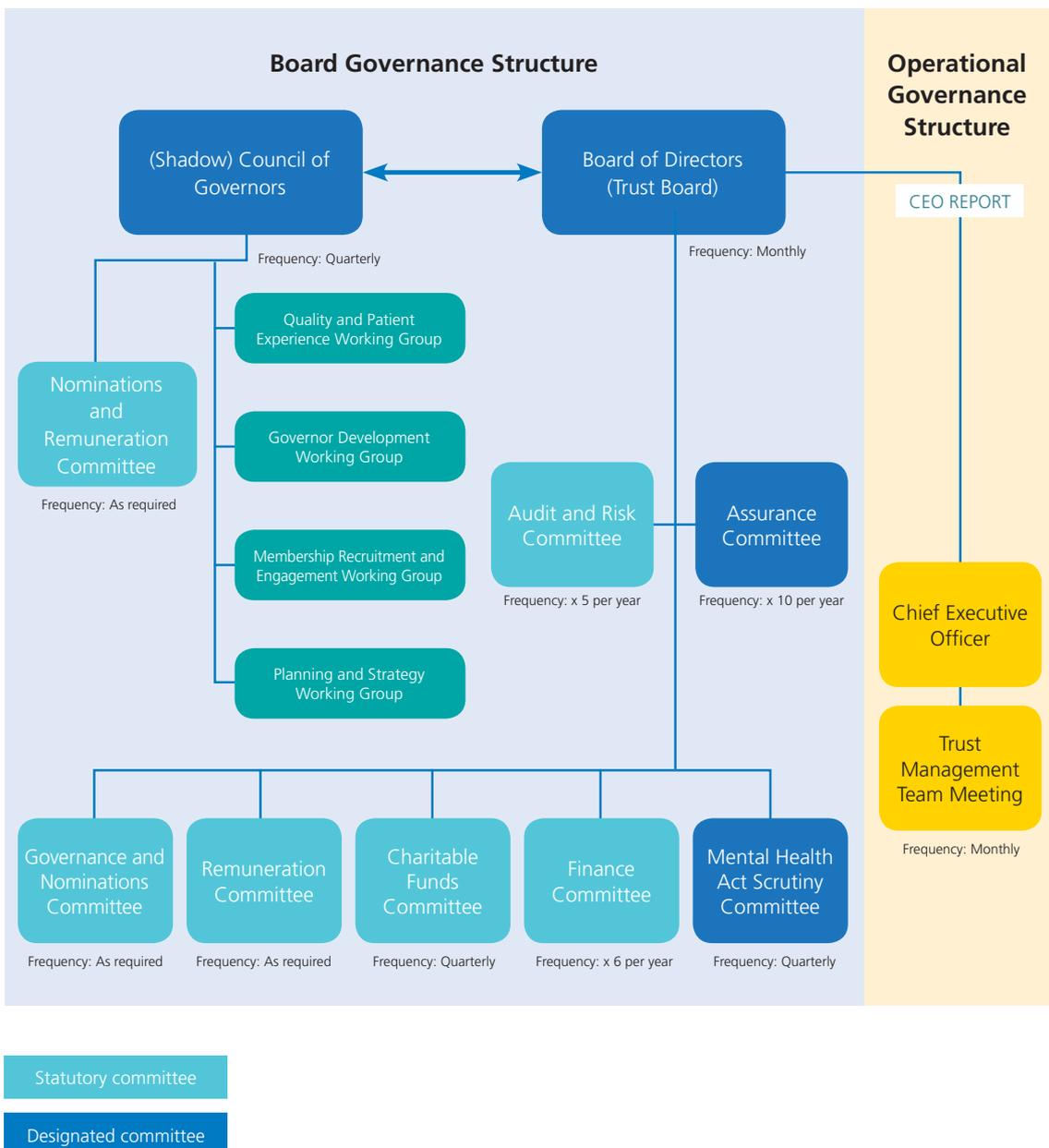
Audit and Risk Committee

Frequency of meeting: At least quarterly (plus private meeting with External Auditor). During 2013-14 the Committee met five times.

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

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

A summary of the internal audit opinions for the audits carried out in year are as follows:

Audit title	Opinion
IT strategy	Improvement potential
Data quality – Performance reporting	Improvement potential
Estate strategy	Improvement potential
Patient experience	Improvement potential
Core financial systems	Improvement potential
IG toolkit	Improvement potential
PMO arrangements	Significant
Provider licence	Significant

Governance and Nominations Committee

Frequency of meeting: At least annually and as required. During 2013/14 the committee met twice.

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

The committee is responsible for assessing the size, structure and skill requirements of the Board, and for considering any changes necessary or new appointments. If a need is identified, the committee will produce a job description, decide if external recruitment consultants are required to assist in the process and instruct the selected agency, shortlist and interview candidates. If the vacancy is for a non-executive director the recruitment process is handled by the Trust Development Authority (prior to FT licencing). The Chairman, non-executive directors and the Chief Executive (except in the case of the appointment of a new Chief Executive) are responsible for

deciding the appointment of executive directors. The Chairman and the non-executive directors are responsible for the appointment and removal of the Chief Executive. All new appointees received an appropriate induction.

The committee has also reviewed all Board Committee Terms of Reference in readiness for FT licencing.

Remuneration Committee

Frequency of meeting: At least annually and as required. During 2013/14 the committee met four times.

The Remuneration Committee is comprised of the non-executive directors (and others by invitation). The committee reports to Trust Board Part 2 meetings regarding recommendations and the basis for its decisions. The committee makes decisions on behalf of the Board about appropriate remuneration (including consideration of performance related pay and to note decisions of the Clinical Excellence Awards), allowances and terms of service for the Chief Executive and other executive directors.

Charitable Funds Committee

Frequency of meeting: Quarterly. During 2013/14 the committee met four times.

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

Assurance Committee

Frequency of meeting: Ten times a year. During 2013/14 the committee met ten times.

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

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

• promote quality, safety and excellence in patient care

• identify, prioritise and manage risk

• ensure the effective and efficient use of resources

• protect the health and safety of Trust employees

• ensure that all statutory requirements are complied with.

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

Finance Committee

Frequency of meeting: Approx. six times a year (depending on agenda items) During 2013/14 the committee met four times.

The Finance Committee is responsible for ensuring appropriate financial frameworks are in place to drive the financial strategy, and provide assurance to the Board on financial matters as directed. The committee focuses on the following areas; strategic financial planning, annual budget setting and monitoring, treasury management, business managing (including overseeing the implementation of Service Line Reporting and Service Line Management) as well as conducting in depth reviews of aspects of financial performance as directed by the Board and reviewing the financial requirements of the FT application.

Mental Health Act Scrutiny Committee

Frequency of meeting: Quarterly. During 2013/14 the committee met four times.

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

Attendance records at the Board and its committees are included within the Annual Report pg 47.

Highlights of Board committee reports

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

Each of the Board's committees produces an annual report on the business conducted in year and achievements against the committee's objectives. These reports are presented to the Board.

The Trust has achieved its targets against the national priorities set out in the NHS Operating Framework 2013/14 and the NHS TDA Accountability Framework.

Performance evaluation of Board

The Trust has undertaken several processes in year to assist in the evaluation of the Board, its directors and committees, including:

- an annual Board appraisal
- third party observations, as part of the Foundation Trust application process
- on-going Board development plan
- appraisals and mid-year reviews (the Chief Executive appraises the executive directors and the Chairman appraises the Chief Executive and the non-executive directors. The Chair is appraised by the Trust Development Authority).
- an annual governance review conducted by the Governance and Nominations Committee
- internal audits
- the review of annual reports by each Board committee.

Compliance with the HM Treasury/Cabinet Office Corporate Governance Code

The Board is assured that there are no departures from the compliance requirements of the Corporate Code of Governance and has confirmed that arrangements are legally compliant, with no irregularities reported, as such the Board considers arrangements are appropriate for the discharge of statutory functions.

Capacity to handle risk

Risk management and quality governance accountability and leadership

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

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

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

- Director of Nursing and Quality (DoN&Q) - nominated Executive Lead Director for risk management and quality governance

- Head of Quality Assurance and Risk - senior manager responsible for developing and overseeing the implementation of the Risk Management Framework, risk procedures and administering the corporate risk register. Together with the DoN&Q ensures emergency planning and disaster recovery plans are established and regularly tested.

- Clinical Directors - accountable for risk and clinical governance within their respective service lines, supported by the Operational Directors and Governance Leads.

- Service Line Clinical Governance Subcommittees (SLCGS), chaired by the Clinical Director - responsible for the oversight of quality and risks, triangulating performance information to monitor and address service quality. SLCGS providing exception reporting to the Assurance Committee and on a rolling basis provide deep diver reports to the committee. The service line structure provides high levels of autonomy increasing the effectiveness and accountability of the clinical services.

- Operational Directors and Heads of Service – responsible for managing operational risks originating within their service areas.

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

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

Risk management training

Formal training is provided through the Risk Management and Learning and Development Teams

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

Risk assurance

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

To ensure the Trust continues to comply with Monitor's NHS Provider Licence, notably condition FT4 concerning governance arrangements, the Trust has implemented a Compliance Log and associated risks to compliance are recorded within the Board Assurance Framework. Internal Audit has offered an opinion of significant assurance in relation to the robustness of this process during their January 2014 audit.

The risk and control framework

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

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

- an appropriate framework; delegating authority, seeking competent advice and assurance
- a clear risk appetite, risk culture, philosophy and resources for risk management
- the integration of risk management into all strategic and operational activities
- the identification and analysis, active management, monitoring and reporting of risk across the Trust
- the appropriate and timely escalation of risks
- an environment of continuous learning from risks, complaints and incidents in a fair blame/non-punitive culture underpinned by open communication

- consistent compliance with relevant standards, targets and best practice
- business continuity plans and recovery plans that are established and regularly tested; and
- fraud deterrence including the proactive work conducted by the Local Counter Fraud Service, policies on Fraud, Corruption and Anti-bribery , debt recovery and the threat of prosecution.

Risk assessment process

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

Risk registers operate at service line level for all risk scoring 12 or above being escalated to the corporate risk register, in accordance with the risk appetite, agreed by Board. Figure 2 illustrates the risk reporting structure.

Figure 2
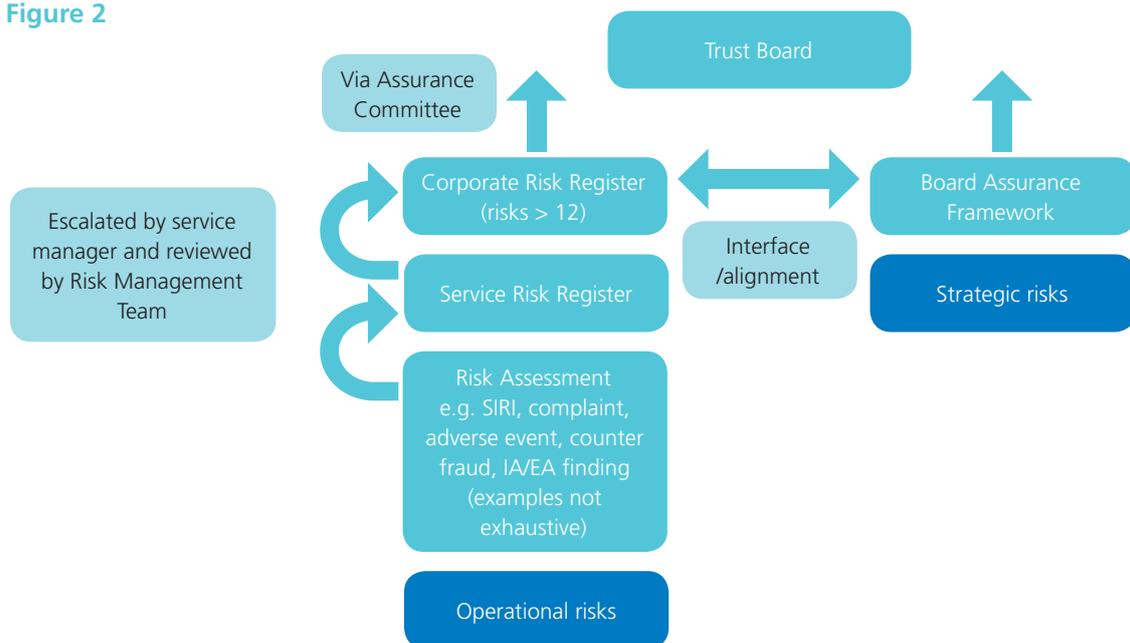
Risk identification and measurement

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

As the organisation has implemented online web incident and risk reporting, this has provided the ability for real time reporting and escalation and aligns existing systems used for incident, complaints and claims reporting. In turn this has enabled the Risk Team (and service managers) to provide swift response and support to services.

The Trust uses the National Patient Safety Agency by 5 likelihood and severity matrix to assign a risk score and we recognise that in all cases it is vital to set the risk into context for evaluation. Risks which fall outside of the remit of routine clinical assessment or are potentially significant for the organisation are approached and managed in line with the Risk Management Framework. The Trust has enhanced its processes by implementing a Clinical Risk Assessment Policy.

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

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

- Loss of core business – mitigating actions include ensuring capacity to meet market plans and the development of new contracting modalities.

- Financial failure – mitigations include the full implementation of service line management, enhanced financial diligence concerning business development opportunities, robust financial performance management including CIP monitoring and review of contracts.

- Dealing with new risks as a result of gaining a significant estates portfolio.

- Risks associated with clinical ICT systems, functionality and connectivity – particularly within our sexual health and community nursing services where mitigating actions include manual workarounds until the ICT solution is fully implemented.

- Managing the demobilisation of services.

- Ensuing that services in times of challenging situations are supported to ensure high quality care including safe staffing levels across the organisation to meet service demands, for example within community nursing – where mitigating actions include reviewing service specification, contract negotiations and recruitment to vacant posts.

- Monitoring all significant risk associated with Cost Improvement Programmes.

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

In year we investigated and responded to a number of SIRIs categorised as follows:

- Unexpected deaths - In our Adult Mental Health and Substance Misuse Services. Appropriate investigation has taken place in relation to these incidents.

- Pressure ulcer reporting - In 2013/14 a total of three avoidable grade 3 and 4 pressure ulcers were acquired whilst in our care. Whilst we record and investigate other pressure ulcers within our performance data, these were not acquired in our care (for example, the patient transferred in with the pressure ulcer from primary or acute care). We are working in close collaboration across health and social care providers to ensure best practice in the prevention and early detection of pressure ulcers.

