



Annual Report and Accounts
2015 - 2016

Salisbury NHS Foundation Trust

Annual Report and Accounts 2015/2016

**Presented to Parliament pursuant to
Schedule 7, paragraph 25 (4) (a) of the
National Health Service Act 2006**

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Trust Values and Behaviours

All strategic planning is underpinned by a number of values and behaviours. These were developed in conjunction with staff and are used in their day to day work with patients, colleagues and stakeholders. There are four core values which staff should follow:

Patient Centred and Safe

This centres on patient safety, team work and continuous improvement.

Professional:

This focuses on being open and honest, efficient and acting as a good role model.

Responsive:

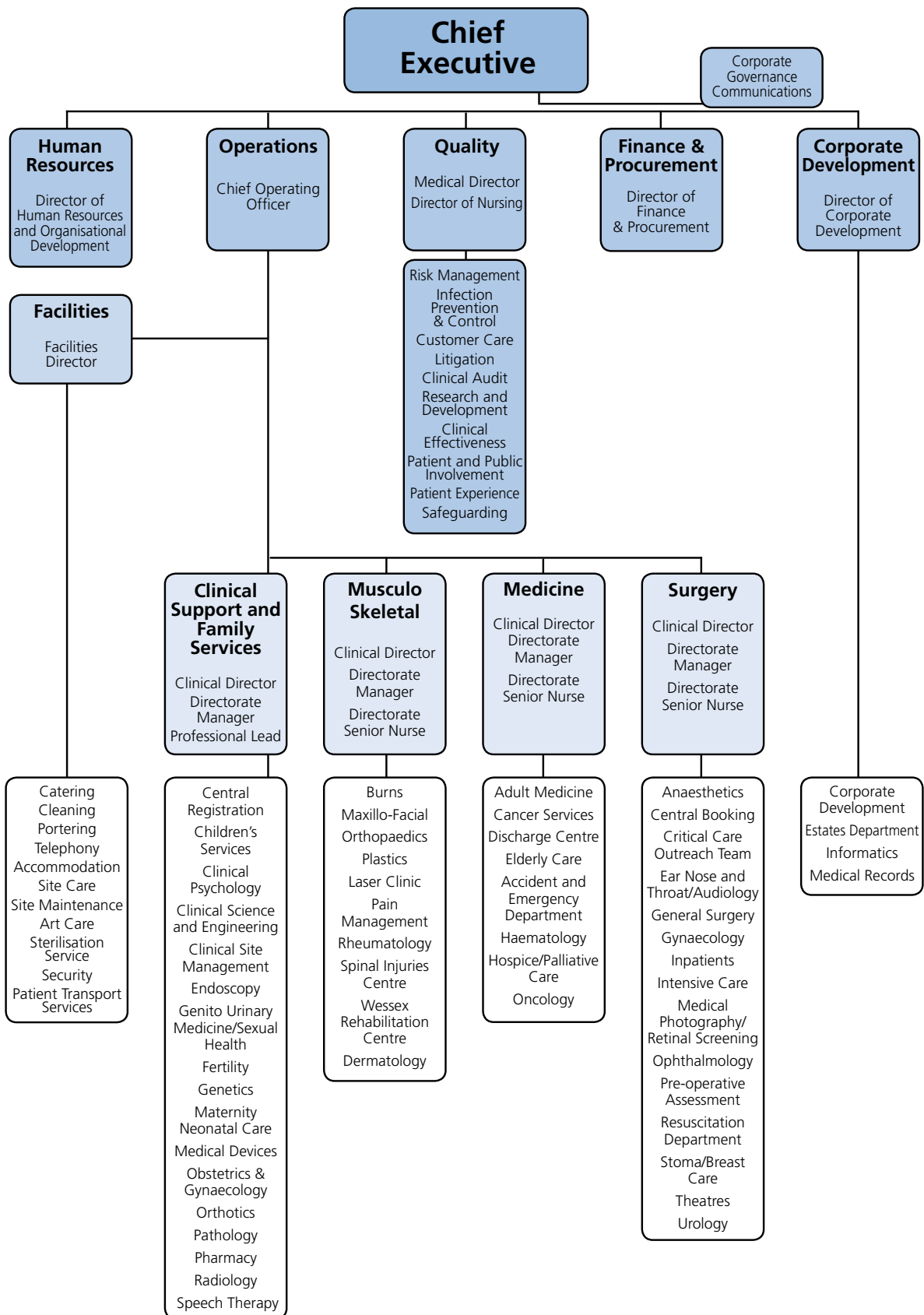
The expectation here is that staff will be action orientated, with a “can do” attitude and that they innovate, take personal responsibility and listen and learn.

Friendly:

We would expect staff to be welcoming, treat people with respect and dignity and value others as individuals.



Organisational Structure



Performance Report

Overview of Performance

Chief Executive's Statement on Performance

This has been one of the most challenging years for the Trust, yet despite this we have responded well to the operational and financial challenges we have faced and continued to provide high quality care for our patients. This was reflected in the Care Quality Commission report on the Trust which followed an inspection in December 2015. The Trust was rated Good for the overall care provided at Salisbury District Hospital and also in the core services of medical care, maternity and gynaecology, outpatients and diagnostics. Whilst the overall rating for the Trust was requires improvement, reflecting the rating given to the majority of Trusts inspected under this new rigorous inspection process, the inspection team identified areas of outstanding practice across many parts of our services, and areas for improvement. These will be covered in more detail later in this Annual Report and in our Quality Account. The Trust also met the majority of its key waiting time targets and achieved low infection rates.

We have also made significant improvements that have made a real difference to our patients, their relatives and carers. This includes new and improved facilities, changes to services and additional support at ward level. This would not have been possible without the commitment, professionalism and innovation of all our staff, whether they work on the frontline, or provide an invaluable support role at ward or departmental level.

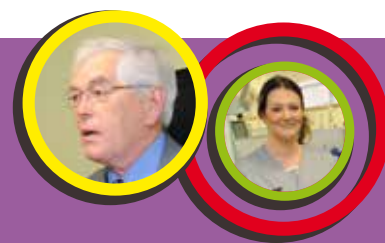
The Trust has a long history of sound financial management, but had to plan for a deficit, reflecting the financial situation facing all NHS organisations. However, the Trust met its financial target and, as part of the work with Lord Carter and his team, will look to make further efficiencies in the coming year.

It is essential that we remain the hospital of choice for our community and we will continue to review our services so that we maintain our high standards and work closely with our staff, stakeholders and partners. A good example of partnership working can be seen in the way the Trust worked closely with other providers in Bath and Swindon to set up Wiltshire Health & Care which will provide adult community services across Wiltshire from July 2016. This is an important step which will have a significant positive impact for people in south Wiltshire and is one of a number of key initiatives that we will be undertaking in 2016/2017 as part of our vision to provide an outstanding experience for every patient. More details on the Trust's performance, achievements and plans for the future can be viewed throughout this Annual Report.

Purpose and Activities of the Trust

Salisbury NHS Foundation Trust is one of around 150 NHS secondary care providers of acute hospital services in England. The Trust delivers a range of clinical care, which includes general acute and emergency services, to approximately 240,000 people in Wiltshire, Dorset and Hampshire. Specialist services, such as burns, plastic surgery, cleft lip and palate, genetics and rehabilitation, extend to a much wider population of more than three million people. The Duke of Cornwall Spinal Treatment Centre at Salisbury District Hospital covers most of southern England with a population of approximately 11 million people. Trust staff provide outpatient clinics in other locations in Dorset and Hampshire. Specialist staff hold outreach clinics in hospitals within the Wessex area. In total, the Trust employed 4,187 staff at 31 March 2016, including full and part-time staff.

The Trust has a subsidiary company called Odstock Medical Ltd. This was set up in 2005 to market worldwide its experience and knowledge of functional electrical stimulation and its own pioneering electrical devices for patients who have had a stroke or other neurological disorders. This is so that income generated could be used to further research and create new developments that help NHS patients in this country. The Trust also transferred its laundry service to a subsidiary company in 2013 and it is now called Salisbury Trading LTD (STL), which provides a laundry service to Salisbury District Hospital and other NHS organisations. The Trust has a stake in Replica 3DM Ltd, which makes 3D models, which helps clinicians who carry out complex surgery. Sterile



Services Ltd is a subsidiary company, which will operate sterile and disinfection services fully in 2016/2017. The Trust also has its own registered charity called the Salisbury District Hospital Charitable Fund which, for marketing purposes, fundraises locally under the name of the Stars Appeal. Salisbury NHS Foundation Trust is the beneficiary of the charity.

History of the Trust

Salisbury Health Care NHS Trust provided a wide range of clinical care and consistently high standards and excellent financial management enabled the Trust to start its application for NHS Foundation Trust status in the latter part of 2005. This led to authorisation under the Health and Social Care (Community) Act 2003 on 1 June 2006, and a new name – Salisbury NHS Foundation Trust.

Key issues and risks that could affect the Trust in delivering its objectives

The Trust has in place an assurance framework which identifies the principal risks to the organisation and positive assurances and actions taken to minimise the risk to the organisation. In general the key issues and risks that could affect the Trust in delivering its objectives revolve around:

- Finance and capital investment
- Staff recruitment
- Waiting time targets
- Maintaining Quality improvements
- Patients' experience
- Availability of appropriate care for patients ready for discharge

The Trust performance in these areas and other aspects of its business are covered in more detail in the performance analysis.

Going Concern

As part of its reporting requirements the Trust has to provide a statement on whether the accounts were prepared on a going concern basis. Whilst the Group had a deficit of £5.926m (excluding Charitable Funds) in 2015/2016, which was in line with its plans, after making enquiries, the directors have a reasonable expectation that the NHS foundation trust has adequate resources to continue in operational existence for the foreseeable future. There is an expectation of receiving £6.3m from the national Sustainability and Transformation Fund in 2016/2017 which should prevent any cash flow problems. Accordingly, the Directors continue to adopt the going concern basis in preparing the accounts.

Performance Analysis

The Trust's annual performance is measured against a number of operational and financial targets and objectives which are included in this performance analysis. Performance is also assessed against its longer term strategic vision of offering an outstanding experience for every patient and is set out in the following four key strategic principles of Choice, Care, Our Staff, Value.

Choice

We will provide a comprehensive range of high quality local services enhanced by our specialist centres

Fast access to high quality treatment plays an important part in patient choice and during the year staff worked hard to provide the very best care for their patients throughout its general and specialist services. This was recognised by the Care Quality Commission which rated the care and effectiveness of services as Good, following an inspection in December 2015. In its report, however, the CQC gave the Trust an overall rating of Requires Improvement and the Trust recognised the issues that were raised by the CQC and started to address these during and after the inspection itself.

As in all general hospitals, the inspection team assessed eight core services, as well as the Trust's regional spinal unit against the five domains of safe, effective, caring, responsive and well led, with the Trust rated as Good in 27 of the 39 elements. The inspection team identified areas of good practice. For instance, the majority of feedback from patients and relatives was positive, staff provided kind and compassionate care which was delivered in a respectful way and there was a strong culture of reporting and learning from incidents.

The CQC did find areas for improvement. The key concern was the follow up of patients discharged from the spinal unit and the Trust took immediate action to review the situation and put plans in place quickly to ensure adequate follow up takes place. Other areas for improvement included a review of staffing levels on some of our wards and proactive recruitment is taking place locally to improve this situation. Mandatory training and some aspects of documentation were among other issues raised by the CQC which will form part of the Trust's action plan which was submitted to the Care Quality Commission (CQC), NHS improvement and NHS England. This will also be monitored by the Board in 2016/2017.



Last year guidance was published on safe staffing to ensure that nationally, each hospital ward and every shift has the right number of staff on duty to provide patients with safe, good quality care. The Trust carries out a six-monthly skill mix review to ensure that staffing numbers, experience and the roles and responsibilities are right for what is needed on each ward. During the year staffing levels were consistently maintained to plan. However, nurse recruitment continued to remain a challenge and recruitment and a reduction in the reliance on temporary staffing were two key objectives for the Trust in 2015/2016.



A greater presence at recruitment fairs and colleges, a successful local newspaper campaign and recruitment from Italy and other parts of Europe helped increase the proportion of staff employed on a permanent basis, which included the nurse bank. It also helped reduce agency use across the hospital as the impact of the new recruits took effect.

Care of older patients in hospital remains a key priority area for the NHS, in particular those with dementia. The Trust has continued to implement the eight South West Regional Standards for dementia care. These focus on all aspects of care and treatment and how well hospitals create a 'dementia-friendly' environment, which is supported by dedicated staff training and development. Throughout the year the Trust continued to make good progress against all eight standards and introduced improvements that help ensure that patients with dementia are treated with respect and dignity, and that they have the necessary care, stimulation and support to fulfil the best possible outcome for them based on their condition and circumstances.



For example, the Trust supported the Alzheimer's Society as it took its roadshow to Salisbury District Hospital. This gave patients, visitors and staff an opportunity to find out more about dementia and the support that is available to people and create better local awareness and understanding of the condition. The Trust introduced volunteer ward companions who provide company for patients with dementia during their hospital stay and also signed up to the national Stay With Me campaign. As part of this, Salisbury was one of the first hospitals to be awarded the John's Campaign Certificate, which recognises hospitals that have stated publicly that they welcome carers of patients with dementia whenever they need them, including overnight if necessary. In 2016/2017 the Trust will continue to maintain its focus on dementia care as improvements in dementia diagnosis rates in hospital become an increasing priority.



Campaigners described the Trust as "being in the forefront of a real change in the way vulnerable people are supported in hospital". This was reflected in an innovative new carers café at Salisbury District Hospital, where carers who have loved ones or friends in hospital have an opportunity to share their experiences and get advice and support from specialist staff and local organisations every Thursday in the Springs restaurant.



It is important that we ensure we have policies and procedures in place to protect our most vulnerable patients and, as part of this, the Trust strengthened staff knowledge, skills and capacity to respond appropriately to safeguard and protect all patients and people in their care. A nurse from each ward and department will now 'champion' safeguarding adults arrangements in their area and deliver specific activities to promote awareness and help embed best practice across the organisation.



In terms of the environment, changes were made to Laverstock and Durrington wards, as well as postnatal facilities. This was part of the Trust's general ward improvement programme. The League of Friends also refurbished the two on site bungalows which were originally built in 1981 to provide short term accommodation for patients and relatives who use our specialist services and live a long way from Salisbury. This, along with an increase in on-site security so that it covers all times of the day and night, helped the Trust meet other objectives which support patient choice.

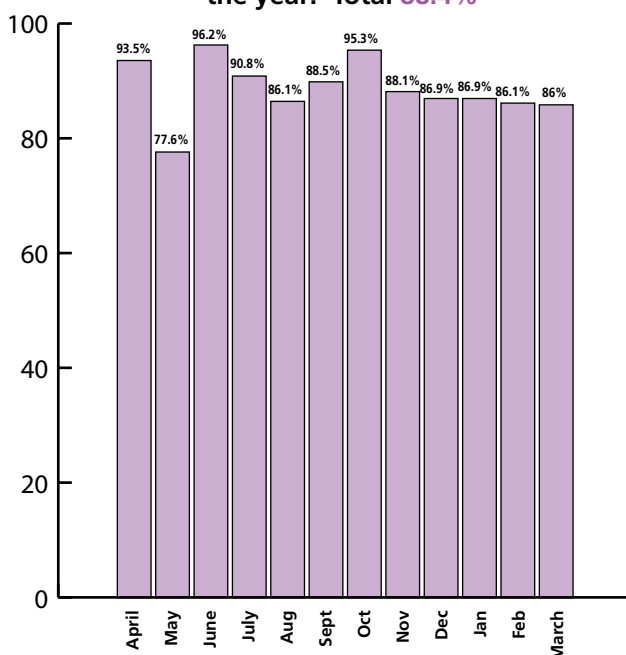


Waiting times and access to treatment continue to be important factors for patients and are part of a number of performance indicators and quality measures that are monitored monthly by the Trust Board. As part of this over 92% of patients on a waiting list have been waiting less than 18 weeks of the GP referring the patient to hospital. At the end of the 2015/2016 financial year the Trust met its cancer waiting time targets. For example,

94.3% (target 93%) of patients were seen within two weeks of referral from the GP, 99.2% had their treatment started within 31 days from the decision to treat (target 96%) and 88.4% (target 85%) were treated within 62 days of GP referral. Despite continued pressure on its services throughout the year staff right across the hospital worked hard to maintain services and ensure that patients moved safely through the 'hospital system'. In Accident and Emergency 94.8% (target 95%) of people were admitted, treated or discharged within four hours, which is a better performance than most comparable Trusts where the average national figure was 88%.

KEY PERFORMANCE INDICATOR APRIL 2015 – MARCH 2016

Cancer Waiting Times – Patients treated within 62 days of referral. Target: 85% for the year: Total 88.4%



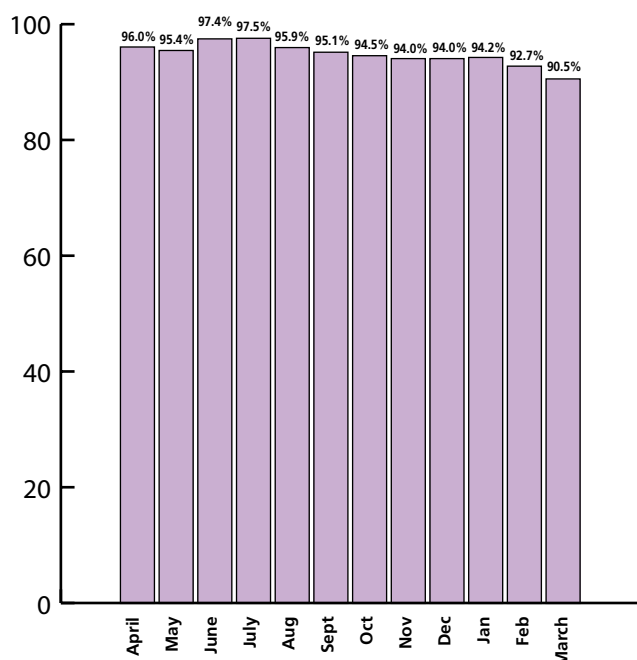
There was also good performance in diagnostic waiting times, with all patients seen within the six week target for routine MRI, CT and angiography scans, with most patients seen within four weeks.

Maintaining good waiting times across all specialities remains a challenge for most hospitals and ensuring that the Trust continues to deliver on all access targets will remain a key priority in 2016/2017. Other priority areas include increasing local access through outreach clinics and services, more investment in fertility services to increase the proportion of patients who choose to come to Salisbury for treatment and more efficient use of electronic systems to help with referrals. These will be key to patient choice and will be closely monitored by the Trust Board throughout the next financial year and beyond.



KEY PERFORMANCE INDICATOR APRIL 2015 – MARCH 2016

**Proportion of A&E attendees who were admitted, treated or discharged within four hours. Target: 95% for the year:
Total 94.8%**



Care

We will treat our patients with care, kindness and compassion and keep them safe from avoidable harm

It is essential that we treat patients with care, kindness and compassion and keep them safe from avoidable harm. Safety remains the highest priority and is monitored regularly through the Safety Steering Group and the Clinical Governance Committee, with safety performance reported at the Trust Board.



**HIGHLIGHT
OF THE YEAR**
**GOOD
PERFORMANCE ON
SIGN UP TO SAFETY
CAMPAIGN**
Trust measures to halve
avoidable harm

At its August 2014 Board meeting, the Trust joined the national Sign Up To Safety Campaign, which aims to halve avoidable harm within the NHS over the next

three years. We have signed up to five pledges that strengthen patient safety under the following headings:

- Put patient safety first
- Continually learn
- Honesty
- Collaborate
- Support

For example, we have continued to reduce the percentage of grade two pressure ulcers by 35% and maintain low levels of infection rates. We are performing well on sepsis screening, with 85% of patients screened and an overall compliance of 61% of patients receiving antibiotics within an hour of arrival. In terms of acute kidney injury we have introduced changes to the discharge summary so that GPs know if their patients have had an acute kidney injury during their stay and need further blood tests when the patient is at home. We have also had a 37% reduction in the number of patients with a new catheter associated urine infection. These are just some of the areas that are being measured under the campaign and that will be followed up in 2016/2017.



**HIGHLIGHT
OF THE YEAR**
**TRUST 5TH IN
COUNTRY FOR
OPENNESS AND
TRANSPARENCY**
Outstanding rating
for Trust in national
Learning from Mistakes
League table

With honesty being a key component in the Sign up to Safety Campaign the Trust was also rated as Outstanding and in the top five Trusts in the country for openness and transparency in the Learning from Mistakes League table published in March 2016 by the national regulator of hospitals, NHS Improvement. The publication is based on information drawn from NHS staff surveys and takes into account individual Trusts performance around national reporting and any associated risk factors regarding their approach.

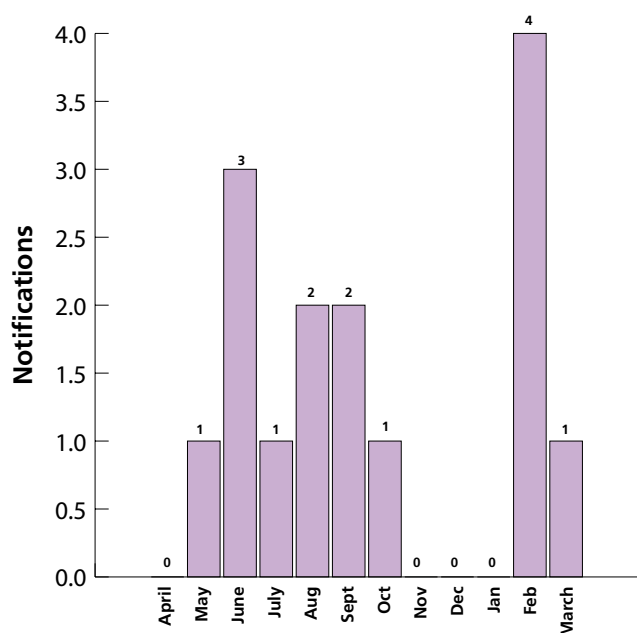
We are committed to high standards of cleanliness and good infection prevention and control policies and procedures are essential to the safety of patients. Regular hand washing initiatives, cleanliness audits and campaigns, are just some of the initiatives the Trust uses to limit the risk to patients and improve safety while in hospital. The Trust met its target for MRSA (Methicillin



Resistant *Staphylococcus Aureus*) bacteraemia with no cases within the year. There were 15 *Clostridium Difficile* infection cases this year, which was also within its target. While this represents a good performance for the year, the Trust will continue to work closely with wards and departments in 2016/2017 as part of its strategy to have one of the lowest infection control rates across the region.

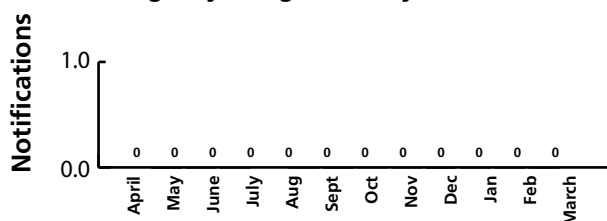
KEY PERFORMANCE INDICATOR APRIL 2015 – MARCH 2016

Clostridium Difficile. Target for Trust apportioned cases is 19. Total: 15



KEY PERFORMANCE INDICATOR APRIL 2015 – MARCH 2016

Number of notifications of MRSA Bacteraemia made to the Health Protection Agency. Target: 0 for year: Total 0



its action plan and in all areas the Trust scored above the national average. This included a new dementia standard that takes into account facilities, decoration and signage for these patients. In summary the scores were as follows:

- Cleanliness – scored 99.3% (national average 97.6%)
- Food – scored 94.6% (national average 88.9%)
- Privacy, Dignity and Wellbeing – scored 89.5% (national average 86.0%)
- Condition, appearance and maintenance – scored 95.3% (national average 90. %)
- Dementia standards - scored 84.7% (national average 74.5%)

It is important that patients have the opportunity to tell us about the care and treatment they receive in hospital, whether this is through patient and public involvement projects, national patient surveys, our frequent feedback initiative where volunteers and Governors regularly tour the wards gathering patients' views or comments made on NHS Choices. We analyse this information, which is reported quarterly to the Trust Board and is used by departments to improve their services.



During the year all hospitals had a Patient Led Assessment of the Care Environment audit. The PLACE audit is wide ranging, challenging and covers food services, cleanliness, privacy and dignity, as well as the condition, appearance and maintenance of hospital buildings. In the previous year the Trust did identify areas for further improvement such as food and hydration, and cleanliness within outpatient departments. This year's assessment saw significant improvements through



Parents, children and young people rated their experience of care highly in the national children's inpatient and day case survey, with safety, friendliness



and pain control among the key findings in the report. The survey, carried out on behalf of the Care Quality Commission, looked at inpatient and day case care and treatment from admission to discharge for 0 to 15 year olds and captured the views of parents, carers, children and young people. Salisbury was considered better than most hospitals in a number of areas and 'worse' in no areas.



The Trust also received good scores and feedback on the quality of care and level of support in the national maternity survey. Salisbury performed particularly well at treating women in labour and during the birth. The care that they give at home following the birth of their baby was also good, and women said they had confidence in midwives, that midwives were conscious of the way mothers felt emotionally and that they listened to what women have to say. However, some women did feel that they were not offered a choice in where they had their antenatal clinics and this is an area that Trust will consider in 2016/2017.

In the national inpatient survey, patients rated their care highly and they felt that they were treated with respect and dignity. Patients also felt that staff worked well together which was a new question covered in this year's survey and that their ward or room was clean. In the previous year noise at night had been an action for the Trust and a greater awareness among staff to keep noise to a minimum at night had resulted in an improvement in this area. However, better information on discharge had not improved. This along with better information on how to complain will be areas for further improvement and a full action plan has been developed and will be monitored at Board level in 2016/2017.



Good patient care not only centres on treatment and first class facilities, but also the prevention of accidents and illness. As part of this the Trust has maintained a strong focus on the local and national public health agenda, which aims to reduce the number of people dying from preventable conditions.

During the year over 40,489 patients were asked if they smoke, and 920 who said they wished to "kick the habit" were given information, with 514 also being given support. There has also been some success in encouraging mothers to stop smoking during their pregnancy. In A&E, 30,055 patients were asked about their drinking, and of those, 658 were found to be drinking harmful levels. These patients were all referred to GP services and some followed up by the Trust's alcohol nurse specialist. Initiatives to reduce obesity and promote healthy lifestyles including the Counterweight programme are also ongoing.



Staff also worked hard on providing additional support or advice through health promotion campaigns. This was complemented by Self Care Week, which gave hospital staff and local people an opportunity to find out more about how they can improve their own health and pick up potential signs of serious illnesses. This year the theme was *Self Care for Life* with a focus on getting people to know how to stay healthy all their life and think carefully about self-care for the important people in their life.



Support for patients and their families when planning for end of life care provides the cornerstone of our aim to ensure that patients approaching the end of their life are able to die where they choose and with dignity. New Medical and Nursing Personalised Care Plans are being used in the Hospice and all other wards. Personalised Care Plans will ensure that patients who may die within a few days receive clear communication on decisions and actions, that there is sensitive communication between staff, the patient and those important to them, that their needs are explored and acted upon and there is an individual care plan. Staff education and training is key and End of Life Nurse Specialists are a new, additional service that not only supports ward nursing and medical teams who provide end of life care to patients who do not need the services of the Hospital Palliative Care Team, but also have a key role in staff education. They will also review our existing arrangements, policies and procedures in this area.

Patient and public involvement continues to play an important part in the development of hospital services. Patients were involved in 26 projects this year, using many different methods including patient stories, focus groups and questionnaires. Staff views are equally important to the development of services and the Trust continued to use their knowledge and expertise to improve services for patients through focus groups and this will continue to be a key area in 2016/2017.



The Trust continued to work in partnership with stakeholders, developing clinical networks and services with other NHS providers, maintaining good working relationships with existing commissioners and building relations with specialised commissioners who are the second largest commissioner in terms of financial value to the Trust. A good example of partnership working can be seen in the way the Trust worked closely with other acute providers in Bath and Swindon to set up Wiltshire Health & Care. Following a competitive tendering exercise Wiltshire Health and Care will provide adult community services across Wiltshire from July 2016. The aim is that this will provide more “joined

up care” and expand the amount of care being offered in the community through a five year contract with Wiltshire CCG. Other examples of partnership working include the development of a model of care for diabetes where specialists are able to support primary care, the successful recruitment of a community geriatrician and an early supported discharge model for stroke.

As we move into 2016/2017 good relationships and collaborative working with stakeholders will be key as we continue to develop patient pathways and work with our partners to provide care closer to home. Initiatives such as Hospice at Home, where nursing care is provided in the community, so that patients within the last two weeks of life, can be cared for at home is a good example of this, as is the establishment of Wiltshire Health & Care which gives all three acute hospitals an opportunity to influence patient pathways in the future.

Our Staff

We will make SFT a place to work where staff feel valued to develop as individuals and as teams

The Trust remains successful by continuing to attract and retain the best possible staff. Innovation, reputation, top quality training, support and recognition will again be key factors in ensuring that the Trust has an excellent workforce that continues to provide the very best care that they can to local people and the wider community.

In order to assure itself that the Trust is meeting its workforce objectives and monitoring these rigorously and regularly, workforce information is discussed in the Workforce Committee and a new overarching performance report presented monthly to the Trust Board. These cover:

- **Workforce numbers:** Numbers and vacancies
- **Workforce quality:** temporary workforce and safe staffing
- **Workforce health:** Absence, starters and turnover and reasons for turnover, Staff Friends and Family Test
- **Workforce compliance:** Appraisal, training

In terms of numbers, the key area has been nursing and, as mentioned earlier in the report, extensive recruitment campaigns have been used to reduce the vacancy rate, employ more nurses in specialist areas and reduce reliance on agency usage. This is particularly important based on the introduction of the national agency cap and a projected reduction on the amount the Trust spends on agency nurses in 2016/2017.



In terms of quality the Trust has also successfully bolstered its nurse bank, which helps with staff deployment and maintenance of safe staffing levels across the Trust. While staff turnover remains low compared with other Trusts across the country, the Trust has continued to promote the benefits of working in Salisbury, both locally and nationally.



A greater presence at recruitment fairs, schools and colleges, advertising on its courier vans, increased use of social media and a local newspaper campaign are just some of the methods used by the Trust to attract people to work in Salisbury.

Despite the significant pressures, staff responded with a positive view of the hospital and what it's like to work in Salisbury, as part of the national staff survey. They rated Salisbury District Hospital as one of the best places in the NHS to work and receive treatment. Good communication between senior management and staff, the ability to contribute towards improvements and staff motivation at work were other areas where the Trust scored highly in the survey, in which Salisbury was in the top 20% of Acute Trusts in the country in 25 of the 32 key findings. More detailed information can be found in the Staff Report later in this Annual Report.



During the year comments from staff also placed the hospital in the top 120 best healthcare organisations in which to work. The Health Service Journal gathered

a range of information from employers and staff and these were analysed by an independent research company. The publication took into account the results and comments from staff surveys, and a range of information from the quality of leadership and staff communication and engagement, to the working environment and training and development. This was followed by excellent results in the Staff Friends and Family Test.



The Trust acknowledges the significant contribution staff make to the hospital and their professionalism and commitment was celebrated in the annual Striving for Excellence awards. This recognition is key to the Trust's success and objectives and this year the Trust expanded the number of award categories to reflect the importance of its values to the organisation, with an individual award for each of the four values of professional, patient centred & safe, friendly, responsive. Good customer care, leadership, special achievements, mentoring and equality and diversity were also covered, with service improvement presentations and awards which gave staff an opportunity to share best practice and showcase their work with colleagues and the Trust's Foundation members.



There were also a number of external successes and achievements. These included Peter Hill who was named as one of the top 50 NHS hospital Chief Executives in the country by the UK's leading health



management and policy magazine, the Health Service Journal (HSJ). The nurse-led Venous Thrombosis (VTE) and Anticoagulation Services won an award from the national Quality in Care (QIC) Programme. This was for the way they assess, manage and treat people for blood clots. The Head of Equality and Diversity, Pamela Permalloo-Bass, won the national Leader of Inclusivity of the Year Award from the NHS Leadership Academy. Pamela's award recognised the outstanding contribution that she has made to equality and diversity issues across the Trust and in the local community and the impact that has had on staff. Colette Martindale, Directorate Senior Nurse, was a finalist for the Coach/Mentor of the year award at the regional event, acknowledging her outstanding commitment and leadership in supporting staff at Salisbury District Hospital.

The Trust continues to take a positive approach to Equality and Diversity (E&D) both internally and externally. This encompasses all aspects of E&D, including social, community and human rights issues. As part of its commitment in this area, the Trust continues to work with the British Institute of Human Rights and has a number of Equality champions who can provide advice to staff and act as a focal point on equalities issues. Further information on the Trust's policies and approach to E&D can be found later in the Annual Report.



It is essential that staff feel empowered to raise issues about their work, whether this relates to bullying and harassment or raising concerns about medical practice or treatment. Last year the Trust revised its existing "whistleblowing" policy and raised awareness of this and other policies relating to bullying and harassment. This included information on how and where staff can raise an issue in confidence. In response to feedback from staff in the 2014/2015 Staff Survey, the Trust introduced 15 Dignity at Work Ambassadors who can offer a confidential, supportive and impartial service to staff and managers, enabling them to discuss any concerns they may have about issues such as bullying, harassment, discrimination or general concerns. The Trust also introduced a Freedom to Speak up Guardian

who is available to staff to speak to, regarding issues around quality and patient safety, or the wider hospital. This complemented existing avenues for staff support and feedback



Developing the workforce and ensuring that they have the skills and support to do their jobs is an objective for the Trust and is one of the key indicators monitored by the Trust Board in the workforce performance report mentioned earlier. There is also evidence to show that the health and wellbeing of staff can have a positive impact on the care that they are able to give to patients. The Trust again held a number of events to support staff in their work and promote staff health wellbeing and safety as part of its Shape Up @ Salisbury campaign. This included free classes in the staff club and opportunities to get advice on a number of health issues. During the year the Trust extended the existing staff physiotherapy service to provide a five-day service where there is a 'duty physiotherapist hour' in the morning for staff to contact the physiotherapist directly with any problems or queries, pop up physiotherapist clinics in departments, as well as rehabilitation back classes for staff who have attended physiotherapy and need supervised exercise before attending a gym or exercise class.



The Occupational Health team also now includes a mental health nurse advisor, who is able to help staff who may be experiencing stress, anxiety or depression. In response to comments from staff, the Trust also extended the on-site security service to 24/7.





While it is essential that staff feel valued and that they feel supported at work it is also important that they have real opportunities to share their work with colleagues. This not only helps improve the care provided within the hospital, but also gives staff recognition from colleagues. This year the Trust held a Putting PRIDE into Practice event, where nurses, midwives and therapists shared best practice, celebrated their achievements and highlighted improvements they had made to patient care in Salisbury. There were seven team presentations and over 30 posters submitted for the day, which illustrated the commitment of staff in providing high quality patient care. The event was opened by Sarah Elliott, Director of Nursing for NHS South, who was impressed with the range of “inspiring person-centred care” and the many examples of staff working with “compassion and creativity” in order to meet patients’ needs. This was yet another example of the outstanding work taking place in Salisbury, which also has a real impact on the recruitment and retention of staff.

Value

We will be innovative in the use of our resources to deliver efficient and effective care

The 2015/16 year has again been challenging and, with a £14m gap at the start of the year between the amount of money needed to run its services and what it could expect to get through income and savings the Trust planned for a £5.5m deficit for the first time in its history. Considerable savings needed to be made and further income generated to achieve this figure.

Despite the challenge staff worked hard and delivered the planned deficit, which is a major achievement considering the unprecedented financial and operational pressures faced locally and across all parts of the NHS, with a £30 billion financial gap nationally between 2015 and 2020.

As in previous years our financial position is the result of a combination of factors. This included the continued

reduction in the national tariff, which determines the amount we are paid for most of our work. This has seen a real terms reduction in the amount we get paid of more than 20% during the last five years. Unavoidable cost pressures and non-recurring savings from 2014/15 were also a factor. This required us to achieve savings of £8 million which we did successfully. £6.5m was achieved through operational measures and a further significant contribution was made by reviewing asset lives and thereby reducing depreciation charges.

The planned deficit was achieved despite an increase in non-elective (urgent) activity, where we only get paid 70% of the national tariff for this extra work. This, together with delayed transfers of care, where patients are medically fit to be discharged and need further care in an appropriate community setting, resulted in more temporary bed accommodation to be opened, often requiring expensive agency nurses to be used. The extra non-elective work also displaced elective work which is paid at the full national tariff rate and resulted in delays and cancellations.

The deficit, non-recurrent savings and the effect of continued real terms funding reductions will have an impact on our financial position in 2016/17. Whilst the Trust will receive £6.3m for 2016/2017 from the new sustainability and transformation fund, it must deliver a surplus of £1.8m - leaving a significant challenge of £9.5m savings needed for 2016/2017. The Trust has a strong tradition over many years of achieving its financial targets, however it is now becoming increasingly difficult to identify and implement recurrent efficiency savings at the level that is needed without affecting patient care, and this is seen as the main financial risk facing the Trust.

As mentioned earlier the Trust did deliver its savings target in 2015/2016. Savings targets are linked closely to the Trust’s cross organisational Cost Improvement Programmes (CIPs) which cover patient flow, outpatient productivity, theatre transformation, diagnostics, non-pay and drugs, and the nursing and medical workforce. These are led by the Programme Management Office (PMO). During 2015/16 these delivered £1.5 million and together with individual departmental transformation schemes, produced the combined savings total of £6.5million. Some of the changes provided quality improvements for patients, as well as financial efficiencies. For example, we piloted a Discharge Assessment Referral Team which led to the development of a multi-professional Integrated Discharge Team (IDT) to plan for discharges at admission, where appropriate. Following a Trust audit two out of three patients were seen by the IDT therapist and discharged on the same day. The Trust also piloted the Home First initiative



with community partners to help with the discharge of patients who are medically fit to leave hospital. Other improvements included the development of an electronic whiteboard system, which will be fully implemented in 2016/17. This will help with ward level decisions and improve patient flow through the hospital.

Better utilisation of theatres has delivered £130,000 savings within the year and an extended theatre efficiency programme will be our main focus during 2016/17. Our non-pay procurement team delivered over £1m of savings by renegotiating supplier contracts and obtaining better prices. They plan to deliver at least the same in 2016/2017 through changes in practice and use of consumables.