- Information Governance - During 2013/14 there has also been a notable increase in the number of IG incidents, however we believe that a number are attributable to an increase in awareness of reporting. Three IG incidents in year have been rated as serious incidents requiring investigation (SIRIs) and reported to the Information Commissioners Office (ICO). These were concerning medical information and personal records. Each incident has been investigated internally and learning identified. In addition an IG health check and been commissioned to ensure that learning is properly implemented and lessons are learnt across the Trust. As Accountable Officer I am satisfied that an appropriate internal investigation has taken place in respect of the incidents and measures and actions have been implemented to safeguard information as a consequence. We are awaiting the outcome of one of the incidents from the ICO and will address any recommendations made.

Information Governance Toolkit

In March 2014 the Trust achieved level 2 standard in relation to the national Information Governance Toolkit, which requires a considerable number of requirements and arrangements which must be achieved. This includes ensuring that at least 95% of staff have completed Information Governance Training annually, which is nationally recognised as an extremely challenging standard.

Care Quality Commission (CQC) compliance

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

Findings have generally been very positive when assessed against the CQC Essential Standards for Quality and Safety. The Trust underwent a new-style CQC inspection of all services in March 2014, the outcome of which is awaited. Compliance with the national guidance on elimination of mixed sex accommodation within an eight bedded unit is under investigation following feedback from CQC inspectors and interim measures have been put in place pending a substantive resolution.

NHS pension scheme

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

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

Environmental responsibilities

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

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

The following key processes are in place to ensure that resources are used economically, efficiently and effectively:
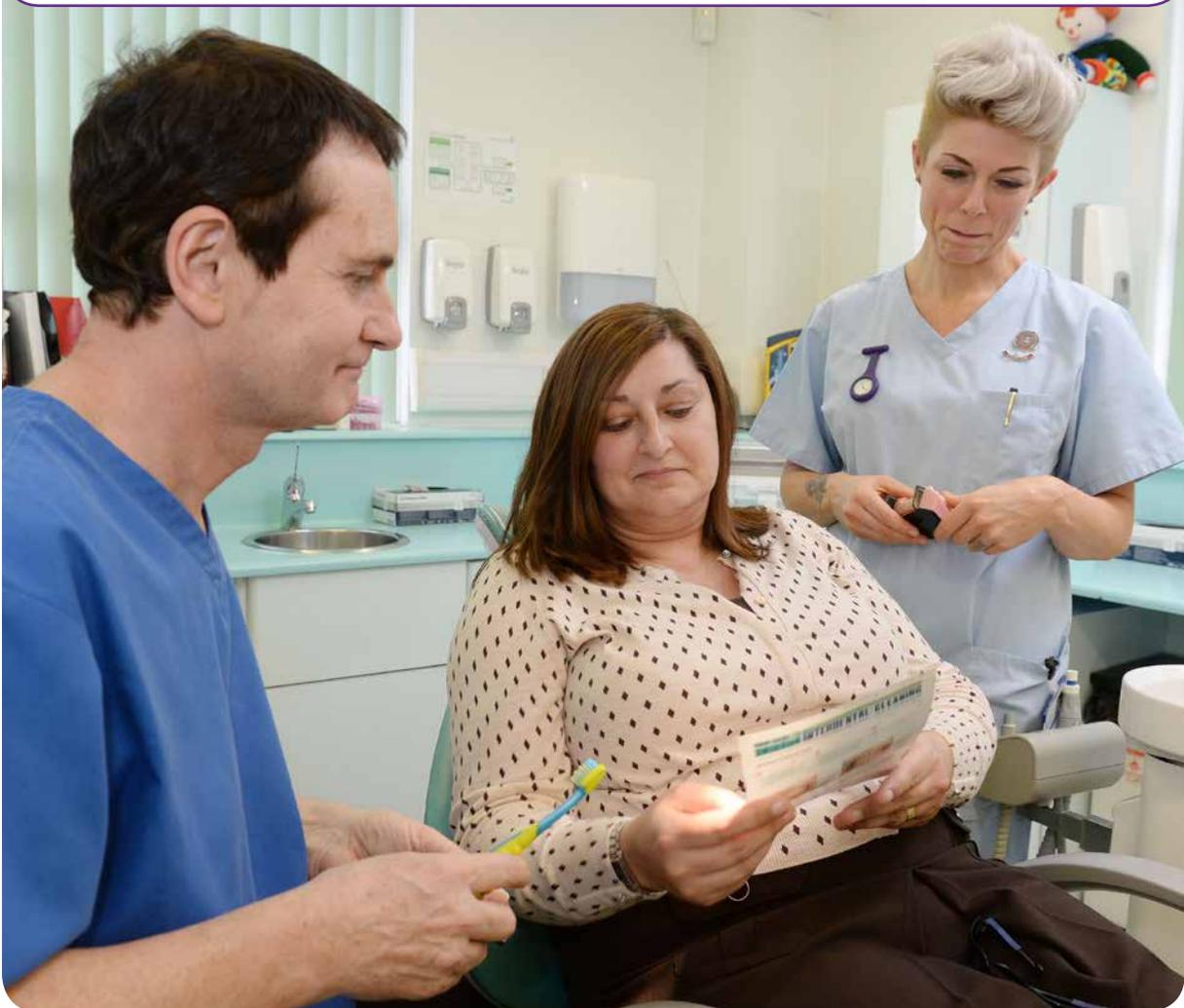
- Scheme of Delegation and Reservation of Powers, Standing Orders and Standing Financial Instructions approved by the Board. These key governance documents include explicit arrangements for:
  - o   setting and monitoring financial budgets;
  - o   delegation of authority;
  - o   performance management; and
  - o   achieving value for money in procurement.
- A financial plan, approved and monitored by the Board.
- Robust competitive processes used for procuring non-staff expenditure items. Above £5000, procurement involves competitive tendering.
- £173m of our £187m income is covered by formal contracts.
- Use of materials management at key sites and e-procurement systems and techniques means the organisation adopts the 'just in time approach' thereby reducing stock levels and potential wastage.
- Cost Improvement Programmes (CIPs), which are assessed for their impact on quality with local clinical ownership and accountability.
- Strict controls on vacancy management and recruitment.
- Devolved financial management with the development of service line reporting and ongoing implementation of service line management.
- Use of national benchmarking for clinical and non-clinical support functions.

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

The Audit and Risk Committee also receives reports regarding Losses and Compensations, Standing Financial Instruction (SFI) breaches, financial adjustments and single tender waivers.

There are a range of internal and external audits that provide further assurance on economy, efficiency and effectiveness, including during 2013/14 internal audit reports on Treasury Management, Estates Strategy, ICT Strategy and Core Financial Systems.

The Trust has a robust monitoring system to ensure that it delivers the objectives and achieves its performance indicators. Ultimate responsibility lies with the Board which monitors performance through the receipt of monthly reports, previously scrutinised by the Trust's Executive Management Team and via the service line performance meetings.

Annual quality report

The directors are required, under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended), to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS Foundation Trust Boards on the form and content of annual quality reports, which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

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

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

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

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

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

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

A Quality Improvement Strategy has been established and implemented, approved by the Board and signed by myself, as CEO. The strategy provides a clear framework with a commitment to place quality at the heart of everything we do, whilst ensuring we meet the needs of the regulatory and contractual requirements. The strategy has a number of specific objectives and ambitions, which is supported by a Quality Improvement Framework. The Trust produces monthly reports to Board and its committees providing comprehensive quantitative and qualitative data assurances regarding the achievement of our Quality improvement Strategy which reflects the national components of Patient Safety, Patient Experience, Clinical Effectiveness and regulation.

As an aspirant Foundation Trust we have self-assessed ourselves against the Quality Governance Framework, the results of which have been externally validated. Assurance against the statements and associated action plans are monitored on a quarterly basis via the Trust Board.

Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the Trust who have responsibility for the development and maintenance of the internal control framework.
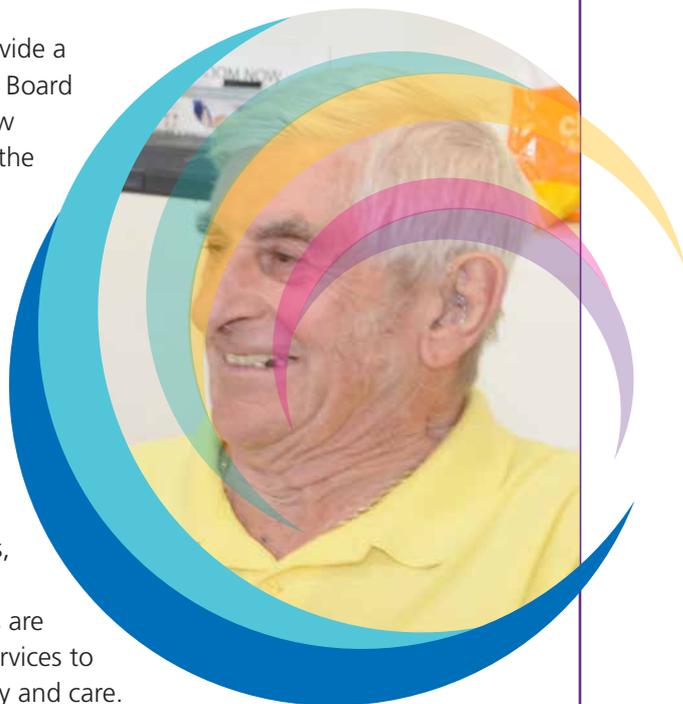
I have drawn on the content of the quality report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit and Risk Committee and Assurance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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

- the annual governance review by the Governance and Nominations Committee on the Board's committee structure and associated terms of reference
- the six monthly review of the effectiveness of the Board Assurance Framework (BAF) by the Audit and Risk Committee. The BAF is also reviewed and challenged quarterly by the Board and updates are presented monthly via the Chief Executive's report to the Board.
- the scrutiny given to the Clinical Audit programme by the Audit and Risk Committee
- the external validation of the Board Governance Assurance Framework as part of the Trust's Foundation Trust application
- the Board appraisal conducted in January 2014
- the independent scrutiny of Monitor's Quality Governance Framework and the subsequent action plan to address areas for improvement
- the review of serious untoward incidents and learning by SIRI Panel and Service Line Clinical Governance Committees
- the observations conducted by Monitor of the Board, the Audit and Risk Committee and Assurance Committee.
- the findings of relevant internal audits.

As a result I consider the Board's performance to be strong throughout the year and effective in the oversight of internal control.

Significant issues during 2013/14

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

I can conclude that no matters have been brought to the Board's attention where it was considered an infringement against the requirements set out in the Accountable Officer's Memorandum or would be considered a significant internal control issue.
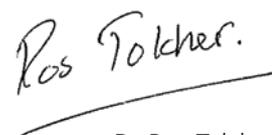
Ros Tolcher.

Dr Ros Tolcher
Chief Executive
Date: 27 May 2014

Section 3: Finance

Foreword and statement on financial performance

In our third year of trading we have ended 2013/14 by achieving our financial statutory duties:

- To at least breakeven on income and expenditure which is a measure of financial stability. The Trust achieved its planned £1.9m surplus.

- External Financing Limit (EFL) which is an overall cash management control. The Trust was set an EFL of £0.6m for 2013/14, actual EFL was £1.4m and therefore the Trust achieved the EFL target with a positive variance of £0.8m.

- Capital Cost absorption rate is nominally 3.5% and is calculated on the average net relevant assets excluding balances held in the Government Banking Service bank accounts and for 2013/14 only the net assets transferred from NHS bodies dissolved on 1 April 2013. As the Trust has no significant fixed assets (excluding the assets transferred in the year) and a large cash balance, the absorption rate is actually reported as zero.

- Capital Resource Limit (CRL) which represents investments in fixed assets throughout the year. The Trust's fixed asset investment for 2013/14 was £2.4m, £1.9m within the target of £4.3m.

In addition we delivered a Cost Improvement Programme of £10.8m which represented a 5.8% overall cost reduction.
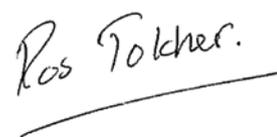
Ros Tolcher.

Dr Ros Tolcher

Chief Executive

Date: 27 May 2014

Independent auditors report to the Accountable Officer of Solent NHS Trust

We have audited the financial statements of Solent NHS Trust for the year ended 31 March 2014 under the Audit Commission Act 1998. The financial statements comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows and the related notes 1 to 41. The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to the National Health Service in England.

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

- the table of salaries and allowances of senior managers and related narrative notes on pages 49, 50 and 53;
- the table of pension benefits of senior managers and related narrative notes on page 54 and 55.
- the table of pay multiples and related narrative notes on page 51.

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

Respective responsibilities of directors and auditors

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trust; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge

acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the financial position of Solent NHS Trust as at 31 March 2014 and of its expenditure and income for the year then ended; and

- have been prepared properly in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to the National Health Service in England.

Opinion on other matters

In our opinion:

- the part of the Remuneration Report subject to audit has been prepared properly in accordance with the requirements directed by the Secretary of State with the consent of the Treasury as relevant to the National Health Service in England; and

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

Matters on which we report by exception

We report to you if:

- in our opinion the governance statement does not reflect compliance with the Trust Development Authority's Guidance;

- we refer the matter to the Secretary of State under section 19 of the Audit Commission Act 1998 because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency; or

- we issue a report in the public interest under section 8 of the Audit Commission Act 1998

We have nothing to report in these respects.

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

Respective responsibilities of the Trust and auditors

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

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

We report if significant matters have come to our attention which prevent us from concluding that

the Trust has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

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

We have undertaken our audit in accordance with the Code of Audit Practice, having regard to the guidance on the specified criteria, published by the Audit Commission in October 2013, as to whether the Trust has proper arrangements for:

- securing financial resilience; and

- challenging how it secures economy, efficiency and effectiveness.

The Audit Commission has determined these two criteria as those necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2014.

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.

Conclusion

On the basis of our work, having regard to the guidance on the specified criteria published by the Audit Commission in October 2013, we are satisfied that, in all significant respects, Solent NHS Trust put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2014.

Certificate

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

Helen Thompson

for and on behalf of Ernst & Young LLP

Southampton

Date: 27 May 2014

Director's responsibility statement in relation to the accounts

The directors are required under the National Health Service Act 2006 to prepare financial statements for each financial year. The Secretary of State, with the approval of the Treasury, directs that these financial statements give a true and fair view of the state of affairs of the NHS Trust and of the income and expenditure of the NHS Trust for that period. In preparing those financial statements, the directors are required to: apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury; make judgements and estimates which are reasonable and prudent; and state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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

Financial review and statutory duties in relation to the accounts

Break-even position (a measure of financial stability)

The Trust has a statutory duty to achieve break-even in the year. The Trust has achieved this as it reported a surplus of £1.9m in 2013/14.

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

The Trust is required to absorb the cost of capital at a rate of 3.5% of actual average relevant net assets. The average net relevant assets exclude balances held in the Government Banking Service bank accounts and for 2013/14 only the net assets transferred from NHS bodies dissolved on 1 April 2013. The average net relevant assets of the Trust for 2013/14 are negative (2012-13 negative), dividends are not payable on negative average net relevant assets and therefore the capital cost absorption rate is 0%.

External Financing Limit (an overall cash management control)

The Trust was set an External Finance Limit of £0.6m for 2013/14 which it is permitted to undershoot. Actual external financing requirements for 2013/14 were £1.4m and therefore the Trust achieved the target with a positive variance of £0.8m.

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

The Capital Resource Limit is the amount that the Trust can invest in fixed assets during the year, a target with the Trust is not permitted to overspend. The Trust was set a capital resource limit of £4.3m for 2013/14. Its actual fixed asset investment was £2.4m, £1.9m within the limit of £4.3m.

Legacy balance transfers

In accordance with the Health and Social Care Act 2012, Strategic Health Authorities and Primary Care Trusts were dissolved on 1 April 2013 and their assets and liabilities transferred to successor bodies in the NHS or to other entities. Under the terms of the Property Transfer Schemes, The Health and Social Care Act 2012 Portsmouth City Teaching Primary Care Trust Property Transfer Scheme 2013 and The Health and Social Care Act 2012 Southampton City Primary Care Trust Property Transfer Scheme 2013 and their supporting Schedules, a number of assets and liabilities were transferred from Portsmouth City Teaching PCT and Southampton City PCT to the Trust / CCG on that date. The most significant of these were:

- land and buildings of Western Hospital site
- land and buildings of St Mary's Hospital site
- Land and buildings relating to part of St James' Hospital site

The accounting arrangements in respect of these transfers are outlined in Note 1.3 of the annual accounts.

Want to find out more?

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

Further detail can be found in Appendix 1 and for a copy of our full accounts please see our website: www.solent.nhs.uk or telephone 023 8060 8900.

Financial statements

Statement of comprehensive income for year ended 31 March 2014

	2013/14 £000	2012/13 £000
Employee benefits	(122,767)	(123,865)
Other costs	(63,025)	(67,464)
Revenue from patient care activities	163,731	172,046
Other operating revenue	24,025	20,100
Operating surplus/(deficit)	**1,964**	**817**
Investment revenue	28	31
Other gains and (losses)	(134)	(72)
Surplus/(deficit) for the financial year	**1,858**	**776**
Public dividend capital dividends payable	0	0
Retained surplus/(deficit) for the year	**1,858**	**776**
Other comprehensive Income	2,657	0
Total comprehensive income for the year	**4,515**	**776**

Statement of financial position as at 31 March 2014

	31 March 2014 £000	31 March 2013 £000
Non-current assets	100,941	4,383
Current assets	28,409	15,145
Current liabilities	(26,276)	(14,083)
NET CURRENT ASSETS / (LIABILITIES)	**2,133**	**1,062**
TOTAL ASSETS LESS CURRENT LIABILITIES	**103,074**	**5,445**
Non-current liabilities	(884)	(225)
TOTAL ASSETS EMPLOYED	**102,190**	**5,220**
FINANCED BY TAXPAYERS' EQUITY	**102,190**	**5,220**

Dr. Ros Tolcher

Chief Executive

Date: 27 May 2014

Statement of changes in taxpayers' equity for year ended 31 March 2014

Statement of Changes in Taxpayers' Equity for year ended 31 March 2014

	Public Dividend capital	Retained earnings	Revaluation reserve	Total reserves
	£000	£000	£000	£000
Balance at 1 April 2013	**0**	**5,220**	**0**	**5,220**
Transfer of asset from closed NHS Body - received		92,242		**92,242**
Transfers between reserves in respect of modified absorption - PCTs and SHAs		(15,873)	15,873	0
Balance at 1 April 2014 following adjustment	**0**	**81,589**	**15,873**	**97,462**
Changes in taxpayers' equity for 2013-14				**0**
Retained surplus/(deficit) for the year		1,858		**1,858**
Net gain/(loss) on revaluation of property, plant, equipment			4,319	**4,319**
Impairments and reversals			(1,662)	**(1,662)**
Reclassification adjustments				
Transfers between Revaluation Reserve & Retained Earnings in respect of assets transferred under absorption		306	(306)	**0**
New PDC Received - PCTs & SHAs Legacy items paid for by Department of Health	213			**213**
Net recognised revenue/(expense) for the year	**213**	**2,164**	**2,351**	**4,728**
Balance at 31 March 2014	**213**	**83,753**	**18,224**	**102,190**
Balance at 1 April 2012	**0**	**4,444**	**0**	**4,444**
Changes in taxpayers' equity for 2012-13				
Retained surplus/(deficit) for the year		776		**776**
Balance at 31 March 2013	**0**	**5,220**	**0**	**5,220**

Statement of cash flows in the year ended 31 March 2014

	2013/14 £000	2012/13 £000
Net cash inflow/(outflow) from operating activities	3,736	(922)
Net cash inflow/(outflow) from investing activities	(1,519)	(2,932)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING	**2,217**	**(3,854)**
Net cash inflow/(outflow) from financing activities	213	0
INCREASE / (DECREASE) IN CASH	**2,430**	**(3,854)**

Better Payment Practice Code: Measure of compliance 31 March 2014

	2013-14		2012-13	
	Number	£000	Number	£000
Total non-NHS trade invoices paid in the year	32,574	34,835	28,989	39,302
Total non-NHS trade invoices paid within target	28,962	28,893	26,147	34,718
% non-NHS trade invoices paid within target	89%	83%	90%	88%
Total NHS trade invoices paid in the year	1,312	25,153	1,689	43,421
Total NHS trade invoices paid within target	1,110	18,740	1,482	39,374
Percentage of NHS trade invoices paid within target	85%	75%	88%	91%

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

Challenges ahead

The challenges we face as we continue along the Foundation Trust application pathway are continuing to improve our financial strength, service quality and performance within a financial envelope subject to year on year cost reductions.

We ended 2013/14 in a strong financial position, with a surplus of £1.9m, however the Board recognises that there are more challenging years ahead. Whilst we are able to deliver the majority of savings through more efficient ways of working, we acknowledge that it will be necessary for some service areas to transform and redesign the way services are provided, without compromising quality.

We face the following key challenges in 2014/15:

- delivery of the surplus target of £2.2m
- delivery of £9.3m efficiency savings (5.2% of annual turnover)
- responding to the increased competition from other providers and other commissioning intentions
- embedding service line management
- following the transfer of ownership of fixed assets from local commissioners to the Trust, we need to ensure cost effective usage of all of our estate and confirm charges where we remain lease holders.

Other key challenges include supporting clinical leadership and empowerment across the organisation. We are confident we will continue to strengthen our existing culture to ensure clinical leadership is embedded across the entire organisation; within each service in each clinical division and aligned with our business processes.

The internal control processes for managing risks are outlined in the Annual Governance Statement found on page 57.

Having considered the challenges, the Board considers that the Trust continues to operate as a going concern.

The financial statements included within section 3 were approved by the Trust Board and signed on its behalf by
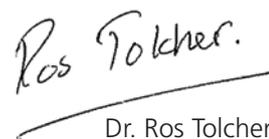
Ros Tolcher.

Dr. Ros Tolcher
Chief Executive
Date: 27 May 2014

Section 4: Quality report

**incorporating the Quality Account for 2013/14
(With our priorities for Quality Improvement in 2014/15)**

Our Quality Promise ensures that:

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

Contents

Introduction

Welcome to the third Quality Account for Solent NHS Trust.

Why are we producing a Quality Account?

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

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

The dual functions of a Quality Account are to reflect on the past year and then highlight improvement for the future as depicted in the picture below:

Review of 2013/14
Quality information
LOOK BACK

Set out priorities
Quality improvement 2014/15
LOOK FORWARD

What are the required elements of a Quality Account?

The National Health Service (Quality Accounts) Regulations 2010 specify the requirements for Quality Accounts. We have used the requirements as a template around which our Account has been built.

This Quality Account is presented in three parts:

- Part 1: Message from Chief Executive and Chairman, statement of assurance
- Part 2: Review of our quality performance in 2013/14
- Part 3: Outline of quality priorities for 2014/15

How did we produce our Quality Account?

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

In line with the Department of Health report *"High Quality Care for All"* (2008) our three key areas for quality improvement are:

Patient safety

This means ensuring that the environment is clean and safe at all times and that harmful events are avoided.

Patient experience

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

Effectiveness of care

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

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

PART 1: Statement on Quality from Dr Ros Tolcher, Chief Executive Officer of Solent NHS Trust

Thank you for taking the time to read this document. It is important that we confirm our continued commitment to improving the quality and safety of the care we provide.

The Trust has worked hard during the year to maintain high quality care whilst responding to the rising demand and reducing income. In preparation for Foundation Trust status the organisation was inspected by a number of different teams of experts, including from the Trust Development Authority, Monitor and being chosen to be a pilot site for a new style CQC inspection. It was inspiring to see front line staff welcoming our visitors into the services with pride and confidence and resulting in equally positive outcomes. For the Trust, this NHS landscape has required excellent leadership and huge commitment from our staff who have shown immense passion and pride. They have risen to the challenges presented to them, and have been pivotal in helping us to continue to achieve our twin ambitions of clinical and business excellence.

2013/14 has been a year in which every part of the NHS has faced unprecedented challenges due to rising demand and costs in the face of falling investment. Many of the services which local people rely upon are delivered by the Trust working in partnership with other organisations, for example local authorities, GPs and the hospital trusts. Together we have been seeking new solutions which allow us to transform the way in which quality care is provided.

We continue to pledge an unwavering focus on the quality of care, safety and the wellbeing of our staff and the people who use our services. This remains our highest priority and the purpose of this quality report is to confirm this, and to hold our organisation to account to deliver these standards across all those services we directly provide and in those services where we work in partnership with others.

This Quality Account provides a summary of our achievements, in year, based on the core elements of quality, namely safety, experience and effectiveness. Our achievements against this year's priorities have been monitored monthly at Board and service level. There have been significant improvements in many areas such as a reducing number of pressure ulcers, a reduction in the number of diabetic amputations and the increase in the early identification of patients with deteriorating health. However, it is recognised that more work is needed in obtaining sufficient levels of meaningful feedback from staff and the people who use our services. We recognise the take up in these areas has been proportionately low but have plans in place to resolve this in this year as we want to hear from the people who use our services, their carers, and our staff to improve the care we offer.

The new priorities for 2014/15 have been identified in collaboration with staff, governors, people who use our services, carers, partners and other stakeholders and whilst some are a continuation of last year's objectives this is deliberate and they are supported by new and ambitious targets to further improve against.

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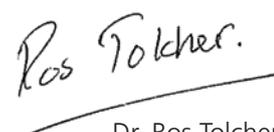
Ros Tolcher.

Dr. Ros Tolcher
Chief Executive Officer

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

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

We are one of the largest community providers in the NHS, serving a population of around 1.5 million. We have an annual income of £188 million and employ in excess of 3,600 staff to deliver a range of community and specialist mental health services to people living in Southampton, Portsmouth and Hampshire

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

We are an aspirant Foundation Trust now approaching the final stage of assessment prior to licensing. Becoming a Foundation Trust will bring important benefits to the communities we serve and allow us to be more innovative and provide even better services to the public. Although still part of the NHS and required to meet the same national standards for things like cleanliness and quality of care, as a Foundation Trust we will have more freedom to provide the services which meet the needs of local people. We encourage people from our local communities to become members and governors of the Trust to allow them to have a greater say in how things are run and to help us shape the future of the Trust.

2.1 Review of last year's quality improvements and the priorities identified for improvement identified for 2015/15

The priorities identified for 2013/14 have been monitored through each of the divisions and service lines within the Trust throughout the year. The following section outlines the progress made in each of these priority areas.

Priorities for quality improvement in 2013/14

Patient safety

Priority 1: To reduce the number of avoidable pressure ulcers to zero (includes reducing overall rate of community acquired pressure ulcers)

Why did we make this a priority?

Pressure ulcers develop when a large amount of pressure is applied to an area of skin over a short period of time, or they can occur when less force is applied but over a longer period of time.

Treating and caring for people in a safe environment and protecting them from avoidable harm is a key priority for the Trust therefore, preventing the incidence of newly acquired pressure ulcers continues to be a key focus for improvement.

The Trust acknowledges that, whilst at times we care for a very complex and vulnerable patient group, we must do everything we can to prevent a newly acquired pressure ulcer occurring while a patient is under our care, whether that be on our inpatient wards or for a patient who is at home and receiving care from our Community / District Nurse Teams.

We also acknowledge that many of our patients move throughout different healthcare environments (such as the acute hospitals, to rehabilitation wards and then to their own home or to a care home). It is therefore essential that our nursing staff communicate clearly and effectively with other nursing or care teams to ensure that the correct equipment and support is available at all times.

What did we do?

To improve on the existing system for the reporting and recording of pressure ulcers, we introduced a new Pressure Ulcer Panel which comprises of experts and reviews any pressure ulcer which has developed whilst someone is in our care. The review includes the nursing team who has been caring for the patient. The panel review the investigation process that has taken place and will help the team to identify key learning and actions to be taken. This is monitored through the Trust's governance and risk structures.

The results from our Pressure Ulcer Panel are available for external review and scrutiny by our commissioning body.

What did we achieve?

The implementation of the new process and panel has resulted in a significant reduction in the time taken to investigate, review and close a reported incident of a pressure ulcer. This in turn enables the learning and required actions to be implemented more quickly.

The increased education and training for staff resulted in a greater awareness and staff competent to assess and manage pressure ulcers. This greater awareness improved reporting which resulted in an increase in the numbers of pressure ulcers reported, a trend which is now reducing as a result of the improved care.

In 2012/13 there were three pressure ulcers acquired whilst patients were in our care which, following investigation and review, were deemed to have potentially been avoidable. Although this number seems quite small the impact on individual patients is significant. Therefore, we will set targets to reduce this in 2014/15.

The learning and actions from the Pressure Ulcer Panel will continue to be monitored at both Trust and local level; individual teams are accountable for their learning development.

Pressure ulcers (new grade three and above) are lower than average compared with other aspirant community Foundation Trusts. However we didn't meet the challenging targets we set ourselves for this year. We have agreed that pressure ulcers will continue to be a priority for 2014/15.

Priority 2: Improve the detection and management of medically deteriorating patients in our care (reduction in incidents)

Why did we make this a priority?