In terms of CIPs related to diagnostics we have taken traditional hospital imaging services out into the community through walk in services – bringing services closer to home and making a contribution to savings targets. Further plans to expand to other community settings are planned for 2016/2017. Patients can now amend their appointments online and we hope that a new text message will further improve patients' attendance at booked appointments.



It is clear that in recognising the financial challenge in 2015/2016 and beyond the Trust is undertaking a significant amount of work to ensure that it is providing good quality care and efficient services. Salisbury was in the first 22 Trusts in the UK to be involved in developing more standardised hospital systems through the NHS Productivity and Efficiency Programme. This is a significant achievement for Salisbury, as Lord Carter who leads the programme and visited on several occasions, found that many things he saw in Salisbury reflected the "model hospital" that they are looking to create nationally.

While this is an important piece of work that will help with NHS finances, it is not all about money. Overall hospital efficiency is also based on staffing and patient care. For instance, reducing length of stay and cutting

down on readmission rates. There is a very strong nursing element – an area where the Trust had a real impact on possible changes. As part of this staff looked at a new approach to nurse rostering and piloted this on two wards. The Trust was also involved in looking at nursing hours per patient day – all of which will be shared amongst the other lead hospitals on the programme.



In terms of efficiency Salisbury really is in the forefront and was one of only six sites across the country selected by the Department of Health (DoH) as a demonstrator site for new national barcode standards, reflecting the excellent 'quality standards' already used in Salisbury. The new standards under our Scan4Safety initiative will be similar to those used in shops and aims to help improve patient safety and provide a more efficient and effective service across the NHS. As one of the six demonstrator sites, the introduction of these new standards in Salisbury will cost £1.8 million, which will be mainly funded by the DoH. This work and the findings in Lord Carter's report will be critical to the Trust and other hospitals as they look to meet new and challenging financial targets.



Salisbury was also named as one of the top hospitals in the country by leading national healthcare intelligence organisation, CHKS. The awards are based on over 20 key performance indicators from safety, clinical effectiveness and health outcomes to the efficiency



of the organisation and overall patients' experience and quality of care. They show patients what they can expect when considering which hospital to go to for treatment and highlight the value of the hospital and our staff to commissioners and regulators – all of whom can influence the future success of the Trust.

In terms of the number of patients seen this year there was an overall increase in the number of people needing inpatient care, in particular urgent or emergency treatment. There was a significant increase in day cases and regular day attendees, with the rising trend in A&E attendances continuing in 2015/2016.

Patients Treated			
	2015/2016	2014/2015	2013/2014
Elective inpatient (spells)	5,929	6,405	6,712
Day cases	24,223	22,855	21,372
Non elective (spells)	29,388	28,494	27,789
Regular day attendees	8,223	6,631	6,359
Outpatients (consultant led)	180,110	183,732	184,725
New attendances	(71,389)	(72,322)	(68,817)
Follow up	(108,721)	(111,410)	(115,908)
Accident and Emergency	45,011	43,988	43,157
New attendances	(43,837)	(42,936)	(42,127)
Follow up	(1,174)	(1,052)	(1,030)
Spells are the main way in which hospital activity is recorded. A spell is the period of time from Admission to Discharge.			

We get additional income for achieving Best Practice Tariffs (BPTs) for specific types of work. Best Practice Tariffs (BPTs) help the NHS to improve quality of care by reducing unexplained variations and making best practice universal across NHS organisations. In 2015/16 the Trust secured 82% of income that could be gained through this source. We aim to increase this further in 2016/17 to maximise the benefit for the Trust and patients.

In the current climate it is important that the Trust builds on its reputation for innovation and uses every opportunity to bring in new technology that adds value to the organisation.

replace the current patient administration system (PAS) and many other Trust IT systems. The new system, called Lorenzo, will record both clinical and operational information with the ultimate aim of eliminating the regular use of paper patient notes. EPRs will help provide more accurate, up-to-date, information about patients at the point of care and enable faster access to records. It will also reduce the potential for medication errors and provide safer care for patients. The project will take two to three years to fully implement, and aims to provide a service to the Trust that will run for 10 years.

It is also important the Trust looks to generate more income from its own commercial activities and a good example of this can be seen in the launch of the 'My Trusty' skin care products several years ago. Since then the My Trusty product range has expanded and continued to pick up national awards for the quality of the products.



One of its objectives for 2015/2016 was to commission a new electronic patient record and the project is underway to invest in a major new system that will



Within the year the Sunflower cream won a Natural Healthcare in the Community Award and later in the year the Face and Body Oil received a Bronze award in the Annual Baby Awards run by Beauty magazine, Prima. It is essential that innovation and new ideas continue to provide additional support for NHS services and will be important to the future success of the Trust.

There are a number of factors that are crucial to the Trust's performance and key financial assurances include: control over income levels from the provision of services and treatment; the achievement of budgetary targets and cost savings; achievement of contractual targets. The Trust also has a risk rating from the regulator covering liquidity and the ability to service debt. At the end of the financial year the Trust had an

Efficiency and Use of Resources

- Good levels of efficiency maintained with overall costs 8% less than the national average.

overall Financial Sustainability Risk Rating of '2'. Cash flow remained reasonable and enabled the Trust to pay its staff and its bills promptly. This is reflected in the Trust's performance against the Better Payments Practice Code (See Accountability Report).

Key financial indicators centre on liquidity – the Trust's ability to convert assets to cash quickly - and the servicing or return on assets. Key financial indicators are monitored monthly by the Trust Board.

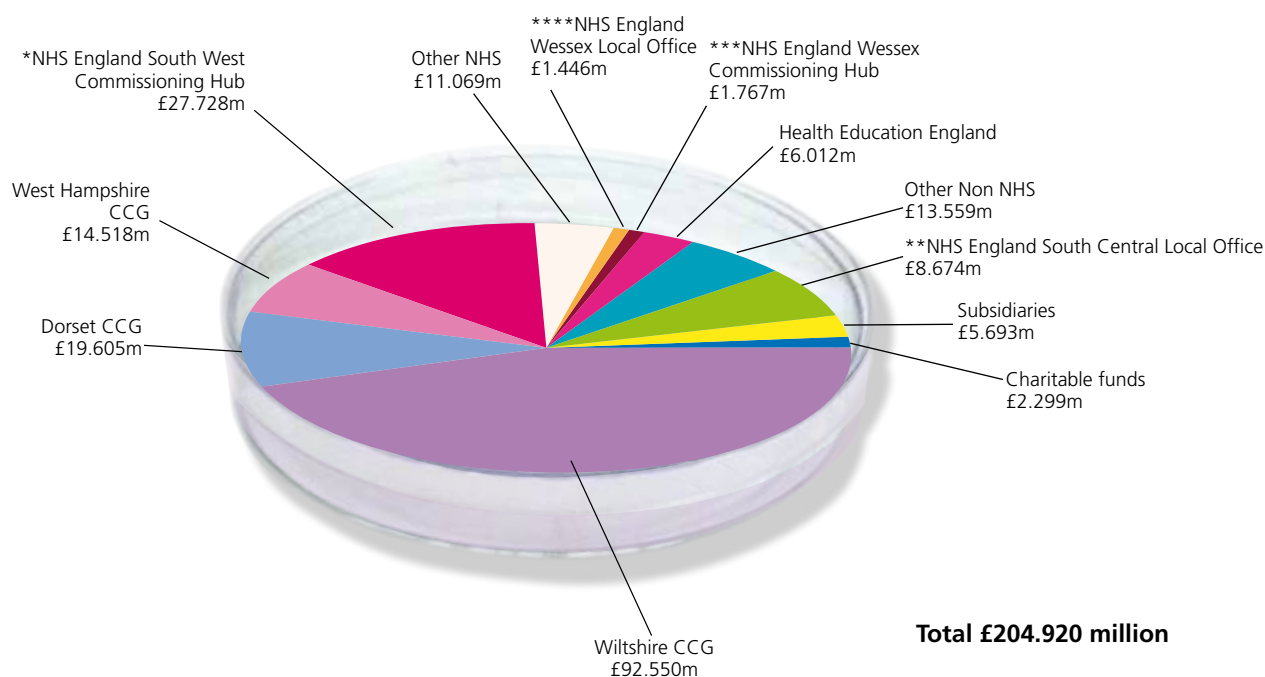
Capital Expenditure

Capital expenditure of over £10.5 million was overseen by the Group in 2015/2016 and was spent on a range of service developments. Projects included:

Medical equipment	£3.463,000
IT systems and technology	£3.615,000
Ward upgrades and improvements	£ 775,000
Air handling unit replacement	£ 420,000

Investment in facilities and equipment has benefited patients in a number of ways and these can be viewed throughout this report.

Sources of Income - 1 April 2015 to 31 March 2016 (Group)



*Previously NHS England (Bath, Gloucester, Swindon and Wiltshire Area Team)

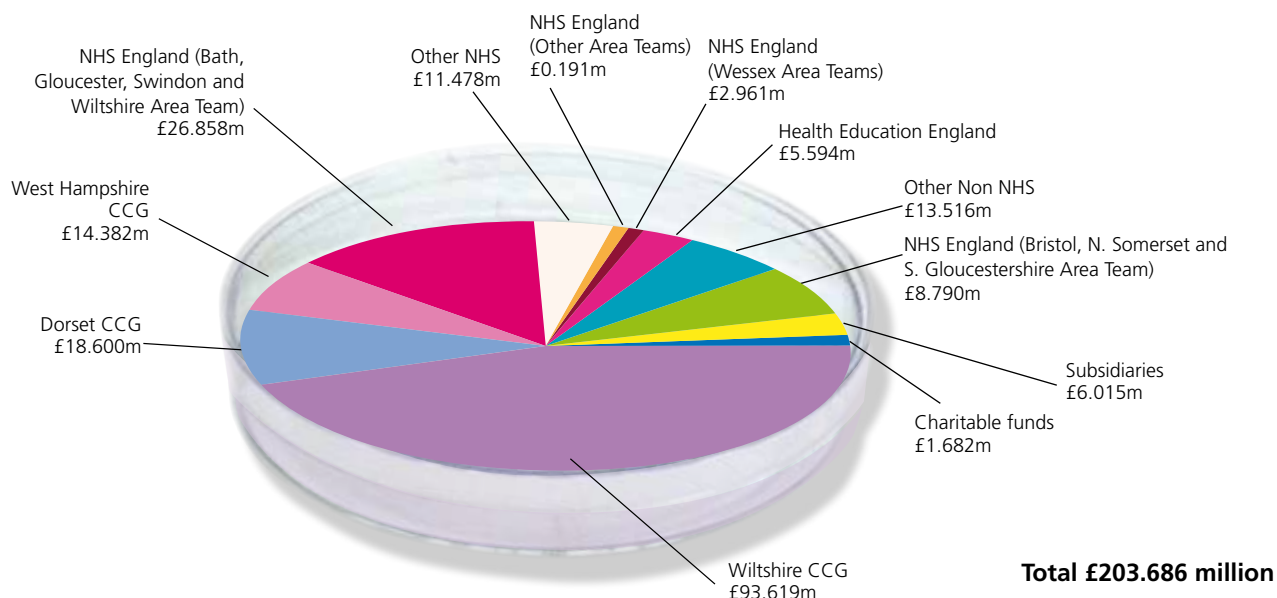
** Previously NHS England (Bristol, N. Somerset and S. Gloucestershire Area Team)

***Previously NHS England (Wessex Area Teams)

****Previously NHS England (Other Area Teams)



Sources of Income - 1 April 2014 to 31 March 2015 (Group)



During the year the Trust took steps to ensure that staff are fully aware of the financial issues facing the Trust now and the future, and staff continued to receive regular updates, with key operational and financial information cascaded throughout the organisation, as well as the day to day communications that takes place at different levels of the Trust.



This included the launch of a new Save 7 campaign which aimed to increase staff engagement in the financial issues facing the Trust and enable them to put forward ideas that save money and take specific action in their own areas.

The Chief Executive regularly sends out a personal message to all staff as part of the wider communication process and also held ad-hoc open sessions for staff on the current Trust priorities, the financial challenges faced by the NHS and the Trust's strategy. Staff are also able to raise any issues during the Trust Board led safety and quality walk rounds. Operational and financial

information is presented in public Board meetings and placed in the public domain. The Trust's financial position is also assessed quarterly by the regulator, NHS Improvement.

Income generated by Odstock Medical Ltd (OML), is used to further research and create new developments that help patients. The Trust also has a subsidiary company called Salisbury Trading Ltd (STL) that runs its laundry service and provides services to other Trusts. In previous years the laundry had delivered a surplus but was unable to do so in 2015/2016 due to a £1.5 million loss of income through laundry contracts.

The Trust treats private patients through a partnership with Odstock Private Care Limited (OPCL). The Trust has a designated unit called the Clarendon Suite, where private patients can be treated on the Salisbury District Hospital site. While (OPCL) is contracted to provide private care on site, income generated is used to benefit NHS patients by supporting our services. There are also a number of treatments offered that are not available on the NHS. These are provided privately within departments without compromising our own NHS service. A good example of this is the Laser Centre.

The Trust is committed to the environment and has a Sustainability and Carbon Reduction Strategy. As part of this, it continues to work with stakeholders to ensure that, where possible, the Trust uses renewable sources of energy and looks to reduce its impact on the environment. As part of its strategy the Trust is looking to generate more solar energy which will provide a positive contribution to the Trust's carbon footprint and generate savings.



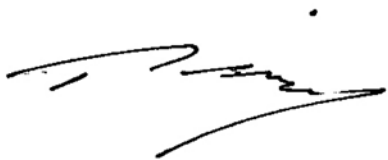
Performance Report

Additional Reporting Requirements

Preparation of accounts.

The accounts have been prepared under a direction issued by Monitor under the National Health Service Act 2006.

The Performance Report has been approved by the Trust Board



Peter Hill
Chief Executive (Accounting Officer)
20 May 2016 (on behalf of the Trust Board)



Accountability Report

Director's Report

Directors of Salisbury NHS Foundation Trust during 2015/2016

Nick Marsden	Chairman
Peter Hill	Chief Executive
Laurence Arnold	Interim Chief Operating Officer (until 12 April 2015)
Christine Blanshard	Medical Director
Lydia Brown MBE	Non Executive Director (Vice Chairman and Senior Independent Director)
Malcolm Cassells	Director of Finance and Procurement
Ian Downie	Non Executive Director
Andrew Freemantle CBE	Non Executive Director (until 19 January 2016)
Andy Hyett	Chief Operating Officer (From 13 April 2015)
Paul Kemp	Non Executive Director
Alison Kingscott	Director of Human Resources and Organisational Development
Stephen Long	Non Executive Director
Lorna Wilkinson	Director of Nursing
Revd. Dame Sarah Mullally DBE	Non Executive Director (Until 31 March 2016)

Register of interests for Directors and Governors

A register of interests is held in the Trust Offices. Information regarding the Directors' and Governors' interests and whether they have undertaken any material transactions with Salisbury NHS Foundation Trust can be obtained by contacting David Seabrooke, Head of Corporate Governance, Trust Offices, Salisbury NHS Foundation Trust, Salisbury District Hospital, Salisbury, SP2 8BJ.

Statement on compliance with cost allocation and charging guidance Issued by HM Treasury

Salisbury NHS Foundation Trust has complied with the

cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information Guidance.

Political Donations

The Trust has made no political donations of its own.

Better Payment Practice Code

The Trust conforms to the principles of the Better Payment Practice Code and aims to pay its bills promptly. Performance against the code can be viewed below. No interest was paid under the late Payment of Commercial Debts (Interest) Act 1998.

Better Payment Practice Code	Number	£000s/Amount
Total Non-NHS trade invoices paid in the period	71,058	78,701
Total Non-NHS trade invoices paid within target	58,775	63,530
Percentage of Non-NHS trade invoices paid within target	82.7%	80.7%
Total NHS trade invoices paid in the period	2,352	6,314
Total NHS trade invoices paid within target	1,723	4,863
Percentage of NHS trade invoices paid within target	73.3%	77.0%
The Better Payment Practice Code requires the Trust to aim to pay 95% of undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.		



Overview of Trust's Quality Governance Arrangements

The primary responsibility for maintaining and improving quality rests with the Trust Board. As part of this the Board has to have regard for Monitor's Quality Governance Framework. Monitor (now NHS Improvement) is the NHS Foundation Trust regulator. The Trust has a range of systems to ensure that quality governance is not only embedded firmly within the culture of the organisation, but that it also forms a key part in Trust strategy – with processes in place to monitor and measure capability and performance and review individual services. This is maintained through a quality framework. Information is gathered from patient feedback, reports, audits, external agency and peer reviews, and from Trust staff at ward and departmental level through Trust Board led quality walks. This is discussed at directorate quality meetings and presented to the Clinical Governance Committee as part of the assurance process. The Trust has clear reporting lines through individual directorates, the Clinical Management Board and the Trust Board itself, which reviews performance through a comprehensive series of quality indicators that are discussed in public at Trust Board meetings. Full details of the work the Trust is carrying out in this area can be found in the Quality Report and the Annual Governance Statement later in this Annual Report. It is important to note that there are no material inconsistencies between the Trust's Annual Governance Statement, Board reports required by the Risk Assessment Framework, the Corporate

Governance statement submitted with the Annual Plan, the Annual Report (incorporating the Quality Report) and any reports arising from Care Quality Commission reviews. The Trust Board will continue to monitor the governance of quality through its quality framework.

Income Disclosure

The Trust can confirm that income from the provision of goods and services for the purposes of the health service in England is greater than its income from the provision of goods and services for any other purposes.

Other Income and Impact on Provision of Services

The Trust provides a variety of services to patients, visitors, staff and external bodies that generate income which cover the cost of the service and makes a contribution towards funding patient care. Services that generate income include: accommodation, catering, car parking, private patient treatment, pharmacy products including My Trusty range and sterile supplies. The total income from all of these areas amounted to around £ 6.5 million. Some areas, such as day nursery and the Staff Club, aim to break even. The other areas contributed surpluses, which have been applied to meeting patient care expenditure. In addition, the Trust received £3.5m from Salisbury Trading Ltd (excluding laundry undertaken for the Trust) and £2.0m from Odstock Medical Ltd.

Patient Care and Stakeholder Relations

During the year the Trust introduced a number of developments and initiatives that have directly or indirectly contributed to the performance of the Trust, improved patient experiences and the quality of care at Salisbury District Hospital. The Trust has also worked in conjunction with a number of other organisations on projects that reinforce partnership working, stakeholder relations and staff involvement. Items not already covered in the Performance Analysis are summarised within the following themes:

TAKING CARE OF OUR PATIENTS

Improvements to the assessment of falls in hospital

Hospital falls are the most commonly reported patient safety incidents in this country. A "post falls sticker" was trialled and positively received by staff. Its implementation now helps documentation and

assessment after an inpatient fall with the aim of expanding this further across the hospital.

Trust signs up to national dementia patients support campaign

The Trust has signed up to the national Stay with Me campaign. This recognises hospitals that have stated publicly that they welcome carers of patients with dementia whenever they need them, including overnight if necessary.

New end of life care nurse specialists

The Trust has introduced new End of Life Nurse Specialists as an additional service supporting ward nursing and medical teams who provide end of life care to patients who do not need the services of the Hospital Palliative Care Team. The End of Life Care



Nurse Specialists support existing ward nursing and medical staff that are caring for patients who do not have complex symptoms and can be managed within their own teams.

Safeguarding adults champions

Safeguarding adults champions have been introduced to strengthen the knowledge, skills and capacity of all staff so that they are able to respond appropriately to safeguard and protect all patients and people in their care. A nurse from each ward and department has put themselves forward to 'champion' safeguarding adults arrangements in their area and deliver specific activities to promote awareness and help embed best practice across the organisation.

Carers café starts at Salisbury District Hospital

Carers who have loved ones or friends in hospital now have an opportunity to share their experiences and get advice and support from specialist staff in a new "Carers Café" that runs monthly. Volunteers from the Alzheimer's Society, Age UK and Carers Support Wiltshire are on hand to answer any questions or to signpost to the appropriate help in the community.

Staff campaign to increase awareness of organ donation

The Trust launched a major new campaign to encourage staff to sign up to the national organ donor register and ensure that families are aware of their wishes. The organ donation leads held a series of hospital events, multi-faith workshops and visited each part of the hospital with an organ donation decision box encouraging staff to sign up on the National Organ Donor Register.

Salisbury teams win patient safety awards

Two teams from Salisbury District Hospital have won awards from the Wessex Patient Safety Collaborative (PSC) recognising the positive way they have implemented patient safety initiatives within the hospital. The Sepsis Team received the award for the drive and energy they have shown in making improvements to the way sepsis is diagnosed and treated within hospital. The Transfer of Care Team won their award for the way they engaged with patients in this programme which aims to improve handovers and discharge between hospital and community based care.

WORKING WITH OUR STAKEHOLDERS, PARTNERS AND LOCAL COMMUNITY

Partnership working

The Trust works in partnership with other statutory, non statutory and voluntary sector organisations to commission and develop work to support diverse communities. Current work includes the Equality and Diversity Wiltshire Public Sector Lead Officer Group, which brings together lead officers from statutory organisations working together collaboratively on a collective Equality & Human Rights Charter and understanding the needs of local people so that there is an integrated approach to our PSED (Public Sector Equality Duties). The Trust is also working with the Action on Hearing loss Charity in Salisbury to provide training and support to patients and staff experiencing hearing loss.

Adult community services in Wiltshire

The Trust worked in partnership with Great Western Hospitals NHS Foundation Trust and the Royal United Hospitals Bath NHS Foundation Trust to set up Wiltshire Health & Care, which won a tender to provide adult community services in Wiltshire. This will give the Trust a greater influence in the management of community care provided in south Wiltshire, as part of its overall vision to provide an outstanding experience for every patient.

Salisbury Trauma Unit

The Trust is working in partnership with the Southampton General Hospital Trauma centre, providing specialist emergency care, as part of the Wessex Trauma Network. In addition to traditional trauma units, Salisbury also provides a Burns Unit, a strong full time plastic Surgery service, spinal rehabilitation and hand injury management through the Wessex Rehabilitation Centre, enabling the network to offer a comprehensive trauma service for the region.

Mobile Chemotherapy Unit (MCU) marks third birthday

Staff and representatives from Hope for Tomorrow marked the third birthday of the MCU at a special gathering at the hospital. Some patients travel up to 60 miles a day for chemotherapy and related treatments and the team worked with the charity to provide the unit which now goes out to four community locations. Since it started in 2014, staff have given around 500 treatments and saved over 20,000 hours in travel and waiting time.



Staff win service improvement award

Staff in Intensive Therapy Unit, Estates and Artcare won a service improvement award for the way in which they engaged staff, patients, carers and specialist organisations in the redesign of Radnor ward. Major changes were made to the layout, decoration and equipment to provide a more calm, sensitive and therapeutic environment for patients who are seriously ill and more comforting surroundings for relatives and carers.

Hospital chaplain joins Salisbury Cathedral College of Canons

Salisbury District Hospital Chaplaincy Team Leader, Kim Stephens, was chosen to join Salisbury Cathedral's College of Canons. The College of Canons provides feedback to the Cathedral on its activities and informs the policy decisions of its governing body. This is a prestigious role and Kim was chosen for her valuable experience and her link with the NHS and this hospital, where she has been a chaplain for the last 13 years.

New hospice at home service

The Salisbury Hospice charity has started a new Hospice at Home service. This will provide nursing care in the community for patients within the last two weeks of life, with the aim of keeping people at home if this is their wish. One aspect of the service is to act as crisis intervention, preventing admissions to an acute hospital, hospice or alternative care setting, where another more appropriate option is better.

Home First Scheme

In conjunction with our partners in health and social care, the Trust piloted an integrated discharge pathway called Home First. The pathway was aimed at patients who may have ongoing needs once they leave hospital and meant that patients go to their own home and have all the necessary assessments done there, as confidence and behaviours can be different from those displayed in hospital.

New parenting programme in Wiltshire for vulnerable families

Baby Steps is a new perinatal parenting programme that helps parents to prepare for the birth and is particularly suitable for families who are disadvantaged or have additional needs. It provides information, practical help and a network of supportive relationships. The programme is delivered by a trained health professional and children's centre practitioner and includes an

initial antenatal home visit, six antenatal weekly group sessions, a postnatal home visit and three postnatal group sessions.

A&E nurse wins community award

Accident and emergency nurse practitioner Neasa Braham won the Tidworth Community Action Garrison Commander's award for her dedication, enthusiasm and commitment in training military personnel and civilians in her voluntary role at the Kiwi Divers British Sub Aqua Club.

Artcare team awarded £40,000 to protect historic collection

The ArtCare team was awarded a £40,000 grant from the Heritage Lottery Fund to archive and expand its collection of historical memorabilia and medical equipment. This grant will also enable local people to see more of it over the next two years through touring exhibitions, talks and hands-on activities, which will culminate in an online website and permanent history display in the hospital.

IMPROVING SERVICES AND FACILITIES FOR OUR PATIENTS

New one-stop kidney stone clinic

Patients now have access to a one-stop kidney stone clinic where patients have their initial outpatient appointment and any diagnostic tests during the one visit, reducing waiting times for appointments and subsequent treatment.

New one stop fertility service

Staff have started a new comprehensive one-stop service for patients requiring further infertility investigations or treatment following the completion of basic tests in primary care. The new service is more efficient and helps improve patient experience.

New patient Wi Fi service

Patients and visitors are now able to find electronic communication with family and friends more easily through the introduction of a new Wi Fi service across the hospital. The service is funded by the Stars Appeal and provided by Hospedia.



New one stop continence clinic for women

Staff in the urology department wanted to improve their service for women with urinary incontinence as some were attending six appointments or investigations before surgery. They have now started a new female led one-stop clinic for women, where all investigations and decisions about treatment are made during this appointment.

Improved anticoagulation service

The anticoagulant nurses have created a more streamlined service and incorporated the outpatient Venous Thromboembolism (VTE) service and in-patients under their care in order to reduce the number of anticoagulation related incidences. Better monitoring and involvement in drug initiation of new oral anticoagulants now ensures that the correct drug and dose is prescribed.

Improvements in inadvertent perioperative hypothermia

Inadvertent perioperative hypothermia is a common, but preventable complication of perioperative procedures associated with poor patient outcomes. Staff in theatres audited current practice against NICE Guidelines, increased awareness of risks and improved compliance and patient care - reducing the chances of potential incidents.

£200,000 refurbishment of League of Friends bungalows

Patients and relatives who live a long way from Salisbury District Hospital and need short term accommodation can now benefit from a £200,000 refurbishment by the Salisbury Hospital League of Friends with support from the Stars Appeal, to the two on-site bungalows. Each bungalow has a fully fitted kitchen, lounge and six en-suite twin bedrooms, which are available 24 hours a day.

New fracture liaison service

The Trust launched a new fracture liaison service for patients over the age of 50 who present with a fragility fracture. They now have an individualised osteoporosis and falls risk assessment and treatment plan with the aim of reducing the risk of future fractures such as fractured neck of femur, thereby reducing mortality, morbidity and associated costs.

New biologics optimisation service

The Rheumatology Department piloted a new "biologics optimisation service". All patients receiving biologic

therapy for their inflammatory arthritis have an ultrasound to identify disease activity. Patients who are in remission are offered a dose reduction and patients who have high activity offered a switch in their current treatment.

Dedicated obstetric theatre

The Trust has improved the quality of the care it gives to obstetric patients by increasing access to the dedicated obstetric theatre, which is now available 24 hours a day. Previously, women requiring emergency treatment would have been transferred from labour ward to main theatres overnight and at weekends.

New portable ultrasound scanner

The Maternity Department has invested £26,000 in a portable ultrasound scanner that can be used in peripheral antenatal clinics in Tidworth and Shaftesbury. The scanner will enable staff to carry out more detailed and accurate scans which will improve the detection of babies that are small for their gestational age. Use of a portable scanner also means that women who then need regular scans can have these closer to home.

LISTENING AND LEARNING FROM OUR PATIENTS AND STAFF

Parents, children and young people rate hospital experience

Parents, children and young people rated their experience highly in the national children's inpatient and day case survey, with safety, friendliness and pain control among the key findings in the report. The survey looked at inpatient and day case care and treatment from admission to discharge for patients up to 15 years old and captured the views of parents, carers, children and young people.

Women rate Salisbury maternity services highly in national survey

New mothers rated the quality of care and level of support they received highly in an independent Care Quality Commission survey of NHS maternity units. The survey looked at women's experiences of care provided by hospital and community staff from early pregnancy to four weeks after the birth. Salisbury was rated as better than many other Trusts at treating women in labour and during the birth. The care that they give at home following the birth of their baby was also good, and women said they had confidence in midwives and that they listened to what women have to say.



Inpatients rate their care well

In the national inpatient survey patients rated their care well and they felt that they were treated with respect and dignity. In the previous year noise at night had been an action for the Trust and a greater awareness among staff to keep noise to a minimum at night had resulted in an improvement in this area. Better information on discharge and how to complain will be actions for the Trust in the coming year.

Comments, concerns, complaints and compliments

Last year the Trust treated 67,763 people as inpatients, day cases and regular day attendees. Another 45,011 were seen in the Emergency Department and 180,110 as outpatients. The Chairman, Chief Executive and Customer Care Department received 1,959 thank you letters/cards, with many more sent directly to staff on wards and units. There were 1,140 general enquiries, 284 comments, 424 concerns and 295 complaints. The overall number of comments, concerns and complaints responded to in 0-10 working days was 1,622 (75.7%), in 11-25 working days 314 (14.6%) and above 25 working days 207 (9.7%). All comments, concerns and complaints were acknowledged either verbally or in writing within three working days. Two complaints were referred to the Parliamentary and Health Service Ombudsman for independent review and, to date one has not been upheld. The Trust is awaiting a decision on the other case.

The Trust welcomes feedback as this is used to improve the quality of its services. Areas where improvements were made following complaints include:

- Introduction of a clinical information system in Ophthalmology has been approved, plus expansion of the service and recruitment of an extra three consultants. The patient journey has been streamlined supported by two newly appointed Ophthalmology Assistants.
- Sarum Ward is developing a local protocol for managing calls relating to blood results in Day Assessment Unit. They have also developed an orientation checklist to the ward/kitchen/facilities for parents/children.
- The workload of the Booking Co-ordinators has been reviewed. Work is ongoing to support the teams, but also how the workload can be reconfigured to spread it more evenly.
- Musculo-Skeletal are collating specialty information on all departments in the directorate, and are planning to update the website for each department with this information to increase awareness and knowledge of treatments that are available to patients.

- Plastic Surgery have undertaken a review of surgical capacity and explored changes to Day Surgery Unit lists. Ongoing service review regarding capacity and demand of large and small trauma cases

More detail about improvements can be found in the Trust Board quarterly reports.

Improvements following staff survey

The Trust has implemented a number of improvements for staff following the 2014/2015 staff survey.

Having reviewed the bullying and harassment responses to the survey, the Trust conducted focus groups to better understand the issues for staff and, having networked with Trusts that had reported good results in this area, we trained and promoted Dignity at Work Ambassadors (DAWAs). DAWAs provide an informal and confidential support service for staff who are experiencing problems at work. This role complements the existing trades union support and the Freedom to Speak Up Guardian.

In support of staff who experience work related stress, the Trust put in place a number of activities linked to its Wellbeing programme. This included mindfulness sessions, additional access to counselling services and a specialist mental health nurse, additional physiotherapy sessions and pop-up clinics.

The development of the in-house security service has provided direct support and reassurance to staff in all areas of the Trust. This includes clinical areas that may have patients with challenging behaviours. The number of incidents of violence and aggression reported has reduced, and this will continue to be monitored.

RECOGNISING AND REWARDING THE BEST

Outstanding contribution to patient care rewarded

Associate Directorate Senior Nurse for Medicine, Beckie Benson, won the Trust's outstanding contribution award. Beckie started in Salisbury 27 years ago as a nursing auxiliary and worked her way up through the nursing ranks, treating people with care, compassion and professionalism.



Excellent customer care rewarded

Good customer care is essential to the hospital and the care provided to patients and local people had an opportunity to reward staff in Salisbury. Staff on Chilmark Ward won the team award for their kind, supportive and helpful support and Redlynch Ward nurse Ines Oliverio, won an individual award for going above and beyond what is required. She was described as a “true asset” to her team.

Facilities unsung hero

Chris Racey started as cleaning assistant 34 years ago and her long term support, fundraising and personal commitment was recognised with the award of unsung hero. She is now the popular face behind Facilities HQ reception.

Therapy team leader wins leadership award

Gill Hibberd, who is the Head of the Orthopaedic Therapy Team, won the Trust's leadership award. Gill was admired for her involvement in many developments and led a successful review of therapy services. She is now sharing her senior physiotherapist experience across orthopaedics and elderly care.

Hospice volunteer wins Governor's award

Volunteers provide invaluable support to the hospital and Jane Middleton, who has been a volunteer at the Hospice since 1994, was described as a selfless, caring and energetic volunteer, dedicated to others' wellbeing in a wide variety of roles.

Staff win equality and diversity award

Chair of the staff BAME (black, Asian minority, ethnic) group, Sandy Woodbridge, and staff on switchboard won the Trust's Equality and Diversity (E&D) awards. E&D has an important role to play in the Trust and this award recognises the work of staff who have embedded E&D into working practice with staff, patients, carers, visitors or the local community or proactively supported others at work.

Living the Trust values awards

The Trust recognised staff that demonstrate all of the “love to see” behaviours that are so important to the hospital, colleagues and the local community. There were four awards, each reflecting one of the Trust's values of professional, patient centred and safe, friendly and responsive. The winners were Dr Rowena Staples (professional), Redlynch Ward (patient centred and

safe), pharmacist Louise Pitman (friendly), and porter John Martin (responsive). All were exceptional in the way they put the Trust's values into practice throughout their work.

A&E nurse wins award for mentoring

A&E nurse Petra Bowman has won the Pinder ward for nurse mentoring. Petra was nominated by a student nurse who described her as an amazing mentor who was encouraging and patient. She is caring and compassionate and a truly inspirational nurse.

CELEBRATING ACHIEVEMENTS

Peter Hill in top 50 NHS hospital chief executives

Peter Hill has been named as one of the top 50 NHS hospital Chief Executives in the country by the UK's leading health management and policy magazine, the Health Service Journal (HSJ). The judging panel, which included leaders from NHS professional bodies, national regulators and voluntary organisations, looked for chief executives who have shown outstanding leadership and commitment to their organisations. They considered financial performance and quality of care, communication and internal and external engagement, their effectiveness in driving cultural and performance improvements, and working within and outside their organisation to develop and deliver plans to reform models of care.

Trust wins national efficiency award

Salisbury has been named as one of the top hospitals in the country by leading national healthcare intelligence organisation, CHKS. The awards are based on over 20 key performance indicators from safety, clinical effectiveness and health outcomes to the efficiency of the organisation and overall patients' experience and quality of care.

Salisbury in top 120 healthcare organisations in which to work

Comments from staff placed the Trust in the top 120 best healthcare organisations in the country in which to work for the second year running. The publication took account the results and comments from staff surveys, and a range of information from the quality of leadership and staff communication and engagement, to the working environment and training and development.



Cleanliness, food and care environment highlighted in national report

Cleanliness, food quality and patients' overall experience of facilities and support in Salisbury have been rated highly in the latest national report on the Patient Led Assessment of the Care Environment (PLACE). PLACE provides an assessment of how an organisation is performing against a range of non-clinical activities that impact on the patient experience of care.

VTE and anticoagulation award

The VTE service and anticoagulation outreach service won a national Quality in Care Programme (QIC) award. In this award the judges were impressed by the way in which nurses are used in this role, the streamlined integrated care pathway, and collaboration with other departments, the assessment of care and the involvement of people who use the service.

Salisbury win NHS military challenge

"Team Salisbury" won the South West NHS Military Challenge on Dartmoor. The 10 strong team, including executive directors and clinical and managerial staff came first out of 14 other hospitals in seven of the nine challenges, which included the assault course led by the Royal Marines, a number of physical and mental tests and the delivery of care and the building of communication systems under fire.

National Leadership Award

Pamela Permalloo-Bass, Head of Equality and Diversity won the NHS Leader of Inclusivity of the Year Award from the leadership Academy. Pamela's award recognised the outstanding contribution that she has made to equality and diversity issues across the Trust and in the local community and the impact that has had on staff.

RECOGNISING INNOVATION THAT IMPROVES PATIENT CARE

Salisbury first for new national procurement standards

Salisbury District Hospital is one of only six sites across the country that has been selected by the Department of Health (DoH) as a demonstrator site for new national barcode standards for procurement, reflecting the excellent "quality standards" already used in Salisbury. The new national "GS1 standards" will be similar to those used in shops by retailers and aims to help improve patient safety and provide a more efficient and effective service to hospital staff across the NHS.

Salisbury first in Wessex region to carry out latest laser prostate surgery

Men who need treatment for an enlarged prostate can now have the latest laser surgery at Salisbury District Hospital. Laser surgery avoids the need for open surgery in some cases and the side effects associated with conventional surgery. Laser treatment also enables the surgeon to remove this tissue so that it can be tested to see if it is showing any changes that could be an early sign of prostate cancer.

New bladder chemotherapy administration technique

Patients who have an aggressive or recurrent form of bladder cancer are now offered Electro Motive Drug Administration (EMDA). This involves instilling chemotherapy into a patient's urinary bladder and generating a small electric current to allow the chemotherapy drug to be better absorbed, which improves outcomes for patients.

Outstanding Salisbury research recognised

Salisbury District Hospital has a long tradition of producing high quality research that can make a real difference to patients and their families. The Trust is part of a world-leading partnership between radiologists, pathologists and surgeons who have won the British Medical Journal's Imaging Team of the Year award for their work on improving outcomes for rectal cancer patients. The Trust has also been recognised for its part in a national team conducting research into a safer test for Down syndrome that could reduce the risk of miscarriage and may soon be available on the NHS.

Salisbury District Hospital taking part in major new national research

Salisbury District Hospital is involved in one of the biggest clinical trials in the UK to see whether aspirin can prevent cancers from coming back. The ADD ASPIRIN trial will be run in around 100 centres within the country and will involve people who are having, or have had, treatment for early cancer. This is an excellent achievement and another example of where reputation, local expertise, knowledge has been recognised by the award of the trial.