The sooner a change in medical condition is detected the better for the patient and yet early detection of deterioration can be difficult in patients with complex needs.

Identification and management of the deteriorating patient has been one of our priorities for a number of years. Recognising and treating patients promptly when they become sicker will lead to reduced mortality and morbidity. We know that the outcome for the patient is better if any deterioration is recognised promptly and measures are taken to treat the illness by well trained staff and sufficient senior staff.

By using robust and reliable early warning systems and standard ways of communicating concerns about a patient who is deteriorating, we are treating our patients more effectively.

During 2013/14 we continued this work, focusing very much on the escalation of these patients. We know that our staff are good at timely, accurate observations and also good at recording the early warning scores.

What did we do?

We developed a pilot to introduce a screening and trigger tool, National Early Warning Score (NEWS), which was developed by the Royal College of Physicians. Our focus was to ensure that once a patient 'triggers' (i.e. has a warning score which indicates that they are unwell or deteriorating) then the correct processes for calling senior staff are followed. This includes calling an ambulance, where necessary, and that call comes from nurses, if necessary, rather than waiting to go through a hierarchy of clinical doctors. Additionally to enhance the handover of information and its documentation, a communication tool, SBAR (Situation, Background, Assessment, Recommendation and Reply), was introduced.

Patient experience

Priority 3: Incrementally roll out real time capture of user experience

Why did we make this a priority?

It is essential that we are able to understand how our patients feel about the experience that they have in our care in order to improve services. During the past year we have been able to greatly increase the amount of feedback we have obtained from the users of our services and make improvements.

During this time we have been developing our survey methods, including increasing the use of electronic tablets and other devices which will allow the results to be reported back to services in real time, enabling rapid changes and improvements to be made to services.

These methods will be spread to cover all services, increasing the amount of reporting available in real time.

An improvement priority in our Operating Plan incorporate objectives 1 and 3, and within the NHS Outcomes Framework Domain 4.

What did we do?

We have focused on improving the methods and opportunities for patients to provide us with real time feedback. This has been gathered by means of a standard survey, service specific surveys, Friends and Family postcards and boxes and via four kiosks which are situated in the busier locations:

• Royal South Hants Hospital, which covers Nicholstown Surgery and the Minor Injuries Unit

• Royal South Hants Hospital, which covers the Sexual Health Service

• Adelaide Health Centre

• St Mary's Community Health Campus

What did we achieve?

The feedback received from patients has enabled positive feedback to be given to clinicians about what they do well, and for the specific concerns raised to be addressed promptly. Examples of actions taken include staff being advised on alternative parking on a site where a number of patients had commented on poor availability of parking; a mini Patient Led Assessment of the Care Environment (PLACE) of an inpatient area following comments from patients about the decoration, and general maintenance resulting in completion of works in March 2014.

Clinical effectiveness

Priority 4: Reduce the number of amputations in patients with diabetes

Why did we make this a priority?

Building on the excellent work carried out in prior years, we planned to continue to reduce amputation rates and achieve a 50% reduction by 2017.

What did we do?

During the year we:

- worked with Diabetes UK on improving the pathway
- we engaged with CCGs about the diabetic foot; we now need for CCGs to commission an integrated diabetic foot pathway for all increased, high risk and acute foot patients which we can own
- worked with Portsmouth Hospital NHS Trust's Diabetes Team
- increased access for patients who are high risk and for patients who present with an acute foot problem, for example foot ulceration
- educated both patients and health care professionals.

What did we achieve?

For people living in the Portsmouth CCG area, developing the integrated pathway led to a continued reduction in amputation rates. This reflects the improvements within diabetes locally. The work in Portsmouth CCG is really showing the benefit of the prevention aspect and a greater range of interventions with the trend going down in both major and minor amputations. Late referrals into podiatry are reducing, but there is still considerable work and education to do.

However, amputation rates vary across the five CCGs which commission the Trust's service, with all showing worse than the national average apart from West Hampshire CCG in major amputations. Data published by Public Health England.

Comparison by CCG of major amputation rates

Major amputation / 1000 people with diabetes	2012	2013	2014	Trend
Fareham and Gosport CCG	1.31	1.6	1.5	↑
Portsmouth CCG	1.97	1.4	1.3	↓
South Eastern Hampshire CCG	1.31	1.4	1.4	↑
Southampton CCG	1.11	1.1	1	↓
West Hampshire CCG	1.31	1.1	0.9	↓
England	1.01	0.9	0.9	

Comparison by CCG of minor amputation rates

Minor amputation / 1000 people with diabetes	2012	2013	2014	Trend
Fareham and Gosport CCG	2.46	3.4	3.6	↑
Portsmouth CCG	3.24	2.9	2.9	↓
South Eastern Hampshire CCG	2.46	2.3	2.7	↑
Southampton CCG	2.83	2.8	3.2	↑
West Hampshire CCG	2.46	2.2	2.1	↑
England	1.66	1.7	1.7	↓

Colour coding

Red - worse than England
Amber - similar to England
Green - better than England

Priority 5: Improve the physical health of mental health service users

Why did we make this a priority?

Building on the excellent work carried out and acknowledged by the CQC visits to adult mental health inpatient units, we chose to make care planning for long term physical health conditions in mental health a priority.

What did we do?

Physical health remains a high priority within adult mental health services. Inpatient wards are now using the National Early Warning Score (Royal College of Physicians) which standardises the acutely deteriorating patient (see also priority 2 above).

The Clinical Matron for Health and Wellbeing has devised long term condition care plans within the patient care planning section on RIO, our electronic patient record system. Care plans relevant to the care and management of long term conditions (LTC) include hypertension, asthma, epilepsy, heart failure, diabetes type 1 and 2, have been improved and staff within inpatient and community adult mental health teams have had teaching sessions on management of the deteriorating patient and using the LTC care plans. Awareness days for staff and service users over the last year have been successful in nutrition, Chronic Obstructive Pulmonary Disease and diabetes. Teaching sessions are carried out on the wards and the clinical update day for adult mental health staff

recommences in April 2014.

Both units now have ECG monitoring equipment that is PDF compatible, with ICT links to cardiology, providing an enhanced service to patients on medication requiring cardiac monitoring.

A recent audit demonstrated that we had improved significantly the care planning for physical health care for patients in the inpatient units.

What did we achieve?

Monthly reviews of inpatient care plans are reported to the Service Line Management (SLM) dashboard. The standard of physical health care has improved. A recent CQC inspection commended the Trust's physical health care arrangements for people using our mental health services.

Priority 6: Increase the coverage of the healthy child programme (health visiting and school nursing)

Why did we make this a priority?

The healthy child programme is the early intervention and prevention public health national programme that lies at the heart of universal services for children and families. It offers every family a programme of screening tests, immunisations, development reviews and information and guidance to support parenting and health choices, to achieve their optimum health and wellbeing therefore improve outcomes for children and families. Through leading this evidence based programme we aim to demonstrate that early intervention and prevention is imperative to improve outcomes for children. We want to show the difference we are making to the health and wellbeing for our children and young people.

What did we do?

The health visiting workforce has significantly increased and we have implemented a health visitor workforce up-skilling programme. The service is visible and accessible and there is increasing coverage of the healthy child programme using evidence based interventions. School nurses have been reviewed to focus service delivery onto the healthy child programme with a partnership approach.

What did we achieve?

We:

- made 95% of Antenatal visits before the baby was 28 weeks old
- visited 95% of new babies in their first 14 days
- improved the numbers of children receiving their developmental checks
- supported breast feeding mothers to still be breast feeding at 6-8 weeks (47.1% for Portsmouth and 50% for Southampton).

Priorities for quality improvement in 2014/15

In drawing up our priorities for improvement in 2014/15, we have taken into consideration our progress against last year's priorities, and also considered the local, regional and national picture, our overall performance and the views of patients, our members, commissioners and patient representatives from our Local Involvement Networks (Healthwatch). The following priorities have been endorsed by the Trust Board. In addition, there is a good deal of other work underpinning our commitment to the quality of patient care and the patient experience, which is also reported upon at Trust Board.

Patient safety

Priority 1: To reduce the number of avoidable pressure ulcers to zero that, following investigation, are deemed to be acquired within the Trust's care and to further reduce the incidence of all pressure ulcers, whether acquired within the Trust's care or not.

Why have we chosen this priority?

A significant amount of work was undertaken during 2013/14 to ensure the appropriate reporting and management of pressure ulcers and to ensure that our staff have the relevant skills required to manage this. Treating and caring for people in a safe environment and protecting them from avoidable harm remains a key priority for the Trust. Therefore, preventing the incidence of newly acquired pressure ulcers continues to be a key focus for improvement.

How will we improve?

By building on the achievements against the pressure ulcer priority last year, we will continue to use the learning to inform practice and, where necessary, alter process. Within the year we intend to introduce a new Pressure Ulcer Panel.

We will work collaboratively with partner organisations including other NHS trusts, local authorities, nursing and residential homes and domiciliary agencies to ensure a whole systems approach to supporting the very vulnerable group who are at risk of developing pressure ulcers.

We know that the key areas of importance are:

• early identification of patients at risk of developing pressure ulcers
• prompt assessment and delivery of essential equipment
• monitoring pressure ulcers already acquired and preventing deterioration
• whole systems and partnership working in the management of pressure ulcers
• supporting patients who are non-concordant with prevention and management of pressure ulcers.

Continued training and education throughout the organisation will be maintained. We will also ensure that nurses and care staff joining the Trust receive the correct education, and are fully competent to assess and care for patients with pressure ulcers prior to being allowed to work independently.

How will we monitor and report our improvement?

We are committed to sustained improvement. The Nursing and Quality Corporate teams will work in liaison with the Pressure Ulcer Panel to ensure robust reporting and recording of all pressure ulcers acquired either within or external to our care. This will continue to form part of the monthly Board report and will also be monitored through the local and Trust governance agendas.

Key indicators of success for this priority will be:

• Zero avoidable pressure ulcers of grade 3 or 4 acquired within the care of the Trust.
• An increase in the number of patients experiencing harm free care relating to pressure ulcers as measured on the 'Safety Thermometer'.

Priority 2: Improve the detection and management of medically deteriorating patients in our care (reduction in incidents)

Why have we chosen this priority?

Identification and management of the deteriorating patient remains a priority. In 2013/14 the introduction of the use of NEWS (National Early Warning Score) and SBAR (Situation, Background, Assessment and Recommendation) tools was successfully piloted in the inpatient areas.

Recognising and treating patients promptly when they become sicker will lead to reduced mortality and morbidity. We know that the outcome for the patient is better if any deterioration is recognised promptly and measures are taken to treat the illness by well trained staff and sufficient senior staff.

How will we improve?

By using robust and reliable early warning systems and standard ways of communicating concerns about a patient who is deteriorating, we are treating our patients more effectively. Therefore building on the successful introduction of the NEWS and SBAR tools in in-patient areas, we will continue by extending the use of these tools to appropriate community teams.

How will we monitor and report our improvement?

Audit will be undertaken to measure the use of the tools, and the extent of the roll out. Additionally we will audit appropriate escalation following 'triggering' in line with the NEWS/ Deteriorating Patient Policy. Progress will be reported through the NEWS implementation group and monitoring will take place through the Service Line Governance Sub-committees.

Key indicators of success for this priority will be:

- A suitable tool for use in community teams identified.
- The number of suitable community teams using the tool.

Priority 3: Ensure appropriate staffing levels

Why have we chosen this priority?

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

How will we improve?

We are developing a clear and transparent process for the management of safe staffing to include prompt escalation processes, resulting in the delivery of safe high quality patient care. We will ensure that the professional opinion of staff is taken into account at strategic and service level. All service areas will have a staffing establishment which has been agreed and signed off by the Clinical Director and Operational Director for the service line as being safe and effective.

How will we monitor and report our improvement?

Regular reporting of the assurance of staffing levels will take place through the Trust's Governance Structure with a six monthly report to Board. National guidance/benchmark publication is expected later this year and in addition to the measure described above, we will utilise these benchmarks for comparison.

Key indicators of success for this priority will be:

- A system for real time escalation of staffing gaps to ensure adequate levels of cover in place.
- Reports to Governance committees and Trust Board demonstrating safe staffing within the agreed tolerance.

Priority 4: Improving Information Governance (IG) compliance and reducing IG incidents

Why have we chosen this priority?

We take IG compliance seriously and consider the need to ensure the data we hold remains confidential at all times a high priority.

Unfortunately during 2013/14 we had to report three IG Serious Incidents Requiring Investigation (SIRI) to the Information Commissioners Officer (ICO). Each incident has been investigated and learning identified. We have identified as a priority further awareness and improving of IG compliance as a priority.

How will we improve?

Part of the IG team's new approach to ensuring IG compliance will be to use data collected for the Trust's IG Toolkit submission through audits, incidents, etc. This will be analysed to identify key issues and risks within each of the Trust's eight service lines, as well as Trust-wide.

By using the data in this way, the IG team will be able to tailor IG training to each service line and provide bespoke training, focusing on areas of concern within services. The intention is to improve IG knowledge within the service lines and reduce the number and impact of IG incidents.

We also welcome an Independent Review from the ICO on our compliance with IG and identifying further areas and ways of improving compliance. This is scheduled to take place in July 2014.

What will our targets be for next year?

We will:

- identify key IG issues within service lines
- provide bespoke training on IG To service lines
- undertake beneficial IG audits on how data is transferred, shared and stored to identify and plan actions to reduce potential risks
- reduce the number of IG incidents
- reduce the impact of IG incidents on the affected individual.

How will we monitor and report our improvement?

Key indicators of success for this priority will be:

- The number, and severity, of IG incidents. This is reported to service lines and the Information Governance Steering Sub-Committee who will oversee this priority.
- The outcomes of data identifying risks will be collected and fedback through service lines and Information Asset Custodian Forum.

Patient experience

Priority 5: Develop 'easy read' and other 'accessible formats' for communications to staff, service users, carers and patients

Why have we chosen this Priority?

We recognise that many of our patients experience additional challenges in accessing health care due to a range of needs including communication difficulties, hearing and visual problems, or limited literacy skills.

These needs may affect people's ability to understand the conversations and written information provided about their health care, and consequently can affect an individual's ability to benefit from the services they need.

How will we improve?

Our aim is to ensure that our staff are aware of the accessible information needs of patients and that they are trained and skilled to be able to adapt communication styles and information to meet individual needs.

What will our targets be for next year?

We will:

- aim to raise staff awareness of accessible information needs by providing awareness training for all staff as part of their induction training
- routinely ask patients about their information needs as part of the assessment process
- monitor the number and type of adaptions required
- develop the role of accessible information champions within services
- ensure that all new information produced for patients includes an easy read summary.

How will we monitor and report our improvement?

We will monitor the number of staff receiving accessible information awareness training and the number of patients that have accessible information needs. In addition, services will be required to report on how they meet these needs via the Equality Impact Assessments.

Key indicators of success for this priority will be:

- An improvement in the number of patients, carers and service users who confirm our information is in an accessible format for them (to be reported in a feedback questionnaire).
- Accessible information champions identified in all service lines.

Priority 6: Incrementally roll out real time capture of patient experience

Why have we chosen this priority?

Using feedback from those who use our services is one of our key priorities for the year ahead. We value the feedback we receive from service users which helps us to know what we are doing well, and need to continue, and what we need to improve. Listening and responding to real time feedback ensures we can respond to patients' views quickly and effectively.

How will we improve?

Our aim is for all services to offer all patients the opportunity to feedback on their experience of our services on a regular basis throughout the year. We will use this feedback to continuously improve our services and we will share the progress we make based on patient experience feedback.

What will our targets be for next year?

Our aim is for each service area to increase the amount of real time feedback they receive on a year-on-year basis.

Key indicators of success for this priority will be:

- An increase in the response rate to the Friends and Family test to achieve the national target of 15%.
- An increase of plaudits by 95%.

We also aim to increase the methods by which services gain feedback. We will continue to introduce surveys, patient and carer listening events, patient stories and to offer alternative ways of gaining feedback including the use of electronic tablets and text messaging. In addition, we will ensure that we consider the diverse needs of the patients we serve and offer easy read and other accessible ways of gaining feedback.
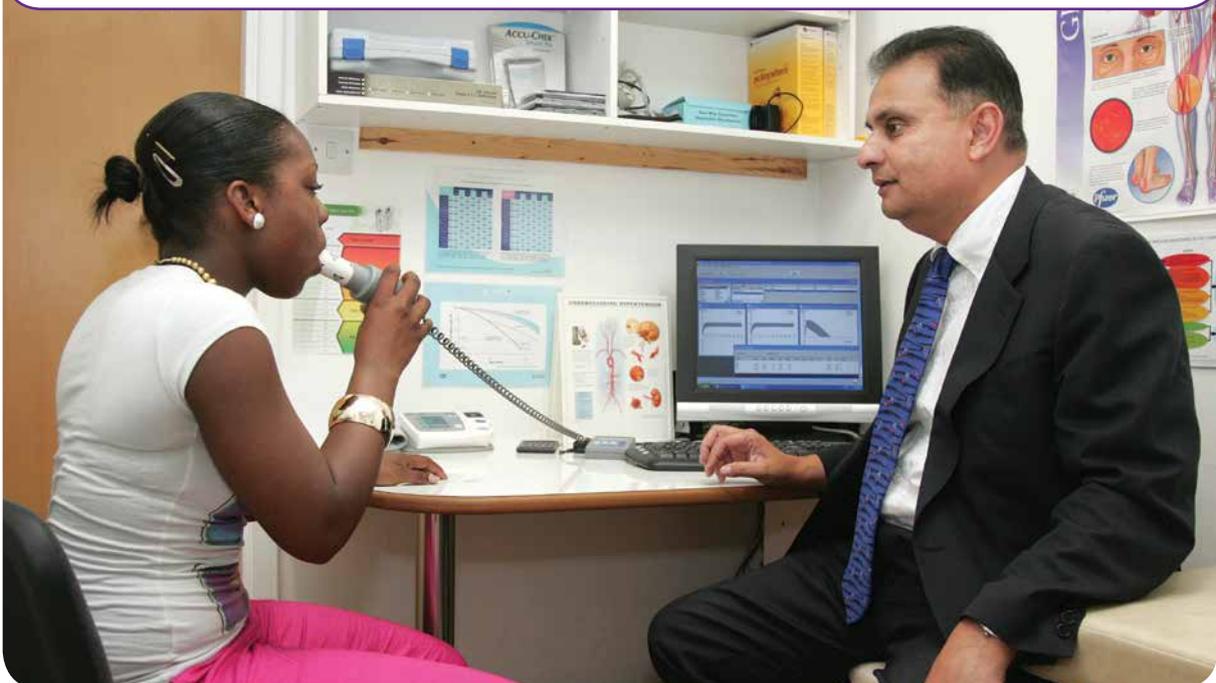
Priority 7: Promoting recovery and ensuring inclusion of the service users in care planning for patients with mental health problems

Why have we chosen this priority?

It is important that service users lead their care through care planning, are able to demonstrate joint decision making, and that the individual feels that they are making progress towards their recovery. The teams within the Trust have already achieved progress toward this priority.

How will we improve?

Patients who have their mental health care provided by the Trust will be included in the Care Programme Approach (CPA). We will ensure that our patients on this programme have a risk assessment undertaken and an identified care co-ordinator on admission.

Our aim is to ensure that patients who are on the CPA are offered the opportunity to complete a self-assessment of their recovery during each six month period.

How will we monitor and report our improvement?

We will audit the use of the CPA, and also the opportunity for patients to complete a self-assessment of their recovery, during each six month period.

Our key indicators for success are:

- 98% of patients on CPA have had a risk assessment and been identified a care co-ordinator on admission.
- 90% of patients on CPA have been offered the opportunity to complete a self-assessment of their recovery during each six month period.

Priority 8: We will ensure we consider the needs of carers and ensure they feel supported

Why have we chosen this priority?

It is vital that we consider the needs of carers in order to support them with the essential role they provide. We aim to ensure carers have a positive experience when their loved ones are accessing our services and that they are provided with timely information and advice, as well as helping them to access support for themselves.

How will we improve?

We will ensure that we identify if our patients have a formal or informal carer supporting them. This will be made a routine question when taking patient information details. Information booklets and signposting to support services will be made available for all carers.

How will we monitor and report our improvement?

We will audit to ensure patient records have recorded information about carers. We will ask carers to complete a survey on their experiences. This will allow us to monitor how well we are supporting them, and will provide us with feedback about how we can continuously improve our support to them.

Clinical effectiveness

Priority 9: Reduce the number of amputations in patients with diabetes.

Why have we chosen this priority?

Following previous identification of this as a target, a significant amount of work was undertaken to support the achievement. As a result Portsmouth CCG has seen a continual reduction in amputation rates with the developments in an integrated pathway. This is coupled by the improvements within diabetes locally. The work in Portsmouth CCG is really showing the benefit of the prevention aspect and a greater range of interventions with the trend going down in both major and minor. Late referrals into Podiatry are reducing, but there is still considerable work and education to do.

However, amputation rates vary across the five CCGs which commission our service, with all showing worse than the national average, apart from West Hampshire CCG, in major amputations. Data published by Public Health England.

How will we improve?

We will work with partners to ensure that we play a significant role in the diabetes care pathway. We will participate in education to ensure that the opportunity for prevention is maximised.

How will we monitor and report our improvement?

We will continue to measure the rates of amputations and monitor the rate of reduction.

The key indicator for success is:

- A reduction in the number of amputations in patients with diabetes to achieve rates similar to or better than those across England.

Priority 10: Reduce the number of clients who are unable to access a walk-in sexual health appointment on the day.

Why have we chosen this priority?

We have identified, via service feedback, board to floor visits and complaints received, that on occasion the service capacity means that some of the patients who turn up to our sexual health walk-in clinics are not able to be seen.

How will we improve?

In 2014/15 we will:

- work hard to change the way we deliver services, including asking patients to register via a kiosk in our larger clinics to make registration quicker and by trialling some new ways that patients can be more involved in their own care later this year (which would mean being seen quicker for routine care).
- introduce a same day text system for some clinics - patients tell us that they like this system for same day access to the service and so we plan to extend it to more clinics over the coming year.
- introduce online appointment booking by the end of 2014/15.
- introduce priority access cards so that if patients wait over two hours, we will aim to see them quicker at their next visit.

We have introduced triage at every clinic to ensure that people who need to be seen urgently are prioritised.

How will we monitor and report our improvement?

The management team will oversee delivery of these. Turn-away data is recorded for every clinic site on a daily, weekly and monthly basis and reviewed at clinical governance each month. The data should demonstrate a stabilising position compared to quarter four of 2013/14 and as service improvements are made the service hopes to reduce turn-aways in 2015/16.

Key indicators of success for this priority will be:

- The development and implementation of a patient charter.

- A reduction in the number of patients turned away, ensuring that all patients with a priority need are seen.

Priority 11: Develop the Trust as a place of choice for undergraduate and post graduate training.

Why have we chosen this priority?

The national quality reports which have been published (including the Berwick and Keogh reviews) identified that one of the best sources of independent feedback is from trainees. We would also like to be able to recruit the best workforce to provide care and services for our patients and service users. Trainees who have a good experience are likely to want to be employed within that organisation.

During training there is often a requirement to undertake research and audit which can enable service improvement to be delivered.

How will we improve?

We will provide trainees with a meaningful learning experience and ensure that they have access to the correct level of support and mentorship.

We will work with partners, such as the universities and professional colleges, to meet the requirements of individual programmes which we support.

How will we monitor and report our improvement?

Key indicators of success for this priority will be:

- The number of undergraduate and postgraduate trainees within the Trust.

- Exit interview reports.

- Formal feedback from universities, professional colleges and deaneries.

- Formal survey of medical students and other trainees.

2.2 Statements of assurance from the Board

During April 2013 to March 2014 Solent NHS Trust provided and/or sub-contracted 120 relevant health services across eight service lines.

Solent NHS Trust has reviewed all the data available on the quality of care in all of these relevant health services.

The income generated by the relevant health services reviewed in April 2013 to March 2014 represents 87% of the total income generated from the provision of relevant health services by Solent NHS Trust for April 2013 to March 2014.

Research and development

The number of patients receiving NHS services provided or sub-contracted by us in 2013/14, that were recruited during that period to participate in research approved by a research ethics committee, was 1,120. We have opened 48 new studies across the Trust this year and have recruited to 35 studies on the NIHR portfolio across a range of services. In the past year, the Trust contributed over 20% of the total research activity in the Wessex Clinical Research Network region. Our research was celebrated and shared at our annual research conference, "Quality Improvement in Action, Effective Research, Service Evaluation and Clinical Audit".

Key outcomes

1120 Patients recruited into clinical trials (against a target of 700)	**10** Days on average to approve a research trial (against a target of 30)	**93%** Of trials recruiting their first patient within 70 days of application (national benchmark 50%)
35 Studies on the NIHR portfolio recruiting patients (compared to 22)	**18** New research posts across 18 different clinical services, including clinical academic scholarships	**18** Engagement events held to involve patients and the public in our research

Involving those who use our services in research

We were the first local Trust to invest in a dedicated research patient, carer and public involvement role, firstly in partnership with the NIHR South Central Research Design Service and more recently solely within the Trust.

The Trust role has a specific remit to ensure that research outcomes engender change in service delivery and that this is done in partnership with patients, carers and the public. This has not only helped us to include patient and public involvement (PPI) in more stages of research, but it has enabled us to embed this in service improvement with a patient/ 'client' voice.

In November 2013, we sponsored and co-hosted a regional PPI event, attended by over 130 people. One member of the public described the day as "an excellent, full-on day". The event achieved national recognition with the keynote speaker, Simon Denegri, Chair of INVOLVE and National Director for Public Participation and Engagement in Research for the National Institute for Health Research describing the event as "unbelievably good".

Some examples of how involving those that use our services in research include:

- A patient/ carer group receiving a pilot home based enteral (tube) nutrition contributed to an evaluation of the service. The results contributed to the successful continuation of the service, and a successful funding application for a post-doctoral research fellow.

- A person with learning difficulties helped with the design of a falls prevention programme, which resulted in them being a co-applicant on a large grant application, and helping us to run a workshop at our annual conference on involving patients in research.

- A group of stroke patients, and their carers, who had been involved with a trial as participants went on to inform the design of further research. This active group have expressed how they are keen to help the NHS demonstrate and implement the benefits. They also report additional benefits from being involved, such as improved management of their own condition and the social benefits of the group work. Four members of the group have been supported to become involved in other ways, including attending our research conference to take part and help lead a PPI workshop, as well as advising us with our future plans for involvement in the Trust.

Derek and Dot's story

Derek is a recovering patient of a mini-stroke who has used our rehabilitation service. Dot is his wife and his carer. Whilst a patient, Derek participated in a research study and had a very positive experience, both physically and emotionally. Derek was keen to help take the research work further, and support the design of a larger study, and both he and Dot joined a group of other patients and carers, to suggest ways of making the research better and appropriate to the patients. Derek enjoyed this and made valuable contributions and Dot found that, as a carer, her involvement helped to increase her confidence and that she found herself thinking about her own health and keeping well too.

The couple subsequently took part in a workshop on involving patients and the public in research at our annual conference. Keen to stay involved with the Trust, Derek has also agreed to help the Neuro-rehabilitation team with service improvements. Derek says, "I am a walking advert for patient involvement. I wanted to give something back and feel strongly about the brilliant service that is provided. I want other people to benefit as I have and also the social side of meeting up with the Team and other ex-patients is really enjoyable".

What has happened as a result of research?

Research is about making patient care, treatment and outcomes better. It also ensures our staff have access to the latest ideas and treatments and this helps them to use the best evidence in delivering their care. A wide range of our services now participate in research, and some examples are summarised in the figure below.

Sexual Health	**Dementia**	**Nursing**	**Therapies**	**Mental Health**
• Chlamydia screening • HIV • Pathway design • Diagnostics • Integrated services	• Exercise interventions • Genetics • Telehealth support • Speech and Language support	• Pressure ulcers • Nutrition • Continence • Non-medical prescribing • Palliative care • Home based care • Health literacy	• Physio for muscular pain • Rehabilitation (e.g. for stroke) • Falls • Breathing exercises for Asthma • Speech and Language • Rheumatology • Podiatry	• Parenting programmes • ADHD • Genetics • Anxiety • Accessible information

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

- Patients with dementia have had access to a structured exercise programme aimed at slowing the progression of the disease.

- Patients are involved in the development and use of digital/ web based support for self management of childhood eczema, dizziness, lower back pain and asthma.

- Patients who have had a stroke have had the opportunity to trial tailored exercise interventions, to speech and language therapy support and to novel devices to support recovery (such as arm braces).

- Patients with respiratory problems and severe asthma have helped to trial a breathing training programme.

- We are investigating new devices for the management and prevention of pressure ulcers.

- We run a specialised under-fives research clinic for challenging behaviour and a trial of a home based parenting programme.