Ward companions for dementia patients

Volunteers are giving up some of their free time to provide companionship to patients with dementia to support them in hospital. The ward companions act as "friends", sitting with patients, talking and giving them company during their hospital stay.



Psychology volunteers recruitment

Local people interested in becoming psychology volunteers had an opportunity to find out more about the Trust's Engage volunteer programme at a special recruitment and education morning. During the education and recruitment morning there will be talks from the Salisbury team on the psychological problems that some patients experience while in hospital and an opportunity to talk to existing volunteers about Engage and the positive impact that this has on patients.

My Trusty® Sunflower Cream Wins Best Skincare Award

The My Trusty Sunflower Cream has won another national award in the Natural Healthcare in the Community Awards. The award was presented at the Pharmacy Show and is one of a number of awards attained since the sunflower cream started commercial development of its range of skincare products, reflecting the innovation and creativity at Salisbury District Hospital.

PROMOTING BETTER HEALTH AND SUPPORT FOR OUR PATIENTS

Local people find out more about how to keep well

Hospital staff and local people had an opportunity to find out more about how they can improve their own health and pick up potential signs of serious illnesses during Self Care Week. This year the theme was Self Care for Life with a focus on getting people to know how to stay healthy all their life and think carefully about self-care for the important people in their life.

Antibiotic awareness

With antibiotic resistance now one of the biggest threats facing us today, staff encouraged people to think carefully about their use of antibiotics as part of European Antibiotic Awareness Day. Posters were displayed on the hospital's website, information screens and notice boards and patients were able to complete a quiz and crossword while they waited for the medicines in the Pharmacy.

Patient information at Salisbury District Hospital

The Trust recognises the value of good quality information and continues to build up and update its patient information library. A large group of volunteers comment on all patient information including leaflets and web pages as part of the work carried out by the Readership Panel. We continue to be certified under

NHS England's Information Standard. Any organisation achieving the Information Standard has undergone a rigorous assessment to check that the information they produce is clear, accurate, balanced, evidence-based and up-to-date.

Flu vaccination programme for frontline health staff

The Trust vaccinated frontline staff as part of its programme to protect patients and staff from the virus. Comprehensive staff vaccination can help reduce the risk of flu spreading across patient areas and affecting vulnerable patient groups. It can also impact on staff sickness within the Trust and on colleagues and be taken back to the family at home.

SUPPORTING OUR STAFF TO PROVIDE BEST CARE

Salisbury one of best for work and treatment say NHS staff

Staff have rated Salisbury District Hospital as one of the best places in the NHS to work and receive treatment as part of the latest national staff survey. Good communication between senior management and staff, the ability to contribute towards improvements and staff motivation at work were other areas where the Trust scored highly in the survey, in which Salisbury was among the best performing Trusts in the country in 25 of the 32 key findings.

New "buddy" system to improve wellbeing of Junior Doctors

There is a close link between wellbeing and levels of care, and a team of junior doctors surveyed their colleagues on working hours, breaks and contact with senior staff. While most felt supported, stressful situations and a "lack of team feel" resulted in the development of a buddy system for year one doctors, which now starts from their induction.

Extension of staff physiotherapy service

The existing Occupational Health (OH) staff physiotherapy service has been extended to offer staff physiotherapy from Monday to Friday. There is a 'duty physiotherapist hour' in the morning and pop up physiotherapist clinics in departments.



New mental health nurse advisor

The Trust has introduced a new mental health nurse advisor who is able to help staff who may be experiencing stress, anxiety or depression. Staff can be referred to the service through their manager. The adviser also visits wards and departments to discuss any issues around staff mental health wellbeing.

Staff enjoy healthy activities as part of workout@work day

Staff had an opportunity to try out a wide range of healthy activities as part of national Workout@Work Day. Pop up physiotherapy sessions, swimming and free access to a range of classes such as pilates, spinning and circuit training were just some of the activities taking place.

Dignity at work ambassadors

In response to comments made by staff in the last Staff Survey we now have 15 Dignity at Work Ambassadors within the Trust who can offer a confidential, supportive and impartial service to staff and managers, enabling them to discuss any concerns they may have about issues such as bullying, harassment, discrimination or general concerns.



Additional Director's Report Disclosures

Consultation with local groups and organisations

As part of the development of the Trust's Quality Account, the Trust consulted with commissioners, local authorities and Healthwatch. No other formal consultations took place within 2015/2016.

Patient and Public Involvement (PPI) Initiatives

Patient and public involvement continues to play an important part in the development of hospital services. Patients were involved in 27 projects this year, using many different methods including patient stories, focus groups and questionnaires. One example relates to the Fertility Service which wanted to improve the patient's experience by reducing the number of hospital appointments and waiting time for diagnosis. The following actions have been implemented:

- communicated to GPs in Wiltshire, Dorset and Hampshire about the new One-Stop Infertility Clinic and the list of tests required to be performed prior to the referral;
- designed a new referral proforma which is available on our clinical information database called ICID
- arranged a system on how to deal with incomplete referrals
- designed the patient clinical care pathway
- organised financial support for nursing cover for the initial 12 months pilot period

In summary, the One-Stop Infertility Clinic offers a rational, efficient and potentially cost effective alternative to the traditional investigation for the couples that are dealing with the challenging aspects of infertility and is likely to improve patient satisfaction at our clinic.

Statement on disclosure to the auditors.

As far as the Directors are aware there is no relevant audit information of which the auditors are unaware. Each individual director that has approved this Annual Report has taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of the information. Each Director has also made enquiries of their fellow directors and the auditor's to ensure that they are aware of any relevant audit information and exercised reasonable, care, skill and diligence in doing so.

Research and Development

The Trust hosts the Research Design Service (SW) Salisbury Office, which advises researchers who are preparing a grant application. The South West RDS is part of the National Institute of Health Research (NIHR) and, as part of the regional structure; the Trust meets the research governance objectives set by the NIHR. Based on the latest available figures, the number of NHS patients taking part in clinical research in the Trust in the 2015/2016 financial year was 1,788 people taking part in 70 National Institute of Health Research and Clinical Research Network studies hosted by the Trust, compared with 886 patients taking part in 55 studies in the previous year. Participation in clinical research forms part of the NHS constitution and the NHS operating framework, and enables the NHS to develop new treatments and shape services in the future.

Accounting policies for pensions and other retirement benefits

These are set out in note 10 to the accounts and details of senior employees' remuneration can be found in the Remuneration Report.

Directors' Report Accompanying Note

The Trust has only disclosed information under the Companies Act that is relevant to its operations. Companies Act disclosures relating to political donations, future developments, provision for staff communication on matters of concern and financial risk management are included in the Trust's Performance analysis section. This section also includes detailed information about the Trust's performance against key national and commissioner led targets and arrangements for monitoring them.



Remuneration Report

Chairman of the Remuneration Committee's Annual Statement on Remuneration

Senior managers have the authority or responsibility for directing and controlling the major activities of the Trust and for Salisbury NHS Foundation Trust this covers the Chairman, the Executive and Non Executive Directors. It is important to note that the Remuneration Committee of the Board has responsibility for setting the terms and conditions for the Executive Directors, while responsibility for setting the terms and conditions for the Chairman and Non Executive Directors lies with the Council of Governors, which is advised by the Performance Committee.

The Remuneration Committee reviewed the salaries and the individual reward packages of the Executive Directors for 2015/2016. Salaries are set in comparison with those given to holders of equivalent posts within the NHS. Advancement within the individual salary scales of Executive Directors is based on successful appraisal outcomes and this is the only performance-related element of the Executive Director's remuneration. The Remuneration Committee works closely with the Chief Executive in reviewing each executive director's performance and the Director of HR and Organisational Development advises the committee on the performance of the Chief Executive.

Senior Manager's Remuneration Policy

The policy described in this section applies to the executive and non executive directors and is periodically reviewed so that it remains aligned to the Trust's requirements, recruitment needs and practices.

The Trust's overarching Remuneration Policy is designed to ensure that senior managers' remuneration supports

its strategy and business objectives. The policy in practice has been developed to support the provision of high quality services for patients through its strategic aim of delivering an outstanding experience for every patient, financial stability and improved service performance. The Trust is mindful of a broad range of factors in setting this policy.

The Trust's remuneration principles are that rewards to senior managers should enable the Trust to:

- Attract, motivate and retain senior managers with the necessary abilities to manage and develop the Trust's activities fully for the benefit of patients
- Align remuneration with objectives that match the long term interests of the Trust
- Drive appropriate behaviours in line with the Trust's values
- Focus senior managers on the business aims and appraise them against challenging objectives.

Future Policy Table

Executive Directors

Element of pay (Component)	How component supports short and long term strategic objective /goal of the Trust	Operation of the component	Performance metric used and time period
Basic salary	Provides a stable basis for recruitment and retention, taking into account the Trust's position in the labour market and a need	Individual pay point is set within a pre designed pay band which has a minimum and maximum limit.	Pay is reviewed annually in relation to individual performance based on agreed objectives set out prior to the start of that



	<p>for a consistent approach to leadership.</p> <p>Stability, experience, reputation and widespread knowledge of local needs and requirements supports the Trust's short term strategic objectives outlined in its annual priorities and its long term strategic goals of:</p> <p>Choice - providing a comprehensive range of high quality local services enhanced by our specialist centres</p> <p>Care - treating our patients with care, kindness and compassion and keep them safe from avoidable harm</p> <p>Our Staff - making the Trust a place to work where staff feel valued to develop as individuals and as teams</p> <p>Value - being innovative in the use of our resources to deliver efficient and effective care</p>	<p>(See salary scales at the end of the Future Policies table which sets out the rates payable).</p> <p>Please note that this does not include additional payments over and above the role such as clinical duties and Clinical Excellence Awards. Total remuneration can be found in the remuneration tables in the Annual Report on Remuneration.</p> <p>Initial positioning on this pay band is based on experience and research into pay in other NHS Foundation Trusts.</p>	<p>financial year which runs between 1 April and 31 March.</p>
Benefits	<p>Benefits in kind relate to either the provision of a car, training or additional pension contributions.</p> <p>Salary for executive Directors includes any amount received (See Basic salary on how this component supports short and long term strategic objective/goal of the Trust)</p>	(See above)	(See above)
Pension	<p>Provides a solid basis for recruitment and retention of top leaders in sector.</p> <p>Supports the Trust's short term strategic objectives outlined in its annual</p>	<p>Contributions within the relevant NHS pension scheme</p>	<p>Contribution rates are set by the NHS Pension Scheme</p>



	priorities and its long term strategic goals stated in the basic salary component.		
Bonus	N/A	N/A	N/A
Fees	N/A	N/A	N/A

Note 1: The components above apply generally all Executive Directors in this table and there are no particular arrangements that are specific to an individual executive director.

Note 2: While a review-point was introduced in 2013/2014 for newly-appointed Executive Directors after two years in post, no new components were introduced in 2015/2016. There were also no changes made to the existing components of the remuneration package.

Note 3: The Remuneration Committee adopts the principles of the Agenda for Change framework when considering executive director's pay. However, unlike Agenda for Change, there is no automatic salary progression within the salary scale, even if individual directors meet their annual objectives. See statement of consideration of employment conditions elsewhere in the Trust for more detail.

Note 4: The performance measures were chosen to reflect the Trust's adopted values and its strategic goals form the basis for Directors' objectives. There is no specific minimum level of performance that affects the payment and no further levels of performance which would result in additional amounts being paid.

Note 5: There is no specific provision for the recovery of sums paid to directors or for withholding the payment of sums to senior managers that relate to their basic salary. However, the Remuneration Committee in respect of the Executive Directors and the Council of Governors for the Non Executive Directors does have the authority to decide on whether any pay increase should be awarded each year based on performance. The review point described above in Note 2 is subject to satisfactory performance.

Note 6: No Executive Directors have been released to undertake other paid work elsewhere.

Note 7: Where an individual Director is paid more than the Prime Minister, the Trust has taken steps to assure itself that remuneration is set at a competitive rate in relation to other similar NHS Foundation Trusts and that this rate enables the Trust to attract, motivate and retain senior managers with the necessary abilities to manage and develop the Trust's activities fully for the benefit of patients.

Note 8: The Trust benchmarks Executive Directors salaries with those paid to holders of equivalent posts within the NHS and is satisfied that it has taken steps to assure itself that where an Executive Director is paid more than £142,500 per year, this remuneration is reasonable.

Non Executive Directors

Element of pay (Component)	How component supports short and long term strategic objective /goal of the Trust	Operation of the component	Performance metric used and time period
Basic salary	The pay level reflects the part time nature of the role. It is set at a level that gives recognition for the postholder's commitment and responsibility of the role. Supports the Trust's short term strategic objectives outlined in its annual priorities and its long term strategic goals of:	It is one single pay point based on research of NHS pay for Non Executive Directors in other NHS Foundation Trusts	The pay level is reviewed annually by the Council of Governors, advised by the Performance Committee



	<p>Choice - providing a comprehensive range of high quality local services enhanced by our specialist centres</p> <p>Care - treating our patients with care, kindness and compassion and keep them safe from avoidable harm</p> <p>Our Staff - making the Trust a place to work where staff feel valued to develop as individuals and as teams</p> <p>Value - being innovative in the use of our resources to deliver efficient and effective care</p>		
Benefits	N/A	N/A	N/A
Pension	N/A	N/A	N/A
Bonus	N/A	N/A	N/A
*Fees	N/A	N/A	N/A

**Non Executive Directors Fees: Responsibility for setting the terms and conditions for the Chairman and Non Executive Directors lies with the Council of Governors. The policy on remuneration is that the Non Executive Directors are paid a basic salary (see Salary Scales). No additional duties which require a fee are carried out by the Non Executive Directors.*

Salary scales for senior managers

Senior Manager/Executive Directors role	Salary scale £
Chief Executive	143,531 - 175,235
Medical Director	134,835 - 155,075
Director of Finance and Procurement	110,090 - 126,603
Chief Operating Officer	105,000 - 120,750
Director of HR and Organisational Development	86,385 - 99,353
Director of Nursing	90,900 - 104,030

Senior Manager/ Non Executive Directors	Role	Fixed Salary
Nick Marsden	Chairman	43,000
Lydia Brown (Vice Chairman)	Non Executive	16,000
Ian Downie	Non Executive	13,000
Andrew Freemantle	Non Executive	13,000
Paul Kemp	Non Executive	13,000
Stephen Long	Non Executive	13,000
Sarah Mullally	Non Executive	13,000



Service contracts obligations

There are no specific obligations on Salisbury NHS Foundation Trust that impact on remuneration payments or payments for loss of office that are not disclosed elsewhere within the Remuneration Report.

Policy on payment for loss of office

This is subject to individual negotiation and takes into account the circumstances and merits of the individual case and the likely treatment by an employment tribunal.

Statement of consideration of employment conditions elsewhere in the Trust

While the Trust did not consult with employees on the remuneration policy regarding senior managers, it did take into account the national pay and conditions on NHS employees. On this basis, the Remuneration Committee adopts the principles of the Agenda for Change framework when considering executive directors' pay. However, unlike Agenda for Change, there is no automatic salary progression within the salary scale even if individual directors meet their annual objectives (see Annual Statement on Remuneration for decisions taken for the 2015/2016 year). The initial position on

the salary scale will depend on the Executive Director's previous relevant experience and any progression within that scale is determined by the Remuneration Committee (See Annual Statement on Remuneration). Performance objectives for the Executive Directors is identified and agreed with the Chief Executive, or by the Chairman in the case of the Chief Executive, and signed off by the Remuneration Committee. Objectives are set for individual Executive Directors based on strategic aims within the annual plan.

Responsibility for setting the terms and conditions of Non Executive Directors rests with the Council of Governors, which is advised by the Performance Committee and takes into account remuneration in other NHS organisations by reviewing available national comparisons in NHS Employers information. This was determined when the Trust was authorised, on the basis of independent advice. In 2010 the Council of Governors decided not to award a pay increase to the Non Executive Directors and this has remained the case since then. Please note that no additional fees are paid to the Chairman and the Non Executives Directors, other than travel and subsistence costs incurred.

Annual Report on Remuneration

Senior Manager's Service Contracts

None of the current Executive Directors is subject to an employment contract that stipulates a length of appointment. The appointment of the Chief Executive is made by the Non-Executive Directors and approved by the Council of Governors. The Chief Executive and Executive Directors have a permanent employment contract and the contract can be terminated by either party with three months' notice. The contract is subject to normal employment legislation.

Executive Directors are appointed by a committee consisting of the Chairman, Chief Executive and Non Executive Directors. The Trust's Constitution sets out the circumstances in which a Director will be disqualified from office and employment terminated. No significant awards have been made to past senior managers in 2015/2016. As stated in the Annual Statement on Remuneration, salaries are set in comparison with

those given to holders of equivalent posts within the NHS. There is no bonus scheme for Executive Directors and any pay progression is based solely on individual performance, as noted above and to recognise new responsibilities.

The Chairman and Non-Executive Directors of the Trust are appointed by the Council of Governors for a term of office of up to four years for all new appointments. This can be renewed for a second term with the agreement of both parties. The Council of Governors can terminate the appointment at any time during this period of office. For those who were in post during 2015/ 2016 please see Directors Report for details of service period.



Remuneration Committee

Name	Role	Attendance from 3 meetings
Nick Marsden	Chairman	3
Lydia Brown	Non Executive Director	2 from 3
Ian Downie	Non Executive Director	2 from 3
Andrew Freemantle	Non Executive Director	3
Paul Kemp	Non Executive Director	3
Stephen Long	Non Executive Director	2 from 3
Sarah Mullally	Non Executive Director	1 from 3

External advice is not routinely provided to the Remuneration Committee. However, the Chief Executive, Director of HR and Organisational Development and the Head of Corporate Governance attend and provide internal advice to the committee.

The Work of the Remuneration Committee and the Trust's Statement on Pay Policy

The Remuneration Committee reviews the salaries and where relevant, the individual reward packages of the Executive Directors. Most other staff within the NHS have contracts based on Agenda for Change national terms and conditions, which is the single pay system in operation in the NHS. Doctors, dentists, very senior

managers and directors have separate terms and conditions. Pay Circulars inform of changes to pay and terms and conditions for medical and dental staff, doctors in public health medicine and the community health service, along with staff covered by Agenda for Change. The Trust follows these nationally set pay policies in negotiating with Trade Unions on areas of local discretion.

Expenses for Senior Managers and Governors

Year	Number of Directors in Office	Number of Directors Reimbursed	Amount Reimbursed to Directors	Number of Elected Governors in Office	Number of Elected Governors Reimbursed	Amount Reimbursed to Elected Governors
2014/2015	16	12	£10,300	21	8	£2,320
2015/2016	14	9	£6,700	21	9	£4,501

Expenses incurred during the course of their duties relate to travel, accommodation and subsistence. Directors include those who were in post in an interim capacity during the year

Salary and Pension Entitlement

Remuneration 1 April 2015 – 31 March 2016						
	Salary and fees (Bands of £5,000) £000	Taxable Benefits Rounded to the nearest £100	Annual Performance Related Bonus (Bands of £5,000) £000	Long term Performance Related Bonus (Bands of £5,000) £000	Pension Related Benefits (Bands of £2,500) £000	Total (Bands of £5,000) £000
Laurence Arnold Interim Chief Operating Officer	0-5	0	0	0	0-2.5	0-5
Christine Blanshard Medical Director	165-170	0	0	0	15-17.5	185-190
Lydia Brown Non Executive	15-20	0	0	0	0	15-20
Malcolm Cassells Director of Finance	125-130	0	0	0	0	125-130



Ian Downie Non Executive	10-15	0	0	0	0	10-15
Andrew Freemantle Non Executive	10-15	0	0	0	0	10-15
Andy Hyett Chief Operating Officer	105-110	0	0	0	47.5-50	150-155
Peter Hill Chief Executive	155-160	0	0	0	27.5-30	180-185
Stephen Long Non Executive	10-15	0	0	0	0	10-15
Nick Marsden Chairman	40-45	0	0	0	0	40-45
Sarah Mullally Non Executive	10-15	0	0	0	0	10-15
Paul Kemp Non Executive	10-15	0	0	0	0	10-15
Alison Kingscott Director of HR & Organisational Development	95-100	0	0	0	0	95-100
Lorna Wilkinson Director of Nursing	90-95	0	0	0	60-62.5	150-155

There were no taxable benefits paid to Directors in the year. Salary for Executive Directors includes any amount received for car allowance.

Laurence Arnold was Interim Chief Operating Officer until 12 April 2016. Andy Hyett took over as Chief Operating Officer on 13 April 2016. Andrew Freemantle stepped down as a Non Executive Director on 19 January 2016 and Sarah Mullally completed her term of office as a Non Executive Director on 31 March 2016.

Remuneration 1 April 2014 – 31 March 2015						
	Salary and fees	Taxable Benefits Rounded to the nearest £100	Annual Performance Related Bonus	Long term Performance Related Bonus	Pension Related Benefits	Total
	(Bands of £5,000)		(Bands of £5,000)	(Bands of £5,000)	(Bands of £2,500)	(Bands of £5,000)
	£000		£000	£000	£000	£000
Laurence Arnold Interim Chief Operating Officer	25-30	0	0	0	0-2.5	25-30
Nigel Atkinson Non Executive	10-15	0	0	0	0	10-15
Christine Blanshard Medical Director	165-170	0	0	0	55-57.5	225-230
Lydia Brown Non Executive	15-20	0	0	0	0	15-20
Malcolm Cassells Director of Finance	120-125	0	0	0	0	120-125
Ian Downie Non Executive	10-15	0	0	0	0	10-15
Andrew Freemantle Non Executive	10-15	0	0	0	0	10-15
Kate Hannam Chief Operating Officer	75-80	0	0	0	5-7.5	80-85



Fiona Hyett Interim Director of Nursing	30-35	0	0	0	17.5-20	50-55
Peter Hill Chief Executive	150-155	0	0	0	20-22.5	175-180
Stephen Long Non Executive	10-15	0	0	0	0	10-15
Nick Marsden Chairman	40-45	0	0	0	0	40-45
Sarah Mullally Non Executive	10-15	0	0	0	0	10-15
Paul Kemp Non Executive	0-5	0	0	0	0	0-5
Alison Kingscott Director of HR & Organisational Development	95-100	0	0	0	10-12.5	105-110
Lorna Wilkinson Director of Nursing	55-60	0	0	0	70-72.5	130-135

There were no taxable benefits paid to Directors in the year. Salary for Executive Directors includes any amount received for car allowance.

Kate Hannam left the Trust on 14 December 2014 and Laurence Arnold was appointed Interim Chief Operating Officer from 15 December 2015, which carried through into the new financial year. Nigel Atkinson completed his final term of office on 31 January 2015 and was replaced by Paul Kemp on 1 February 2015. Fiona Hyett was Interim Director of Nursing from 1 April 2014 to 3 August 2014 and Lorna Wilkinson joined the Trust on 4 August 2015.

Pension Benefits 1 April 2015 – 31 March 2016								
	Real increase in pension at age 60	Real increase in pension lump sum at age 60	Total accrued pension and related lump sum at age 60 at 31 March 2016	Lump sum at age 60 related to accrued pension at 31 March 2016	Cash Equivalent Transfer Value at 31 March 2016	Real increase in Cash equivalent Transfer Value	Cash Equivalent Transfer Value at 1 April 2015	Employers contribution to Stakeholder pension
	(Bands of £2,500)	(Bands of £2,500)	(Bands of £5,000)	(Bands of £5,000)				To nearest £100
	£000	£000	£000	£000	£000	£000	£000	
Laurence Arnold	0-2.5	0-2.5	75-80	55-60	341	0	340	0
Christine Blanshard	0-2.5	5-7.5	270-275	200-205	1,343	48	1,280	0
*Malcolm Cassells	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Andy Hyett	2.5-5	7.5-10	120-125	90-95	437	49	382	0
Peter Hill	0-2.5	5-7.5	260-265	195-200	1,343	56	1,272	0
Alison Kingscott	0-2.5	0-2.5	100-105	75-80	438	7	426	0
Lorna Wilkinson	0-2.5	5-7.5	115-120	85-90	498	38	434	0

** Malcolm Cassells is not a current member of the NHS Pension Scheme and so no additional benefits have accrued in the year.*



Notes to Remuneration and Pension Tables

As Non-Executive directors do not receive pensionable remuneration, there are no entries in respect of any pensions.

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 the disclosure applies. The CETV figures and the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement). The factors used to calculate the 2016 CETV's have increased; therefore the value of CETV's for some members has increased by more than expected since 31 March 2015.

Median Remuneration that Relates to the Workforce

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director and the lowest paid director in their organisation and the median remuneration of the organisation's workforce. The mid-point of the banded remuneration of the Trust's highest paid director in 2015/16 was £167,500 (£2014/15, £167,500). This was 6.7 times (2014/15, 6.8 times) the median remuneration of the workforce, which was £25,000 (2014/15, £24,800). In

2015/16, one (2014/15, two) employees received total remuneration in excess of the highest paid director. Remuneration ranged from £10,363 to £176,000, (2014/15, £5,338 to £185,000). Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions. The pay multiplier between the median remuneration of the workforce and the highest paid director fell in 2015/16. Based on annualised pay, the Medical Director was the highest paid director in both years. Please note that this information has been subject to audit.

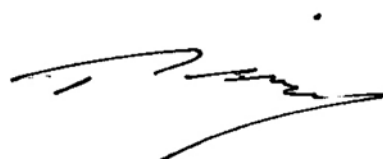
Payments for loss of office

There were no payments made for loss of office in either 2014/2015 or 2015/2016.

Payments to past senior managers

None to report in 2015/2016

The Remuneration Report has been approved by the Trust Board



Peter Hill
Chief Executive
20 May 2016



Staff Report

Analysis of average staff numbers

	Total 2016 number	Permanently employed 2016 number	Other 2016 number	Total 2015 number	Permanently employed 2015 number	Other 2015 number
Medical and Dental	342	314	28	356	322	34
Ambulance staff	N/A	N/A	N/A	N/A	N/A	N/A
Administration and Estates	743	714	29	733	688	45
Healthcare assistants and other support staff	259	255	4	255	251	4
Nursing, midwifery & health visiting staff	1,539	1,382	157	1,362	1,231	131
Scientific, therapeutic and technical staff	385	364	21	464	440	24
Total	3,268	3,029	239	3,170	2,932	238

The figure shown under the other column relates to other staff engaged on the objectives of the organisation such as, short term contract staff, agency/temporary staff, locally engaged staff overseas and inward secondments where the organisation is paying the whole or the majority of their costs.

The number of male and female directors, senior managers and employees at 31 March 2016

Head Count	Female	Male	Total
Directors	5	8	13
*Senior managers	2	4	7
All other staff	3,282	936	4,167

*Senior managers are defined as members of the Joint Board of Directors which provides a forum for the Chief Executive, supported by the Executive Directors and Clinical Directors, to advise on the strategic direction of the Trust and the Trust's involvement in the wider health economy. Senior managers in this context includes members of the Joint Board of Directors who are not included in the two remaining groups.

Sickness Absence Information

The Trust has robust procedures for the management and monitoring of sickness absence with regular reporting at departmental, directorate and Trust Board level.

	1 April 2015 to 31 March 2016	1 April 2014 to 31 March 2015
Total days lost	19,687	20,653
Total staff years	2,791	2,751
Average working days lost per WTE	7	8



Policies relating to disabled employees

The Trust has in place policies that provide full and fair consideration to disabled applicants, their training, career development and the promotion of disabled issues. This includes appropriate training for staff who have become disabled during the year. For further information please see the Trust's Equality Report, which can be found later in this Annual Report.

Provision of Information and Involvement of Employees

The Trust continues to build on its existing processes for staff communication and consultation, and this includes the involvement of Trade Unions and staff on issues that affect them so that their views can be taken into account. Regular communication through face to face briefings, the Intranet, a Chief Executive's message and publications are enhanced by topic based communications where and when appropriate. Examples this year include communications around the NHS Five Year Forward View, the Trust Care Quality Commission inspection and the specific financial and economic factors that have affected the performance of the Trust.

This resulted in a dedicated campaign to increase staff engagement in the financial position of the Trust and come up with money saving ideas. Information relating to the development of the Trust, and the quality of its services has also been well publicised through its normal communication channels. This is supported by executive led safety and quality walk rounds that not only enable staff to share any concerns, but also give the Executive team the opportunity to feedback their views on these key areas to ward staff. Financial information and the Trust's position is also shared regularly with the

Trust's Trade Union representatives. The Chief Executive also holds regular coffee morning sessions with a range of staff so that they have an opportunity to provide feedback or the personal views on any matter, directly to the Chief Executive.

Occupational Health and Safety

Each member of staff has access to a comprehensive in-house Occupational Health Service that includes a full-time staff counsellor, staff physiotherapy service and the introduction this year of a new mental health nurse advisor. The Trust has an active Health and Safety Committee, where management and staff Health and Safety representatives meet regularly to consider the Trust's performance against a range of indicators and to discuss actions and developments for improvement.

Policies and Procedures to Counter Fraud

As part of its communications with staff and the public, the Trust acknowledges that it has a responsibility to ensure that public money is spent appropriately and that it has policies in place to counter fraud and corruption. The Trust has detailed Standing Financial Instructions and a Counter Fraud and Corruption Policy to ensure probity. In addition, the Trust raises awareness of fraud in its staff communications and through displays in public and staff areas.



Staff Survey Report

Approach to Staff Engagement

The Trust is proud to engage with staff through a number of well-established processes focused on effective staff communications and consultation. Staff engagement occurs at a variety of levels through-out the organisation and includes monthly face to face cascade briefings led by the Executive Team, corporate messages shared through the intranet, Broadcast emails and quarterly Chief Executive open sessions. Dedicated Directorate Quality and Safety Walkrounds provide staff with opportunities to highlight areas of good practice as well as concerns. We also provide topic based communications where and when appropriate.

Our Staff Survey and Staff Friends and Family Test provide opportunities for regular staff feedback which is used to plan developments and improvements across the Trust. This is monitored through the internal Operational Management Board.

There is a good working relationship between Trust management, Trade Unions and staff, and Trade union representatives are actively involved in discussions around the future challenges facing the Trust, as are staff through a number of open events. These events

also provide opportunities to feedback ideas and comments.

The Trust has an open and honest culture of involvement and engagement and effective feedback mechanisms for staff. The 2015 staff survey included a measure of 'staff engagement' which reveals how staff feel about contributing to improvements at work, whether the Trust is somewhere they would recommend to work and whether they feel motivated. The Trust score places it in the top 20% of acute Trusts.

Summary of performance – NHS Staff Survey

Response rate	*2015/16		2014/15		Trust Improvement/ deterioration
	Trust	National average	Trust	National Average	
	31%	41%	57%	42%	26% deterioration

* SFT 2015 survey was full census

Top 5 ranking scores	2015/16		2014/15		Trust Improvement/ deterioration
	Trust	National average	Trust	National Average	
Percentage of staff able to contribute towards improvement at work	79%	69%	73%	68%	6%
Staff recommendation of the Trust as a place to work or receive treatment	4.09	3.76	4.02	3.67	0.07 improvement



Staff confidence and security in reporting unsafe clinical practice	3.86	3.62	74%	67%	No comparison data*
Staff motivation at work	4.08	3.94	4.00	3.86	0.08 improvement
Percentage reporting good communication between senior management and staff	43%	32%	36%	30%	7% improvement

*Please Note : This key finding was scored differently in 2015/16, so it is not possible to say whether this was an improving or deteriorating score.

Bottom 3 ranking scores*	2015/16		2014/15		Trust Improvement/ deterioration
	Trust	National average	Trust	National Average	
Percentage of staff working extra hours (a lower score is better)	74%	72%	71%	71%	3% deterioration
Staff satisfaction with the quality of work and patient care they are able to deliver	3.91	3.93	80%	77%	No comparable data available *
Percentage of staff / colleagues reporting most recent experience of harassment, bullying or abuse (a higher score is better)	38%	37%	42%	**	4% deterioration

Notes

There were only three bottom ranking scores reported in the Trust's results 2015/16 as the Trust scored "better than average" in all key findings except three.

* This key finding was scored differently in 2015/16, so it is not possible to say whether this was an improving or deteriorating score.

** A national average for this key finding was not included in the national survey reports. However a Trust percentage for 2014 was included.

Significant changes	2015/16		2014/15		Trust Improvement/ deterioration
	Trust	National average	Trust	National Average	
Percentage of staff experiencing physical violence from staff in last 12 months	1%	2%	3%	3%	2% improvement



Percentage of staff experiencing physical violence from patients, relatives or the public in last 12 months	11%	14%	17%	14%	6% improvement
Percentage of staff able to contribute towards improvements at work	79%	69%	73%	68%	6% improvement
Percentage of staff feeling pressure in the last 3 months to attend work when feeling unwell	47%	59%	24%	26%	improvement*
Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in last 12 months	25%	28%	31%	29%	6% improvement

* It is not possible to quantify precisely the level of improvement for this key finding as it was scored differently in 2015/16. It is shown as an area where staff experience has "improved" in the 2015 national results table. All other scores in this table are comparable.

Future priorities and improvement plans

National staff survey scores measure how the Trust performs in relation to other acute Trusts and in terms of staff perceptions. Scores are not absolute scales or targets of good or bad performance. However, following publication of the staff survey, the Trust develops a corporate action plan and directorate plans. These will be monitored by the Trust Board, reported on in Trust Board meetings that are held in public and measured through the 2016 staff survey.

Working extra hours

74% of SFT respondents stated that this was their experience with the national average being 72%, and it forms the Trust's one area where we perform 'below average'. The Trust will investigate the experience of staff in this and give consideration to the actions in light of the findings related to the health and well-being agenda within the trust.

Levels of satisfaction with the quality of work and patient care staff are able to deliver

The Trust scored 3.91 (out of 5) against a national average of 3.93, with a higher score being better. Although the Trust is 'average' in this area the aspirations of the trust vision and strategy are to ensure that care and the patient experience is outstanding. Therefore, work within directorates and clinical leaders to establish the nature of the issues will be undertaken as to how to improve the position.

Staff/colleagues reporting most recent experience of harassment, bullying or abuse

The Trust scored 38%, against a national average of 37%, with a higher score being better. In this case the Trust is performing better than the national average however, the work in supporting staff in the working environment to a) be protected from bullying, harassment or abuse, b) to feel supported and have access to services and processes should they experience bullying, harassment or abuse c) to report such incidences will be continued. This work will encompass a range of support interventions as well as a focus on Trust values and the associated behaviours.



Staff appraisal in the last 12 months

The staff survey results show that 87% of staff report having an appraisal which is above the national average. The Trust will maintain a high degree of focus on improving this position and improving the quality of the appraisal experience, for which we reside in the top 20% of trusts.

Work related stress and well being

The Trust scores in the top 20% of trust for 'staff experiencing stress' and 'trust and management interest and action on health and well-being'. These areas have been a key focus for work to support staff in the Trust and will remain so, underpinning the themes raised above.

Consultancy expenditure

Off Pay Roll Payments

Off-payroll engagements as of 31 March 2016, for more than £220 per day and that last for longer than six months

No. of existing engagements as of 31 March 2016	2
Of which...	
No. that have existed for less than one year at time of reporting.	2
No. that have existed for between one and two years at time of reporting.	0
No. that have existed for between two and three years at time of reporting.	0
No. that have existed for between three and four years at time of reporting.	0
No. that have existed for four or more years at time of reporting.	0

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

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

No. of new engagements, or those that reached six months in duration, between 1 April 2015 and 31 March 2016	2
No. of the above which include contractual clauses giving the trust the right to request assurance in relation to income tax and National Insurance obligations	1
No. for whom assurance has been requested	2
Of which...	
No. for whom assurance has been received	0
No. for whom assurance has not been received	2
No. that have been terminated as a result of assurance not being received	0

Off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2015 and 31 March 2016

Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year. This figure must include both off-payroll and on-payroll engagements.	17



Statement on the Trust's policy on high paid off payroll arrangements

The Trust makes use of these arrangements only in exceptional circumstances. For instance, where there is a requirement for short term specialist project management experience which cannot be filled within the existing workforce because of capacity or in-house knowledge and experience. Where an executive director post becomes vacant, the Trust looks to put in place an "acting-up" arrangement, but may select an interim manager to provide cover for up to a year pending recruitment.

Exit Packages

None to report in 2015/2016

Exit Agreements

None to report in 2015/2016



NHS Foundation Trust Code of Governance

Disclosure Statement

Salisbury NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

The way in which the Board applies the principles and provisions is described in the various sections of the report. For example, in the way the Board and Council of Governors operate, how key appointments are made and how matters are reported to the regulator. The directors consider that for the 2015/2016 year the Trust has been fully compliant.

Details on the NHS Foundation Trust Code of Governance can be found on the Monitor website at www.monitor.gov.uk

General Statements

The Board of Directors should make available a public document that sets out its policy on the involvement of members, patients and the local community at large, including a description of the kind of issues it will consult on.

As an acute hospital and a Public Benefit Corporation the Trust exists to deliver NHS services in line with national guidelines and also to respond to the requirements of the health community which it serves. The Trust Board welcomes the views and opinions of all individuals and stakeholders who have an existing connection, or might have a future connection, with the Trust.

The Trust maintains a continuing communication with members, patients, clients and stakeholders and, while welcoming individual comment, will also seek to make maximum use of the various corporate relationships that exist. These will include Governors, members, patient groups, and external organisations such as commissioners, and local councils while healthcare professionals will always be able to make their views known through the range of hospital departments.

The Trust Board undertakes to involve the local community in all its forms, as appropriate, in any significant aspect of physical or service change. The nature of any proposed change may require different levels of consultation with the Governors only through to full public consultation. The Trust will consult formally on those matters where this is necessary. In this regard the Trust Board will take advice and guidance from Wiltshire Health Watch on the procedure/process for conducting any formal consultation where this is required.

The Board holds a joint meeting with the Council of Governors to consult on the objectives, priorities and strategy that is included in the Annual Plan. This is supported by the Governors' Strategy Committee.

The Board of Directors should clarify in writing how the public interests of patients and the local community will be represented, including its approach for addressing the overlap and interface between governors and any local consultative forums (Local Healthwatch, the Overview and Scrutiny Committee, the local League of Friends, and staff groups).

The Trust Board recognises the importance of having mechanisms in place which ensure that a satisfactory dialogue can always take place with its stakeholders and appreciates the constructive comments that can flow from this style of relationship.