- We have helped with the development of new diagnostic tests for patients with sexually transmitted infections which are less invasive and more effective.

- We have changed our service delivery models in sexual health and contributed to national recommendations as a result of views from patients and mystery shopper research.

- Patients with arm pain, back pain and other mobility issues have had access to novel physiotherapy treatment.

There are many more examples. For more detailed information, please see our research website, www.solent.nhs.uk/research

Clinical audit

During 2013/14, 10 national clinical audits and one national confidential enquiry covered relevant health services that the Trust provides.

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

The national clinical audits and national confidential inquiries that we were eligible to participate in during 2013/14 are as follows:

Eligible national clinical audits /National confidential inquiries	Participated
National Audit of schizophrenia	Yes
POMH UK: Audit of prescribing antipsychotics in CAMHS	Yes
POMH UK audit of prescribing for substance misuse - alcohol detoxification	Yes
National audit of intermediate care	Yes
Epilepsy12 (in conjunction with local acute trust)	Yes
HIV partner notification	Yes
National audit of memory clinics	Yes
National audit of Chronic Obstructive Pulmonary Disease	Yes
Audit of psychological therapies	Yes
National audit of diabetes (paediatrics)	Yes
National confidential inquiry into suicide and homicide for people with mental illness	Yes

The national clinical audits and national confidential inquiries in which we participated, and for which the data collection was completed in 2013/14, are listed below alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

Eligible national clinical audits /National confidential inquiries	Percentage number of cases submitted
National audit of schizophrenia	74%
POMH UK: Audit of prescribing antipsychotics in CAMHS	100%
National audit of intermediate care	Organisational audit
Epilepsy12 (in conjunction with local acute trust)	100%
HIV partner notification	100%
National audit of memory clinics	75%
Audit of psychological therapies for long term mental illness	Organisational audit
National confidential inquiry into suicide and homicide for people with mental illness	75%

We have started a process of reviewing national clinical audit reports and identifying actions that we intend to take to improve the quality of health care provided as a result of the findings of the national audit. Implementation of actions identified will be monitored in conjunction with local audit action plan monitoring.

Local clinical audits

We reviewed 125 clinical audits during 2013/14.

Some examples are:

Audit title	Action taken to improve quality of health care
Risk Assessment and Integrated Care Planning (Effective risk assessment and management of Care Programme Approach (CPA) patients)	Actions: The audit achieved 100% compliance. All documentation is in place and in date. Actions: Continue to have care planning and risk assessment documentation in place.
MRSA screening compliance audit	Findings: The survey showed overall compliance was 98%, demonstrating a 10% increase from the previous quarter. The total number eligible to be screened was 139 and the number screened was 136.

Actions: Managers are asked to feedback results to staff for highlighting areas of improvement and recognising good practice. Staff should recognise importance of timely screening. Areas of low numbers of patient admissions should consider introducing mechanism process to remind staff to screen for MRSA carriage. |
| Patients with LTC under care of Southampton Community Matrons - Solent West | Results showed that 100% (63/63) patients who had a Long Term Condition were under the care of the Community Matrons. 62 out of 63 (98%) had a full holistic assessment and were on a current individualised care plan. Good level of compliance noted and evidence that this best practice is embedded and a repeat audit will be undertaken |

Goals agreed with our commissioner

A proportion of our income in 2013/14 was conditional on achieving quality improvement and innovation goals agreed between the Trust and any person or body we entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework.

The table below lists the areas for which goals were agreed and illustrates how we performed against the agreed goals.

CQUIN	Status summary			
	Qtr 1	Qtr 2	Qtr 3	Qtr 4
Child in a chair in a day	100%	75%	50%	0%
International and commercial activity	100%	100%	100%	100%
Digital First	96%	90%	89%	69%
Friends and Family - Increased Response Rate	100%	100%	100%	0%
Friends and Family - Phased Expansion	N/A	100%	100%	100%
Friends and Family - Increased Performance on staff FFT	100%	N/A	N/A	100%
Safety Thermometer - Delivery of Whole System Plan	50%	50%	50%	50%
Safety Thermometer - Reduction in New Attributable Pressure Ulcers	50%	100%	100%	100%
Shared Whole System CQUIN	100%	100%	100%	100%
Patient Experience & Self Management	100%	100%	100%	100%
Shared Decision Making / Patient Aids	100%	100%	100%	100%
Health Improvement	100%	100%	89%	92%
Mental Health	100%	100%	100%	100%
Dementia LOS	100%	100%	100%	100%
In-Reach	100%	100%	100%	100%
Heart Failure Pathway	100%	100%	100%	100%
Respiratory Pathway	100%	100%	100%	100%
HIV Drugs	100%	100%	100%	100%

Registration with the Care Quality Commission

We are required to register with the Care Quality Commission (CQC). The current registration states is registered with the CQC with no conditions attached to registration.

The Care Quality Commission has not taken enforcement action against the Trust during 2013/14.

We have not participated in any special reviews or investigations by the CQC during the reporting period.

We were inspected on eight occasions since registration at four locations, one of these locations, HMP Winchester, is no longer a part of the Trust - prison services have now transferred to another provider.

Of the three other locations which have been inspected, the Royal South Hants Hospital has been inspected once for one outcome, St Mary's Community Health Campus (Spinnaker Unit) has been inspected twice and St James' Hospital has been inspected four times.

The reports of the inspections at the four locations were published between August 2011 and October 2013.

The three locations inspected are currently described as compliant by the CQC which means that the services delivered on these sites meet all of the standards required by CQC to ensure that care is safe, effective, responsive, caring and well led.

In March 2014, the Trust was invited to become one of the first CQC new style pilot, community and mental health inspections sites. This was both to support the organisation's application to become a Foundation Trust and to give assurance that the Trust operates as a safe, effective, caring, responsive and well led organisation. The inspection took place over the week beginning 17 March 2014, with over 70 professional and patient expert inspectors viewing all of the Trust's services, with a particular focus on the patient and staff experience. The final report will be published in early June 2014. Whilst the full details are embargoed at the time of compiling this report, the inspection overwhelmingly identified the Trust as having a caring and compassionate culture. We would like to thank all our staff, the people who use our services and those who contributed to the inspection for their support. The full report, when finalised, will be published on the CQC and on our website.

Data

We submitted records during 2013/14 to the secondary uses service for inclusion in the Hospital Episode 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:

- 99.9% for admitted patient care. 99.9% for out-patient care and 97.4% for accident and emergency care.

  Which included the patients valid General Medical Practice Code was:

- 99.9% for admitted patient care. 99.9% for out-patient care; and 100% for accident and emergency care.

Information Governance (IG)

Quality of data collection

We have completed the IG Toolkit Assessment as a mental health trust for the period April 2013 - March 2014 and are compliant with all 45 requirements, having attained 75% compliance, which has been graded as Green - Satisfactory.

All organisations that have either direct or indirect access to NHS services must complete an annual IG Toolkit assessment and agree to additional terms and conditions. Where the IG Toolkit standards are not met to an appropriate standard (minimum level 2), an action plan for making the necessary improvements must be agreed with the Department of Health Information Governance Policy team or with an alternative body designated by the Department of Health (e.g. a commissioning organisation).

What is IG?

IG is to do with the way organisations 'process' or handle information.

It covers personal information (i.e. that relates to patients/service users and employees) and corporate information (e.g. financial and accounting records). IG provides a way for employees to deal consistently with the many different rules about how information is handled, including those set out in:

- the Data Protection Act 1998
- the common law duty of confidentiality
- the Confidentiality NHS Code of Practice
- the NHS Care Record Guarantee for England
- the Social Care Record Guarantee for England
- the international information security standard: ISO/IEC 27002: 2005
- the Information Security NHS Code of Practice
- the Records Management NHS Code of Practice
- the Freedom of Information Act 2000.

What is the IG Toolkit?

The IG Toolkit is a performance tool produced by the Department of Health. It draws together the legal rules and central guidance set out above and presents them in one place as a set of information governance requirements. The organisations described below are required to carry out self-assessments of their compliance against the IG requirements.

IG Toolkit V10 Summary Report for 2013/14

As of the 31st March 2014 we have achieved a Level 2 or above in all requirement areas, as mandated by the IG Toolkit.

A breakdown of our compliance is provided below:

Level 2 73% 33 Requirements

Level 3 27% 12 Requirements
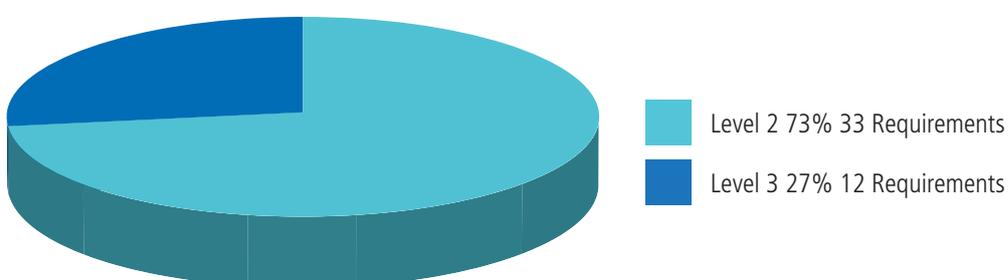
What are the IG requirements?

There are different sets of IG requirements for different organisational types. However all organisations have to assess themselves against requirements for:

• management structures and responsibilities (e.g. assigning responsibility for carrying out the IG assessment, providing staff training)

• confidentiality and data protection

• information security.

IG Toolkit category	Compliance level
Information Governance Management	86%
Confidentiality and Data Protection Assurance	85%
Information Security Assurance	68%
Clinical Information Assurance	73%
Secondary Use Assurance	70%
Corporate Information Assurance	77%
Total	75%

Freedom of Information (FOI)

FOI requests 2013/14

The Freedom of Information Act 2000 is part of the Government's commitment to greater openness and accountability in the public sector, creating a climate of transparency, a commitment supported by the Trust. We are required, under IG Requirement 603, to annually monitor and review compliance with the Freedom of Information Act 2000 and how it meets the standards.

Scope:

The aim of this review is to assess our compliance for 2013/14 in:

- ensuring all requests relating to the Trust were responded to within 20 working days
- ensuring adequate policies and procedures are in place
- ensuring all staff are aware of the FOI Act 2000 and their responsibilities
- ensuring all requests are acknowledged within two working days
- ensuring requestors are satisfied with how their request was undertaken and the outcome of the request
- ensuring the organisation has an up-to-date and effective publication scheme.

Responding to FOIs

In 2013/14, for the period 1 April 2013 – 31 March 2014, we received a total of 168 FOI requests. The time frame for responding to FOI requests is 20 working days. We achieved 86.3% compliance in 2013/14, with only 23 requests breaching. We have now changed our internal processes and raised awareness of the FOI Act in order to improve compliance. Since December 2013, all FOI requests have been responded to within the 20 working day time frame.

Subject access requests / Access to records requests 2013/14

Under Section 7 of the Data Protection Act 1998, we are required to monitor compliance with an individual's rights to access their personal information, including requests for deceased patient records (to whom the Data Protection Act does not apply) under the Access to Health Records Act 1990. We should endeavour to respond to all requests within 21 days (but no later than 40 days – inclusive of weekends and bank holidays) from receipt of all information e.g. identity check and fee.

Requests for information can be received by (but not limited to) the following:

• patients

• patient representatives e.g. solicitors, advocates, etc

• parents of children under 18 years

• relatives of deceased patients

• police

• Department of Work and Pensions

• other health care provides

• mental health tribunals.

In 2013/14, for the period 1 April 2013 – 31 March 2014, we received and complied with 884 requests to access information from the categories above. We achieved 61.3% compliance with the mandatory timeframe in 2013/14. We will continue to raise awareness of this requirement, and the importance of time frames, throughout the Trust and will review processes and practices to ensure an increased level of compliance.

Payment by Results

We were subject to the Payment by Results clinical coding audit during the reporting period by the Audit Commission. The error rates reported in the latest published audit for that period for diagnoses and treatments coding (clinical coding) were 3.24%.

Data quality

We will be taking the following actions to improve data quality:

- Working with clinical services and the Information and Patient Systems team to address priority data quality concerns.
- Developing a rolling data quality audit programme.
- Creating a data quality presentation to be incorporated into clinical system training sessions.
- Producing an organisational Data Quality Report, monitoring key data items at an organisational level.
- Implementing a communications plan to raise awareness of data quality issues.
- Working with services to expand the clinical coding programme to support clinical outcomes agenda.

All KPIs to be supported by a Data Assurance Document defining KPI criteria and Data Quality RAG rating.

Enabling quality and excellence

To be assured of how we deliver our services, the Trust Chief Executive, supported by the Medical Director, Director of Nursing and Quality and Chief Operating Officer, meet with each of the eight service line's senior staff directly accountable for the quality of care provided i.e. clinical lead, service manager and non-medical clinical governance lead. The focus is on enabling quality and excellence, and exploring the service's current approach to patient safety, patient experience and improving outcomes.

Goals are:

- to reinforce quality as the organising principal of everything we do
- to empower clinicians to set the ambition for the quality of services they lead/provide
- to seek assurances at operational level that the culture of the services fosters ambition and quality
- to seek assurances at operational level that system and processes are effective.

The goals focus on three key lines of enquiry:

1. What does excellence look like for a service like this?
2. Has the service got the right culture/capability, and systems and processes to form the bedrock of a high quality service?
3. How would you assess the quality of care in this service?
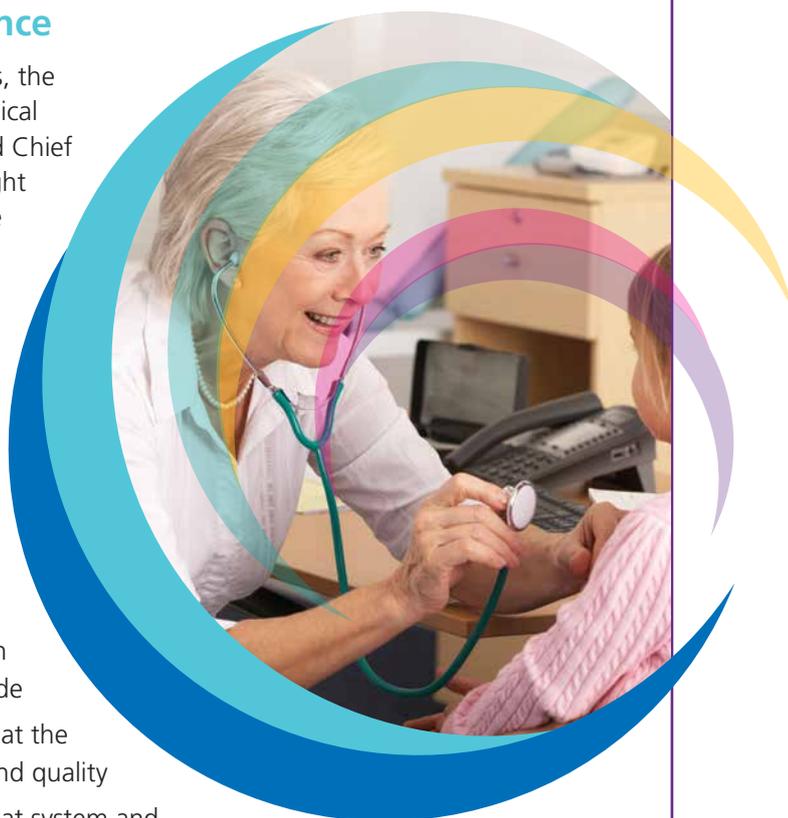
PART 3: Other information

Annex 1
Statements from our stakeholders

Quality Account 2013/14: Commissioner response

Commissioner statement

Portsmouth Clinical Commissioning Group (CCG) welcomes the opportunity to comment on Solent NHS Trust's Quality Account for 2013/14. We have a positive working relationship with the Trust and work in partnership with our neighbouring Clinical Commissioning Groups in Southampton, Fareham and Gosport and South Eastern Hampshire to ensure services for our local population are delivered safely and effectively and provide people with a positive experience of healthcare.

Report structure

The Quality Account provides information on the key priorities of quality of Solent NHS Trust services divided across the three domains: patient safety, patient experience and clinical effectiveness. The report identifies the priorities for improvement, (split into review of progress against last year's priorities and priorities identified for 2014/15) and a Statement of assurance from the Board.

The Quality Account has been shared with our partner Clinical Commissioning Groups in Southampton, Fareham and Gosport and South Eastern Hampshire and we collectively believe that the Account is generally supported by relevant data and are satisfied it is accurate and provides appropriate evidence of the Trust's quality improvement progress. The Account incorporates the mandated elements required. The Trust has used internal and external assurance mechanisms, for example clinical audits and benchmarking, to demonstrate the quality of its services.

Quality improvement priorities for 2014/15

Solent NHS Trust has outlined its priorities for 2014/15 and Commissioners support these. Further clarity will need to be given on how these priorities will be monitored and implemented.

Patient safety

Solent NHS Trust has continued to demonstrate a drive toward making continuous quality improvements to its services for the benefit of patients in their care. The Trust has also demonstrated an acknowledgement of the value in working collaboratively through a whole-system approach with other stakeholders across the local health and social care sector.

We are pleased to note that reducing the rate of pressure ulcers has been rolled over as a priority from last year to the coming year. The new Pressure Ulcer panel developed by the Trust has increased and improved the quality of reporting and we will continue to work with the Trust to ensure that pressure ulcer incidents are reviewed and classified appropriately and lessons are embedded in daily practice. The improvement has resulted in a reduction in pressure ulcers, grade 3 and above. We would like the Trust to be able to demonstrate the same level of improvement in grade 2 pressure ulcers.

Commissioners welcomed the roll out of the National Early Warning Score (NEWS) in 2013/14 to recognise early and treat adverse changes in the condition of acute patients. The Trust has not stated what was achieved through the implementation of this priority in 2013/14 and will expect to see measurable improvements for patients as a result of this system in 2014/15.

We expect that the system will support the early detection of acutely unwell patients by measurement in a standardised format, supporting consistent clinical decision-making and appropriate clinical responses. We look forward to seeing how this tool will measure the success of last year's roll-out and how learning from these processes continuously improves the level of service that is offered and ultimately impacts on outcomes for patients.

In line with recommendations in the Francis Enquiry and the Hard Truths report we are pleased that priority 3 focusses the Trust's attention on ensuring appropriate and safe staffing levels. Commissioners will continue to work with the Trust to ensure sustainable staffing levels across all service lines are in place to meet the challenges of the rising demand for healthcare. We would like to see the Director of Nursing signing off the staffing assessments made by the Division in the future. . The Director of Nursing is accountable to the Board and patients for the quality of care and therefore must be satisfied that Divisions are setting appropriate staffing levels whether clinical or otherwise.
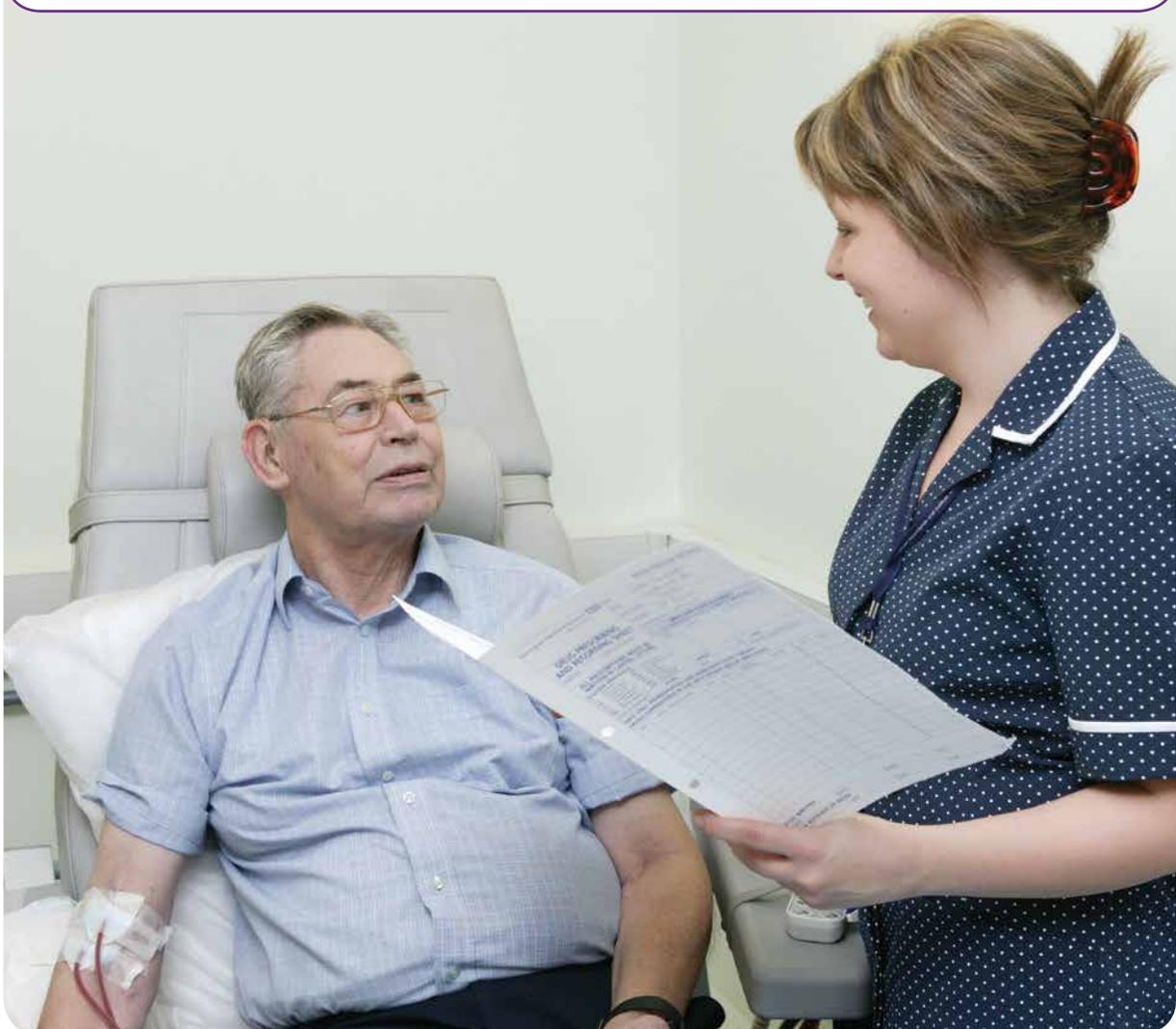
Patient experience

Commissioners welcome the aim to focus on what matters to patients by supporting patients during their pathway of care through priorities such as developing easy read communications and involving patients in care planning.

The commitment to real time patient experience data collection, linked to the Friends and Family Test in all areas of care is also welcomed. We share the Trust's recognition that they should continue to focus attention on gaining feedback from patients, particularly 'real-time' data that can be acted upon in a timely manner and look forward to improvements in this area.

Commissioners have noted that the Trust is focussing, primarily on the improvement of the response rate for the Friends & Family test and would challenge the Trust to place equal emphasis on the improvement of the net promoter score (the score that demonstrates what people think about the service they have received) and ensuring that patients from marginalised groups, whose voices are often not heard, have an appropriate opportunity to provide feedback on their experience of services .

We also welcome the priority of working with carers and understanding their needs and views. We would like to see the section on strengthened, with clearer targets and/or aims developed with carers.

Clinical effectiveness

Commissioners support the priority to reduce the number of amputations. We would have liked the data included in the account to reflect equally the Portsmouth and Southampton position and the priority needs some further work to identify the actions planned and expected outcomes. We would welcome and encourage some dynamic and innovative solutions for improving the practice and service delivered across this patient pathway.

Commissioners are pleased the Trust is aiming to become a place of choice for undergraduate and post graduate training.

Achievements reported against 2012/13 priorities and overall quality performance

As identified above, Commissioners are pleased to note progress with reducing the number of avoidable pressure ulcers during the last year.

Overall in 2013/14 we are pleased to note:

- The Trust is broadly a good performing organisation in respect to clinical effectiveness.
- The long list of actions the Trust has carried out to improve overall quality of patient safety, clinical effectiveness and patient experience throughout the year.
- We are particularly pleased to note overall judgement from the Care Quality Commission's (CQC) inspection in early 2014 is that the "Trust's community and mental health services are safe and the Trust has a clear vision and objectives which focused on the delivery of high quality, patient centred care".
- The Trust has made significant improvements in reducing the numbers of patients with MRSA infection and Clostridium Difficile and we commend them on their achievement

We will continue to support the Trust with two particular areas which have not been noted in the Account which as Commissioners we feel could have an impact on quality:

- Firstly, despite the Trust demonstrating comparable results to other community, mental health/ learning disability trusts in its 2013 National Community Mental Health survey 2013 staff survey results, and an improvement on the previous year's survey results, staff satisfaction in community mental health services is significantly lower than in other divisions of the Trust, across a number of indicators. We acknowledge that the Trust is working hard to address these issues and we will continue to support the Trust where we can.
- Secondly, the Trust has highlighted an increase in demand for services and the levels of acuity in patients in the community and it must remain a priority for the Trust to provide robust evidence of this to enable productive conversations with Commissioners about potential future funding models and to ensure the Trust can continue to provide assurance that they deliver safe and effective services.

Commissioning for Quality and Innovation (CQUIN)

Commissioners are pleased to note consistent achievement of quality improvement goals in many of the 2013/14 CQUINs. Namely, the implementation of the Friends and Family test; Safety Thermometer; pathways for heart failure and respiratory and HIV drugs. A number of these CQUIN schemes will be rolled over to 2014/15 and we will continue to work with the Trust to develop more focussed and meaningful targets to support whole system healthcare improvement.

Commissioner Assurance Visits

During the last year, Commissioners have undertaken a number of visits to services and had the opportunity to talk to staff and patients. We have been encouraged that these visits have demonstrated a committed workforce who are focussed on providing quality healthcare for patients. We will continue with these visits over the coming year.

Data Quality

Commissioners will continue to work with the Trust to ensure that data accuracy and reporting at all levels remains a key priority.

Where information permits, Commissioners are satisfied with the accuracy of the data contained

in the Account. However, we will continue to work with the Trust to ensure that quality data is reported in a timelier manner through clear information schedules.

Additionally we would like to see workforce data being reported to the Trust Board more frequently (than the current six months) in line with good practice and the results from Hard Truths. This should be a monthly report and we believe CQC would support this view.

The number of information governance incidents the Trust have had in 2013/14 have been a concern, but we are satisfied that the Trust has undertaken a thorough review of each event, and implemented learning where identified. This is particularly relevant to information passed between different locations and office moves where better contingency arrangements were needed. We will continue to monitor any future IG incidents and request assurance as necessary.

However, in line with the National Patient Safety Agency we recognise that organisations which report more incidents typically have a better and more effective safety culture. Trusts cannot effectively learn and improve if they do not know what or where the problems are.

Clinical Audit and Research

The Trust reports participation in 100% of eligible national clinical audits (10 national clinical audits and 1 confidential enquiry). Commissioners also note that an additional 125 local audits have been undertaken across the organisation, and that these provide an opportunity to benchmark the quality of the Trust's clinical services locally and nationally.

We are particularly pleased to note the 100% achievement rate for compliance with risk assessments and care planning, an area where the Trust has been able to demonstrate significant improvement.

Commissioner Assessment Summary

As lead commissioner, Portsmouth CCG will continue to work with Solent NHS Trust to raise the profile of quality improvement. The engagement of clinicians will remain crucial in monitoring standards, and improving services for local people. The Trust is commended for their continued good work and emphasis on quality of patient care.

We will work with the National Trust Development Agency to support the Trust in its application for Foundation Trust status.

Commissioners have a positive relationship with the Trust, one which is based on 'high support' and 'high challenge' and we look forward to continuing this. We are confident that we will continue to work together to ensure continuous improvement in the delivery of safe and effective services for patients.

Healthwatch Southampton statement

Healthwatch Southampton welcomes the Solent NHS Trust Quality Account 2013/14 and the opportunity to make formal comment on the draft account and the priorities for improvement in 14/15. We would also like to take this opportunity to thank outgoing Chief Executive Ros Tolcher and to welcome Sue Harriman to the role.

Healthwatch Southampton strongly believes that a commitment to listening to the voices of patients, carers and the public needs to be demonstrated by aspirant Foundation Trusts. We note the progress made in the various priority areas such as Priority Three, to Incrementally roll out real time capture of user experience, and welcome the continuation of this priority for the year ahead as Priority 5. Healthwatch also notes the achievements of the Trust in their Patient and Public

Involvement in practice programme. We would urge the development of a functioning Patient Group or groups and would like to see this as an indicator of success for priority 5 in 2014/15.

There has been discussion of Priority 9, Reduce the number of clients who are unable to access a walk-in Sexual Health appointment on the day at both the Solent Board meeting of 27 May 2014 and at a Healthwatch Southampton Strategic Group meetings. As indicated in the comments section of the draft report, we would support robust and measurable key indicators for this priority. At this draft stage, many of the priorities for 14/15 do not have key indicators as yet and Healthwatch will be interested in their development.