The Directors are very open in the release of information about the Trust and its performance through the availability of information on the Trust's website and the publication and distribution of a range of written information such as Press Releases, the Annual Report, Annual Review and members and Staff Newsletters. This creates 'openness' and allows external challenge which the Trust welcomes. To help in this process the Trust has a full time Communications Manager.

The Trust Board looks to work closely with all key groups and their representatives. A representative of the Wiltshire Health Watch routinely attends the Public meetings of the Trust Board. Trust representatives regularly brief the local Health & Well-Being Board.



Governors continue to develop ways of communicating with members and giving Members the opportunity to express their thoughts. Constituency meetings and Medicine for Members' sessions are examples of where this takes place. The Board understands the critical importance of maintaining strong relationships with Staff Groups and the Staff side Secretary attends Trust Board meetings, the Trust has regular meetings with the JNC which has an Executive presence, and communicates to all staff verbally through a monthly Cascade Brief, Members' newsletter and the Chief Executive's message and on the Intranet. Staff opinion is sought on all matters which affect working conditions.

By adopting an open, engaging and listening approach the Trust is well placed to ensure that the public interests of all stakeholders are considered appropriately with any resulting consultation being managed in accordance with the response to paragraph E.1.2.

Statement Explaining How the Board of Directors and the Council of Governors Operate, Including a High Level Statement of Which Types of Decisions are Delegated to the Management by the Board of Directors

Board of Directors

The Board of Directors comprises the Chairman, Chief Executive, up to seven Non-Executive Directors and five Executive Directors making fourteen posts in total.

The Board meets bi-monthly. The dates of the meetings are advertised on the Trust's web-site. The agendas, papers and minutes for all public meetings are published on the website.

The Directors have collective responsibility for:-

- Setting strategic direction, ensuring management capacity and capability, and monitoring and managing performance
- Providing leadership and governance to the Trust within a framework of prudent and effective controls
- Managing the operational, business and financial risks to which the Trust and its related businesses are exposed
- Monitoring the work undertaken and the effectiveness of the sub-committees of the Board
- Allowing flexibility to consider non-routine matters or items that are outside of the planned work programme
- Reviewing the performance of the senior management team

- Exercising the above duties in a way that is accountable to the Governors, members and stakeholders

Annually the content of the agendas for the following twelve months is agreed to ensure there is a good order and appropriate timing to the management of the above functions.

The Board is required to comply with its Standing Orders, Standing Financial Instructions and the Licence. The Board has to submit a strategic plan to Monitor and quarterly reports to confirm compliance with both the Trust's Continuity of Service and Governance targets under the Risk Assurance Framework.

Council of Governors

The Council consists of 27 Governors:

- 15 Public Governors
- 6 Staff Governors
- 6 Nominated Governors

The Chair of the Trust Board is also the Chair of the Council of Governors and is a key conduit between the two bodies. The full Council of Governors meets in public four times a year and also holds an Annual General Meeting. The Chief Executive normally attends the Council meetings to present a performance report and respond to questions.

Non-Executive Directors attend the Council of Governors by invitation on a rota basis to develop their own understanding of the work of the Governors and their issues.

The work of the Governors is divided between their statutory and non-statutory duties.

The statutory duties are to:-

- Hold the Non-Executive Directors to account
- Advise the Board on the effect on the provision of NHS services of non NHS provision
- Set the Terms and Conditions of Non-Executive Directors together with their remuneration and allowances
- Appoint or remove the Chairman and Non-Executive Directors of the Trust
- Approve the appointment of future Chief Executives
- Appoint or remove the Trust's External Auditor
- At the AGM consider the Trust's annual accounts, auditor's report and annual report
- Be consulted by the Board of Directors on the development of forward plans for the Trust and any significant changes to the health care provided.
- To undertake training in the role



Where appropriate Governors have been placed, on a voluntary basis, on to Committees or into Groups to look at the requirements of these functions and present recommendations for the full Council to consider.

On the non-statutory side the Governors have been placed into groups to consider various topics over which they can have an influence. In 2015/2016 these covered:

- Communications and Membership
- Performance of Chairman and Non Executive Directors
- The Trust's Annual Plan for 2015/2016 prior to submission to the regulator
- Patient experience
- Governor's self assessment
- The strategic direction of the Trust
- Volunteers

The Governors review their work programme and the make-up of their working groups annually. They appreciate that, statutory roles apart, their principal duties are to monitor, advise and inform.

Decisions Delegated to the Management by the Board of Directors

The Scheme of Delegation, which is included within the Trust's Standing Orders, sets out the decisions which are the responsibility of the Board of Directors. These are actioned either by the Trust Board or a committee of the Board.

The Executive Directors have established the Joint Board of Directors which consists of the Executive Directors, Clinical Directors and other senior post holders. The Joint Board of Directors meets monthly and is chaired by the Chief Executive. Its remit is to consider the management of the day to day business of the Trust, both operationally and clinically. The Joint Board of Directors is supported in its work by the Operational Management Board chaired by the Chief Operating Officer and the Clinical Management Board chaired by the Medical Director.

Council of Governors policy for engagement with the Board of Directors where they have concerns about the performance of the Board, compliance with the provider licence or matters related to the overall wellbeing of the Trust. The council of governors should input into the Board's appointment of a senior independent director.

There are a number of mechanisms in place that allow an issue or concern to be discussed and escalated. Informally, there are meetings between the Lead Governor and the Chairman. There are bi-monthly meetings between the governors and the non-executive directors. Governors attend Trust Board and Directors attend the Council of Governors. If the range of informal approaches do not resolve a concern, a joint meeting of the board and the governors may be called.

Under the Trust's Constitution, the Board will consult the Council on the appointment of the Deputy Chairman. A process for formal dispute resolution is included in the Trust's constitution as follows:

Dispute Resolution

In the event of a dispute arising between the Board of Directors and the Council, the Chairman shall take the advice of the Secretary and such other advice as he sees fit, and he shall confer with the Vice-Chairman and the Lead Governor and shall seek to resolve the dispute.

If the Chairman is unable to do so, he shall appoint a committee consisting of an equal number of directors and governors to consider the matter and to make recommendations to the Board and Council with a view to resolving the dispute.

If the dispute is not resolved, the Chairman may refer the dispute to an external mediator appointed by the Centre for Dispute Resolution, or by such other organisation as he considers appropriate.

The Council of Governors

The Council of Governors is made up of elected and nominated Governors who provide an important link between the hospital, local people and key organisations - sharing information and views that can be used to develop and improve hospital services.

Seven public constituencies were originally created to cover the Trust's general and emergency catchment area, using local government boundaries in place at the time. These have been reviewed to take account of minor changes to electoral wards. A further, Rest of England, Public Constituency was added in 2013.



The Trust's other public constituencies are called Salisbury City, South Wiltshire Rural, New Forest, Kennet, West Wiltshire, North Dorset and East Dorset. Governors from all these areas are elected by members from these constituencies in accordance with election rules stated in the Trust's constitution using the 'First Past the Post' voting system. Elections by postal ballot are carried out on behalf of the Trust by the independent Electoral Reform Services Ltd.

In addition, there are elected staff Governors representing six staff groups and Governors who are nominated by partner organisations that have an interest in how the Trust is run. These were Wessex Community Action, a body that provides an over-arching voluntary presence

at local level; Wiltshire Council that provides the main local authority link; and the Wiltshire, West Hampshire and Dorset Clinical Commissioning Groups, who supplied nominations during the year. The Trust also appointed a representative from the Armed Forces to the Council of Governors. The representatives of public constituencies must make up at least 51% of the total number of Governors on the Council of Governors.

In addition to the AGM, and the joint meeting with the Trust Board to review the Annual Plan, the Trust held four meetings of the Council of Governors during the 2015/16 year.

Elected Governors – Public Constituency

Name	Constituency	Elected or Re-elected	Term of Office	Attendance from 5 meetings
Nick Alward	Salisbury City	Feb 2016	*Two years	0 from 2
**John Carvell	Salisbury City	May 2012	Three years	1 from 1
Lucinda Herklots	Salisbury City	May 2015	Three Years	4 from 4
Jan Sanders	Salisbury City	May 2014	Three years	4
**Chris Wain	Salisbury City	May 2012	Three years	0 from 1
**June Griffin	South Wiltshire Rural	May 2012	Three years	1 from 1
Sir Raymond Jack	South Wiltshire Rural	May 2012	Three years	5
Dr Alastair Lack (Lead Governor)	South Wiltshire Rural	May 2011	Three years	3
Jennifer Lisle	South Wiltshire Rural	May 2015	Three Years	4 from 4
Beth Robertson	South Wiltshire Rural	May 2012	Three years	3
Lynn Taylor	South Wiltshire Rural	May 2014	Three years	5
Isabel McLellan	North Dorset	May 2015	Three years	4 from 4
John Parker	North Dorset	May 2015	Three years	4 from 4
**Sarah Bealey	New Forest	May 2012	Three years	4 from 5
John Mangan	New Forest	Feb 2016	*Two years	0 from 2
**John Markwell	Kennet	May 2012	Three years	1 from 1
Sharan White	Kennet	May 2015	Three Years	4 from 4
Michael Mounde	West Wiltshire	May 2015	Three Years	3 from 4
**Carole Noonan	West Wiltshire	May 2012	Three Years	1 from 1
Ross Britton	East Dorset	May 2015	Three Years	3 from 4
**Nicholas Sherman	East Dorset	May 2012	Three years	1 from 1
Mary Clunie	Rest of England	Feb 2016	*Two Years	0 from 2

*Nick Alward, Mary Clunie and John Mangan were elected through bi-elections and will complete their first term in May 2018. ** These Governors completed their final term of office during 2015/2016.



Elected Governors - Staff Constituency

**Mandy Cripps	Clerical, Administrative and Managerial	May 2012	Three years	1 from 1
Jonathan Wright	Clerical, Administrative and Managerial	May 2015	Three Years	2 from 4
**Brian Fisk	Volunteers	May 2012	Three years	1 from 1
Pearl James	Volunteers	May 2015	Three years	4 from 4
Shaun Fountain	Medical & Dental	May 2012	Three years	5
Colette Martindale	Nurses & Midwives	Nov 2012	Three years	5
**Lynda Viney	Hotel & Property Services	May 2012	Three years	1 from 1
Paul Straughair	Hotel & Property Services	May 2015	Three Years	2 from 4
Christine White	Scientific & Therapeutic	May 2012	Three years	2 from 5

** These Governors completed their final term of office during 2015/2016.

Nominated Governors

Name	Constituency	Appointed or Re-appointed	Term of Office	Attendance up to 5 meetings
John Noeken	Wiltshire Council	May 2014	Three years	4 from 4
Chris Horwood	Wessex Community Action	April 2014	Three years	4 from 5
Simone Yule	Dorset CCG	Aug 2013	Three years	0 from 5
Mary Monnington	Wiltshire CCG	Aug 2013	Three years	3 from 5
Rob Polkinghorne	West Hampshire CCG	Nov 2013	Three years	2 from 5
Col. James Denny	Military	April 2015	Three Years	2 from 3

*Col. James Denny stepped down in Nov 2015.

Please note that a register of interests is held in the Trust Offices. Information regarding the Governors' interests and whether they have undertaken any material transactions with Salisbury NHS Foundation

Trust can be obtained by contacting David Seabrooke, Head of Corporate Governance, Trust Offices, Salisbury NHS Foundation Trust, Salisbury District Hospital, Salisbury, SP2 8BJ.

Statement Setting out the Steps that the Members of the Board, in Particular the Non Executives, Have Taken to Understand the Views of Governors and Members

During the year the Directors have used a variety of methods to ensure that they take account of, and understand, the views expressed by Governors and members. The Council of Governors is chaired by the Chairman and these meetings are attended by the Chief Executive who presents a performance report and answers questions. This is an opportunity for the Governors to express their views and raise any other issues, so that the Chief Executive can respond.

There has been an informal meeting held of the governors and the non-executive directors a week after the public board meeting. A joint meeting of the Board and Council was held in February 2016 to consult on the operational plan. Executive and Non-Executive Directors also attend some of the Governor working groups.

The Trust Board is aware of the work carried out by the governor working groups and information is fed back to the Directors. Relevant Directors attend constituency

meetings and the annual general meeting and answer members' questions.

The Trust Board meets bi-monthly in public and, as part of its commitment to openness, Governors and members are invited by the Chairman to comment or ask questions on any issues that they may wish to raise at the end of the public session. A response is provided by the appropriate member of the Trust Board.

Trust Board papers are made available on the website and Governors alerted so that these can be viewed prior to the meetings.

The Trust has invited a governor to attend meetings as an observer of the Clinical Governance Committee and Part II meetings of the board. In line with legal requirements, the approved minutes of the part II meeting of the board are circulated to the governors.



The Board of Directors

Statement about the Balance, Completeness and Appropriateness of the Board of Directors

The Board comprises the Chairman, Chief Executive, five other Executive Directors and up to seven other Non-Executive Directors. There is a clear separation of the roles of the Chairman and the Chief Executive, which has been set out in writing and agreed by the Board. As Chairman, Nick Marsden has responsibility for the running of the Board, setting the agenda for the Trust and for ensuring that all Directors are fully informed of matters relevant to their roles. The Chief Executive has responsibility for implementing the strategies agreed by the Board and for managing the day to day business of the Trust.

All of the Non-Executive Directors are considered to be independent in accordance with the NHS Foundation Trust Code of Governance. While, on appointment, the Chairman has to meet the Code's 'test of independence' it does not, thereafter, apply to this role.

The Board considers that the Non-Executive Directors bring a wide range of business, commercial and financial knowledge required for the successful direction of the Trust.

All Directors are equally accountable for the proper management of the Trust's affairs.

All Directors are subject to an annual review of their performance and contribution to the management and leadership of the Trust.

The Board is satisfied as to its balance, completeness and appropriateness but will keep these matters under review.

Statement Setting out that the Board of Directors Undertake a Formal and Rigorous Evaluation of its Own Performance and that of its Collective and Individual Directors.

At a meeting in November 2014, the Board engaged the Thames Valley & Wessex Leadership Academy, which is independent from the Trust, to undertake a review of effectiveness taking account of the Care Quality Commission's Well Led methodology and the guidance

provided by The Healthier Board. This reported to the Board in March 2015 and a number of actions are being considered in response to the findings, which will be covered in next year's Annual Report. Work continued through 2015, with a fresh round of board observation and 360 degree feedback to individual directors. The work was concluded in March 2016.

Evaluation of the Chairman's performance is led by the Senior Independent Director. The Chief Executive and Non Executive Directors' performance is evaluated by the Chairman, while an evaluation of the Executive Directors' performance is carried out by the Chief Executive.

Fit and Proper Persons Regulations

Under the Health and Social Care Act 2008, providers of services registered with the Care Quality Commission must ensure that all existing and new directors of the Trust meet and continue to meet the definitions of Fit and Proper Persons, as set out under the regulations. All existing Directors have affirmed their compliance in writing and continued compliance will be monitored through appraisal and the declaration of interest process during public Trust Board meetings. The continued application of due diligence procedures will be used in relation to new appointments.

The Board of Directors

Dr. Nick Marsden

Chairman (Independent)

Nick Marsden joined the Trust in January 2014. He has been an NHS non executive director at Southampton since 2007 and a vice chairman since 2011. He has an engineering Ph.D and also commercial experience having held several senior executive roles at IBM before becoming Senior Vice President for Service at Danka Europe. He lives near Andover in Hampshire.

Peter Hill

Chief Executive

Peter Hill has a nursing background and before coming to the Trust in 1986 worked on wards and intensive care units in London and Newcastle. He has a Masters degree in Business Administration and has extensive senior management experience. Peter lives in Salisbury in Wiltshire.



Laurence Arnold
Acting Chief Operating Officer

Laurence Arnold has almost 20 years' NHS experience having worked in both commissioning and provider organisations. He joined the Trust in June 1999 from the Whittington Hospital in London and has since led on strategic planning and site redevelopment projects at Salisbury District Hospital. He lives in West Dean, near Salisbury.

Dr. Christine Blanshard
Medical Director

Christine Blanshard graduated in Medicine from Cambridge University in 1986 and has over 25 years NHS experience. She trained in East Anglia and London, and became a consultant gastroenterologist and general physician in 1998. She has undertaken a variety of managerial roles alongside her clinical work and before joining the Trust was Director of Strategy and Associate Medical Director at Homerton University Hospital NHS Foundation Trust. She lives in Winchester in Hampshire.

Dr. Lydia Brown MBE
Vice Chairman and Senior Independent Director

Lydia Brown joined the Trust on 1 November 2008 and is now in a second four-year term. She is a qualified vet and former President of the Royal College of Veterinary Surgeons. She has considerable business experience and is a Director of a number of local voluntary organisations. Lydia lives in West Gomeldon in Wiltshire.

Malcolm Cassells
Director of Finance and Procurement

Malcolm Cassells is a qualified accountant with extensive financial experience gained through over 35 years in the NHS. He held senior financial positions at Regional Health Authority and District Health Authority level, before moving to Salisbury in 1986 as Director of Finance. He lives in Winterslow in Wiltshire.

Ian Downie
Non Executive Director (Independent)

Ian Downie, was a Strategic Development Director of Serco group, joined the Trust on 1 November 2009 for a four year term, which was renewed for a further three years. He has considerable management experience within the aviation industry and more recently through a number of roles within the Serco group. He lives in Gussage St Andrew in Dorset.

Andy Hyett
Chief Operating Officer

Andy Hyett has a wide range of NHS experience. He started his career as a biomedical scientist at Dorset County Hospital in the 1990s and moved into NHS management in Winchester. He continued to progress through senior management positions in Portsmouth and then University Hospital Southampton NHS Foundation Trust where he was Deputy Chief Operating Officer. Andy lives in Southampton.

Paul Kemp
Non Executive Director (Independent)

Paul Kemp joined the Trust in February 2015 for a three year period, having completed 34 years in industry, initially as a development chemist before concentrating on finance, IT and business change leadership. Paul has worked for a number of large multinational companies, including British Airways and Cobham plc, the multinational aerospace and defence company. Paul lives in St Leonards, near Ringwood.

Alison Kingscott
Director of Human Resources and Organisational Development

Alison Kingscott has a wide range of HR experience in both the NHS and private sector. She has held senior NHS positions in the south west of England and was Director of Human Resources and Corporate Lead for Estates and Facilities at Weston Area Health NHS Trust for four years before joining the Trust in October 2012. Alison currently lives in Weston Super Mare.

Stephen Long
Non Executive Director (Independent)

Stephen Long joined the Trust on 1 November 2008 and is now in a second four- year term, having retired as Deputy Chief Constable of Wiltshire after 30 years service. He was a diversity champion within the constabulary and a national lead for Science and Technology. Stephen lives in Wilton in Wiltshire.

Lorna Wilkinson
Director of Nursing

Lorna qualified as a registered nurse at the Royal Free Hospital, London in 1989 and has over 25 years' NHS experience. She progressed through a number of nursing roles in London before moving into quality improvement and clinical governance. She was Deputy Director of Nursing, firstly in Salisbury and then in Portsmouth, before returning to the Trust in August 2014 as Director of Nursing. Lorna lives in Salisbury.



Directors that left the Trust during 2015/2016

Andrew Freemantle CBE

CBE Non Executive Director (Independent)

Andrew Freemantle joined the Trust on 1 January 2013 and was in his second three year term. He has wide range of experience as a former Chief Executive of the Scottish Ambulance Service NHS Trust and Chief Executive Officer of the Royal National Lifeboat Institution. This followed a distinguished army career.

Dame Sarah Mullally DBE

Non Executive Director (Independent)

Rt. Revd. Dame Sarah Mullally DBE joined the Trust in April 2013 for a three year term. She is a trained nurse and former Chief Nursing Officer and Director of Patient Experience at the Department of Health, where she provided advice to the Government and professional leadership to nurses and midwives.

At the end of the first term of office, the Chairman and Non Executive Directors are subject to an evaluation by the Governors Performance Committee, which will make a recommendation to the full Council as to their individual suitability to serve a second term.

The removal of the Chairman or a Non Executive Director of the Trust requires the approval of three-quarters of the members of the Council of Governors at a general meeting.

Appointment of the Vice Chairman and Senior Independent Director is reviewed annually.

Employment terms for Executive Directors can be found in the Remuneration report earlier in this report.

Directors and Governors can be contacted by members through the Membership Manager.

Please note that no significant other commitments affecting the time that is required to devote to the role of Chairman were declared on appointment. This position has not changed in 2015/2016.

Board of Directors' Attendance

	Trust Board (6 meetings)	Audit Committee (4 meetings)	Remuneration Committee (3 meetings)	Finance Committee (12 meetings)	Clinical Governance Committee (9 meetings)
Nick Marsden Chairman	6	N/A	3	12	N/A
Peter Hill Chief Executive	5 from 6	N/A	N/A	11 from 12	9
Laurence Arnold Director of Corporate Development	6	N/A	N/A	9 from 12	N/A
Christine Blanshard Medical Director	6	N/A	N/A	N/A	8
Lydia Brown Non Executive	5 from 6	3 from 4	2 from 3	12	9
Malcolm Cassells Director of Finance	5 from 6	N/A	N/A	11 from 12	N/A
Ian Downie Non Executive	3 from 6	4 from 4	2 from 3	12	4 from 6
Andrew Freemantle Non Executive	5 from 5	3 from 3	3	8 from 9	N/A
Stephen Long Non Executive	6	N/A	2 from 3	N/A	6
Sarah Mullally Non Executive	6	N/A	1 from 3	4 from 5	2 from 3
Andy Hyett Chief Operating Officer	6	N/A	N/A	9 from 11	5 from 9



Paul Kemp Non Executive	6	4	3	N/A	2 from 3
Alison Kingscott Director of HR & Organisational Development	6	N/A	N/A	N/A	N/A
Lorna Wilkinson Director of Nursing	6	N/A	N/A	N/A	5

The Council of Governors understands the different process that should apply in the selection and appointment of a replacement Chairman and that the Chairman must not simultaneously be the Chairman of another Trust.

The Audit Committee

	Committee Role	Attendance out of four meetings
Paul Kemp	Chairman	4
Lydia Brown	Non Executive Director	3 from 4
Ian Downie	Non Executive Director	4
Andrew Freemantle	Non Executive Director	3 from 3

The Work of the Audit Committee in Discharging its Responsibilities

The Audit Committee is in place to provide the Board with assurance as to the effectiveness of the processes overseen by the Board itself and by the Finance & Performance and Clinical Governance Committees.

The Committee has an annual work programme as well as dealing with other items that arise during the year.

At all meetings the Committee is particularly concerned to ensure the Trust has systems in place that support financial management and enhance the quality of services by:

- Safeguarding assets
- Maintaining proper records
- Producing reliable information
- Providing effective control systems
- Ensuring these can be independently reviewed and assessed by both external and internal Audit

The receipt, discussion and follow-up of completed internal audit reports is a key driver of its activity in relation to the system of internal control. The Committee pays special attention to reviewing the annual financial statements on the Board's behalf and the external auditor's review and opinion on the accounts.

An unqualified opinion on the financial statements 2014/15, including that the annual report was fair, balanced and understandable was received. The result

of the 'limited assurance' audit of the performance indicators supporting the 2014/15 Quality Account was that the external auditor was unable to issue a limited assurance opinion in relation to the Trust's mandated indicators (62 day Cancer Waits and 18 week Referral to Treatment target) because in assessing the design and operation of the systems of control over the data, the operation of these systems was not considered to achieve compliance with one or more aspects of the dimensions of data quality. This report was scrutinised and discussed with the auditors when first received. Remedial actions to the Trust's Data Quality arrangements have been discussed through the year. At the March meeting, it was noted that NHS Improvement had changed the range of reporting available to the auditors, but continued to specify review in relation to key patient access targets. The committee has discussed this with management and corrective actions have been initiated.

The Committee reviewed and approved the Head of Internal Audit (TIAA) Opinion. The Head of Internal Audit report concluded there was Reasonable Assurance as to the Trust's system of internal control. The committee received the Annual Management Letter, which is submitted to the Board.

Throughout the year, reports from the internal auditors covered their conclusions on a range of Trust activities within their 2015/2016 work plan as agreed by the Committee.



The Committee also oversees the work of the Local Counter-Fraud Specialist on proactive work to strengthen the Trust's counter-fraud awareness arrangements and also the small amount of case-work associated with this.

Members of the committee met with the Trust's auditors separately so there is an opportunity for them to privately disclose any matters of concern. The Committee has reviewed its effectiveness in relation to its terms of reference and the latest NHS Audit Committee handbook.

It sought assurances including by interviewing the managers concerned, about audit reports where limited assurance was given, and the actions underway to address these. This included reports on aspects of Estates operations and Management and the Trust's Cost Improvement Programme. The committee sought assurance in relation to IT security arrangements.

It has reviewed the operation of the Trust's Assurance Framework at two points in the year, sections of which are reviewed throughout the year by other committees of the board.

The Director of Finance & Procurement, who has the Executive responsibility for liaising with both Audit functions, attends the Committee to comment and inform as required.

The minutes of all four meetings were presented to the Directors at the following public meeting of the Trust Board by the Chair of the Audit Committee.

Membership of the Audit Committee

The Audit Committee is comprised of four of the six eligible non-executive directors. The two other main assurance committees of the board are the Finance & Performance and Clinical Governance committees. The resulting cross-over of memberships by non-executives is mitigated by ensuring that the Chairman of the Audit Committee is not a member of the Finance & Performance Committee.

Appointment of the Trust's External Auditors

The Council of Governors approved the appointment of KPMG as external auditors from 1 April 2012 for a period of up to five years, with a break-clause in 2015. This was considered in February 2015 and following an assessment of the effectiveness of the services provided it was decided to retain KPMG for the remainder of the contract term. Arrangements are being made for the audit contract to be re-let from 1 April 2017.

Revaluation of Property and Land

The Trust's accounting policies requires a land and buildings revaluation to be undertaken at least every five years, dependent upon the changes in the fair value of the property. The five-yearly revaluations are carried out by a professional qualified valuer in accordance with the Royal Institute Chartered of Surveyors (RICS) Appraisal and valuation manual. The valuations are carried out on the basis of a Modern Equivalent Asset, as required by HM Treasury. The annual reviews are carried out using the most appropriate information available at the date of the review. A full revaluation was carried out during 2015/2016. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – Modern equivalent depreciated replacement cost

Recognition of Income

Over 92% of the Trust's income is received from other NHS organisations, with the majority being receivable from Wiltshire CCG. The Trust participates in the Department of Health's agreement of balances exercise. This exercise seeks to identify all income and expenditure transactions and payable and receivables balances that arise from Whole Government Accounting (WGA) bodies. The Audit Committee is satisfied that by participating with this exercise it helps to provide further assurance that the vast majority of income and expenditure with WGA have been properly recognised and WGA receivable and payable balances are appropriately recorded. The Trust's external auditors will review the outcome of the exercise and report their findings to the Audit Committee.

Financial Audit

The external auditors for the Trust are KPMG. During the 2015/2016 period, the Trust has incurred the following costs on external audit:

- Audit services: £64,000
- Further assurance services: £8,000
- Other services: None

As mentioned above, no other remuneration was paid to the auditor and the auditor was not involved in any other work for the Trust that may have compromised its independence.

The Trust has an internal audit function delivered under contract by TIAA. The work programme is reviewed and approved by the Audit Committee. Senior representatives of TIAA report to the audit committee and a working protocol is in place with KPMG, the Trust's appointed auditor. The delivery of the contract with TIAA is overseen by the Director of Finance and Procurement. The internal audit fee for 2015/2016 was £153,000.



Directors' Responsibilities for Preparing the Accounts

The Directors are aware of their responsibilities for preparing the accounts and are satisfied that they meet the requirements as reflected in the statement of Chief Executive's Responsibilities as the Accounting Officer at

Salisbury NHS Foundation Trust. This can be found in the Annual Accounts for Salisbury NHS Foundation Trust. In Summary, the Accounts taken as a whole are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.

Nominations Committee

One Nominations Committee for non-executive director appointments met during 2015/16. The committee was appointed by the Council of Governors in November and was joined by the Chief Executive and Chairman. The committee met on 17 December 2015 to approve the recruitment materials and advertising. The roles were nationally advertised in January 2016. The Committee met on 15 February 2016 and long-listed applications were selected to be interviewed on the Trust's behalf by Gatenby Sanderson.

From this a short-list of candidates was derived. Members of the Nominations Committee interviewed the short-listed candidates on 16 and 23 March and made a recommendation to the Council of Governors as to appointments. The Council of Governors approved

the recommendations of the committee at a special meeting in April, in respect of three candidates to start in 2016/2017. Two further appointments were agreed in May 2016.

Membership

The Trust has traditionally had strong links with the local community, attracting over 600 volunteers and many more who take part in patient and public involvement activities. It has an excellent response rate for annual patient surveys and receives regular correspondence from grateful patients, highlighting the affection and interest local people have for Salisbury District Hospital.

The membership is made up of local people, patients and staff who have an interest in healthcare and their local hospital and these are broken up into two groups with different eligibility criteria.

Public Members

These are members of the public aged 16 and over. Public members are placed in constituencies based on where they live and there are seven constituencies that have been created to reflect the Trust's general and emergency catchment area and these are based on local government boundaries (see map). In addition, there is an eighth public constituency called the Rest of England.

Staff Members

The Trust has a wide range of staff undertaking a variety of roles and professions who come from different backgrounds. The aim is that staff membership reflects

that diversity. Initially staff membership was done on an 'opt in' basis rather than staff automatically being made members. During the 2008/2009 year, the Trust changed its policy and new members of staff who are eligible now automatically become members, with the option to 'opt out'. Eligible staff members are defined as those who:

- Hold a substantive contract of employment in excess of 12 months
- Hold a fixed term contract in excess of 12 months
- Hold a temporary contract in excess of 12 months
- Hold an honorary contract in excess of 12 months

The staff membership has six classes to reflect the following occupational areas:

- Medical and dental
- Nurses and midwives
- Scientific, therapeutic and technical
- Hotel and property services
- Clerical, administrative and managerial
- Voluntary



Salisbury NHS Foundation Trust catchment map

- 1 Salisbury City
- 2 South Wiltshire Rural
- 3 North Dorset
- 4 New Forest
- 5 Kennet
- 6 West Wiltshire
- 7 East Dorset



Public members (including volunteers) can only be a member of one constituency. Staff members can only be a member of the staff constituency. Members are able to vote and stand in elections for the Council of Governors, which is chaired by the Chairman of the Trust.

During the year the Trust sought to maintain membership numbers. At 31 March 2016 the membership for Salisbury NHS Foundation Trust was as follows:

Public Constituency	Number
Salisbury City	2,503
South Wiltshire Rural	4,326
Kennet	1,431
North Dorset	1,548
East Dorset	825
New Forest	1,191
West Wiltshire	1,093
Rest of England	726
Staff Constituency	3,558
Total	17,201



Ownership of the Trust's membership strategy rests with the Governors with support from the Trust and this was amended and approved by the Council of Governors in 2013/2014. A key objective of the strategy is to ensure that the membership continues to grow and is representative of the population by geography, age, ethnicity and gender.

The Trust uses information from the Office of National Statistics (Census 2011) to build up a picture of the population size and ethnicity for each constituency. This helps the Trust in its aim to make the membership reflective of its population, and also to ensure that

the number of Governors is representative of the population of the constituencies. Having built up a membership database of 17,201 at 31 March 2016, the Trust regularly reviews the age, ethnicity, gender and geographical spread to ensure that the membership is reflective of the whole area that it serves and, following a review of the Trust's Constitution in 2013/2014, the Trust made changes to the catchment area.

The Trust has also determined the socio-economic breakdown of its membership and the population within its catchment area.

Membership Size and Movements		
Public Constituency	2015/2016	2016/2017 (Estimated)
At year start (1 April)	13,868	13,643
New members	197	1,174
Members leaving	422	417
At year end (31 March)	13,643	14,400
Staff Constituency		
At year start (1 April)	3,261	3,558
New members	579	194
Members leaving	282	152
At year end (31 March)	3,558	3,600
Overall Total	17,201	18,000

The Trust used its in-house database to monitor and increase the membership in line with demographic and statistical information and continued to use induction as a membership gathering point for staff.

The Trust uses its public meetings to highlight the benefits of membership and encourage recruitment. Members' newsletters are also used to encourage existing members to promote membership amongst friends and acquaintances and Governors continued to use their 'Are You a Member' campaign to recruit members in outpatient clinics.

This year distribution of the Annual Review went to around 160,000 households in the local area and is also available from the Trust's website. This brought the work of the Trust and its staff to a wider audience and again highlighted the benefits of membership. Governors have been working in groups on their statutory duties and have also been involved in the development of the Trust's Annual Plan and Quality Account. They have been working on patient and public involvement initiatives, and been involved in Patient Led Assessments of the Care Environment

(PLACE), which looks at cleanliness, food quality, cleanliness and the patient environment. They are also on the Transport Strategy Group which looks at a range of areas such as green travel, signage and car parking.

Another group is looking at food and nutrition in the hospital and Governors have joined catering managers on unannounced visits to check food quality and temperatures at ward level. Governors are also given a number of other opportunities to become involved or sample the 'patient's experience'. For example, Governors and volunteers visit wards and outpatient areas gathering instant feedback from patients about their hospital stay, which enables ward staff to resolve issues quickly. Between 100 and 200 patients a month last year were asked their views in this way. A Governor also attends the Clinical Governance Committee, the Ethics Committee and the private session of the Trust Board.

The Trust is conscious that staff and their families may have had to use hospital services at some stage, but that many are probably not feeding back their experiences of hospital care. Staff Governors continued to find out more about the experiences of staff and



held feedback sessions in the hospital's restaurants.

The Trust continues to work with the Governor Membership and Communication Committee on a range of communication initiatives. This includes the development of the popular Medicine for Members series of lectures. These talks aim to give people an insight into how the body works, highlight the clinical conditions that are treated and provide some practical tips to keep safe and healthy. Talks that took place within the year covered gastroenterology, urology and the spinal unit, and there were several topic led sessions on the Stay Well this Winter campaign and 3-D modelling, which is used to help surgeons plan operations at Salisbury District Hospital.

A dedicated section on the Trust's website and Intranet provides details of each Governor, their interests and a means for members to communicate with them. There are also members' newsletters for staff and people in the public constituencies as well as formal constituency meetings where Governors can gather the views of their members. As there were elections during the year, meetings only took place in the Salisbury City and South Wiltshire Rural constituencies and further opportunities are planned for Governors across the other constituencies to meet their members in the 2016/2017 financial year.



NHS Code of Governance additional reporting requirements

Table 1 - Code of Governance sections of the code included in the Annual Report and their location

	Code Provision	Annual Report & Accounts Section
A.1.1	The schedule of matters reserved for the board of directors should include a clear statement detailing the roles and responsibilities of the council of governors. This statement should also describe how any disagreements between the council of governors and the board of directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the board of directors and the council of governors operate, including a summary of the types of decisions to be taken by each of the boards and which are delegated to the executive management of the board of directors.	See Code of Governance
A.1.2	The annual report should identify the chairperson, the deputy chairperson (where there is one), the chief executive, the senior independent director (see A.4.1) and the chairperson and members of the nominations, audit and remuneration committees. It should also set out the number of meetings of the board and those committees and individual attendance by directors.	See Code of Governance "Board of Directors"
A.5.3	The annual report should identify the members of the council of governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated lead governor.	See Code of Governance "Council of Governors"
B.1.1	The board of directors should identify in the annual report each non-executive director it considers to be independent, with reasons where necessary.	See Code of Governance "Board of Directors"
B.1.4	The board of directors should include in its annual report a description of each director's skills, expertise and experience. Alongside this, in the annual report, the board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the NHS foundation trust.	See Code of Governance "Board of Directors"
B.2.10	A separate section of the annual report should describe the work of the nominations committee(s), including the process it has used in relation to board appointments.	See Code of Governance "Nominations Committee"
B.3.1	A chairperson's other significant commitments should be disclosed to the council of governors before appointment and included in the annual report. Changes to such commitments should be reported to the council of governors as they arise, and included in the next annual report.	See Code of Governance "Board of Directors"



	Code Provision	Annual Report & Accounts Section
B.5.6	Governors should canvass the opinion of the trust's members and the public, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the board of directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.	See Code of Governance "Council of Governors"
B.6.1	The board of directors should state in the annual report how performance evaluation of the board, its committees, and its directors, including the chairperson, has been conducted.	See Remuneration Report "Board of Directors"
B.6.2	Where an external facilitator is used for reviews of governance, they should be identified and a statement made as to whether they have any other connection with the trust.	See Code of Governance "Board of Directors"
C.1.1	The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS foundation trust's performance, business model and strategy. There should be a statement by the external auditor about their reporting responsibilities. Directors should also explain their approach to quality governance in the Annual Governance Statement (within the annual report).	See Annual Report and Accounts "Directors Responsibilities for preparing the Accounts, the Independent Auditor's Report to the Governors and the Annual Governance Statement"
C.2.1	The annual report should contain a statement that the board has conducted a review of the effectiveness of its system of internal controls.	See Annual Report "Annual Governance Statement"
C.2.2	A trust should disclose in the annual report: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) If it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	See Code of Governance "Financial Audit"
C.3.5	If the council of governors does not accept the audit committee's recommendation on the appointment, reappointment or removal of an external auditor, the board of directors should include in the annual report a statement from the audit committee explaining the recommendation and should set out reasons why the council of governors has taken a different position	No Issues Identified in the reporting year



	Code provision	Trust Response
C.3.9	<p>A separate section of the annual report should describe the work of the audit committee in discharging its responsibilities. The report should include:</p> <ul style="list-style-type: none"> •the significant issues that the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed; •an explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or re-appointment of the external auditor, the value of external audit services and information on the length of tenure of the current audit firm and when a tender was last conducted; and •if the external auditor provides non-audit services, the value of the non-audit services provided and an explanation of how auditor objectivity and independence are safeguarded. 	See "Council of Governors, Audit Committee"
D.1.3	Where an NHS foundation trust releases an executive director, for example to serve as a non-executive director elsewhere, the remuneration disclosures of the annual report should include a statement of whether or not the director will retain such earnings.	No Issues Identified in the reporting year
E.1.4	Contact procedures for members who wish to communicate with governors and/or directors should be made clearly available to members on the NHS foundation trust's website and in the annual report.	See Code of Governance "Board of Directors" and "Council of Governors"
E.1.5	The board of directors should state in the annual report the steps they have taken to ensure that the members of the board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, for example through attendance at meetings of the council of governors, direct face-to-face contact, surveys of members' opinions and consultations.	See Code of Governance "Membership"
E1.6	The board of directors should monitor how representative the NHS foundation trust's membership is and the level and effectiveness of member engagement and report on this in the annual report.	See Code of Governance "Membership"



Table 2 - Code of Governance sections which need further information under "comply or explain"

	Code provision	Trust Response
A.1.4	The board should ensure that adequate systems and processes are maintained to measure and monitor the NHS foundation trust's effectiveness, efficiency and economy as well as the quality of its health care delivery	Confirmed. The Board receives regular reports on quality, performance and finance. There is a board assurance framework and system of internal control, as detailed in the Annual Governance Statement.
A.1.5	The board should ensure that relevant metrics, measures, milestones and accountabilities are developed and agreed so as to understand and assess progress and delivery of performance	Confirmed. The Board receives regular reports on quality, performance and finance. This is published in the Quality Account
A.1.6	The board should report on its approach to clinical governance.	The Trust has completed a self-assessment against the Monitor Quality Governance Framework.
A.1.7	The chief executive as the accounting officer should follow the procedure set out by Monitor for advising the board and the council and for recording and submitting objections to decisions.	The Chief Executive is aware of the requirements of this provision in the Accounting Officer Memorandum
A.1.8	The board should establish the constitution and standards of conduct for the NHS foundation trust and its staff in accordance with NHS values and accepted standards of behaviour in public life	The Trust has a set of staff values in place. Staff are periodically reminded of the Nolan principles of the values and accepted standards of behaviour in public life.
A.1.9	The board should operate a code of conduct that builds on the values of the NHS foundation trust and reflect high standards of probity and responsibility.	The Board has adopted the Professional Standards Council's code of conduct. This is also reflected in job descriptions.
A.1.10	The NHS foundation trust should arrange appropriate insurance to cover the risk of legal action against its directors.	As well as NHSLA cover, a separate Directors and Officers liability policy is maintained



	Code provision	Trust Response
A.3.1	The chairperson should, on appointment by the council, meet the independence criteria set out in B.1.1. A chief executive should not go on to be the chairperson of the same NHS foundation trust.	Confirmed – the requirement to meet the Licence “fit & proper” requirements, additional constitutional requirements and be able to be certified as independent under the Codes are built into the advertising and recruitment process
A.4.1	In consultation with the council, the board should appoint one of the independent non-executive directors to be the senior independent director.	Confirmed – this is the Deputy Chairman. The board consulted the Council proposed appointment at the Council meeting on 16 February 2015.
A.4.2	The chairperson should hold meetings with the non-executive directors without the executives present.	Confirmed – meetings are bi-monthly and as necessary
A.4.3	Where directors have concerns that cannot be resolved about the running of the NHS foundation trust or a proposed action, they should ensure that their concerns are recorded in the board minutes.	Confirmed – Directors are aware of this provision.
A.5.1	The council of governors should meet sufficiently regularly to discharge its duties.	Confirmed – The Council has four scheduled meetings per year.
A 5.13	The council of governors may require one or more of the directors to attend a meeting to obtain information about performance of the trust's functions or the directors' performance of their duties, and to help the council of governors to decide whether to propose a vote on the trust's or directors' performance.	Confirmed - The Council of Governors did not exercise this power in 2015/16.
A.5.2	The council of governors should not be so large as to be unwieldy.	Confirmed – This was reviewed in 2015 and the number of governors is considered to be workable.
A.5.4	The roles and responsibilities of the council of governors should be set out in a written document.	Confirmed
A.5.5	The chairperson is responsible for leadership of both the board and the council but the governors also have a responsibility to make the arrangements work and should take the lead in inviting the chief executive to their meetings and inviting attendance by other executives and non-executives, as appropriate.	Confirmed – The Chief Executive attends all Council meetings. The Chairman has arranged for at least two non-executives to support him at each Council meeting.



	Code provision	Trust Response
A.5.6	The council should establish a policy for engagement with the board of directors for those circumstances when they have concerns.	Confirmed – policy in place. Bi-monthly informal meetings with the NEDs, were increased from quarterly starting in 2014.
A.5.7	The council should ensure its interaction and relationship with the board of directors is appropriate and effective.	Confirmed – the Board and Council keep this essential relationship under continual review.
A.5.8	The council should only exercise its power to remove the chairperson or any non-executive directors after exhausting all means of engagement with the board.	Confirmed – governors are aware of this provision and of the consequences of using this power.
A.5.9	The council should receive and consider other appropriate information required to enable it to discharge its duties.	Confirmed - During 2013 the Trust developed the range of performance information available to the Council of Governors.
B.1.2	At least half the board, excluding the chairperson, should comprise non-executive directors determined by the board to be independent.	Confirmed. All non-executives are considered to be independent.
B.1.3	No individual should hold, at the same time, positions of director and governor of any NHS foundation trust.	Confirmed. Directors and governors are aware of this provision.
B.2.1	The nominations committee or committees, with external advice as appropriate, are responsible for the identification and nomination of executive and non-executive directors.	A Nominations Committee is in place on the Board to oversee Executive appointments and is appointed ad hoc for non-executive appointments.
B.2.2	Directors on the board of directors and governors on the council should meet the “fit and proper” persons test described in the provider licence.	Confirmed. Governors and Directors are requested at each public meeting to confirm this individually
B.2.3	The nominations committee(s) should regularly review the structure, size and composition of the board and make recommendations for changes where appropriate.	A review would normally arise from a change of circumstances.
B.2.4	The chairperson or an independent non-executive director should chair the nominations committee(s). At the discretion of the committee, a governor can chair the committee in the case of appointments of non-executive directors or the chairman.	Confirmed – This is detailed in the Council of Governors’ Standing Orders. The Chairman does not “chair” the Nominations Committee set up to appoint a new Chairman.



	Code provision	Trust Response
B.2.5	The governors should agree with the nominations committee a clear process for the nomination of a new chairperson and non-executive directors.	Confirmed - This is established in the setting up of the Nominations Committee.
B.2.6	Where an NHS foundation trust has two nominations committees, the nominations committee responsible for the appointment of non-executive directors should consist of a majority of governors.	Confirmed - reflected in the Constitution.
B.2.7	When considering the appointment of non-executive directors, the council should take into account the views of the board and the nominations committee on the qualifications, skills and experience required for each position.	Confirmed – board members are able to describe the board's needs for specific skills and appropriately to influence the recruitment process.
B.2.8	The annual report should describe the process followed by the council in relation to appointments of the chairperson and non-executive directors.	Confirmed – this is set out in the Annual Report.
B.2.9	An independent external adviser should not be a member of or have a vote on the nominations committee(s).	Confirmed – this is not the Trust's practice.
B.3.3	The board should not agree to a full-time executive director taking on more than one non-executive directorship of an NHS foundation trust or another organisation of comparable size and complexity.	Confirmed – this is monitored through the declaration of interests process.
B.5.1	The board and the council governors should be provided with high-quality information appropriate to their respective functions and relevant to the decisions they have to make.	Confirmed – the Trust has developed the performance, workforce, quality and financial information provided to the Board and Council.
B.5.2	The board and in particular non-executive directors may reasonably wish to challenge assurances received from the executive management. They need not seek to appoint a relevant adviser for each and every subject area that comes before the board, although they should, wherever possible, ensure that they have sufficient information and understanding to enable challenge and to take decisions on an informed basis.	Confirmed – independent external advice would be made available if required.
B.5.3	The board should ensure that directors, especially non-executive directors, have access to the independent professional advice, at the NHS foundation trust's expense, where they judge it necessary to discharge their responsibilities as directors.	Confirmed – Independent external advice would be made available if required.
B.5.4	Committees should be provided with sufficient resources to undertake their duties.	Confirmed – committees have the Board's authority to investigate matters in their terms of reference and are able to access necessary resources.



	Code provision	Trust Response
B.6.3	The senior independent director should lead the performance evaluation of the chairperson.	Confirmed – the SID is commissioned by the Performance Committee to undertake this.
B.6.4	The chairperson, with assistance of the board secretary, if applicable, should use the performance evaluations as the basis for determining individual and collective professional development programmes for non-executive directors relevant to their duties as board members.	Confirmed – training and development opportunities are circulated to NEDs and the need for training/development are discussed regularly.
B.6.5	Led by the chairperson, the council should periodically assess their collective performance and they should regularly communicate to members and the public details on how they have discharged their responsibilities.	Confirmed - This is undertaken by an internal review sub-group.
B.6.6	There should be a clear policy and a fair process, agreed and adopted by the council, for the removal from the council of any governor who consistently and unjustifiably fails to attend the meetings of the council or has an actual or potential conflict of interest which prevents the proper exercise of their duties.	Confirmed. This is set out in the Constitution.
B.8.1	The remuneration committee should not agree to an executive member of the board leaving the employment of an NHS foundation trust, except in accordance with the terms of their contract of employment, including but not limited to service of their full notice period and/or material reductions in their time commitment to the role, without the board first having completed and approved a full risk assessment.	Confirmed – directors are aware of this provision.
C.1.2	The directors should report that the NHS foundation trust is a going concern with supporting assumptions or qualifications as necessary.	Confirmed This is given in the annual plan and annual report.
C.1.3	At least annually and in a timely manner, the board should set out clearly its financial, quality and operating objectives for the NHS foundation trust and disclose sufficient information, both quantitative and qualitative, of the NHS foundation trust's business and operation, including clinical outcome data, to allow members and governors to evaluate its performance.	This is given in the annual plan and annual report.
C.3.1	The board should establish an audit committee composed of at least three members who are all independent non-executive directors.	Confirmed – an Audit Committee of four independent non-executive directors is in place.
C.3.3	The council should take the lead in agreeing with the audit committee the criteria for appointing, re-appointing and removing external auditors.	Confirmed – the next appointment round starts in 2016/17.
C.3.6	The NHS foundation trust should appoint an external auditor for a period of time which allows the auditor to develop a strong understanding of the finances, operations and forward plans of the NHS foundation trust.	Confirmed – the auditor was appointed from 1 April 2012 for five years.



	Code provision	Trust Response
C.3.7	When the council ends an external auditor's appointment in disputed circumstances, the chairperson should write to Monitor informing it of the reasons behind the decision.	Confirmed.
C.3.8	The audit committee should review arrangements that allow staff of the NHS foundation trust and other individuals where relevant, to raise, in confidence, concerns about possible improprieties in matters of financial reporting and control, clinical quality, patient safety or other matters.	The Trust's Raising Concerns policy was developed and approved by the Joint Board of Directors.
D.1.1	Any performance-related elements of the remuneration of executive directors should be designed to align their interests with those of patients, service users and taxpayers and to give these directors keen incentives to perform at the highest levels.	It is not the Trust's practice to use performance related pay.
D.1.2	Levels of remuneration for the chairperson and other non-executive directors should reflect the time commitment and responsibilities of their roles.	Confirmed - benchmark information is reviewed by the Performance Committee each year.
D.1.4	The remuneration committee should carefully consider what compensation commitments (including pension contributions and all other elements) their directors' terms of appointments would give rise to in the event of early termination.	Confirmed
D.2.2	The remuneration committee should have delegated responsibility for setting remuneration for all executive directors, including pension rights and any compensation payments.	Confirmed – delegated authority is in the terms of reference.
D.2.3	The council should consult external professional advisers to market-test the remuneration levels of the chairperson and other non-executives at least once every three years and when they intend to make a material change to the remuneration of a non-executive.	The current NED remuneration was set in 2009 and a professional adviser would be engaged if a major change to this was envisaged. The Performance Committee finds the results of the annual remuneration survey very helpful in advising the Council.
E.1.2	The board should clarify in writing how the public interests of patients and the local community will be represented, including its approach for addressing the overlap and interface between governors and any local consultative forums.	A statement setting this out has been approved by the board.
E.1.3	The chairperson should ensure that the views of governors and members are communicated to the board as a whole.	Confirmed. Governors attend the public board meeting and are able to ask questions. The Board receives a report on the Council of Governors meetings through the Chair.



	Code provision	Trust Response
E.2.1	The board should be clear as to the specific third party bodies in relation to which the NHS foundation trust has a duty to co-operate.	Confirmed – Good relationships are maintained with principal stakeholders.
E.2.2	The board should ensure that effective mechanisms are in place to co- operate with relevant third party bodies and that collaborative and productive relationships are maintained with relevant stakeholders at appropriate levels of seniority in each.	Confirmed – the Trust has sound relationships with its major stakeholders, including the CCGs, local authority, Health & Wellbeing Board, Healthwatch and neighbouring Trusts. The state of relations with major stakeholders is kept under regular review.



Regulatory Ratings Report

Financial Rating

The Continuity of Services risk rating for Quarter 1 was based on two key financial ratios and is scored 1-4 which describes the level of risk of financial failure. From Q2, a different methodology was applied to the new Financial Sustainability rating, also scored 1-4.

Governance Risk Rating

Monitor's assessment of governance risk is based predominantly on the Trust's plans for ensuring compliance with its Licence, but will reflect historic risk performance where this may be indicative of future risk.

The governance rating is determined by an assessment of governance elements, which are:

- performance against national measures
- compliance with Care Quality Commission requirements
- any declared risk of, or actual, failure to deliver mandatory or commissioner requested services

- any other factors not covered above that the regulator may regard as a breach of the Trust's authorisation or provider Licence

NHS Foundation Trusts will, in general, supply the information that forms the basis for their governance risk rating. In particular, they are responsible for self-certification on a quarterly basis on areas of governance and for supplying any required exception reports.

Under the Risk Assurance Framework, the quarterly information is assessed as Green (no concerns), Red (regulatory action underway) or Concerns, which are described in narrative.

The Trust then submits quarterly reports on which it is assessed by Monitor against the agreed plan. The Annual Plan forecast ratings and the quarterly performance against these ratings for 2014/2015 and 2015/2016 are set out below.

	Annual Plan 2015/2016 forecast	Q1 2015/2016 actual	Q2 2015/2016 actual	Q3 2015/2016 actual	Q4 2015/2016 actual
Continuity of Service/Financial Sustainability Risk Rating	3	3	2	2	2
Governance Risk rating	Green	Green	Green	Green	Green

At no time since the Trust was authorised as a Foundation Trust on 1 June 2006, has Monitor formally intervened under any of the powers that are available to the Regulator.

	Annual Plan 2014/2015 forecast	Q1 2014/2015 actual	Q2 2014/2015 actual	Q3 2014/2015 actual	Q4 2014/2015 actual
Continuity of Service Risk Rating	4	4	4	4	4
Governance Risk rating	Green	Green	Green	Green	Green



Sustainability Report

Trust Strategy on Sustainability

It is recognised that the NHS has a role to play in reducing the UK's carbon dioxide emissions. The operation of Salisbury NHS Foundation Trust involves many activities which have an impact on the environment. These include the use of energy and water, the production and handling of waste and the use of natural resources. The Trust continues to investigate ways in which its environmental impact can be reduced.

The Trust measures a number of key indicators to assist with the monitoring of environmental performance such as utility usage and waste generation. Key indicators are measured and reported within the Trust through regular reports and to the Department of Health through ERIC returns.

The size of the Trust also means that it participates in the National Carbon Reduction Commitment (CRC) scheme. The reports generated for this scheme allow the Environment Agency (EA) to monitor the absolute carbon generated by the organisation and the change year on year to a "footprint" year.

The NHS Sustainable Development Unit (SDU) also set targets for the NHS of a 10% reduction in carbon

emissions by 2015 from a 2007 baseline. The Trust achieved this target reduction and is continuing to work towards a more challenging target of a 34% reduction by 2020, from the 1990 baseline.

The Trust will continue to develop more accurate key performance indicators with the progression of environmental management and improved sustainability initiatives.

The Trust continues to ensure compliance with the Building Performance Directive and ensure that updated Display Energy Certificates (DEC) are in place.

Summary Performance

Area		Non Financial data	Non Financial data		Financial data	Financial data
		2014/2015	2015/2016		2014/2015	2015/2016
Greenhouse Gas Emissions	Scope 1 (Direct) GHG Emissions	Gas: 6,467 Tonnes CO _{2e} 34,914,429 kWhs Transport; 69 tonnes CO _{2e}	Gas: 5,656 Tonnes CO _{2e} 30,535,688 kWhs Transport; 65 tonnes CO _{2e}		*Gas; £1,395,175 Transport; £38,978	*Gas; £834,349 Transport; £33,862
	Scope 2 (Indirect) GHG Emissions	3086 tonnes CO _{2e} 5,661,679 kWhs	4278 tonnes CO _{2e} 7,849,060 kWhs		£692,267	£967,805
	Scope 3 ** Official Business Travel Emissions	274 tonnes CO _{2e}	161 tonnes CO _{2e}		£308,117	£294,813



Waste minimisation and management	Absolute values for total amount of waste produced by the Trust	1,338 tonnes	1,339 tonnes	Expenditure on waste disposal	£310,098	£284,431
	Methods of disposal	High Temperature. Non Burn Treatment. Landfill. Recovery /Recycling	High Temperature. Non Burn Treatment. Landfill. Recovery /Recycling			
Finite Resources	Water & Sewerage	134,435 m3	141,406 m3	Water & Sewerage	£322,627	£335,275

Note:-

1. The 2014-15 figures are based on the final submission of the 2014-15 ERIC data which is submitted after the 2014-15 Annual Report is published
2. The 2015-16 figures are based on the first draft of the 2015-16 ERIC data and may change slightly when the final figures are submitted

*Includes £1,290 annual CRC subsistence fee, £189,228 and £ 145,524 CRC allowances in 2014/15

*Includes £1,290 annual CRC subsistence fee and £192,660 CRC allowances in 2015/16

** Please note that Scope 3 reporting includes business mileage rates but not public transport travel

Projects and Initiatives in 2015

The Trust has been investing for the future by carrying out a series of sustainability and energy management projects and initiatives. It has continued to invest in energy efficient lighting and improved controls in all new projects. Major schemes include the continuation of the programme for upgrading ventilation systems, and feasibilities into further photo-voltaic arrays and electricity generation during peak times to reduce our Carbon Reduction Commitment (CRC).

Future Priorities and Targets

As already stated, the Trust is working towards the achievement of the NHS Sustainable Development Unit targets of carbon reduction, which in line with the Climate Change Act 2008 gives an ambitious aspiration for the health and care system to achieve a 34% reduction by 2020 in carbon dioxide equivalent emissions from building energy use and the travel and procurement of goods and services.

To achieve this target the Trust is redefining it's Sustainable Development Strategy and SDMP to improve the sustainability of the Trust's operations by establishing clear objectives and targets. This will provide the basis for long term improvements

in sustainability within the Trust. Regular reviews of the SDMP are due to be undertaken by the Trust's Environmental Management Group, to ensure that the Trust's commitments to sustainable development are being fully integrated into all areas. These include.

Travel

Policies and performance: The Trust set itself an objective to reduce the carbon that it is responsible for from the vehicle fleet it has. In line with this objective, new vehicles which have been leased for the courier fleet have Euro 5 engines which have the lowest emissions in their class. In addition, a vehicle review ensured that the correct sized vehicle appropriate for the workload were leased, which contributed to further savings. Electric vehicles are being considered for some duties where appropriate, however range is a limiting factor until technology improves.

Active Travel: The Trust had a vision to engage with staff and the local community and develop a plan to encourage active travel with supporting facilities. The Trust has continued with its commitment to run the cycle to work schemes for staff and has introduced cost effective schemes for staff to buy cycles should they wish.



Traffic management: The Trust has plans to reduce traffic impact and promote public transport and active travel which is supported by information and incentive schemes. On-site car parking is managed through the use of enforcement measures by the Trust.

Procurement

Policies and performance: A new sustainable procurement policy has been approved that supports local community and minimizes environmental impacts.

Procurement skills: Work is ongoing to provide staff with accessible information on sustainable procurement, provide training and review the learning and development needs of staff against key sustainable development objectives.

Engaging suppliers: Work is ongoing to assess the impact of key suppliers on our sustainable development objectives and also create an understanding of our objectives and help improve their understanding of sustainable development.

Sustainable procurement: We have added sustainable development clauses in tendering documents and contracts. When bids are evaluated, we now include a Carbon Reduction Strategy and Sustainability weighting. The next stage is to benchmark the impact of CO₂ from a procurement perspective and agree an action plan to reduce this.

Facilities Management

Minimising waste: The Trust has an active campaign to recycle unused or unwanted office equipment and furniture through a scheme run by volunteers. This has proved very popular with staff and has directly reduced the level of waste from the site that goes to landfill. The Trust has avoided the cost of buying new equipment, by sorting waste and using suitable recycling operators.

Energy and water usage: The Trust has made use of specific funding set aside internally and government-backed loans to invest in energy efficient equipment. These schemes include low energy lighting LED, high efficiency condensing boilers, highly efficient chillers and renewable energy through PV and solar thermal arrays.

Workforce

Healthy workplace: The trust objective is to provide incentives and facilities to promote active low carbon travel, healthy and sustainable food choices and regular exercise. The Trust has an on-site fully equipped leisure facility, which promotes fitness programmes and healthy activities. This has been upgraded during 2014/15 to increase the number of staff who can benefit from this.

Community Engagement

Policy and performance: The Trust has developed a community engagement action plan with clear social, economic and environmental objectives. The Trust continues to work in partnership with other bodies and links in with local government and climate change adaptation teams where required to ensure a coordinated approach to environmental management.

Community participation: The Trust has gathered views on sustainable development. In addition, local volunteers have been very successful with a ground-breaking initiative for the NHS, by forming a voluntary equipment recycling and reclamation project. This initiative links in with the site waste management group to reuse and recycle as much equipment as we can.

Healthy and sustainable food choices: Plans for healthy and sustainable food choices, a system to track sourcing, transportation, consumption and disposal of food and drink products is ongoing, together with targets to increase healthy and sustainable food choices.

Facilities and New Buildings

Policies and performance: A review of the south side of the site has taken place, and development opportunities are being investigated to utilise this area of the site more effectively.

Design: Work to minimise whole life costs of building and refurbishment projects through design will continue, with work to produce design briefs that encourage low carbon, low environmental impact proposals from suppliers and partners.



Equality Report

Approach to Equality and Diversity

We respect and value the diversity of our patients, their relatives and carers, and our staff and are committed to meeting the needs and expectations of the diverse communities we serve, providing high quality care.

The Trust has undertaken a considerable amount of work on Equality and Diversity (E&D), which helps improve patient services and promote equality of opportunity for staff. The Equality and Diversity Steering Group (EDSG) reports to the Trust Board and determines the strategic direction on E&D, based on current legislation and national initiatives.

The EDSG reports to the Trust Board once a year on its work and progress against action plans and provides information on the make-up of staff and patients. The Trust also has several equality networks:

- Reaching Equality Aspiring Confident Hope (REACH) group for Black Asian Minority Ethnic (BAME) staff
- Lesbian, Gay Bisexual and Transgender (LGBT) network (Rainbow SHED) for staff to discuss issues that relate to their employment experiences and hospital services
- Disability Employees Network (DEN) which covers disability issues and policies. For instance, the Trust has the 'Positive About Disabled' people 'two ticks standard' and has policies that apply to the recruitment, retention, training and development of staff with disabilities.

We have used the Equality Delivery System 2 (EDS 2) and Workforce Race Equality Standard (WRES) to engage with local and national interest groups who have offered feedback and the opportunity for involvement in the Trust's EDS2 and WRES assessment.

Public Sector Equality Duties (PSED)

The Trust has to prepare and publish one or more objectives that help the organisation further the three aims of the Equality Duty. The Trust used the refreshed NHS equality assessment tool (EDS 2 Equality Delivery System) to support the collection of evidence on equality practises and measure its progress in the different equality groups: age, gender, religion/or belief, sexual

orientation, marriage/ civil partnership, race, disability, pregnancy and maternity, gender reassignment. The Trust has used the NHS tool the WRES to assess and analyse our responses to race equality in our workforce.

The Trust also carries out equality analysis to ensure that Trust policies, procedures, developments or activities do not have an unintentional adverse impact on patients or staff from equality groups.

The Trust is compliant with its PSED duties and has published its Equality Delivery System 2 gradings, WRES template, updated equality objectives and supporting documents. This can be found at www.salisbury.nhs.uk/about-us/equality and diversity along with other E&D information.

Priorities and Targets Going Forward

We have adopted the EDS 2 (Equality Delivery System) model and are working with local interest groups on four equality objectives for 2015/16:

Objective 1 - As part of our understanding of alcohol misuse in society we will review patients who attended the Emergency Department or are admitted with alcohol related issues.

Objective 2 - We will explore how we can improve our services for our patients who are hearing impaired, which will result in an improved experience whilst at the hospital.

Objective 3 - Using the staff survey results, we will continue to support staff through our Dignity at Work Ambassadors to improve their experience at work and to support staff that may be experiencing bullying, harassment and /or discrimination.

Objective 4 - We will develop and mentoring network to support staff from protected groups to develop into leadership roles.



In addition we are also:

- Holding several awareness events throughout the year on various Equality and Diversity themes
- Publishing a quarterly Equality and Diversity newsletter for internal and external organisations

- Working with local interest groups delivering bespoke training

These priorities are regularly reviewed, monitored and measured through the EDSG which is chaired by a non-executive director of the Trust.



Public Interest Disclosures

Policies Adopted with Suppliers

Tender specifications now require companies or individuals to disclose their approach to equality and diversity.

Statement of the chief executive's responsibilities as the accounting officer of Salisbury NHS Foundation Trust

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

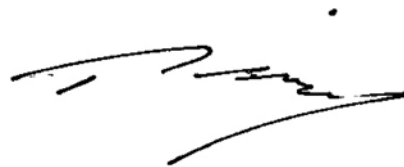
Under the NHS Act 2006, Monitor has directed Salisbury NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs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

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

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

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

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



Peter Hill
Chief Executive
20 May 2016



Annual Governance Statement

1. SCOPE OF RESPONSIBILITY

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

2. 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 a 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 Salisbury NHS Foundation Trust, to evaluate the likelihood of those risks being realised and reduce the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Salisbury NHS Foundation Trust for the year ended 31 March 2016 and up to the date of approval of the annual report and accounts.

3. CAPACITY TO HANDLE RISK

As Accounting Officer I have overall responsibility for risk management but day to day management has been delegated to an Executive Lead for Risk. The Executive Lead for Risk is responsible for reporting to the Trust Board on the development and progress of risk management and for ensuring that the Risk Management Strategy is implemented and evaluated effectively. A Head of Risk Management supports the Executive Lead for Risk and is responsible for ensuring that staff are trained and equipped to manage risk in a way appropriate to their authority and duties. This is achieved through risk training programmes and through supporting and facilitating departments/teams

directly, all underpinned by a comprehensive suite of risk management policies. The Risk Management Policy sets out the Trust's attitudes to risk and defines the structures for the management and ownership of risk throughout the organisation. The Head of Risk Management works closely with Directorate and General Management teams across the Trust to ensure they understand their responsibilities and accountabilities for managing risk in their areas. The approach is informed by various sources of information including incident reports, key quality indicator reports, survey feedback and comments, risk analysis exercises, and central guidance. Areas of good practice are identified through the above intelligence which feeds into the Directorate performance meetings (3:3s). This mechanism allows the organisation to identify, learn from, and share good practice. There is also a Trust 'Whistleblowing Policy' in place as well as a 'Speak Out' Guardian.

4. THE RISK AND CONTROL FRAMEWORK

The Trust recognises the need for a robust focus on the identification and management of risks and therefore places risk within an integral part of our approach to quality.

The overall objective of the Risk Management Strategy is to ensure that robust risk management processes are in place which provide assurance to the Board that the Trust is discharging its responsibilities as an NHS Foundation Trust in ensuring business and financial acumen, improving services and the quality of care provision, whilst operating as a model employer and service provider in achieving the Trust's operational and strategic objectives.

The Risk Management Strategy sets out the strategic goals towards which the Trust is working with regard to Risk Management, and provides a framework that sets out clear expectations about the roles, responsibilities and requirements of all Trust staff.

The strategic goals are as follows:

- To ensure that the Trust remains within its licensing authorisation as defined by NHS Improvement and to deliver a risk management framework which highlights to the Executive Team and Trust Board any risks which may prevent the Trust from complying with its provider licence.



- Continued development of the Assurance Framework as the vehicle for informing the Annual Governance Statement.
- To ensure that Risk Management policies are implemented ensuring that:
 - All risks, including principal risks, service development risks, and project risks, are being identified through a comprehensive and informed Risk Register and risk assessment process.
 - The open reporting of adverse events is encouraged and learning is shared throughout the organisation
- To monitor the effectiveness of Risk Management Policies and procedures via the monitoring of agreed Key Performance Indicators.
- To further develop the organisational safety culture and its effectiveness through implementation of Sign up to Safety and Patient Safety Collaborative interventions.
- To develop an Annual Risk Management Plan.
- To ensure that all individuals within the organisation are aware of their role, responsibilities and accountability with regard to Risk Management.
- To ensure that the structure and process for managing risk across the organisation is reviewed and monitored annually.
- To ensure compliance with NHS Improvement, Care Quality Commission registration requirements, and Health and Safety Standards.

The risk assessment and risk register procedure is set out within the Trust's Risk Management Policy. This policy gives clear instruction on the risk assessment process including risk identification, evaluation, treatment, and monitoring. The Policy also describes how risk assessments and the register are operationally managed through centralised Datix software and how the risks are communicated up and down the organisation. Directorate risk registers are reviewed at the Directorate performance meetings three times a year. This clearly outlines the leadership, responsibility and accountability arrangements which are then taken forward through the Assurance Framework, Risk Registers and performance management processes enabling the coherent and effective delivery of risk management throughout the organisation.

Capacity is developed across the Trust through training commensurate with staff duties and responsibilities. Sharing learning through risk related issues and incidents is an essential component to maintaining the risk management culture within the Trust.

The Risk Management Policy makes it clear that it is not always possible to reduce an identified risk completely and it may be necessary to make judgements about the

costs of managing a risk and the benefits to be gained. New risks identified for inclusion on the Organisational Risk Register are assessed for their likelihood and consequence using a 5x5 risk matrix in accordance with the Risk Management Policy. In order to ensure a standardised approach the same method of risk assessment documentation and scoring is used for all risks at all levels (clinical risk, non-clinical risk, financial risk, human resource risk and information risk).

The Head of Risk Management reports to the Assurance Committees (Sub Committees of the Trust Board) on a quarterly basis those risks scoring 12 or above on the Trust's Corporate Risk Register. The designated Assurance Committees of the Trust Board are the Clinical Governance Committee (Clinical Risk), the Finance and Performance Committee (Financial Risk), and the Joint Board of Directors (Organisational Risk including workforce, Health and Safety, IT). The Audit Committee monitors the Assurance Framework process overall on a biannual basis. It is the responsibility of the Assurance Committees to review the Trust Risk Register to ensure breadth and depth of information and for assurance that actions are being taken to control and mitigate the risks cited. The assuring committees subsequently report to the Trust Board on a quarterly basis any new risks identified, gaps in assurance/control, as well as positive assurance on an exception basis. If a significant risk to the Trust's service delivery or gap in control/assurance is identified then this is reported immediately via the Executive. The appropriate Assurance Committee or the Trust Board can recommend whether an extreme risk should be monitored via the Assurance Framework.

The Trust Risk Register (risks scoring above 12) is reviewed by the Trust Board at the Risk Management workshop when the Assurance Framework is reviewed. The Corporate Risk Register and Assurance Framework are presented in their entirety at the Trust Board public meetings twice a year (June and December).

A risk is considered acceptable when there are adequate control measures in place and the risk has been managed as far as is considered to be reasonably practicable. Risks requiring a cost benefit analysis are fed into the Trust Risk Register for wider debate and decision on 'acceptability' through the Assurance Committees.

The Trust has identified the following risks which are being highlighted due to their potential impact on the delivery of the Trust's business plan but also the detrimental impact they could have on its reputation.

1. During 2015-16 the Trust has again experienced very considerable non-elective pressure on operational services. The funding of these services based on a



70% marginal tariff was not sufficient to meet the costs of treatment. In addition the lack of substantive, available doctors and nurses drove up agency costs significantly. These factors together with the 1% real terms cut in the tariff and unmet savings led to a financial deficit in the year. For 2016/17 the Trust's plan is for a small surplus, in accordance with NHS Improvement's Sustainability and Transformation Fund (STF) letter of 15th January 2016, and requires the achievement of a cost improvement plan (CIP) of £9.5m and support from the STF of £6.3m. The delivery of savings of £9.5m represents a huge challenge for the Trust as we are considered to be a relatively efficient organisation with a reference cost of 93 (the national norm is 100). The Trust has identified that ongoing work is required to ensure that savings plans are robustly identified, described and enacted throughout the year. We have been active in the Carter initiative and have spent much time involved with the various work-streams and talking with members of the Carter team.

The Board has agreed the financial plan and understands the substantial savings target will be pursued vigorously but accepts the control total on the basis:

- there is substantial progress in addressing delayed transfers of care through the investment in the Better Care Fund as per the Carter report
- there are reasonable QIPP targets by commissioners
- the Trust achieves its planned growth in activity
- the Trust is able to maintain its 2015/16 operational performance
- there is a safe reduction in use of agency staff
- there is adequate provision in the tariff for inflation and CNST contributions
- there is an acceptable application of capital control
- there is access to the Sustainability and Transformation Fund.

It is understood that a decision not to accept the NHS Improvement offer would predicate against obtaining loans and as such there would be a high risk that the Trust would run out of cash. Accordingly there is little alternative other than to accept the offer but the likelihood of being able to deliver the savings of £9.5m is low without substantial support from other external parties.

2. The recruitment and retention of staff remains a key focus within the organisation. It is recognised that if staff do not feel valued, or the workforce is not appropriately skilled and staffed to the right levels, this will have a detrimental impact on our ability to

achieve an outstanding experience for every patient. Therefore robust recruitment and retention plans are in place to reduce our reliance on agency workers from both a financial and quality perspective. This is monitored via the Executive Workforce Committee.

3. The potential for poor compliance with infection prevention practice and policy leading to an increase in hospital acquired infection rates, loss of reputation and confidence and failure to meet reduction targets is recognised and included within the Assurance Framework. This is monitored by the Director of Nursing in her role as Director of Infection Prevention and Control (DIPC) and a high level of scrutiny maintained at all levels of the organisation including root cause analysis of any cases of hospital acquired reportable infection.

Another example of how risk management is embedded into organisational activity is illustrated through the policy ratification process. It is a requirement that all Trust policies have undergone equality impact assessment screening and where indicated, a full assessment.

Incident reporting is encouraged throughout the organisation under a single process described in the Adverse Events Reporting Policy. Numbers of incidents reported by department are monitored as a quality indicator within the risk management report cards at the directorate performance meetings. All departments and staff groups within the Trust report incidents and the latest National Reporting and Learning System (NRLS) Report (April 2015-September 2015) shows the Trust to be in the top of the middle 50% of reporters cluster group which was a rise since the last report. We are now reporting a rate of 41.44 incidents per 1000 bed days compared to 33.58 for the previous 6 month reporting period. This increase is seen as a positive safety culture indicator with no corresponding rise in severe harm or death and 89.7% of reported incidents resulting in no harm. Work continues with identified departments and staff groups who report at low levels to improve this position.

The Trust has maintained its lines of communication between both the Board and Ward level. There is a regular programme of Executive Quality and Patient Safety Walk rounds that are undertaken weekly and each one is attended by a member of the executive team, a non-executive director, member(s) of the directorate management team, ward /departmental lead and staff from all grades within the department. The purpose of this meeting is to allow staff the opportunity to communicate directly with members of the Board to give positive feedback or raise concerns. The Clinical Governance Committee, as an assuring Committee



for the Board, also regularly receives patient feedback through patient stories, Friends and Family Test and Real-time Feedback. During the year the Clinical Governance Committee has also established a junior doctor and junior nurse within its formal membership. This ensures that both positive and negative messages about the care being delivered within the Trust are visible to the Trust Board members. This is consolidated with an annual Patient Experience Report to the Board. Key risk areas are also discussed, where appropriate, through Governors meetings and Constituency meetings with the membership.

The Foundation Trust is fully compliant with the requirements of registration with the Care Quality Commission.

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employers 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. The Trust has put in place an alternative pension provider to cater for employees who are not eligible to join the NHS Pension Scheme.

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

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

Quality Governance Arrangements

- Quality is clearly embedded in the Trust overall strategy and includes a number of goals.
 - o There will be a shared understanding of quality across the Trust
 - o The achievement of quality is a core activity of all Trust staff who understand their individual roles and responsibilities
 - o The Trust has a quality measurement system to support evaluation and improvement
 - o To ensure the Trust continues to drive and innovate quality thinking

The overall quality strategy is supported by the Quality Directorate whose service plan includes objectives that drive year on year improvement across patient safety, clinical effectiveness and outcomes as well as patient experience in line with national and local priorities. The strategy is further supported by the annual quality report where the key priorities have been identified using for example quality performance information such as trends in reported incidents or patient survey results

The Trust has established a quality framework for the review of individual services which includes completion of the Salisbury Organisation Risk Tool as well as full review and analysis of the quality performance information available – this includes the directorate quality indicator report, clinical audit results, patient feedback from surveys, real time feedback, friends and family test, complaints and compliments, as well as risk reporting. This information is discussed at the Directorate quality meetings and performance meetings three times a year, department / ward quality walks, and there is an annual service level presentation by Clinical Leads and the MDT, against the five key CQC domains as part of the assurance process to the Clinical Governance Committee.

There is a clear quality reporting structure in the Trust where scheduled reports are presented and discussed at the monthly Clinical Management Board (CMB) and/or the Clinical Governance Committee (CGC) which meets nine times a year and, where appropriate, submitted to the Commissioners as part of the Trust contract performance compliance.

Any external agency/peer reviews during the year have the reports, recommendations and action plans discussed at the appropriate Assurance Committee and any risks identified are added to the Trust risk register.

Areas where risks have been identified through this approach, have agreed action taken/planned, which is then monitored through the Directorate performance management framework. Any recurrent themes can be included as key objectives for improvement in the Trust service plan or future Quality Report priority areas.