Detailed comment in some areas is not possible as there are substantial additions to be made. Overall we view this as clear indicator of quality priorities for the year ahead.

Glossary

BME - Black and Minority Ethnic people

The National Service Framework emphasises the need to improve Mental Health Services for black and minority ethnic people. The Department of Health has published 'Delivering Race Equality in Mental Health Care', a five year action plan for tackling discrimination and achieving equality in services for black and minority ethnic patients and communities.

CAMHS - Child and Adolescent Mental Health Services

NHS provided services for children with mental health disorders.

CPA - Care Programme Approach

Is the system or framework by which care is arranged and managed. It remains at the centre of current Mental Health Policy, supporting individuals who experience severe and enduring mental health problems to ensure that their needs and choices remain central in what, are often, complex systems of care.

CDW - Community Development Workers

Work with and support communities, including the Black and Minority Ethnic (BME) voluntary sector, to help build capacity within them, and ensure the views of the minority communities are taken into account during planning and delivery of services.

Clinical pathway

One of the main tools used to manage the quality in healthcare concerning the standardisation of care processes. It has been proven that their use reduces the changes in clinical practice and improves patient outcomes.

Commissioners

Clinical commissioning groups (CCGs) are NHS organisations set up by the Health and Social Care Act 2012 to organise the delivery of NHS services in England. [

To a certain extent they replace primary care trusts (PCTs), though some of the staff and responsibilities moved to the council Public Health teams when PCTs ceased to exist in April 2013.

CQC - Care Quality Commission

The independent regulator of health and social care in England, aiming to make sure better care is provided for everyone in hospitals, care homes and people's own homes. www.cqc.org.uk

CQUIN - Commissioning for Quality and Innovation

Measures which determine whether we achieve quality goals or an element of the quality goal. These achievements are on the basis of which CQUIN payments are made.

CRHT - Crisis Resolution Home Treatment Teams

Provide intensive support for people in mental health crises in their own home: they stay involved until the problem is resolved. Designed to provide prompt and effective home treatment, including medication, in order to prevent hospital admissions and give support to informal carers.

HQIP - Healthcare Quality Improvement Partnership

Promotes quality in healthcare through clinical audit.

KPI - Key Performance Indicator

A set of quantifiable measures that the Trust adopts to gauge or compare performance in terms of meeting its strategic and operational goals. KPIs vary, depending on the priorities or performance criteria.

LINk - Local Involvement Network

A network of local people and community groups who want to improve social care and healthcare in their local area.

LTC - Long term condition

Long term conditions (also called chronic conditions) are health problems that require ongoing management over a period of years or decades. They include a wide range of health conditions including diabetes, chronic obstructive pulmonary disease and cardiovascular disease.

MDT - Multi-Disciplinary Team

Multi disciplinary teams are groups of professionals from different areas who come together to provide comprehensive assessment and consultation.

Monitor - Monitor

Independent Regulator of NHS Foundation Trusts.
www.monitor-nhsft.gov.uk

MRSA - Methicillin-resistant Staphylococcus aureus

Is a bacterium responsible for several difficult-to-treat infections in humans.

NAS - National Audit of Schizophrenia

This enables clinicians who treat people with schizophrenia in the community to assess the quality of their prescribing of antipsychotic drugs and of their monitoring of service users' physical health. It also supports them to monitor service users' experience of treatment and its outcomes, plus carers' satisfaction with information and support.

NICE - The National Institute of Health and Clinical Excellence

Provide guidance and support to healthcare professionals, and others, to ensure that the care provided is of the best possible quality and offers the best value for money. They also provide independent, authoritative and evidence-based guidance on the most effective ways to prevent, diagnose and treat disease and ill health, reducing inequalities and variation.

NIHR -National institute for Health Research

Commissions and funds research. www.nihr.ac.uk

NPSA - National Patient Safety Agency

The NPSA is an arm's length body of the Department of Health. It was established in 2001 with a mandate to identify patient safety issues and find appropriate solutions.

OFSTED - Office for Standards in Education

OFSTED is the Office for Standards in Education, Children's Services and Skills. It reports directly to Parliament and is independent and impartial. OFSTED inspects and regulates services which care for children and young people, and those providing education and skills for learners of all ages.

PADR - Performance Appraisal Development Review

The aim of this is to confirm what is required of an individual within their role, feedback on how they are progressing, to identify any learning and development needs and to agree a personal development plan.

PCT - Primary Care Trust

Primary care is the care provided by people you normally see when you first have a health problem. It might be a visit to a doctor or a dentist, an optician for an eye test or a trip to a pharmacist to buy cough mixture. NHS walk-in centres and the NHS Direct telephone service are also part of primary care. All of these services are managed by the local Primary Care Trust.

PLACE - Patient Lead Assessment of the Care Environment

An annual assessment of food and cleanliness of inpatient healthcare sites in England that have more than 10 beds.

Safety Thermometer

The NHS Safety Thermometer is an improvement tool for measuring, monitoring and analysing patient harms and 'harm free' care, including falls and pressure ulcers.

SPA - Single Point of Access

The Single Point of Access (SPA) service provides a first point of contact for services provided by Solent NHS Trust.

TeleHealth

The use of technology to deliver health and/or social care at a distance and the remote monitoring of a patient's medical condition in their own homes, ie blood pressure, ECG or weight.

UTI - Urinary Tract Infection

A urinary tract infection is an infection that can happen anywhere along the urinary tract, ie bladder, kidneys, ureters and urethra.

VTE - Venous Thromboembolism

A venous thrombosis is a blood clot that forms within a vein. Thrombosis is a medical term for a blood clot occurring inside a blood vessel. A classical venous thrombosis is deep vein thrombosis (DVT), which can break off and become a life-threatening pulmonary embolism (PE). The conditions of DVT and PE are referred to collectively with the term venous thromboembolism.

Voluntary sector

Is a term used to describe those organisations that focus on wider public benefit as opposed to statutory service delivery or profit.

Publishing our Quality Account

Our Quality Account is published on NHS Choices and can be downloaded from our own website on www.solent.nhs.uk. We are also planning to produce an "easy to read" version of this Quality Account. This can be obtained by contacting our Marketing Communications Team – details below.

Get involved and join us as a member to have your say in the future of the Trust

As we become an NHS Foundation Trust we are building up a thriving membership list made up of local people and staff. If you would like to work with us and have a say in the decisions made about local healthcare services, please get in touch with our Marketing Communications Team via e-mail: communications@solent.nhs.uk or telephone 023 8060 8889. Alternatively, you can sign up online at www.solent.nhs.uk/membership

Your feedback is important to us

We are keen to ensure that the Quality Account is a useful document which helps patients, families and the public to understand our priorities for delivering quality care to our patients.

Although the Department of Health tell us some of the content we have to include the Quality Account also gives us an opportunity to include local quality initiatives and your feedback on these is important to us.

Please tell us what you think about our Quality Account by filling in the evaluation form overleaf, and returning it to:

FREEPOST RSHZ - RTAS - UXBE
Pals and Complaints Service
Solent NHS Trust
Adelaide Health Centre
William Macleod Way
Southampton
SO16 4XE

Evaluation form

Did you find the quality report (tick all that apply)

Easy to read ☐

Easy to understand ☐

Informative ☐

Helpful ☐

Interesting ☐

Other (please specify below)

....

What best describes you?

Please delete as appropriate: Patient / Carer / Public / Staff / Other (please specify):

....

Which sections stood out for you?

....

Why did they stand out?

....

Would you like to receive the quality report?

by email ☐

by post ☐

Please state your email or postal address:

....

How can we improve future Quality Accounts?

....

....

....

....

Appendix 1:
Statutory financial statements

Solent NHS Trust - Annual Accounts 2013-14
Statement of Comprehensive Income for year ended 31 March 2014

	2013-14	2012-13
	£000s	£000s
Gross employee benefits	(122,767)	(123,865)
Other operating costs	(63,025)	(67,464)
Revenue from patient care activities	163,731	172,046
Other Operating revenue	24,025	20,100
Operating surplus/(deficit)	1,964	817
Investment revenue	28	31
Other gains and (losses)	(134)	(72)
Finance costs	0	0
Surplus/(deficit) for the financial year	1,858	776
Public dividend capital dividends payable	0	0
Net Gain/(loss) on transfers by absorption	0	0
Retained surplus/(deficit) for the year	1,858	776
Other Comprehensive Income	2013-14	2012-13
	£000s	£000s
Impairments and reversals taken to the Revaluation Reserve	(1,662)	0
Net gain/(loss) on revaluation of property, plant & equipment	4,319	0
Total Comprehensive Income for the year*	4,515	776
Financial performance for the year		
Retained surplus/(deficit) for the year	1,858	776
Adjusted retained surplus/(deficit)	1,858	776

Statement of Financial Position as at 31 March 2014

	£000s	£000s
Non-current assets:		
Property, plant and equipment	**97,591**	4,061
Intangible assets	**1,332**	322
Investment property	**0**	0
Other financial assets	**0**	0
Trade and other receivables	**2,018**	0
Total non-current assets	**100,941**	4,383
Current assets:		
Inventories	**253**	192
Trade and other receivables	**17,856**	7,083
Other financial assets	**0**	0
Other current assets	**0**	0
Cash and cash equivalents	**10,300**	7,870
Total current assets	**28,409**	15,145
Non-current assets held for sale	**0**	0
Total current assets	**28,409**	15,145
Total assets	**129,350**	19,528
Current liabilities		
Trade and other payables	**(26,132)**	(13,626)
Other liabilities	**0**	0
Provisions	**0**	(457)
Borrowings	**(144)**	0
Other financial liabilities	**0**	0
Total current liabilities	**(26,276)**	(14,083)
Net current assets/(liabilities)	**2,133**	1,062
Non-current assets plus/less net current assets/liabilities	**103,074**	5,445
Non-current liabilities		
Trade and other payables	**(208)**	(225)
Other Liabilities	**0**	0
Provisions	**0**	0
Borrowings	**(676)**	0
Other financial liabilities	**0**	0
Total non-current liabilities	**(884)**	(225)
Total Assets Employed:	**102,190**	5,220
FINANCED BY: TAXPAYERS' EQUITY		
Public Dividend Capital	**213**	0
Retained earnings	**83,753**	5,220
Revaluation reserve	**18,224**	0
Other reserves	**0**	0
Total Taxpayers' Equity:	**102,190**	5,220

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2014

	Public Dividend capital £000s	Retained earnings £000s	Revaluation reserve £000s	Total reserves £000s
Balance at 1 April 2013	**0**	**5,220**	**0**	**5,220**
Transfer of asset from closed NHS Body - received		92,242		**92,242**
Transfers between reserves in respect of modified absorption - PCTs & SHAs		(15,873)	15,873	**0**
Balance at 1 April 2014 following adjustment	**0**	**81,589**	**15,873**	**97,462**
Changes in taxpayers' equity for 2013-14				
Retained surplus/(deficit) for the year		1,858		**1,858**
Net gain / (loss) on revaluation of property, plant, equipment			4,319	**4,319**
Impairments and reversals			(1,662)	**(1,662)**
Transfers between reserves		0	0	**0**
Reclassification Adjustments				
Transfers between Revaluation Reserve & Retained Earnings in respect of assets transferred under absorption		306	(306)	**0**
New PDC Received/(Repaid) - PCTs and SHAs Legacy items paid for by Department of Health	213			**213**
Other Movements	0	0	0	**0**
Net recognised revenue/(expense) for the year	**213**	**2,164**	**2,351**	**4,728**
Balance at 31 March 2014	**213**	**83,753**	**18,224**	**102,190**
Balance at 1 April 2012	**0**	**4,444**	**0**	**4,444**
Changes in taxpayers' equity for the year ended 31 March 2013				
Retained surplus/(deficit) for the year		776		776
Net recognised revenue/(expense) for the year	**0**	**776**	**0**	**776**
Balance at 31 March 2013	**0**	**5,220**	**0**	**5,220**

Retained Earnings

Transfer of asset on acquisition 1 April 2011	2,581
Transfer of asset from closed NHS Body - received 1 April 2014	76,369
Transfer of assets	**78,950**
Retained surplus/(deficit) for the year ending 31 March 2012	1,863
Retained surplus/(deficit) for the year ending 31 March 2013	776
Retained surplus/(deficit) for the year ending 31 March 2014	1,858
Retained surplus/(deficit)	**4,497**
Transfers between Revaluation Reserve & Retained Earnings in respect of assets transferred under absorption	306
Balance at 31 March 2014	**83,753**

Statement of cash flows for the year ended 31 March 2014

	2013-14	2012-13
	£000s	£000s
Cash Flows from Operating Activities		
Operating Surplus/(Deficit)	**1,964**	817
Depreciation and Amortisation	**2,968**	1,215
Dividend (Paid)/Refunded	**0**	108
(Increase)/Decrease in Inventories	**(61)**	234
(Increase)/Decrease in Trade and Other Receivables	**(12,725)**	2,476
Increase/(Decrease) in Trade and Other Payables	**12,047**	(1,018)
Provisions Utilised	**(205)**	(4,941)
Increase/(Decrease) in Provisions	**(252)**	187
Net Cash Inflow/(Outflow) from Operating Activities	**3,736**	(922)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	**28**	31
(Payments) for Property, Plant and Equipment	**(343)**	(2,145)
(Payments) for Intangible Assets	**(1,204)**	(818)
Net Cash Inflow/(Outflow) from Investing Activities	**(1,519)**	(2,932)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING	**2,217**	(3,854)
CASH FLOWS FROM FINANCING ACTIVITIES		
Public Dividend Capital Received	**493**	0
Public Dividend Capital Repaid	**(280)**	0
Net Cash Inflow/(Outflow) from Financing Activities	**213**	0
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**2,430**	(3,854)
Cash and Cash Equivalents (and Bank Overdraft) at Beginning of the Period	**7,870**	11,724
Cash and Cash Equivalents (and Bank Overdraft) at year end	**10,300**	7,870

A full copy of the statutory accounts together with the notes can be provided on request and are available on our website www.solent.nhs.uk

Please tell us how you feel about the services we provide.

If you have a compliment, concern or complaint please contact the Patient Advice and Liaison (PALS) and Complaints Services on *0800 013 2319* or *snhs.schpatientexperience@nhs.net*

Alternatively, visit: **www.solent.nhs.uk/contact-us**

✓sign up today

To become a member of Solent NHS Trust, please visit **www.solent.nhs.uk/membership**

Interpreting and Translation Service

Access to Communication

For a translation of this document, an interpreter or a version in

large print or Braille or

please contact ☎ **023 8082 5300**

www.solent.nhs.uk