The Trust's arrangements for compliance with Care Quality Commission recommendations are delegated and overseen by the CGC. The Trust underwent a comprehensive inspection in December 2015. Although there were many positive findings in the subsequent report, the overall rating for the Trust was 'Requires Improvement' and a Warning Notice was received in relation to the follow up of spinal outpatients and those requiring video urodynamic studies. A comprehensive



action plan is in place to address the issues raised, which for the Warning Notice involves 2 weekly oversight meetings to ensure that improvements are being made at pace. A range of clinical areas are making presentations throughout 2016/17 to the Joint Board of Directors and Clinical Governance Committee as to actions and improvements on their compliance arrangements.

The Assurance Framework

The Assurance Framework brings together the evidence to produce and support the Annual Governance Statement. The Assurance Framework and Risk management processes were subject to review by Internal Audit who concluded that 'the 2015/16 Board Assurance Framework (BAF) is embedded within the governance structure of the Trust BAF processes ensure that it is continually updated (for controls, assurances, risks and gaps) and therefore operates as a 'live' document. The overall rating given was of 'Reasonable Assurance' due to a number of risks that still require sign off or lack robust action plans identified by the risk owner. As a result of this an action plan is in place to ensure that all risk owners are aware of their responsibilities in relation to action planning and a clear process is in place to ensure that risks are reviewed and signed off by the Directorate Management Teams. Non-compliance will be monitored via the directorate performance meetings.

The Assurance Framework is kept under quarterly review by the Assurance Committees and agreed annually by the Trust Board. The Framework identifies the principal risks facing the Trust and informs the Trust Board how each of these risks is being managed and monitored effectively. Each principal risk has an identified local risk manager who is responsible for managing and reporting on the overall risk, controls, gaps, and actions being taken to mitigate the risk. The identified local risk manager is normally an Executive Director. Assurance Committees are also identified to assure the Trust Board that each principal risk is being monitored, gaps in controls identified and processes put into place to minimise the risk to the organisation.

The designated Assurance Committees of the Trust Board are the Clinical Governance Committee, the Finance and Performance Committee and the Joint Board of Directors.

At the committees the Trust's Corporate Risk Register (risks scoring 12 and above – high and extreme) is also presented so that the Assurance Committees can consider the breadth and depth of information included, the robustness of agreed mitigating actions,

and whether there are risks which may impact on the principal risks within the Assurance Framework. The Assurance Committees can recommend inclusion of such risks on the Assurance Framework should there be sufficient concern as to their impact.

The Audit Committee, on behalf of the Trust Board, and Internal Audit review the Assurance Framework. Positive feedback was received at the Audit Committee in relation to the Assurance Framework remaining a 'live' document within the Trust.

Aligned to the headings in the Trust Service Plan the Assurance Framework has identified in-year strategic risks around:

- (i) Being the hospital of choice and providing a comprehensive range of high quality local services enhanced by specialist centres. This includes failure to deliver key performance targets resulting in patients choosing to be treated elsewhere and intervention by regulators, a fall in market share resulting in a fall in income to the Trust, centralisation of services, services put out to tender reducing the Trust's overall income and failure to listen to patients and key stakeholders resulting in poor patient experience, lack of learning / positive changes and loss of reputation.
- (ii) Ensuring that we treat our patients with care, kindness and compassion and keep them safe from avoidable harm. This includes poor compliance with infection prevention practice and policy leading to increased infection rates, loss of reputation and public confidence and failure to achieve reduction targets, failing to comply with internal and external expectations on quality of care, protect the vulnerable if safeguarding policies and procedures are not applied appropriately and robust governance processes are not in place.
- (iii) Making SFT a place to work where staff feel valued to develop as individuals and teams. This includes failing to deliver excellence for all patients if staff do not feel valued, safe, have the right skills to complete their job or staffed to the right levels.
- (iv) Being innovative and using resources to deliver efficient and effective care, ensuring value. This includes failing to provide: a reliable IT infrastructure, secure all income due under contracts whilst avoiding fines, containing expenditure within budgets and achieving agreed efficiency savings and undertake robust capacity and demand planning.

All financial information is ultimately reported to the



Finance and Performance Committee on a monthly basis.

Emerging risks will continue to be identified through the Annual Plan process as required by NHS Improvement. In the current climate future risks to the organisation include a continued rise in unscheduled and emergency care demand and the ability to recruit and retain a high quality, substantive workforce.

These emerging risks will be managed and controlled within the established risk management framework. Outcomes and effectiveness of controls/actions will be monitored through the Assurance Committees through performance reporting and the review of mitigation measures as detailed within the Assurance Framework and Risk Register.

Information Governance

The Trust acknowledges the importance of patient and staff place on the security, confidentiality, integrity and availability of corporate and personal information. The Trust is committed to proactively managing all its resources through clear leadership and accountability, which is underpinned by the Trusts values and behaviours through awareness and education.

The Medical Director/Caldicott Guardian and Nursing Director/Senior Information Risk Owner (SIRO), oversee compliance with and adherence to the Trusts Confidentiality, and Information Risk & Security Policies and procedures which define how the Trust proactively manages the security and confidentiality of personal information and systems. Information Governance arrangements within the organisation are constantly reviewed by the Trust. During the year there has been effective reporting of Information Governance incidents and near misses and follow up on all incidents has ensured appropriate action taken. There has been no confidentiality or system security incident related to the Data Protection Act (level 2 or above) which required reporting to the Information Commissioners' Office (ICO).

During 2015/16 work continued to ensure there is a comprehensive and robust evidence assurance programme exists to underpin the work of the Information Governance Toolkit (IG). The Trust continues to ensure that the Information Asset Owners and Information Asset Administrators evidence is internally audited and updated on a regular basis. The Trust has also committed time and resources to ensure that relevant recommendations made by the NHS National Data Guardian, Dame Fiona Caldicott in the Caldicott 2 Review "To Share or Not to Share" have

been incorporated into the Trust's current and future work program.

The Trust completed self-assessment against version 13 of the IG toolkit gaining an 81% compliance level and maintaining a Satisfactory rating across the entire Toolkit. A satisfactory rating is only achieved by the Trust maintaining level 2 or above in all 45 requirements.

5. REVIEW OF ECONOMY, EFFICIENCY AND EFFECTIVENESS OF THE USE OF RESOURCES

The Trust regularly reviews the economy, efficiency, and effectiveness of the use of resources through: benchmarking, reference costs, regular meetings between the Directorates and Executive Directors, and assessing performance against plans. Investments are determined against detailed business plans and outcomes are reviewed against those plans.

The Trust assesses its compliance with the Code of Governance annually. New developments and information on governance are reviewed and incorporated into practice. The Board is held to account by the Council of Governors; the Council ensures that suitable non-executives are appointed to the Board. There are annual appraisals of all board members, overseen by the Remuneration Committee and the Governors Performance Committee.

The Trust board assesses its own effectiveness and that of its committees. The Board's committees report into the public board meeting via their draft minutes and a covering report. The committee chair also highlights key points at the meeting.

The Trust ensures compliance with legal requirements, the NHS Constitution and the Licence through its corporate governance arrangements. In particular, risks to compliance are identified through the regular review and reporting that inform the Assurance Framework. There is additional regular review through the Audit Committee and the Clinical Governance Committee, through to the board.

Arrangements to operate efficiently economically and effectively are formally reviewed by external audit and are the subject of detailed review through the transformation programme and departmental cost improvement activity.

The Trust's finances are reviewed by the Finance and Performance Committee at its monthly meetings. Monthly performance and quality outturn information is scrutinised each month by the Board and the Council and the range of information continues to develop. The



approach to the review of complaints by the board has been improved and there are regular reports on patient feedback. Board members take part in departmental walk-rounds regularly which enables them to hear first hand from staff positive work that is being undertaken as well as any concerns about quality and safety. This enables actions to be put in place, and supported by the executive team, to facilitate timely and appropriate corrective action and mitigate risk where possible.

In producing and certifying the Corporate Governance Statement, the board expects to take account of: external/regulatory assessments of finance, quality and performance, feedback from staff, commissioners and patients, findings arising from board governance review activity, reports from internal and external audit, and the range of principal risks emerging from the Assurance Framework.

The key Assurance Committees regularly receive and discuss their respective risk registers, for high level risks within the organisation. The Audit Committee has sought assurance that the Assurance Framework appropriately reflects the level of risk and incorporates mitigating action. Independent assurance on the effectiveness of risk management and internal control has been provided through Internal Audit reviews.

A wide internal audit programme encompassed (amongst others) the following areas:

- Patients' Monies and Property
- Data Quality
- Management of Pressure Ulcers and Falls
- Smartcard Security
- Estates Statutory Compliance
- Budgetary Control & CIP
- Safeguarding Children
- Care Quality Commission Preparedness
- Bed Management Policy
- Use of Temporary Staff
- Financial Accounting
- Payroll
- Laundry
- Contract Income Management
- Firewall Security
- Statutory Duty of Candour
- Controlled Drug and Drug Fridge Management
- Information Governance Toolkit
- Odstock Medical Limited
- Assurance Framework & Risk Management
- Starters and Leavers Processes

The Board has maintained an active programme of fraud prevention in accordance with the core activities required by NHS Protect.

The Trust continues to make every effort to balance high quality, safe patient care with achieving our performance targets in a difficult financial environment. Our staff work hard to deliver excellent patient care, achieve our CQUIN (Commissioning for Quality and Innovation) targets, QIPP (Quality, Innovation, Productivity and Prevention) demands and comply with the requirements of our regulator, NHS Improvement.

The agenda we have set ourselves is ambitious and demanding. We have significant cost improvements to deliver as well as significant transformation programmes. To ensure that we balance these commitments effectively, we have established a Programme Steering Group (PSG) that will oversee the work programme and provide regular updates to our Trust Board. The PSG provides the overall direction and coordination of all CIP and transformation schemes. Each transformation scheme is led by an Executive Lead and Senior Responsible Officer and overseen by a Programme Management Board (PMB). The project management office continues to oversee the project governance and delivery of saving schemes. A quality impact assessment is undertaken for all CIP and transformation schemes which are scrutinised by the Medical Director and Director of Nursing to ensure patient safety is not compromised.

We have been active in the Carter initiative and have spent much time involved with the various work-streams and talking with members of the Carter team. We continue to support the Carter team in on-going projects and are actively pursuing the recommendations from the Operational productivity and performance in English NHS acute hospitals: Unwarranted variations report published in February 2016. Project leads for each of the Carter recommendation workstreams are expected to report regularly to the Programme Steering Group on progress in the delivery of savings.

6. ANNUAL QUALITY REPORT

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 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.

To ensure that the Quality Report presents a balanced view and there are appropriate controls in place to ensure accuracy of data the following steps are taken:

The Trust has a Quality Strategy in place which informs



the organisation's direction of travel taking into account local and national priorities.

There is clear corporate leadership for Quality. The Medical Director and Director of Nursing lead on the areas of work identified within the Quality Report.

Progress against the priority areas within the Quality Report is monitored through the clinical governance framework and selected quality metrics are reported via the Quality Indicator report which is published every month for the Trust Board and Clinical Management Board.

There is corporate leadership for data accuracy with the Director of Corporate Development holding responsibility for the quality of performance data which is reported monthly at the Joint Board of Directors and Trust Board.

The Trust has a Data Quality Policy in place (underpinned by documented department based administrative processes) which details the steps taken to ensure data accuracy. Data Quality features within the roles and responsibilities (job descriptions) of key staff members for example those working in the Informatics Department.

The Quality Report process is coordinated by the Head of Clinical Effectiveness. There is an established timetable of internal and external stakeholder engagement including staff and governors. A wide range of methods have been utilised to gather information, and input in order to inform the priority areas. This includes the use of national inpatient surveys, real time feedback in clinical areas, Friends and Family Test data, risk reports and issues raised through executive led Safety and Quality walk rounds. Controls are in place to ensure the accuracy of data and data quality is assured through the national Data Quality Score for SFT which is 98.3% from April to December 2015, compared to 96.2% nationally. The priorities have been discussed with clinical teams as part of the service planning process, and views from staff, Trust Governors, AgeUK and Warminster Health and Social Care Group have been sought. Commissioners have been asked for their feedback and the Quality Report is reviewed by external agencies such as Healthwatch, CCGs, the Health and Social Care Select Committee of the Local Authority.

The Quality Report is only published following the above timetabled reviews and data scrutiny by internal and external stakeholders including KPMG.

The Trust has recently asked for comment from NHS IMAS on the Access Policy and will undertake a review

of the findings and update the policy as appropriate. The policy describes how the recording of data for elective pathways should be performed and clarifies the rules for how the patient journey should be monitored. A validation team in the Central Booking department undertakes reviews of patient level information to assess for accuracy and validity. The Information Department has written reports which highlight to staff, and their line managers, where data is not consistent. A number of internal audits and an external audit have been carried out assessing the Trust's approach to data recording of referral to treatment times. A weekly delivery group uses the data at patient level identifying potential data quality issues and the monthly Waiting List Task Force reviews the data at a more aggregated level.

7. REVIEW OF EFFECTIVENESS

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

The Head of Internal Audit has provided me with an opinion of 'reasonable assurance' that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. The basis for forming this opinion was:

1. An assessment of the design and operation of the underpinning Assurance Framework and supporting processes; and
2. An assessment of the range of individual opinions arising from risk-based audit assignments contained within internal audit risk-based plans that have been reported throughout the year. This assessment has taken account of the relative materiality of these areas and management's progress in respect of addressing control weaknesses.

However, some weakness in the design and/or



inconsistent application of controls put the achievement of particular objectives at risk and these have been identified in the Internal Audit Annual Report and in the 'limited assurance' reviews carried out by the Appointed Auditor in relation to performance indicators included in the Quality Account. The auditor is not able to provide a limited assurance opinion for Referral to Treatment within 18 weeks for patients on incomplete pathway because there were a number of variances identified between the data record and the underlying source.

There were three areas reviewed by internal audit where it was assessed that the effectiveness of some of the internal control arrangements provided 'limited assurance'. Recommendations were made to further strengthen the control environment in these areas and the management responses indicated that the recommendations actioned had been accepted and will be monitored.

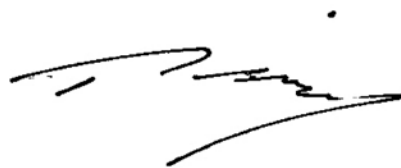
The major issues, or themes, that emerged from the internal audit work were in relation to the Cost Improvement Programme (CIP) Financial Forecasting, Estates Statutory Compliance and Management of Drug Fridges and Controlled Drugs.

These included a lack of robust financial forecasting incorporating expected delivery of the 2015/16 CIP, Authorised Engineers and Authorised Persons not being appointed for all statutory compliance areas and weaknesses in the reliable management/monitoring of drug fridges. However, the positive findings outweighed these weaknesses and action plans have been put in place to address these and are monitored by the Audit Committee.

Executive Managers within the organisation who have responsibility for the development and maintenance of the system of internal control have provided me with assurance. The Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed. Other sources of assurance on which reliance has been placed include the external audit opinion (KPMG) in relation to the annual report and annual accounts, the Assurance Committees (including the Audit Committee), assessment by the CQC against the essential standards of quality and safety, TIAA and the Internal Clinical Audit Team who have provided me with information and comments.

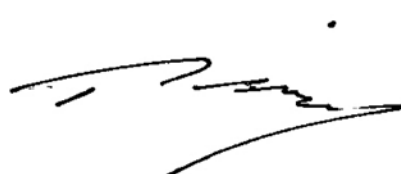
8. CONCLUSION

Overall there is in place a dynamic process for the management of internal control which is reviewed and updated regularly by the Executive Team and various board committees that are in place in the Trust to help me meet my responsibilities as Accounting Officer. I conclude that no significant internal control issues have been identified for the year ended 31st March 2016.



Peter Hill
Chief Executive
Date: 20 May 2016

The Accountability Report has been approved by the Trust Board.



Peter Hill
Chief Executive
(Accounting Officer)
On behalf of the Trust Board, 20 May 2016



Quality Report

Introduction

This is our annual report which looks at the quality of our services over the previous year and also includes plans for quality improvement next year.

Quality accounts, which are also known as quality reports, cover three components; patient safety, clinical effectiveness and patient experience. These reflect the quality of care adults, children and young people receive and each of our priorities is linked to one of these three components.

Part 1:

Our commitment to quality - the Chief Executive's view

While all NHS organisations are facing significant operational and financial challenges it is essential that we maintain good quality, safe care and continue with our commitment to improve services for our patients. Quality has been the number one priority for us during 2015/2016 and will continue to remain that way as we move into a new financial year.

As part of the Seven Day Services Review, we already meet three clinical standards around shift handovers, emergency access to mental health, and a number of specific quality improvements. Within the last year, we have made progress in another five standards around patients' experience, time to first consultant review, diagnostics, access to consultant-delivered interventions and transfers to community, primary and social care. The detail will follow later in this Quality Report. In 2016/17 we will continue to deliver against these clinical standards and work towards the remaining two, around multidisciplinary team reviews and ongoing consultant reviews.

The NHS England Five Year Forward View focuses on the redesign of urgent and emergency care services, the development of new models of care and NHS Seven Day Services. We continue to deliver on our plans in these areas. While we narrowly missed our Accident and Emergency target of 95% of people being admitted, treated or discharged within four hours, we achieved 94.8%, which is an excellent performance by our staff bearing in mind that the vast majority of hospitals across the country failed to meet this target with a national percentage average of 87.9%. We met our key waiting time target of 92% of patients being treated within 18 weeks of a GP referring the patient to hospital and our cancer 62 day referral to treatment target. We have also made good progress around early diagnosis

and prevention of cancer which are key factors in the national cancer strategy.

A fundamental emphasis on quality is at the heart of the Five Year Forward View and I am pleased with the progress we have made over the last year in so many areas that affect the quality of care that we give to our patients. I also feel that we have done much to improve their experience with us, and this extends to their families, friends, carers and visitors to the hospital.

This can be seen following our Care Quality Commission inspection where we received an overall rating of good for caring and the effectiveness of our service and as part of this were rated as Good in 27 of the 39 elements covering our core services. While the inspection team identified areas of good practice, the overall rating for the Trust was still requires improvement, reflecting the rating given to the majority of Trusts inspected under this new rigorous inspection process. I was pleased to see that our patients and staff rate the care at Salisbury District Hospital highly and that the majority of feedback from patients and relatives was extremely positive. The report said that staff provided kind and compassionate care which was delivered in a respectful way, and that emotional support was recognised and provided. It was also pleasing to see that the report identified a strong culture of reporting and learning from incidents and that there was a culture of being open, with the Duty of Candour well understood. The report did identify areas for improvement and we acknowledged that use of temporary staff to ensure safe staffing levels on wards is currently an issue for the NHS and proactive recruitment is taking place locally to improve this situation. Mandatory training, some aspects of documentation, better linkages with other organisations when dealing with complaints that cover several organisations and the follow up of patients discharged from the spinal unit were among other areas highlighted by the CQC for action and we are now working with our partners on a formal action plan.



Our patient survey results evidence a positive patient experience. Parents, children and young people rated their experience of care highly in the national children's inpatient and day case survey, with safety, friendliness and pain control among the key positive findings. New mothers complimented our midwives and recognised the outstanding care and support that they received during labour and birth and after the baby was born.

Safety continues to remain a high priority for us and, as part of our ongoing commitment in this area I am pleased to see ongoing improvements in infection prevention and control with zero MRSA bloodstream infections and the lowest rate of clostridium difficile in the region. We have also seen a 35% reduction in the number of grade 2 pressure ulcers and the implementation of our Sepsis 6 campaign which ensures that appropriate treatment is delivered within one hour of patient with sepsis arriving in the Accident and Emergency Department, Medical Assessment Unit and the Surgical Assessment Unit. Mortality rates can fluctuate during the year and these are monitored regularly in several different ways. While the Hospital Standardised Mortality Rate (HSMR) went beyond the expected range within the year there were very low levels of avoidable deaths. The Standardised Hospital Mortality Index which compares the number of deaths in hospital or within 30 days of discharge, was in the expected range.

The Trust uses clinical audit results, patient feedback and information from complaints and safety reports to show where improvement is needed. For example all wards develop an action plan based on feedback from their patients. This could be through the Trust's own real-time feedback, (where volunteers and Governors regularly gather views directly from patients on wards), or through comments made by patients as part of the Friends and Family Test or on NHS Choices.

Quality of care is included in each Directorate's plans and reporting processes. It is measured as part of Directorate service reviews, and mid and end of year reports. Members of the Trust Board regularly walk round the hospital and talk with patients and staff. This enables the Board members to hear about any quality or safety issues in the areas and these reviews are now based on the CQC's five domains of safe, effective, responsive, caring and well-led.

Quality is monitored regularly by the Board through a number of quality measures and indicators. For example, the Trust Board receives a quality indicator report every month and a patient story is heard at alternate Clinical Governance Committee meetings. These stories may have come from complaints, incidents or from service improvement projects. The quality indicators and

patients' stories ensure that the Trust keeps focused on the things that are important to our patients. One patient described his experience of a new treatment called ElectroMotive Drug Administration given for a recurrent form of bladder cancer. The patient had chemotherapy directly instilled into his bladder and a small electric current applied which allowed the chemotherapy drug to be better absorbed. This is now in routine use and has improved outcomes for patients.

While the focus remains on quality of care it is important that we continue to tackle some of the financial challenges that we face and that we are contributing to the NHS Productivity and Efficiency Programme. The aim is to ensure that all hospitals are as efficient and productive as they can be. We have been very fortunate to be in the first cohort of 22 Trusts working with Lord Carter on this work programme.

One of the key work streams of Lord Carter's review has been on the nursing workforce. As part of this we have focused on efficient rostering practices to ensure we are using our workforce as effectively as possible. We have also been involved in the development and testing of the metrics - care hours per patient day. This is to be reported nationally by all Trusts in 2016/2017.

Sharing information is essential for the future of the NHS, as is partnership work in general and the development of new models of care. From 1 July 2016 onwards we will be part of a new partnership called Wiltshire Health & Care which will provide adult community services in Wiltshire. This involves the Trust, Great Western Hospitals NHS Foundation Trust and Royal United Hospitals Bath NHS Foundation Trust. It marks an exciting new period of change where we will be able to work through organisational barriers, join up care and expand the amount of care being offered in the community. It provides a positive example of how NHS organisations can work together to improve the quality of care for patients.


While the Trust Board has overall responsibility for quality, safety and patient experience, leadership for these areas is delegated to the Director of Nursing and the Medical Director.

Our emphasis on quality will continue through a number of priorities for 2016/2017. Views and comments from clinical staff, local people, commissioners and the Trust's Governors have been used in the development of these priorities, which will be addressed later in this Quality Report.



Our staff work hard to provide excellent standards of care, and constantly assess their practices in order to make any changes that could benefit their patients. On behalf of the Board, I want to thank them for their commitment and professionalism in 2015/2016 and the very positive contribution they make to the Trust and our patients.

To the best of my knowledge the information in this document is accurate.



Peter Hill
Chief Executive
22 May 2016

On behalf of the Trust Board, 20 May 2016

Part 2:

Priorities for improvement and statements of assurance from the Board

2.1 This section provides a review of the progress we have made in our 2015/2016 priorities as published in the last Quality Account

The Trust's priorities in 2015/2016 were:

Priority 1

Strive to keep patients safe from avoidable harm

Priority 2

Ensure patients have a positive experience of care

Priority 3

Actively work with our community partners and patients to prevent ill health

Priority 4

Provide patients with high quality care seven days a week

Priority 5

Provide co-ordinated care across the whole health community.

The NHS England Mandate 2016/2017 sets out the goals for the NHS and improvements required against the NHS Outcomes Framework 2016/2017. The NHS Outcomes 2016/2017 Framework provides a national overview of how well the NHS performs by focusing on patient outcomes and experience. The framework sets out five domains where health improvement could be achieved over a number of years and we have linked each of our quality account priorities to one of these domains.

These domains are:

Domain 1

Preventing people from dying prematurely – see priority 1 and 3.

Domain 2

Enhancing quality of life for people with long term conditions – see priority 2 and 5.

Domain 3

Helping people to recover from episodes of ill health or following injury – see priority 4.

Domain 4

Ensuring that people have a positive experience of care – see priority 2.

Domain 5

Treating and caring for people in a safe environment and protecting them from avoidable harm – see priority 1.

Both the Director of Nursing and the Medical Director have responsibility to lead in these priority areas. The Medical Director leads on Domain 1, 2 and 3 and the Director of Nursing leads on Domain 4 and 5.

What we did in 2015/2016:

The bullet points below indicate the quality priorities set for 2015/2016; the paragraph that follows is the progress made towards their achievement.

Priority 1 - Strive to keep patients safe from avoidable harm

Description of the issue and reason for prioritising it:

Patients should expect to be treated in a safe and clean environment and be protected from avoidable harm. Improving patient safety involves many things, including, high quality nursing care and creating a culture of learning from incidents to prevent them happening again. As a Trust, patient safety is our first



and most important priority so we will continue to implement national standards and monitor and report the level of harm- free care in the Safety Thermometer and other key quality indicators. In 2015 we joined the 'Sign up to Safety' campaign which aims to cut avoidable harm by 50% over three years and we will report the progress against each element in our Patient Safety Improvement Programme every quarter. We are also an active participant in the Wessex Patient Safety Collaborative.

As part of our ongoing commitment to promoting a learning culture and keeping patients safe from avoidable harm, we have implemented the statutory Duty of Candour. While it is not significantly different from the way we were already working it means that when things go wrong and patients suffer moderate or severe harm, staff must be open and honest with the patient as quickly as possible after the incident, provide ongoing support and communication, and an explanation of what happened including an apology. The staff must provide the patient with support by allowing a member of their family or carer to be present with them if they wish. We have held education sessions with many of our clinical teams and departments on how staff should comply with the Duty of Candour and also held two Trust-wide learning events.

What we did to support this improvement priority:

- We continued to reduce the number of patients who have preventable falls and fracture their hip in hospital.

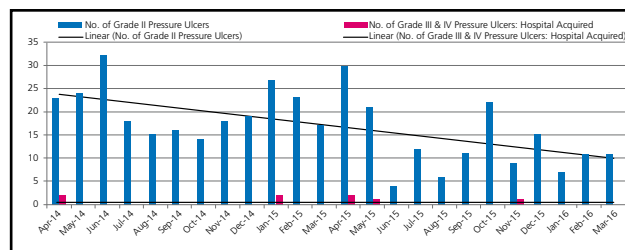
Since April 2015 there have been 7 patients who have had a fall resulting in a fractured hip which required surgical treatment; a reduction from 12 patients in the same period in 2014/2015. Our detailed investigations showed that these patients often fell when they were walking on their own, close to the time when they were ready to leave hospital. We have started to trial some sensors which trigger an alarm when a patient starts to get out of bed or get up from a chair. This then ensures they have the right support when walking around.

- We continued to reduce the number of patients who develop grade 2, 3 or 4 pressure ulcers in hospital.

This year we have reduced by 35% the number of grade 2 pressure ulcers from 244 in 2014/2015 to 158 in 2015/2016. In the same period there have been three grade 3 pressure ulcers and one grade 4 pressure ulcer. A detailed review is undertaken of all pressure ulcers acquired in hospital. Through an education programme we have improved the

prevention, recognition and treatment of pressure ulcers. For example, to prevent heel pressure ulcers we ensure patients keep their legs elevated in bed and are provided with protective boots.

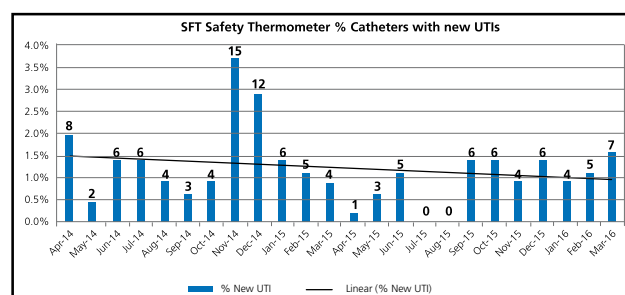
The chart below shows the total number of hospital acquired grade 2, 3 and 4 pressure ulcers between April 2014 and March 2016



- We continued to reduce the number of patients who develop a urine infection associated with a catheter.

Since April 2015 our Safety Thermometer data shows we have reduced by 37% the number of patients with a new catheter-associated urine infection from 75 in 2014/2015 compared to 47 in 2015/2016.

The chart below shows the total number of new catheter-associated urine infections between April 2014 and March 2016



We improved the recognition and treatment of patients with severe infections using Sepsis Six practices which are designed to reduce the numbers of people who die from severe infections.

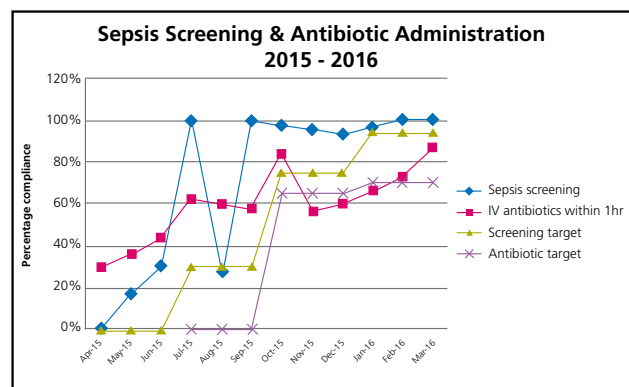
Since April 2015 we have continued to use Sepsis Six practices in the Emergency Department and introduced them in the Medical Assessment Unit, Surgical Assessment Unit and the Children's ward. We have used a severe sepsis screening tool, both for adults and children. This helps doctors and nurses to recognise a patient who has a severe infection and ensures they receive the right investigations and treatment within one hour of arrival at hospital.



We have measured two key components of Sepsis Six – sepsis screening and treatment with antibiotics within an hour of arrival at hospital. In 2015/2016 we screened 85.8% of patients and achieved an overall compliance of 61.3% of patients receiving antibiotics within an hour.

We have also measured compliance with the children's severe sepsis screening tool separately, whilst it continued to be tested and developed across the children's network. This was to ensure it was suitable to enable staff to recognise a child with a severe infection. In 2015/2016 we screened 39% of children but no children had severe sepsis or needed urgent antibiotics.

The line graph below showed our compliance with sepsis screening and antibiotic administration of adult patients in the Emergency Department, Medical Assessment Unit and the Surgical Assessment Unit between April 2015 and March 2016

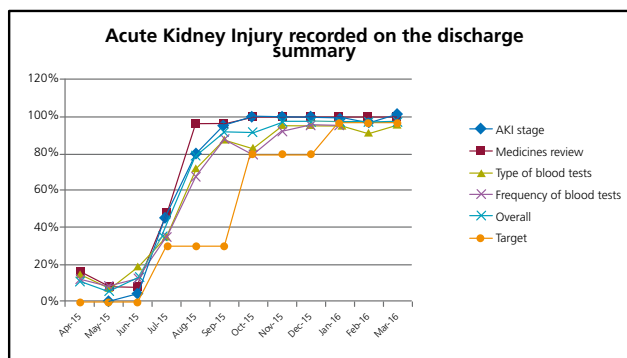


- We worked collaboratively with our South West regional network to improve the prevention, recognition and treatment of patients with acute kidney injury.

We continued to work with the South West regional network, and introduced an electronic warning system to alert doctors and nurses to patients whose blood creatinine measurement had doubled since their previous blood test. This may indicate the patient has an acute kidney injury and prompts treatment with fluids, urine measurement and a review of a patient's medicines.

We have worked collaboratively with our commissioners to introduce changes to the discharge summary so GPs know that their patient has had an acute kidney injury during their hospital stay. The discharge summary indicates the need for further blood tests once the patient is at home, along with a medicines review.

The chart below shows the percentage of patients who had the four elements of care recorded on the discharge summary from April 2015 to March 2016



- We continued to work with our staff to ensure that we had low numbers of patients with avoidable infections and reduced the number of patients with surgical site infections.

In 2015/2016 no patient had an MRSA blood stream infection. Four patients had an MSSA blood stream infection in 2015/2016 compared to 10 patients in 2014/2015. Fifteen patients developed C. difficile against an upper limit given of 19 patients for the year compared to 21 patients against an upper limit of 18 cases in 2014/2015. Clinical teams have worked with our Infection Prevention and Control team to ensure best practice. This includes a variety of measures. For example, good hand hygiene practice, a deep cleaning programme of all our wards and good antibiotic stewardship.

- We continued to improve surgical safety by the use of the World Health Organisation safety checklist and safety briefings.

In 2008 the World Health Organisation launched a Global Patient Safety Challenge, 'Safe Surgery Saves Lives', to reduce the number of surgical deaths across the world. As part of this initiative they devised a checklist to be used by all hospitals. The checklist identifies three phases of an operation and in each phase it must be confirmed that the surgical team has completed the tasks on the list before the next stage can start. The checklist is a tool to initiate discussions between members of the theatre and clinical teams to improve the safety of surgery. We have reviewed our processes for this initiative and have updated the checklist to ensure it is carried out consistently by all surgical teams.



The whole theatre team also takes part in a safety briefing at the start and end of each theatre list, to ensure everything that is needed for each patient is ready and available during the operation.

- We have implemented the Gestation Related Optimal Weight (GROW) programme to identify babies who are smaller than expected for their stage of pregnancy to reduce the risk of stillbirth.

We have trained our midwives, obstetricians and ultrasonographers in the GROW programme to ensure every woman has a standard measurement of the size of her womb from 24 weeks onwards. The measurement is plotted on a chart individualised to each woman, and this can improve the prediction of a small baby. If the measurement shows the baby is growing slowly or has remained the same over a number of measurements the woman is offered an ultrasound scan or a series of scans to measure the baby. Interventions, such as more detailed scans, medication, or early delivery are then discussed with the woman.

What our patients and public have told us and what we did to improve

- **'I feel quite safe here and well looked after.'**
- **'In a crisis, the nurse was exceptional and became a member of the family. She went above and beyond and it made me feel safe.'**
- **'The bathroom is not very clean'. The ward sister spoke to the cleaner immediately and she had already been back and cleaned the bathroom.**

What we did in 2015/2016:

Priority 2 –

Ensure patients have a positive experience of care

Description of the issue and reason for prioritising it:

Patients and their families should experience high quality care. No one going into hospital should have to worry about being left in pain, unable to eat, drink, or go to the toilet. Patients who are in need of support and their families, should have peace of mind that they will be treated with kindness, compassion, respect, dignity, understanding and honesty. We need to continue to measure and understand how patients really feel about

the care they receive and take improvement actions. As well as our patient feedback surveys, our national staff survey provides important information on the health of the Trust, so too, does the staff Friends and Family test which asks staff whether they would recommend this hospital to their friends and family as a high quality hospital to receive treatment and care and as a place to work. Patients, their families and carers have told us that an area for improvement is for different services to work together so that their care is joined up or integrated. We are working closely with Wiltshire Council and our commissioners to improve the patient's journey from admission to discharge home.

Timely access to services is a critical part of a patient's experience of care. The NHS should be there for patients when they need it. This means providing equally good quality care seven days a week (see priority 4).

Research suggests there is a strong link between satisfied, well-motivated and supported staff and a positive patient experience. National staff survey results in 2015 covered the four NHS pledges around their jobs, career opportunities and development, support and engagement in decisions that affect them. The Trust was better than average when compared to other Trusts on the percentage of staff experiencing harassment, bullying or abuse from staff in the last 12 months at 23% compared to 26% nationally. The percentage of staff who believe that the Trust provides equal opportunities for career progression or promotion is 89% compared to 87% nationally. Full details of the survey can be found in the staff report section of the annual report 2015/2016.

In response to comments made by staff in the 2014 staff survey, we now have 15 Dignity at Work Ambassadors who can offer a confidential, supportive and impartial service for staff and managers on any issues around bullying, harassment or discrimination. In addition, the Trust also now has a Freedom to Speak Up Guardian who can act as an independent point of contact for staff about quality and safety concerns, direct them to Dignity at Work Ambassadors where appropriate and feedback concerns directly to the Chief Executive.

The Trust also continues to take a positive approach to Equality and Diversity (E&D) within the hospital. As part of this we have provided additional support for staff through the publication of accessible E&D handbooks on the staff intranet. These create greater awareness of E&D, highlight why it matters and what behaviours are expected from all staff. They also provide a quick references guide for staff who may meet patients from diverse backgrounds and gives them useful insight into sexuality, disability, race and culture. The introduction of new equality champions, monthly awareness events



and a reapplication for the Mindful Employers Charter, which shows a commitment to increasing awareness of mental health in the workplace, are further examples of other improvements made in which the Trust embraces E&D within the organisation.

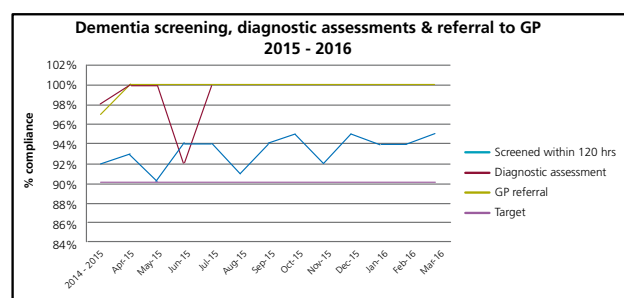
The Trust is actively working with our partners in health and social care and the public to improve services for patients. This includes our work with E&D leads across Wiltshire and Swindon who developed a charter for collaborative working. Support by the E&D team for a music workshop called 'Magna Songs' was performed by pupils from Exeter House special school, is another example of collaborative work around E&D. The team has also developed a quarterly newsletter published both internally and externally where people can contribute articles and engage with our services through its publication.

What we did to support this improvement priority:

- We continued to improve the identification and diagnosis of patients with dementia and refer them to their GP or specialist mental health team when needed to ensure they received effective care and treatment.

With the support of our dementia champions we have sustained the improvement in the number of patients screened for dementia when they are admitted to hospital as an emergency. When a patient is screened and dementia is suspected they are either assessed by our in-house specialist mental health team or referred to their GP.

The table below shows how we have sustained the improvement in dementia screening, assessment and referral between April 2015 to March 2016



- We worked with GPs and voluntary organisations to do more to identify carers and provide them with better support, advice and information.

With Carer Support Wiltshire and Healthwatch, Wiltshire we developed a survey with the help of carers of people with dementia, to find out the issues they face. Since April 2015, 60 carers have given their

feedback and have been offered information and advice on support services. Carers told us that most are registered with their GP as a carer, and some have had a carer's assessment. Carers said they were concerned about what would happen to the person they cared for, should anything happen to them. We have started to provide information on how to apply for a Carer's Emergency Card. The Card will ensure that help will be quickly in place in the event of something happening to the carer.

Carers said they were not always involved in the person's care as much as they wanted to be during their stay in hospital. We have introduced 'John's campaign: for the right to stay with people with dementia in hospital' throughout the 24 hour period in two of our wards. Involving carers from the moment of admission to discharge can improve the quality of care and patient outcomes.

People with dementia can be confused and frightened during a stay in hospital. This may prompt them to wander around the ward, looking for familiar things and comfort. We have introduced memory boxes on four of our wards. This allows familiar items to be given to the patient to reduce feelings of anxiety and abandonment.

In July 2015 we launched a Carers' Café for carers of any age whose relatives or friends are in hospital, to give them the opportunity to share their experiences and get advice and support from specialist staff. The café is run every week by volunteers from the Alzheimer's Society, Age UK and Carers Support Wiltshire who are on hand to answer any questions or to direct them to the appropriate help in the community.

- We wanted to focus more on learning from patient complaints, concerns and feedback so we could make improvements when issues are identified.

Our clinical teams and customer care advisors aim to contact patients and families as soon as a concern or complaint is known about so that where possible, they can try to understand the concern more clearly and to resolve it as soon as possible. Some patients and their families are offered a meeting with the clinical team so they have the opportunity to have questions answered. This year the most frequent theme from complaints and concerns has been poor communication and attitude. The teams and staff involved in the complaints have had customer care training and in these areas we have seen an improvement in the number of positive comments made by patients in the Friends and Family Test.

- We wanted to continue to ensure that patients, their families and carers are involved in decisions



about their care, treatment and on-going care. We compared patient feedback from those admitted during the week with those admitted at the weekend and made improvements.

We have tried out a new 'This is my usual life' document on one of our wards to ensure our staff know about the patient's normal life before they came into hospital. This includes the patient's life at home and the care they need. The information can be used with the patient and carers to plan their discharge. We have also used the bed boards to improve communication with relatives and carers. For example "the Occupational Therapist would like to speak to you" or "could Jack have some slippers please" or "we would like to discuss discharge plans today". In 2015/2016 our inpatient real time feedback had an average mean score of 7.9 (maximum score is 10) for patients knowing what is planned for their care and treatment and 8.4 for patients feeling involved in decisions about treatment and care. The scores for 2014/2015 were 8.8 and 8.4 respectively.

In April 2015 we added a new question to our real time feedback to find out whether patients noticed any difference in care between weekdays and weekends in specific areas. To date the results at weekends show that the average mean score for care is 8.2 (maximum score is 10), for help with eating and drinking is 9.6, and response to call bells is 9.0. This tells us that patients felt the care provided at weekends was the same as during the week. Some patients commented that they liked the peace and quiet at weekends but others felt they received less care at this time. Plans are in progress to ensure, where appropriate, patients are seen every day by a senior doctor.

- We planned to improve the choices available to women during pregnancy about where they have their baby and who will lead their care.

We have started to plan a new building for a midwife-led unit, which will give women greater choice in where to have their baby. We will listen to the views of women and their families and design the new building around their needs. Work on the new building was due to begin in the summer of 2016 but has been temporarily delayed until proposals for the return of the armed forces from Europe are clear. This is because we anticipate an increase in the number of babies born here each year. We have also increased the number of midwives to support women in pregnancy, labour and after the baby is born.

- We worked collaboratively with our network to improve care for children as they move from children's to adult services. This is called the Ready Steady Go Programme.

We know that children can find it frightening when they move away from a team of doctors and nurses who have worked with them for many years. The Ready Steady Go Programme is for children over 11 years old who have a long term condition, such as diabetes. Children are helped to gain the knowledge and skills to manage their condition and to become involved in the move from children's to adult services, to help them feel more confident and happier about the move. We have successfully introduced this programme for children and young people with diabetes and cystic fibrosis. We are currently planning the development of the same programme for young people with physical disabilities.

- We introduced the Friends and Family Test for children under the age of 16 to monitor the quality of care using the Salisbury Hospital App.

Since April 2015 children under the age of 16 have been asked how likely they would be to recommend the area they attended to friends and family if they needed similar care or treatment. Of the children who responded, 95% said they were extremely likely or likely to recommend the hospital to friends and family. Children were also invited to comment about their care and the majority made positive comments.

- We continued to report on the staff Friends and Family test and make improvements where needed.

All staff have the opportunity to answer the Friends and Family test once a year. 669 staff responded in 2015/2016, and 93.4% said they were likely or extremely likely to recommend this hospital to friends and family, if they needed care or treatment, placing this hospital in the top 10% of Trusts nationally. Also 76.7% of staff said they were likely or extremely likely to recommend this hospital to friends and family as a place to work.

What our patients and public have told us and what we did to improve

- **'I want to commend the staff who were very kind and understanding to a lady with dementia'.**
- **'There was a more relaxed atmosphere at the weekend'.**
- **'Call bells are answered more slowly at weekends'. The ward sister said that she will be using the next skill mix review to consider the need for the same level of staff seven days per week.**



- A young person said 'Disappointed that there is no WiFi so unable to watch films'. The Stars Appeal funded Wifi which is now available to all our patients throughout the hospital.

What we did in 2015/2016:

Priority 3 –

Actively work with our community partners and patients to prevent ill health

Description of the issue and reason for prioritising it:

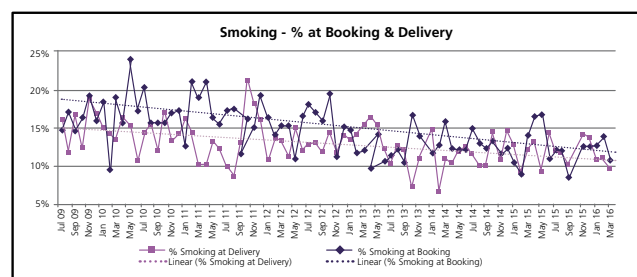
We want people to live longer and with a better quality of life. We want to continue to work with GPs in supporting the earlier diagnosis of illness and tackling risk factors such as high blood pressure and cholesterol and we want to ensure people have access to the right treatment when they need it. We want to do more to help people stay in good health and to take responsibility for their own health. Better access to support and information is crucial in preventing ill health.

What we did to support this improvement priority:

- With our community partners we focused on helping patients and pregnant women to stop smoking.

All women are asked at the booking appointment whether they smoke. In 2015/2016 371 (12.4%) women out of 2998 who booked for maternity care said they smoked. Women who smoke are also asked to do a breath test so the level of carbon monoxide can be measured and advice is given on how to stop smoking. Women are also referred to the NHS stop smoking service. Since April 2015, 278 (11.7%) women out of 2383 who had their baby were still smoking when their baby was born.

The chart below shows a reduction over 6 years of women smoking at booking and at the birth of their baby



- We continued to work with GPs to help patients to drink less alcohol and reduce the number of patients admitted to hospital with alcohol related problems.

Since April 2015, 30,055 (85%) patients who attended the Emergency Department were asked how much alcohol they drank. We found that 658 (2.1%) of patients drank alcohol to a level that could damage their health. Of these, 343 (52%) patients were given information about how to drink less alcohol and get help if needed. All 658 (100%) patients were referred to their GP for follow up. Any patient who is admitted to hospital with an alcohol-related condition is contacted by our Alcohol Specialist Nurse who provides advice and support. Some patients take up the option of a referral to the Wiltshire Substance Misuse Service which designs a personal recovery plan for the specific needs and lifestyle of each patient.

- With our community partners we helped patients to eat healthily and exercise more to tackle obesity.

In May 2015 the Trust took part in a Patient Led Assessment of the Care Environment (PLACE). As a result, to encourage patients to eat fresh fruit we have introduced fruit bowls onto ward tea trolleys. Our patient menus are also published with information on healthy eating choices. Cakes and biscuits are available to our patients but are no longer printed on our menu. We have started to replace our vending machines with ones that provide healthier snacks and drinks.

Our hospital staff club runs a GP referral programme that helps patients with exercise, weight management and specific exercise programmes. The centre also runs a Counter Weight programme to which GPs can refer overweight patients. The programme is a structured two year lifestyle programme to help patients lose 5 to 10% of their body weight by helping them to change their behaviours around eating healthily and increasing activity by exercise. Patients receive one to one support with exercise, dietary advice and regular monitoring.

- With our local commissioners and Wiltshire Council we have set up a Fracture Liaison Service to improve bone health of patients who have had a fragility fracture.

In September 2015 we recruited a specialist nurse to start a Fracture Liaison Service. The aim is to improve the bone health of patients who have already had a fragility fracture. The nurse is able to advise on investigations, bone protection medication, falls prevention and therapy to prevent more serious fractures in the future. There is good evidence that this type of service can result in a reduction in the number of future fragility fractures in the local population.



- We continued to support patients with long term conditions such as diabetes, heart disease and chronic breathing problems to manage their own health and avoid complications.

This year, 16 patients with type one diabetes have attended a Freedom for Life course to learn how to adjust their insulin in relation to diet and exercise. These patients are better able to control their blood sugar levels, and are less likely to be admitted to hospital than patients who do not attend the course. 190 patients with recently diagnosed type two diabetes have also attended a DESMOND structured education programme which supports patients in making lifestyle changes. These patients are less likely to develop complications of diabetes, compared to patients who don't attend an education programme. Patients and GPs are able to obtain telephone advice from our specialist diabetes team if they need to adjust their insulin regime or are worried about low blood sugar levels.

Patients who are admitted to hospital with heart failure receive a visit from a specialist nurse who involves them in devising their management plan and gives advice on healthy eating, exercise and medication. Patients are able to keep track of their plan with their own patient-held record. The plan also advises the patient what to do if they become more breathless or unwell. Once the patient has left hospital the specialist nurse telephones them a week later to check on their health. If the patient becomes unwell, an urgent outpatient appointment or a visit from the community matron is arranged to advise on treatment and care.

Patients with long term lung conditions, such as chronic obstructive pulmonary disease (COPD), can attend a pulmonary rehabilitation programme. The aim of the programme is to help patients learn more about their condition, the proper use of inhalers, benefits of exercise, breathing control and what to do should they become unwell. Patients can also spend time in the gym doing exercises supervised by an instructor. After the course, patients are able to walk an average of 82 metres further, and usually report being less breathless, less tired and an improved emotional state.

Patients with Obstructive Sleep Apnoea are able to attend a master class clinic to set up their therapy. Patients learn how to use a breathing mask and equipment. Patients have recently been able to use breathing machines with a remote monitoring facility and a 'MyAir' App. The App enables the patient to take control of their therapy, gives daily reports via a smart phone or computer and contains video clips on mask care.

- We continued to support the physical and mental wellbeing of our staff in the 'Shape up at Salisbury' programme.

The 'Shape up at Salisbury' campaign is a health and wellbeing programme for all our staff. We know that helping staff to be happy and healthy improves the quality of patient care. We encourage our staff to walk or cycle to work and we have continued a weekly staff-led running club during the summer. Staff have access to a mental health nurse and a counsellor who are able to give support and advice on mental health issues. Physiotherapy is also available for staff who have muscular or back problems. We have increased the number of clinics for staff which provide blood pressure, weight and cholesterol checks, and run stress awareness events, including mindfulness sessions, to help staff identify stress and relieve it. Staff have also joined a choir and are also able to undertake art activities.

In September 2015, a team of Salisbury staff won the South West NHS Military Challenge on Dartmoor. The ten strong team beat 14 other hospitals in seven of the nine challenges, which included an assault course led by the Royal Marines, and in awarding the team their medals, 243 (Wessex) Field Hospital praised Salisbury's team work and leadership, which was put to the test under the most extreme conditions.

- We have published the outcomes of our bowel screening programme and planned new public health campaigns.

The bowel cancer screening programme has seen a 5.6% rise in the number of patients who have attended for a bowel screening assessment in 2015/2016 compared with 2014/2015. In addition, there has also been a 15.5% increase in the number of patients attending for diagnostic tests in 2015/2016 compared with the same period in 2014/2015. This year, 1111 patients had a diagnostic test and 904 patients had abnormal results. Of these, 59 cancers were found and patients have gone on to have treatment. The team also started to provide health promotion information in 2016.

We have also introduced a bowel scope programme for men and women who are invited for screening around the time of their 55th birthday. Bowel scope screening is an examination which looks inside the lower bowel to find any small growths, called polyps. Polyps may develop into bowel cancer if left untreated. In 2015/2016, 447 patients attended for screening and 100 patients were found to have polyps. 76 patients had their polyps removed at the time of the examination.



24 patients were referred for a full examination of the bowel (colonoscopy). 2 cancers were found, and the patients offered treatment.

What our patients and public have told us and what we did to improve

- 'Healthcare here is brilliant'.
- 'The food should be healthier with more fresh food and fruit'. We have introduced fruit bowls onto ward tea trolleys. Our patient menus are also published with information on healthy eating choices. Cakes and biscuits are available to our patients but are no longer printed on our menu.

What we did in 2015/2016:

Priority 4 – Provide patients with high quality care seven days a week

Description of the issue and reason for prioritising it:

We want to ensure all our patients have an outstanding experience of care. Over the next two years we want to work towards implementing the ten clinical standards described by the NHS Services, Seven Days a Week Forum. The Forum described the standard of urgent and emergency care that all patients should expect to receive seven days a week.

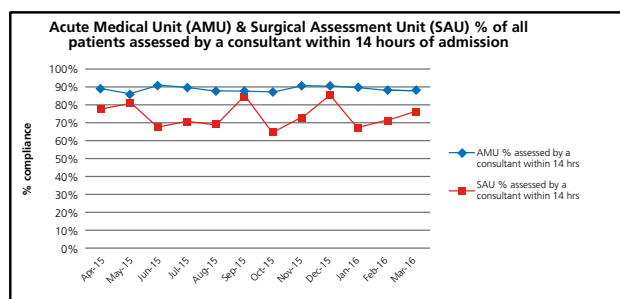
What we did to support this improvement priority:

- We worked towards ensuring all emergency patients admitted to the Medical and Surgical Assessment Units were seen and assessed by a consultant within 14 hours of arrival.

We introduced a measurement dashboard for consultants to record the time when they have assessed a patient. For patients admitted to the Medical Assessment Unit, 89% are assessed by a consultant within 14 hours, seven days a week. This has been achieved by having a consultant based on the ward during the day time and a second consultant seeing patients who were admitted the day before, along with sick patients who need a consultant review.

For patients admitted to the Surgical Assessment Unit, 74% are assessed by a consultant within 14 hours of arrival, seven days a week. 100% of patients at high risk of death are assessed by a consultant within 6 hours of admission.

The chart below shows the percentage of patients assessed by a consultant within 14 hours of admission both in the Medical and Surgical Assessment Units



- We developed a one stop clinic for urology and gynaecology emergency patients so they could be seen and assessed without admission to hospital.

Most women with a gynaecological emergency can safely receive their care and treatment in an outpatient setting. Women will be referred directly to the emergency gynaecology clinic and will be assessed by a doctor and a nurse who is trained to undertake ultrasound scans. A treatment plan will be decided at the appointment and in most cases the woman will be able to go home. This service is planned to start in 2016/2017.

We have increased the Surgical Assessment Unit from six to eight beds. There are also two side rooms, so patients can have the privacy they need for their care and treatment. In May 2016 the urology team will start to see patients to ensure they are able to pass urine after they have had their catheter removed in the privacy of the urology centre rather than the Surgical Assessment Unit. Also in May 2016 patients referred by their GP with lower urinary tract symptoms will be able to attend a one stop nurse specialist clinic at which patients will be able to have investigations, care and treatment decided in one clinic appointment.



- We ensured that when medical shifts change over twice daily handovers continue to be led by a senior doctor with multi-professional participation from the in-coming and out-going shifts seven days a week.
- We continued to support patients near the end of their life in their homes and on the wards with our community and hospital palliative care service seven days a week.

Every morning at 8.00 am and every evening at 8.30 pm the medical teams meet to handover the care of their patients from one team to another, seven days a week. The 8.30pm review is to ensure that sick patients or patients who need to be seen overnight are handed over to the night staff. The 8.00 am review is communicated to the day time medical team, so they know what has happened to the patients overnight, along with the treatment plan. The twice daily meeting attendance is monitored and shows a consistently good rate.

- We will improve access to inpatient ultrasound scans and MRI slots at weekends.

We are currently training more of our staff to perform ultrasound scans so that we can start to provide routine weekend ultrasound scans in 2016/2017. We already provide a routine outpatient MRI service at weekends. We have found there is only an occasional need for an emergency MRI scan out of hours.

- We have improved the efficiency of theatres.

Most patients now have their anaesthetic given in theatre after they have made themselves comfortable on the operating table. The theatre team continue to monitor prompt start times and turnaround times to make sure the operating list is fully used. Our surgeons are required to agree their lists two weeks in advance, to ensure all the necessary equipment and staff are available for the operation. This helps to reduce cancellations on the day of surgery.

- Throughout the hospital we introduced new personalised medical and nursing care plans for patients at the end of life to improve patient care and communication with families and GPs.

In June 2015, two new End of Life Care Specialist Nurses started in the Trust. Their role is to help ward staff support patients and their families at the end of life and to provide a training and education programme on every ward. We have introduced a new personalised medical and nursing care plan, which prompts a conversation with the patient and their family about their wishes for end of life care. This includes a discussion about food and hydration, pain relief, symptom management, spiritual needs and communication with the family, and preferences about where the patient would wish to die. We have also improved the rapid discharge process for patients who wish to die at home.

What our patients and public have told us and what we did to improve

- **'For all the new patients that will be visiting the department to have a CT colonography, you will be treated with respect and dignity'.**
- **'Appointment brought forward as a result of short notice cancellation. Reception at day surgery was polite and efficient. Nursing staff cheerful, helpful and knowledgeable. Operation was very successful. Surgeon explained exactly what would happen and all went according to plan. Left hospital on time. As far as I can tell a faultless performance by all involved. After 10 days I have no reason to change my view'.**
- **'Over the last 5 years this hospital has cared for my father on and off for 3-4 separate periods of care until his final stay last month when he died having been admitted for a week or so. Our experience is that very busy staff do a fantastic job and have always been pleasant, co-operative and understanding and provided excellent care at all times and we were content that my father received the best possible care right up to the end'.**
- **'Two appointments made on the same day by hospital staff. Arrived for the first to be told I didn't have one that it had been cancelled and the second appointment was the replacement. Both the letters were dated and received on the same day'.**

We have continued to support patients with complex needs at the end of their life in their own home and on the wards seven days a week. For patients who wish to die at home we have continued to work with community partners to help get patients home as quickly as possible. We continued to support them in their own home.



What we did in 2015/2016:

Priority 5 –

Provide co-ordinated care across the whole health community

Description of the issue and reason for prioritising it:

The Five Year Forward View has set the NHS the challenge of better integration of care across different services. From April 2015 we saw the plans for the Better Care Fund take effect. The Better Care Fund joins up NHS health and social care funding around the needs of patients, so that people can be supported in their own home for longer, rather than being admitted to hospital.

What we did to support this improvement priority:

- We provided more support for GPs and community care services by direct access to senior doctors via telephone, email, rapid access clinics and better information in the electronic discharge summary.

We continued to provide support for GPs through a direct telephone line where GPs can speak directly to an Acute Consultant Physician for advice and guidance, so that investigations can be arranged before a patient attends hospital or continues to be managed at home. Similar advice is available from the Consultant Surgeon of the day. Our Clinical Haematology Consultants provide an email advice service to GPs to help them manage their patients in the community.

We have continued to run a number of rapid access clinics for conditions such as jaundice, hepatitis and hot joints. In addition, patients with a blood clot are now able to benefit from a one stop clinic. Patients are assessed by a specialist nurse who is able to start blood thinning treatment straight away, if needed. This year, 403 patients had a blood clot. Of these, 131 had a blood clot in the lung and 58 (44%) were able to go home the same day with treatment. 218 patients had a blood clot in their leg of which only 7 (3%) required admission to hospital. 54 patients had a blood clot diagnosed during their admission and were treated for it. In September 2015 the team won a national award for this service.

Since April 2015, all patients being discharged from hospital have an electronic discharge summary. These are sent securely, to the GPs electronic patient record, so information is available to GPs as soon as the patient leaves hospital.

- We have ensured that all patients admitted to hospital as an emergency are assessed for complex needs within 14 hours by a team of doctors, nurses, therapists and social workers.

In April 2015, we tried out a new discharge assessment referral team (DART) in the medical admission areas. The aim was to identify patients with complex needs early and what they needed to help them get home as soon as possible. On a weekday, during the day, patients with complex needs were seen within 6 hours of admission. At the weekend or out of hours, patients were seen within 14 hours of admission.

- With our community partners we developed a single discharge assessment process which records all a patient's assessments in one place.

In two medical wards the discharge assessment referral team (DART) identified promptly the help patients needed to get them home and to ensure the necessary equipment and support were available at home. The same assessment was used throughout the patient's stay in hospital to ensure patients were not asked the same thing several times. By the end of August 2015, 319 patients had been assessed. Twenty five percent of these patients were discharged within a day of admission, and 41% were discharged in less than 5 days. We have now decided to combine the DART with our existing discharge team.

- With Wiltshire Council and the Clinical Commissioning Group we have worked together on improvements which are part of the Better Care Fund. The Better Care Fund was set up to reduce the number of patients delayed in hospital by testing out new services to see what works well and where community services can improve.

Following the completion of the DART trial described above, the Better Care Fund recommended that the DART should be combined into the existing discharge team. As a result, a new combined Discharge Team was formed to enable patients to have a supported discharge from admission and across all wards throughout the Trust. This service will continue to be supported by the Better Care Fund until March 2016 and is directly linked to another trial called 'Home First'.

In November 2015, we introduced 'Home First' whereby a patient is discharged for assessment at home, rather than in hospital. The team must ensure the patient is well enough to leave hospital, has no safeguarding issues and has a safe, accessible home to go to. Since then 155 patients have been discharged and assessed at home the same day. Of these, 146 (94%) patients were



able to stay at home, some with carer support and some with care from the Neighbourhood teams. 4 patients were unable to cope at home and were admitted to a community hospital and 5 patients were re-admitted to this hospital. We have also been successful in our bid to provide adult community services from 1 July 2016 as part of Wiltshire Health and Care. This is one of our priorities in 2016/2017 to join up care and expand the amount of care offered in the community.

What our patients and public have told us and what we did to improve

- **‘Excellent fast track service meant I could be discharged quickly’.**
- **‘Discharge was a problem due to lack of communication between departments’.**

2.2 This section sets out our quality priorities for 2016/2017

Our priorities for quality improvement in 2016/2017 and why we have chosen them

Looking forward to 2016/2017 we have used a broad range of methods to gather information and generate our quality priorities. These include:

- Speaking to patients and asking them to give us feedback on their experience of care during their hospital stay.
- Using information from the national inpatient and maternity survey and the Friends and Family Test.
- Learning from themes from comments, compliments, concerns and complaints and implementing the Duty of Candour in incidents where we have caused moderate or serious harm.
- Learning from risk reports.
- Listening to what staff have told us during executive safety and quality walk rounds. These rounds give staff the opportunity to talk face-to-face about safety or quality concerns with executive directors and non-executive directors.
- Listening to what our staff have told us from the national staff survey and the staff Friends and Family Test. In particular, what staff have told us about how they are treated by other staff and the opportunities they have for career progression or promotion.
- Talking to our GPs, local commissioners and Wiltshire Council and asking them about local people’s

needs and improvements that could be achieved by working together.

- Setting up a new partnership called Wiltshire Health & Care which involves this Trust, Great Western Hospitals NHS Foundation Trust and the Royal United Hospitals Bath NHS Foundation Trust to provide adult community services in Wiltshire from 1 July 2016.
- Responding to NHS England’s NHS Services Seven days a Week Forum report with ten clinical standards to improve urgent and emergency care for patients seven days a week.
- Responding to NHS England’s Five Year Forward View 2014 to 2019 which sets out a national plan on how the NHS needs to change and improve over the next four years.
- Improvement actions from our Care Quality Commission announced inspection in December 2015.

We have consulted widely on the priorities and involved the local Age UK, Warminster Health and Social Care Group, our staff, governors to help us make the final decisions on our priorities for 2016/2017. The priorities have been discussed with clinical teams as part of the service planning process. Our Clinical Commissioning Groups have also helped us work out what our priorities should be and the work we need to do together. Some of their comments are included in this report.

This process confirmed that the priorities for 2016/2017 are the areas where we need to focus our quality improvement. The priorities are broadly similar to 2015/2016 to ensure we respond effectively to the Five Year Forward View and NHS England’s NHS Services Seven days a Week implementation of the four clinical priority standards. The Board has agreed these priorities.

The Trust has made good progress on last year’s priorities however there are still further improvements that can be made and additional work has been identified for 2016/2017. A number of these areas are required for our Commissioning for Quality and Innovation (CQUIN) programme and support the Care Quality Commission (CQC) regulations.

The actions we plan to take in our quality priorities reflect the Trust’s vision to ensure we provide an outstanding experience for every patient. We will continue to listen to our patients so that we can understand if we are meeting their needs and expectations. We will do this by listening to our external stakeholders, acting on patient real time feedback, the Friends and Family Test comments, national survey results, concerns and complaints and listen to patient stories at the Clinical Governance Committee. We will continue to make sure



staff voices are heard and that they know how to raise concerns. We will do this through members of the Trust Board actively talking to staff at ward and departmental level about any issues or concerns they may have as part of our quality and safety walks. We actively promote a culture of openness and honesty so that our staff feel able to report adverse incidents and we take action to improve our national staff survey results.

The actions we plan to take in our quality priorities reflect the improvement actions the Care Quality Commission recommended we must take to improve safety, responsiveness and in the well-led domain. See section 2.3 Care Quality Commission for the actions the Trust intends take to improve.

Our priorities for 2016/2017* are:

Priority 1

Continue to keep patients safe from avoidable harm.

Priority 2

Ensure patients have an outstanding experience of care

Priority 3

Actively work with our community partners, patients and carers to prevent ill health and manage long term conditions

Priority 4

Provide patients with high quality care seven days a week

Priority 5

Provide co-ordinated care across the whole health and care community.

*These priorities are **not** ranked in order of priority. The Trust Board agreed the 2016/2017 priorities on 20 May 2016.

Progress in our priority areas will be measured and monitored through the Trust's quality governance process. To enable the Trust Board to do this, the Clinical Governance Committee and Clinical Management Board will receive monthly reports and ask for further work where it is needed. The Trust Board minutes and reports can be viewed on the Trust website.

The following sections describe the work which will be undertaken in 2016/2017 to achieve or improve the priority areas.

What we will do in 2016/2017:

Priority 1

Continue to keep patients safe from avoidable harm

Description of the issue and reason for prioritising it:

The safety of our patients is our first and most important priority in our quality improvement work. We continue to run the 'Sign up to Safety' programme (our Patient Safety Improvement Programme) to reduce avoidable levels of harm for patients in hospital by 50% over the course of this three year project 2016 – 2019. We measure this through indicators such as infection rates, hospital acquired pressure ulcer rates and the number of patients falling in hospital which result in a fracture or serious harm. All of these can lead to pain and distress for our patients and extra days or weeks in hospital. Improving patient safety involves many things, including, high quality nursing care and creating a culture of learning from incidents to prevent them happening again. We will report progress against each element of our Patient Safety Improvement Programme and continue to work as an active participant in the Wessex Patient Safety Collaborative.

What we will do in 2016/2017?

- We will continue to embed the statutory Duty of Candour.
- We will continue to reduce the number of patients who have preventable falls and fracture their hip in hospital.
- We will continue to reduce the number of patients who develop grade 2 pressure ulcers and have a zero tolerance on avoidable grade 3 and 4 pressure ulcers.
- We will continue to reduce the number of patients who develop a catheter- associated urine infection and improve documentation of catheter care.
- We will increase the number of patients admitted as an emergency who have a nutritional assessment and care plan.
- We will continue to improve the recognition and treatment of patients with severe infections using Sepsis Six practices which are designed to reduce the numbers of people who die from severe infections.
- We will work collaboratively with our network to improve the prevention, recognition and treatment of patients with acute kidney injury.
- We will continue to maintain low numbers of patients with avoidable infections and maintain responsible antibiotic prescribing. We will continue to ensure our staff adhere to infection control procedures.



- We will continue to improve surgical safety by the use of the World Health Organisation safety checklist and team safety briefings and show this through ongoing audit. This year we will extend this good practice to all areas of theatres where procedures are being carried out.
- We will be an early implementer of the 'Saving Babies' Lives' care bundle.
- We will publish our avoidable death rate and make improvements where needed.
- We will continue to work with Lord Carter's programme to ensure safe staffing levels and reduce the amount we spend on agency staff. We will use technology and validated measures to help us with this, such as, the use of the Safer Care nursing tool (recorded three times a day by nurses on the shift) as well as implementing the measurement of Care Hours per Patient Day.
- We will work with GPs and voluntary organisations to do more to identify carers, communicate effectively and provide them with better support, advice and information.
- We will continue to make reasonable adjustments for patients with learning disabilities.
- We will continue to eliminate patients being cared for in mixed sex accommodation.
- Funded by the Hospice charity from 1 April 2016, we will introduce a new Hospice at Home service to support patients with complex needs at the end of their life in their own homes.
- We will improve patient's experience of waiting for our tertiary services, such as waiting for plastics trauma surgery and for patients with a spinal cord injury in another hospital being assessed by a spinal outreach specialist nurse within 5 working days.

How will we report progress throughout the year?

Safety work is overseen by the Patient Safety Steering group. Infection prevention is monitored by the Infection Control Committee. We measure our infection rates, pressure ulcers, falls resulting in harm and report them every month to the Trust Board, Clinical Management Board, Operational Management Board and to the Clinical Governance Committee at every meeting as well as our commissioners.

Priority 2

Ensure patients have an outstanding experience of care

Description of the issue and reason for prioritising it:

It is important the Trust does everything it can to provide high quality care for all our patients so they have an outstanding experience of care. We need to make sure that care is effective, personal, safe and patients are treated with compassion, kindness, dignity and respect. Patients and carers have told us that we do not get everything right every time and if care falls below the standards we aspire to we will investigate, learn from mistakes and ensure they are not repeated.

What we will do in 2016/2017:

- We will start to screen patients for frailty syndrome and undertake a comprehensive geriatric assessment and personalised care plan for those with moderate or severe frailty and share this with their GP.

- We will reduce the number of spinal cord injured patients waiting for a video-urodynamic test and outpatient appointment and manage risks appropriately.
- We will continue to work collaboratively with our network to improve care for children as they move from children's to adult services. It is called the Ready Steady Go Programme.
- We will continue to use patient feedback from the Friends and Family Test, real time feedback and patient surveys to drive improvements on the wards and clinical services.
- We will ensure all our staff receive an annual appraisal and increase the number of staff who are up to date with their mandatory training.

How will we report progress throughout the year?

Performance reports, real time feedback and the Friends and Family test score will be measured and reported to the Trust Board, Clinical Management Board, Operational Management Board and our commissioners monthly and to the Clinical Governance Committee. Dementia and Learning Disability care will be reported to the Dementia Steering Group and the Learning Disabilities Working Group.



Priority 3

Actively work with our community partners, patients and carers to prevent ill health and manage long term conditions

Description of the issue and reason for prioritising it:

We want people to live longer and with a better quality of life. We want to continue to work with GPs and our community partners in supporting the earlier diagnosis of illness and tackling risk factors such as high blood pressure and cholesterol and we want to ensure people have access to the right treatment when they need it. We want to do more to help people, patients and their carers stay in good health and to take responsibility for their own health. Better access to support and information is crucial in preventing ill health.

What we will do in 2016/2017:

- We will continue to work with our partners to respond to the 'Blood in your Pee' campaign. www.cancerresearchuk.org/health-professional/early-diagnosis-activities/be-clear-on-cancer/blood-in-pee-campaign
- With our community partners we will focus on helping women in pregnancy to stop smoking and for women with a high body mass index maintain a healthy weight in pregnancy.
- We will continue to work with GPs to help patients to drink less alcohol and reduce the number of patients admitted to hospital with alcohol related problems.
- With our community partners we will help patients to eat healthily and exercise more to tackle obesity.
- We will work with GPs to support the implementation of the national diabetes prevention programme.
- We will continue to support patients with long term conditions to manage their own health and avoid complications through personalised care plans. Suitable patients will be able to initiate their own follow-up appointments when needed rather than fixed routine appointments.
- We will continue to support the health and wellbeing of our staff.

How will we report progress throughout the year?

We will measure and monitor improvements and report

our progress through our Maternity Services dashboard and our Staff Health and Wellbeing programme, local audits and quality indicator reports to the Clinical Management Board and to the Clinical Governance Committee.

Priority 4

Provide patients with high quality care seven days a week

Description of the issue and reason for prioritising it:

The NHS Services, Seven Days a Week Forum, chaired by the National Medical Director, was established in February 2013 to consider how NHS services could be improved to provide a more responsive and patient centred service across seven days a week. In December 2013, the Forum, as a first stage, focused on urgent and emergency care services and their supporting diagnostic services. The focus is across the whole system, not just hospitals.

The Forum's review points to significant variation in outcomes for patients admitted to hospitals at the weekend in England. This variation is seen in mortality rates, patient experience, length of stay and re-admission rates. The Forum set 10 clinical standards, 4 of which are priority standards to be implemented for all the population by March 2020. We were already delivering three of the standards before the recommendations were published and, in 2015/2016 we have made good progress in a further five standards (see priority 4 in 2015/2016 on page 101-102). In 2016/2017 we aim to continue to implement the 4 priority clinical standards – standard 2) time to consultant review; standard 5) diagnostics; standard 6) intervention/key services; and standard 8) ongoing review.

What we will do in 2016/2017:

- We want to continue to ensure that patients, their families and carers are involved in decisions about their care, treatment and on-going care. We will compare patient feedback from those admitted in the week with those admitted at the weekend and make improvements.
- We will continue to ensure that all emergency patients admitted are seen and assessed by a consultant within 14 hours of arrival.
- We will introduce a one stop clinic for gynaecology emergency patients so they can be seen and assessed without admission to hospital.



- We will improve access to inpatient ultrasound scans at weekends.
- We will work with the University Hospital Southampton to ensure patients have access to a consultant-delivered interventional radiology service seven days a week.
- For patients with a gastro-intestinal bleed we will improve access to a consultant- delivered interventional endoscopy service seven days a week.
- We will work towards ensuring patients on a general ward are reviewed during a consultant ward round every 24 hours, seven days a week, unless it has been decided that this would not affect the patient's care.
- We will reduce delays in the progress of patients' care plans by the introduction of electronic whiteboards on all the wards. These record and track the actions needed to be taken in real time.
- With our community partners we will work towards ensuring support services are available seven days a week to ensure the patients' care plans are progressed.

How will we report progress throughout the year?

We will measure, monitor and report progress through the Joint Board of Directors and Clinical Governance Committee every six months and report directly to the Trust Board annually.

Priority 5

Provide co-ordinated care across the whole health and care community

Description of the issue and reason for prioritising it:

The Five Year Forward View has set the NHS the challenge of better integration of care across different services. From July 2016 the Trust will form a new partnership called Wiltshire Health & Care which involves this hospital, the Great Western Hospitals NHS Foundation Trust and the Royal United Bath NHS Foundation Trust. This marks an exciting new period of change where we will be able to work across organisational boundaries and join up care around the needs of patients and expand the amount of care being provided in the community so that people can be supported in their own home for longer rather than being admitted to hospital.

What we will do in 2016/2017:

- We will work with our partners in Wiltshire Health & Care to join up care and expand the amount of care offered in the community.
- We will work with our commissioners to provide more support for GPs and community care services by direct access to senior doctors via telephone, email and rapid access clinics.
- We will work with GPs to help to get home patients when they are fit for discharge.
- We will work collaboratively with our commissioners and adult social care to promote early discharge and reduce the number of patients whose discharges are delayed when they are fit to leave hospital.
- We will continue to work with the research network and increase the number of patients offered recruitment into clinical research trials.
- We will work with the University Hospital Southampton and the network to improve the provision of state of the art genetic testing across Wessex and the South Coast.

How will we report progress throughout the year?

We will measure, monitor and report progress through the Patient Flow Programme Management Board and research performance through the Clinical Governance Committee every six months and genetics to the Trust Board.

2.3

Statements of assurance from the Board

Review of Services

During 2015/2016 Salisbury NHS Foundation Trust provided and/or subcontracted 46 relevant health services. Salisbury NHS Foundation Trust has reviewed all the data available to us on the quality of care in all 46 of these relevant health services. The income generated by the relevant health services reviewed in 2015/2016 represents 100% of the total income generated from the provision of relevant health services by Salisbury NHS Foundation Trust for 2015/2016.

The Trust has published a Quality Strategy 2016 – 2019 which sets out a quality governance framework for the review of individual services. This includes the completion of the Salisbury Organisational Risk Tool which alerts us to risks relating to quality of



care. Where risks are identified, plans are put in place for improvement. It also includes a review of quality information to provide assurance of effectiveness, safety and patient experience in each individual service. Information reviewed includes a Directorate Quality Indicator report, clinical audit results, patient survey feedback, real time patient feedback, the Friends and Family Test, comments, complaints and compliments and a risk report highlighting adverse events. This information is discussed three times a year at Directorate performance meetings and the Department Executive Safety and Quality walk rounds. Clinical teams present their quality and safety outcomes and improvement work and assess their service against the domains of safe, responsive, effective, caring and well-led. Clinical teams report to the Clinical Governance Committee every year as part of the assurance process.

There is a clear quality reporting structure in the Trust where scheduled reports are presented and discussed at the Clinical Management Board or Clinical Governance Committee. Many of the reports are also presented to our commissioners as part of our requirement to provide assurance on contract and quality performance compliance.

Each year the Trust has a number of external agency and peer review inspections. The reports, recommendations and action plans are discussed at one of the assuring committees. For example, in October 2015 the Human Tissue Authority undertook an inspection of the care of patients who receive stem cell transplants for haematological conditions. The inspection team commented that they observed good practice, in particular, the integrated and committed team work, the thorough training programme and the regular reviews of standard operating procedures and discussions held with patients before the disposal of unwanted stem cells. The inspection team considered the Trust was suitable to be licensed for the activities specified and

gave advice and guidance to improve practice further. Two improvement actions are planned: improve the temperature recordings of stem cells storage when they leave the Trust and when they arrive at University Hospital Southampton and purchase some new stem cell transport boxes. This is monitored by the Clinical Governance Committee.

Areas where problems or concerns have been identified have action plans for improvement and these are monitored through the Directorate performance management meetings. Any recurrent themes can be included as key objectives for improvement in the Trust service plan or the following year's Quality Account priority areas.

Participation in Clinical Audits

During 2015/2016, 43 national clinical audits and 5 national confidential enquiries covered relevant health services that Salisbury NHS Foundation Trust provides.

During 2015/2016, Salisbury NHS Foundation Trust participated in 41 (95 %) national clinical audits, and 5 (100%) national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that Salisbury NHS Foundation Trust was eligible to participate in during 2015/2016 are as follows in the table below.

The national clinical audits and national confidential enquiries that Salisbury NHS Foundation Trust participated in, and for which data collection was completed during 2015/2016, 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.

National Clinical Audit / Clinical Outcome Review Programme	Eligible	Participation	% of cases submitted to each audit	Category
Acute Coronary Syndrome or Acute Myocardial Infarction (MINAP)	Yes	Yes	100%	Heart
Adult Asthma	Yes but audit not taking place in 2015/16	N/A	N/A	Long term conditions
Bowel cancer (NBOCAP)	Yes	Yes	100%	Cancer
Cardiac Rhythm Management (CRM)	Yes	Yes	100%	Heart



Case Mix Programme (CMP)	Yes	Yes	100%	Acute
Child health clinical outcome review programme – Mental Health Conditions in Young People	Yes	Yes	On target data collection end date not reached	Women's & Children's Health
Child health clinical outcome review programme - Chronic Neurodisability	Yes	Yes	On target data collection end date not reached	Women's & Children's Health
Congenital Heart Disease (Paediatric cardiac surgery) (CHD)	No	N/A	N/A	Heart
Coronary Angioplasty/ National Audit of PCI	Yes	Yes	100%	Heart
Diabetes (Adult) - National Diabetes Footcare Audit	Yes	Yes	100%	Long term conditions
Diabetes (Adult) - National Pregnancy in Diabetes Audit	Yes	Yes	95%	Long term conditions
Diabetes (Adult) - National Diabetes Inpatient Audit	Yes	Yes	100%	Long term conditions
Diabetes (Adult) - National Diabetes Adults	Yes	Yes	100%	Long term conditions
Diabetes (Paediatric) (NPDA)	Yes	Yes	100%	Long term conditions
Elective surgery (National PROMs Programme)	Yes	Yes	Pre-op 81.7% vs England 75.4%. Post-op 66.1% vs England 67.6%.	Other
Emergency Use of Oxygen	Yes	Yes	100%	Acute
Falls and Fragility Fractures Audit Programme (FFFAP) - Falls	Yes	Yes	100%	Older People
Falls and Fragility Fractures Audit Programme (FFFAP) - Fracture Liaison Service Database	No Planned for 2016/17	N/A	N/A	Older People
Falls and Fragility Fractures Audit Programme (FFFAP) - National Hip Fracture Database	Yes	Yes	100%	Older People



Inflammatory Bowel Disease (IBD) programme	Yes	Yes	94%	Long term conditions
Lung cancer (NLCA)	Yes	Yes	100%	Cancer
Major Trauma: The Trauma Audit & Research Network (TARN)	Yes	Yes	35%	Acute
Maternal, Newborn and Infant Clinical Outcome Review Programme (MBRRACE-UK)	Yes	Yes	100%	Women's & Children's Health
Medical and Surgical Clinical Outcome Review Programme, National Confidential Enquiry into Patient Outcome and Death (NCEPOD) - Lower limb amputation	Yes	Yes	100%	Acute
Medical and Surgical Clinical Outcome Review Programme, National Confidential Enquiry into Patient Outcome and Death (NCEPOD) - Gastrointestinal Haemorrhage	Yes	Yes	100%	Acute
Medical and Surgical Clinical Outcome Review Programme, National Confidential Enquiry into Patient Outcome and Death (NCEPOD) - Sepsis	Yes	Yes	100%	Acute
Medical and Surgical Clinical Outcome Review Programme, National Confidential Enquiry into Patient Outcome and Death (NCEPOD) - Acute Pancreatitis	Yes	Yes	100%	Acute
Medical and Surgical Clinical Outcome Review Programme, National Confidential Enquiry into Patient Outcome and Death (NCEPOD) - Provision of Mental Health Care in Acute Hospitals	Yes	Yes	100%	Acute



National Audit of Intermediate Care	Yes	No (Planned for 2017/18)	N/A	Other
National Cardiac Arrest Audit (NCAA)	Yes	Yes	100%	Heart
National Chronic Obstructive Pulmonary Disease (COPD) Audit Programme - Secondary care workstream	Yes	Yes	100%	Long term conditions
National Chronic Obstructive Pulmonary Disease (COPD) Audit Programme - Pulmonary rehabilitation workstream	Yes	Yes	100%	Long term conditions
National Comparative Audit of Blood Transfusion programme - 2015 Audit of Patient Blood Management in Scheduled Surgery	Yes	Yes	100%	Blood and Transplant
National Comparative Audit of Blood Transfusion programme - 2015 Audit of the use of blood in Lower GI bleeding	Yes	Yes	100%	Blood and Transplant
National Comparative Audit of Blood Transfusion programme - 2016 Audit of the use of blood in Haematology (submitted for all)	Yes	Yes	100%	Blood and Transplant
National Complicated Diverticulitis Audit (CAD)	Yes	Yes	100%	Acute
National Emergency Laparotomy Audit (NELA)	Yes	Yes	100%	Acute
National Heart Failure Audit	Yes	Yes	100%	Heart
National Joint Registry (NJR)	Yes	Yes	100%	Acute
National Ophthalmology Audit	Yes	No (planned for 2016/17)	N/A	Other
National Prostate Cancer Audit	Yes	Yes	100%	Cancer
National Vascular Registry	Yes	Yes	100%	Heart



Neonatal Intensive and Special Care (NNAP)	Yes	Yes	100%	Women's & Children's Health
Non-Invasive Ventilation - adults	Yes but audit not taking place in 2015/16	N/A	N/A	Acute
Oesophago-gastric cancer (NAOGC)	Yes	Yes	100%	Cancer
Paediatric Asthma	Yes	Yes	100%	Women's & Children's Health
Paediatric Intensive Care Audit Network (PICANet)	No	N/A	N/A	Women's & Children's Health
Paediatric Pneumonia	Yes but audit not taking place in 2015/16	N/A	N/A	Women's & Children's Health
Prescribing Observatory for Mental Health (POMH)	No	N/A	N/A	Mental Health
Renal replacement therapy (Renal Registry)	No	N/A	N/A	Long term conditions
Procedural Sedation in Adults (care in emergency departments)	Yes	Yes	100%	Acute
Pulmonary Hypertension (Pulmonary Hypertension Audit)	No	N/A	N/A	Heart
Rheumatoid and Early Inflammatory Arthritis	Yes	Yes	100%	Older People
Sentinel Stroke National Audit Programme (SSNAP) - Post Acute Organisational Audit	No	N/A	N/A	Older People
Sentinel Stroke National Audit Programme (SSNAP) - Clinical Audit	Yes	Yes	100%	Long term conditions
UK Cystic Fibrosis Registry	No	N/A	N/A	Older People
UK Parkinson's Audit (previously known as National Parkinson's Audit)	Yes	Yes	100%	Older People



Vital signs in Children (care in emergency departments)	Yes	Yes	100%	Acute
VTE risk in lower limb immobilisation (care in emergency departments)	Yes	Yes	100%	Acute

Salisbury NHS Foundation Trust participated in a number of audits that are not in the Quality Account mandatory list. This activity is in line with the Trust's annual clinical audit programme which aims to make sure that clinicians are actively engaged in all relevant national audits and confidential enquiries as well as undertaking baseline assessments against all NICE guidelines and quality standards. This enables the Trust to compare our performance against other similar Trusts and to decide on further improvement actions. The annual programme also includes a number of audits agreed as part of the contract with our Clinical Commissioning Groups. The Trust took part in the following additional audits:

- Adult critical care (Case Mix Programme - ICNARC CMP)
- Cardiac rehabilitation (NACR)
- National Head and Neck Cancer Comparative Audit (DAHNO/HANA)
- National End of Life Care Audit 2015

The reports of 24 (100%) national clinical audits that were published in 2015 were reviewed by Salisbury NHS Foundation Trust in 2015/2016. Of these 18 (75%) were formally reported to the Clinical Management Board by the clinical lead responsible for implementing the changes in practice and Salisbury NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided set out in the table below.

The table below shows examples of national clinical audit reports reviewed during 2015/2016 and examples of resulting actions being taken by Salisbury NHS Foundation Trust

Audit report	Reviewed by whom	Action taken or required to improve
National Paediatric Diabetes Audit 2015	Clinical Management Board in 2015/2016	<p>This audit looked at the outcomes of children and young people with diabetes. This hospital's performance was the best in Wessex. In the majority of areas the hospital was graded at or above the national average. Two areas needed improvement. These related to a discussion about the management of low blood sugar and provision of patient information. 4 improvement actions are required:</p> <ol style="list-style-type: none"> 1) A keyworker for children with a high HbA1C. 2) Set up a clinic for glucose monitoring for those who need most help with day to day management. 3) Amend the annual review to include a discussion of glucose monitoring. 4) Develop patient information.



Audit report	Reviewed by whom	Action taken or required to improve
College of Emergency Medicine 2013/14 Moderate or severe asthma in children (care in A&E) 2015	Clinical Management Board in 2015/2016	This audit looked at the immediate care of children who attended the Emergency Department with moderate or severe asthma. Overall, the Department improved performance compared to national standards, except in two areas. Nebuliser treatment should be started within 10 minutes of arrival and children should be given oral steroids within 30 minutes. 2 improvement actions are required: 1) Redesign the Emergency Department triage model to reduce delays in treatment time. 2) Provide a multidisciplinary education session.
Falls and Fragility Fractures Audit Programme: National Hip Fracture Database 2015 (data: 2014)	Clinical Management Board in 2015/2016	This audit examined whether patients with a hip fracture received 6 best practice standards. This hospital maintained performance in achieving most clinical criteria for best practice in over 80% of cases. 2 improvement actions are required: 1) Improve theatre capacity to ensure patients receive surgery within 36 hours of admission. 2) Continue to work with community services to reduce patient's length of stay in hospital.

The Trust expects to formally review all national audits at the Clinical Management Board within two months of publication. This gives clinical teams time to discuss the findings and to develop an action plan which is presented to the Board for approval and support where actions are needed.

Action plans have been developed for all national audits and confidential enquiries published during the year. Monitoring of these actions is through the Trust's quality performance management structure or through designated working groups. Examples are given in the table above.

The reports of 216 (100%) local clinical audits were reviewed by the Trust in 2015/2016 and Salisbury NHS Foundation Trust intends to take or has taken the following actions to improve the quality of healthcare provided.

- A structured nurse-led Ear, Nose and Throat pre-operative assessment clinic was introduced to ensure patients received appropriate investigations and medication reviews before surgery. The first audit showed 9 (22%) out of 40 patients were assessed prior to surgery but, following the introduction of an assessment clinic, 33 (82%) out of 40 patients were assessed prior to surgery thereby ensuring patients were safely prepared for surgery.
- All infection control audits reports were reviewed at the Infection Control Working Group. Examples of

this work are a continued focus on maintaining high standards of practice through compliance with hand hygiene, staff being bare below the elbow, MRSA screening for patients admitted as an emergency (87% to 97% of patients were screened) and good antibiotic stewardship (96% compliance with 4 standards).

- Patients admitted for a planned operation or as an emergency had a blood clot risk assessment undertaken in 98 – 100% of cases. Of those who are considered at high risk of a blood clot 95 – 100% received a preventative dose of anticoagulation treatment. The audits were reviewed at the Thrombosis Committee.

Research

The number of patients receiving relevant health services provided or subcontracted by Salisbury NHS Foundation Trust in 2015/2016 that were recruited during that period to participate in research approved by a research ethics committee were 1788 patients* into 70 studies*. This compares to 886** patients recruited into 55** studies in 2014/2015.

The level of participation in clinical research demonstrates Salisbury NHS Foundation Trust's commitment to improving the quality of care we offer and to making a contribution to wider health improvement. Our clinical staff stay abreast of the latest treatment possibilities and active participation in research leads to improved



patient outcomes. Summary information and contact details of study co-ordinators of all clinical research trials our patients are recruited to are available at <http://public.ukcrn.org.uk/search/>

*End of year recruitment figures will not be finalised until later in the year.

** In the quality account 2014/2015 we reported that 877 patients were recruited into 54 studies. The final number of patients recruited was 886 patients into 55 studies.

Goals agreed with Commissioners

A proportion of Salisbury NHS Foundation Trust's income in 2015/2016 was conditional on achieving quality improvement and innovation goals agreed between Salisbury NHS Foundation Trust and any

person or body the Trust entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation (CQUIN) payment framework. Further details of the agreed goals for 2015/2016 and for the following 12 month period are set out in the tables below. The planned income through this route for 2015/2016 was £3,657,554 (In 2014/15 it was £3,667,616). The amount the Trust actually received in 2015/2016 was £3,657,554. The Trust has invoiced for non-contracted CQUINs of £39,209.

CQUIN contracts were signed with our commissioners during 2015/2016 as part of their overall contract. The Trust did not achieve all of the quality improvements as set out in the table below.

CQUIN indicators (Wiltshire, Dorset, Bournemouth Poole, Somerset, Southampton City, Isle of Wight, Portsmouth) 2015 – 2016. West Hampshire had separate local CQUINs

Goal name	Description of goal and number	Target in 15/16	Performance in 15/16
National Goals			
Acute Kidney Injury	The percentage of patients with AKI treated in hospital whose discharge summary includes each of the 4 key items: 1. Stage of AKI 2. Evidence of medicines review having been undertaken 3. Type of blood tests required on discharge for monitoring 4. Frequency of blood test required for discharge for monitoring	Q1 baseline Q2 – 30% Q3 – 80% Q4 - 96%	Q1 – 9.3% Q2 – 70.6% Q3 – 95.3% Q4 - 97.7%
Sepsis	2A) The total number of patients presenting to A&E and other units that directly admit emergencies who met the criteria of the local protocol and were screened for sepsis. 2B) The number of patients who present to A&E and other wards/units that directly admit emergencies with severe sepsis, red flag sepsis or septic shock and who received intravenous antibiotics within 1 hour of presenting.	2A: Q1 baseline Q2 – 30% Q3 – 75% Q4 – 95% 2B: Q2 baseline Q3 -65% Q4 – 70%	2A: Q1 – 16.6% Q2 - 66.5% Q3 - 94.9% Q4 - 99% 2B: Q2 – 60% Q3 – 68% Q4 - 74.2%



Dementia	<p>3A)</p> <ol style="list-style-type: none"> 1. The proportion of patients aged 75 years and over to whom case finding is applied following an episode of emergency, unplanned care to hospital. 2. The proportion of those identified as potentially having dementia or delirium who are appropriately assessed. 3. The proportion of those identified, assessed and referred for further diagnostic advice in line with local pathways agreed with commissioners, who have a written care plan on discharge which is shared with the patient's GP. <p>3B) To ensure that appropriate dementia training is available to staff through a locally determined training programme.</p> <p>3C) To ensure that carers of people with dementia and delirium feel adequately supported.</p>	<p>3A:</p> <ol style="list-style-type: none"> 1) 90% 2) 90% 3) 90% in Q4 <p>B)</p> <p>Q2 – 120 staff Q3 – 250 staff Q4 – no target</p> <p>C)</p> <p>Survey of carers bi-annually</p>	<p>3A</p> <ol style="list-style-type: none"> 1) 93.2% 2) 99.4% 3) 100% <p>B)</p> <p>Q2 – 196 staff Q3 – 293 staff Q4 – 364 staff</p> <p>3C) Q2 – 14 carers Q3 & Q4 – 46 carers responded</p>
Urgent and Emergency care	To increase the numbers of non-elective patients (excluding patients under 18 years old) being treated through an ambulatory care pathway to reduce, where possible, preventable A&E attendances and non-elective admissions to hospital	<p>Q2 project plan in place with identified pathways & baseline data</p> <p>Q3 - Propose top 3 pathways for development and 1 pathway for implementation</p> <p>Q4 - Pilot Implementation of the 1 agreed pathway. Submit Q4 data.</p>	<p>Q2 project plan with 5 pathways submitted with baseline data.</p> <p>Q3 – Proposal for pathway development submitted to CCG.</p> <p>Q4 – Pathway implemented and data submitted.</p>
Urgent and Emergency care	<p>Part A: Quarterly audit the number of A&E records with a valid diagnosis code.</p> <p>Part B: A quarterly audit of the number of records in a sample of 45 A&E records (25 with a mental health diagnosis and 20 with other diagnostic codes) where the codes are matched with the diagnosis in the patient records.</p>	<p>Part A: 85% or over each quarter</p> <p>Part B:</p> <p>Q1 baseline Q2 – 85% Q3 – 95% Q4 – 95%</p>	<p>Part A:</p> <p>Q1 – 86.1% Q2 – 86.7% Q3 – 85.2% Q4 – 85.2%</p> <p>Part B:</p> <p>Q1 – 95.5% Q2 – 95.5% Q3 – 97.7% Q4 – 97.7%</p>



Local CQINN			
End of life care	To improve the care of patients and families as end of life approaches by implementing the conversation project	Sustain Q3 & Q4 14/15 measures. 83% of patients discussed with the GP.	8 measures sustained and exceeded Q3 & Q4 14/15 measures 89% patients discussed with the GP.
West Hampshire local goals (only)			
Outpatient follow up reform	Continue to reduce routine face to face follow ups and continue patient initiated follow up.	Continue improvement actions	5 specialities reduced new to follow up rates from 14/15. Improvement actions reported.
System wide delayed transfer of care	To ensure effective joint working of hospital services and community based care in facilitating timely and appropriate transfer from hospital for all adults	Continue improvement actions	Q1 & Q2 reduction in the number of patients delayed. Q3 increase in number of patients delayed. Q4 increase in the number of patients delayed. Improvement actions reported.
End of life care	To improve the care of patients and families as end of life approaches by implementing the conversation project	Sustain Q3 & Q4 14/15 measures. 83% patients discussed with the GP.	8 measures sustained and exceeded Q3 & Q4 measures 89% patients discussed with the GP.

Specialist Commissioning CQUIN indicators 2015 – 2016

The Trust achieved the quality improvements as set out in the table below.

Goal name	Description of goal and number	Target in 15/16	Performance in 15/16
Neonatal care: 2 year outcomes for infants born at 30 weeks or less gestation	All infants born at 30 weeks or less gestation, discharged home from the hospital who remain alive at 2 years corrected age who have been assessed and have data entered in the neuromotor, malformations, social, respiratory, cardiovascular system, gastrointestinal, renal, neurology, auditory, vision and communication fields in the Badgernet 2 year follow up fields	8 children to be assessed and data entered onto Badgernet	100%
Neonatal care: Prevention of hypothermia in preterm babies	To achieve a reduction in the number of preterm babies (34 weeks or less) admitted to the neonatal unit with hypothermia	95%	100%



Neonatal care: Reduce separation of mothers and babies and reduce demand on neonatal services by improving learning from avoidable term admissions (babies over 37 weeks) into the neonatal unit	All babies admitted to the neonatal unit for medical care of babies over 37 weeks will have a joint clinical review by the maternity and neonatal service within one month of the admission. The review should aim to identify the learning points to improve care provision and service design.	95%	100%
Critical Care: Increase effectiveness of rehabilitation after critical illness by completion of a rehabilitation assessment 24 hours after admission	All adult patients have a completed assessment of rehabilitation needs 24 hours after admission to Critical Care.	95% in Q4	100%

Our quality priorities in 2016/2017 reflect the need to continue to work with our partners to improve these aspects of care. The Trust has agreed CQUINs with our commissioners for 2016/2017 as set out in the table below:

CQUIN indicators (Wiltshire, West Hampshire, Dorset, Bournemouth Poole, Somerset, Southampton City, Isle of Wight, Portsmouth) 2016 – 2017.

Goal name	Description of goal and number	Target	Quality Domain
National Goals			
NHS Staff health and wellbeing	<p>1A Option B Introduction of health and wellbeing initiatives</p> <p>Develop a plan and ensure the implementation against the plan which will be subject to peer review. The plan should cover 3 areas:</p> <ul style="list-style-type: none"> a) Introducing a range of physical activity schemes for staff. b) Improving access to physiotherapy services for staff. c) Introducing a range of mental health initiatives for staff. 	<p>Q1 develop a plan and promote the 3 initiatives that are peer reviewed and signed off.</p> <p>Q4 Implemented the initiatives and actively promoted them to staff to encourage uptake of them</p>	Domain 1, 2, 5



NHS Staff health and wellbeing	<p>1B Healthy food for NHS staff, visitors and patients</p> <p>Part A Achieve a step-change in the health of the food offered on the premises in 2016/2017 including;</p> <ul style="list-style-type: none"> a) The banning of price promotions on sugary drinks and foods high in fat, sugar and salt. b) The banning of advertisements on NHS premises on NHS premises of sugary drinks and foods high in fat, sugar and salt. c) The banning of sugary drinks and foods high in fat, sugar and salt from checkouts and d) Ensuring that healthy options are available at any point including for those staff working night shifts. <p>Part B Submit national data collection returns by July based on existing contracts with food and drink suppliers.</p> <p>The data collected will include the name of the franchise holder, food supplier, type of outlet, start and end dates of existing contracts, remaining length of time on existing contract, value of contract and any other relevant contract clauses.</p>	<p>Q4 Delivery of the 4 outcomes in Part A.</p> <p>Q1 & Q4 The collection of the 11 data points outlined in Part B and submitted to UNIFY</p>	Domain 1, 2, 5
NHS Staff health and wellbeing	1C Improving the uptake of flu vaccinations for frontline clinical staff	Uptake of 75% of the flu vaccination over a 4 month period.	Domain 1, 2, 5
Timely identification and treatment of sepsis	<p>2A Timely identification and treatment for sepsis in Emergency Departments</p> <ul style="list-style-type: none"> • The % of patients who met the criteria for sepsis screening and were screened. • The % of patients who presented with severe sepsis, red flag sepsis or septic shock and were administered intravenous antibiotics within an hour of arrival and had a review within 3 days of the prescribed antibiotics. 	<p>Screening</p> <p>Targets to be confirmed</p> <p>Treatment and day 3 review</p> <p>Targets to be confirmed</p>	Domain 1, 4, 5



Timely identification and treatment of sepsis	<p>2B Timely identification and treatment for sepsis in acute inpatient settings.</p> <ul style="list-style-type: none"> The % of patients who met the criteria for sepsis screening and were screened. The % of existing inpatients in whom a decision to treat with intravenous antibiotics is made and are administered within 90 minutes of the possibility that the patient has red flag sepsis or septic shock and an antibiotic review is carried out by a competent decision maker by day 3 of them being prescribed. 	<p>Screening</p> <p>Q1 Sepsis protocol & screening tool in use and baseline data collected</p> <p>Q2 & Q3 – To be confirmed following baseline measures in Q1.</p> <p>Q4 - less than 50% - no payment 50% - 89.9% - 5% 90% - 10% of payment</p> <p>Inpatient antibiotic administration and day 3 review</p> <p>Q1 baseline data collected</p> <p>Q2 & Q3 – To be confirmed following baseline measures in Q1.</p> <p>Q4 - less than 50% - no payment 50% - 89.9% - 5% 90% - 10% of payment</p>	Domain 1, 4, 5
Antimicrobial resistance and antimicrobial stewardship	<p>5A: Reduction in antibiotic consumption per 1000 admissions</p> <ul style="list-style-type: none"> Reduction of 1% or more in total antibiotic consumption against baseline Reduction of 1% or more in Carbapenem Reduction of 1% or more in Piperacillin-Tazobactam 	<p>1% annual reduction on 2013/2014 validated prescription data in the 3 areas.</p>	Domain 1, 4, 5



Antimicrobial resistance and antimicrobial stewardship	<p>5B: Empiric review of antibiotic prescriptions</p> <p>Percentage of antibiotic prescriptions reviewed within 72 hours of a minimum of 50 antibiotics prescriptions across wards.</p>	<p>Q1 – audit 25% of cases in the sample Q2 – audit 50% of cases in the sample Q3 – audit 75% of cases in the sample Q4 – audit 90% of cases in the sample</p>	Domain 1, 4, 5
Frailty identification and care planning	<p>21. Promote a system of timely identification and proactive management of frailty in community, mental health and acute providers.</p> <p>Introduce and measure:</p> <ol style="list-style-type: none"> 1. Number of patients aged 75 and above with a frailty syndrome who are screened for frailty on presentation 2. Number of patients aged 75 and over who screen positive for frailty and have severity grade recorded in the patient notes. 3. Number of people aged 75 and above who screen positive for moderate or severe frailty who have a personalised care and support plan in place. 4. Number of people aged 75 and above who screen positive for moderate or severe frailty for whom a Comprehensive Geriatric Assessment has been initiated with information on this shared with their GP. 5. Number of patients aged 75 and above who screen positive for frailty who are provided with a personalised care plan according to moderate-severe needs. 	<p>To be confirmed following baseline measures in Q1</p>	Domain 1, 4, 5
Acute Kidney Injury	<p>24. Improving AKI diagnosis and treatment in hospital and care planning to monitor kidney function after discharge.</p> <p>The percentage of patients with AKI treated in hospital whose discharge summary includes each of the 4 key items:</p> <ol style="list-style-type: none"> 1. Stage of AKI 2. Evidence of medicines review having been undertaken 3. Type of blood tests required on discharge for monitoring 4. Frequency of blood tests required on discharge for monitoring 	<p>90% per quarter</p>	Domain 1, 4, 5



Local CQINN			
Saving Babies' Lives	Implementation and roll out of the national stillbirth bundle – 4 elements 1. Reducing smoking in pregnancy 2. Risk assessment and surveillance for fetal growth restriction 3. Raising awareness of reduced fetal movements. 4. Effective fetal monitoring during labour	To be confirmed following baseline measures in Q1	Domain 1, 4, 5

Specialist Commissioning CQUINs 2016 – 2017

Goal name	Description of goal and number	Target	Quality Domain
National Goals			
Acute Spinal Cord Injury outreach visits to newly injured patients	Newly injured patients with traumatic and non traumatic spinal cord injury will receive a face to face outreach visit from the spinal cord injury outreach team within 5 days of the referral of the patient to the unit to support the patient and the treating team	To be confirmed	Domain 1, 4, 5
Timely discharges in Adult Critical Care	To reduce delayed discharges from Adult Critical Care to ward level care by improving bed management in ward based care, thus removing delays and improving flow. To remove delayed discharges of 24 hours or more within day time hours	To be confirmed	Domain 1, 4, 5
Local CQUIN			
Blueteq for devices	Blueteq for cardiac devices – detail to be confirmed	To be confirmed	Domain 1, 4, 5

Care Quality Commission (CQC) registration

Salisbury NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is without conditions.

The Care Quality Commission has taken enforcement action against Salisbury NHS Foundation Trust during 2015/2016 with a requirement to reduce the number of spinal injured patients waiting for a video-urodynamic test and outpatient appointment and manage risks appropriately.

Salisbury NHS Foundation Trust has not participated in any special reviews or investigations by the Care Quality Commission in 2015/2016.

Salisbury NHS Foundation Trust had an announced inspection by the Care Quality Commission in December 2015.



The grid below shows how the Trust was rated for each of the nine core services and for the Trust overall

	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent and emergency services	Requires improvement	Good	Good	Requires improvement	Requires improvement	Requires improvement
Medical care	Good	Good	Good	Requires improvement	Good	Good
Surgery	Requires improvement	Good	Good	Requires improvement	Good	Requires improvement
Critical care	Requires improvement	Good	Good	Good	Requires improvement	Requires improvement
Maternity and gynaecology	Requires improvement	Good	Good	Good	Good	Good
Services for children and young people	Requires improvement	Good	Good	Good	Requires improvement	Requires improvement
End of life care	Good	Good	Good	Good	Requires improvement	Good
Outpatients and diagnostic imaging	Good	Not rated	Good	Good	Good	Good
Spinal injuries centre	Requires improvement	Requires improvement	Good	Inadequate	Requires improvement	Requires improvement
Overall	Requires improvement	Good	Good	Requires improvement	Requires improvement	Requires improvement

Salisbury NHS Foundation Trust intends to take the following actions to improve:

- Continue to review nursing staffing levels and skill mix to ensure there are sufficient numbers of suitably qualified and experienced nurses to deliver safe, effective and responsive care.
- Increase the number of staff who are up to date with mandatory training.
- Ensure all our staff receive an annual appraisal.
- Improve the documentation of care given including care of intravenous cannulas, urinary catheters and patients' weight.
- Continue to eliminate patients being cared for in mixed sex accommodation.
- Ensure regular checks of resuscitation equipment are undertaken.
- Ensure that staff adhere to infection prevention procedures.
- Ensure patients are moved a minimal number of times during their stay.
- Ensure patient charts are kept secure and confidential.
- Continue to support staff to understand the risks relevant to their areas of work and are able to manage these risks effectively.
- Strengthen governance arrangements in A&E and Critical Care.
- Complete a review of the triage arrangements in A&E to ensure patients are assessed promptly.
- Approve the policy for the use of the World Health Organisation surgical safety checklist and audit its use.
- Improve the processing of surgical instrument sets to avoid delays.

- Ensure there is a safe pathway for discharging patients after surgery.
- Ensure patients are discharged from the critical care unit in a timely manner and during the day.
- Improve the process of booking a bed in critical care for patients requiring elective surgery to reduce the number of cancelled operations.
- Reduce the number of spinal injured patients waiting for a video-urodynamic test and outpatient appointment and manage risks appropriately.
- Ensure care and treatment is person centred to meet the needs and preferences of patients.

The progress of the action plan will be monitored by the Clinical Governance Committee.

Care Quality Commission intelligent monitoring

The Care Quality Commission use a report based on a wide range of indicators which is used to analyse the quality and performance, patient and staff experience of acute hospitals.

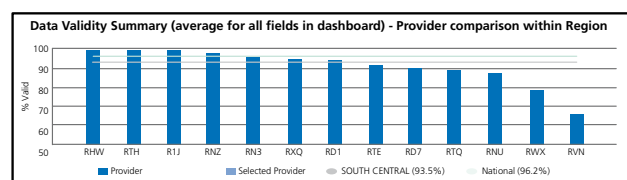
In May 2015 Salisbury NHS Foundation Trust had an overall risk score of 1. This puts the Trust in band 6 which is the rating given to hospitals with the lowest risk. No further reports were published in 2015/2016.

Data quality

Good quality information (data) underpins the effective delivery of patient care and is essential if improvements in the quality of care are to be made. Improving data quality will improve the delivery of patient care and improve value for money.



The table below shows the Trust's national Data Quality Score compared to other local hospitals and nationally from April 2015 to December 2015



RNZ = Salisbury NHS Foundation Trust data quality score is 98.3% validity versus a national average of 96.2%.

Following the auditor's findings of some weaknesses in the design of the control environment in regard to the 'referral to treatment – incomplete pathways', Salisbury NHS Foundation Trust will continue to take the following actions to improve data quality:

- Undertake a monthly audit of ten positive stop dates to confirm the accurate recording of referral to treatment.
- We will continue to focus on data quality errors and use the themes to improve training and processes.
- We will improve controls through the new electronic patient record.

To ensure our data quality is able to support the assurance of overall care quality the Trust manages a Data Quality Service. The Data Quality Service aims to ensure staff record clinical information accurately on every occasion. The service achieves this by supporting good practice in the process of data collection. This ensures the person

coding the episode of care has the right information about the care given and the appropriate training to ensure accurate data capture. The Data Quality Service staff spend time working with doctors and administrative staff to demonstrate best practice as well as correcting errors made. Errors are detected through the use of automatic electronic data quality reports and rectified by the person who recorded the data incorrectly. Data quality reports include volumes and types of errors and are reported to the Data Quality Improvement Group, Directorate performance meetings and the Information Governance Steering Group. The Data Quality Service continually monitors and audits data quality locally and participates in an external audit which enables the Trust to compare its performance against other Trusts.

The use of these techniques gives the Trust assurance that the information regarding quality of care given is an accurate representation of performance.

Salisbury NHS Foundation Trust submitted records during 2015/2016 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 and General Medical Practice Code is set out in the table below. These are important because the NHS number is a key identifier for patient records and an accurate record of the General Medical Practice Code is essential to enable the transfer of clinical information about the patient.

Data item	Salisbury District Hospital *14/15	National benchmark *14/15	Salisbury District Hospital 15/16 as at month 10	National benchmark 15/16 as at month 10
% for admitted patient care with a valid NHS number	99.7%	99.2%	99.7%	99.2%
% for outpatient care with a valid NHS number	99.8%	99.3%	99.8%	99.4%
% for Accident and Emergency care with a valid NHS number	98.8%	95.2%	98.5%	95.3%
% for admitted patient care with a valid General Medical Practice code	100%	99.9%	99.9%	99.9%
% for outpatient care with a valid General Medical Practice code	99.9%	99.9%	99.9%	99.8%
% for Accident and Emergency care with a valid General Medical Practice code	99.8%	99.2%	99.6%	99.1%

*2014/15 month 11 data was reported in the quality account last year and is now reported as at year end



Salisbury NHS Foundation Trust's Information Governance Assessment report overall score for 2015/2016 was 81% and was graded as satisfactory (green). The assessment provides an overall measure of the quality of data systems, standards and processes within the organisation. The Trust's score was 85% in 2014/2015. The Trust achieved the necessary standard for all areas assessed.

In the toolkit there are 6 initiatives with 45 separate requirements. Of these, 17 were subject to audit to demonstrate compliance in 2015/2016 and areas for improvement. There will be an ongoing audit programme of the requirements in 2016/2017.

Clinical coding translates the medical terminology written in a patient's health care record to describe a patient's diagnosis and treatment into a standard, recognised code. The accuracy of this coding underpins quality assurance, payments and financial flows within the NHS. The Trust introduced new coding software in 2012. This has improved consistency of coding and provides an audit tool which enables local improvement actions to be taken.

Salisbury NHS Foundation Trust was subject to an external Information Governance clinical coding audit by an independent company during 2015/2016 and the correct coding rate reported in the latest published audit for that period for diagnoses and treatment coding (clinical coding) was:

	Primary diagnosis	Secondary diagnosis	Primary procedure	Secondary procedure
2016	98.0%	94.5%	97.8%	97.9%
2015	99.5%	98.9%	96.2%	98.05%
2014	96.5%	95.4%	93.8%	94.6%
2013	98%	97.5%	98.6%	97.5%

The speciality services reviewed within the sample in January 2016 were Obstetrics, well babies, Gynaecology, Paediatrics and Oral Surgery. The results should not be extrapolated further than the actual sample audited.

The following improvement actions were progressed in 2015/2016:

- We have introduced an electronic discharge summary on all the main inpatient wards and ensured they contained information regarding active co-morbidities and other conditions treated whilst an inpatient.
- We continued to improve the coding of co-morbidities of patients. A coder is present at the weekly mortality review meeting and we have successfully used a co-morbidity checklist to record long term conditions accurately and have used it in the Medical Assessment Unit.
- A re-audit of palliative care coding of patients who had died was undertaken in July 2015. We found in a sample of 152 patient spells there were 6 (4%) instances where the patient should have had a palliative care code assigned to their care. This was an improvement on 2014 and 2013 where 10 – 20% of episodes audited had a missed palliative

care coding. These were corrected retrospectively and further training provided to the coders.

Salisbury NHS Foundation Trust will be taking the following actions to improve data quality in 2016/2017:

- Continue to improve the month end coding rate by the 5th working day of the month.
- Continue refresher training with the coding team of current local policies and practices, coding of infants under 28 days of age in relation to national standards and checking all relevant clinical documentation to ensure full and accurate coding.
- Work with the Electronic Patient Record project team to ensure the efficient transfer of patient records to the new information systems.
- Continue to improve the quality of filing of health care records.

2.4 Reporting against core indicators

Summary Hospital Level Mortality (SHMI)

Salisbury NHS Foundation Trust considers that the SHMI data is as described for the following reasons:

- The Trust submits Hospital Episode Statistics to the Health and Social Care Information Centre who



calculate the SHMI and compare it with other acute Trusts in published, publically available reports. SHMI compares the number of deaths in hospital and within 30 days of discharge against expected levels. It is not adjusted for patients admitted for end of life care, for example to Salisbury Hospice. Our SHMI for April 2014 to March 2015 was 107 and was as expected. If the number of deaths was exactly as expected the SHMI would be 100. However, some natural variation is to be expected and a number above or below 100 can still be within the expected range. Our SHMI for October 2014 to September 2015 is 109. This level is within the expected range. Currently 31.9% of our deaths are patients admitted for palliative or end of life care compared to 31.8% in 2014/2015.

Salisbury NHS Foundation Trust has taken the following actions to improve the SHMI by:

- A senior doctor has continued to lead weekly mortality reviews with clinicians and coders. We did not find any serious failings in care but have found areas where we could improve. For example, applying the use of the Sepsis Six care practices

within an hour of diagnosis of severe sepsis in A&E, the Medical Assessment Unit and the Surgical Assessment Unit and Children's ward.

- Since October 2013 we have extended our specialist palliative care services to seven days a week. This has enabled more people to be cared for at home or in the community.

Salisbury NHS Foundation Trust intends to take the following actions to ensure the SHMI remains as expected by:

- Continuing the implementation of Sepsis Six in all the wards in the hospital.
- Continuing with other care bundles such as the ongoing catheter care bundle.
- Continuing to ensure early senior review of acutely ill patients seven days a week.
- Publish our annual avoidable mortality rate and strengthen our mortality governance.
- Undertake a prospective audit of 280 cases to establish whether patients received the 4 priority clinical standards set by the NHS 7 Day Services Forum.

NHS Outcomes Framework Domain	Indicator	2012/13	2013/14	2014/15	2015/16	National average	Highest average other Trusts 2015/16	Lowest average other Trusts 2015/16
Domain 1: preventing people from dying prematurely	a) SHMI value	107	103	107*	109 to Sept 15	100	112	89
Domain 2: Enhancing quality of life for people with long term conditions	a) SHMI banding	As expected	As expected	As expected	As expected	As expected	Higher than expected	Lower than expected
	b) Percentage of patient deaths with palliative care coded at either diagnosis or speciality level for the Trust.	26%	28.9%	31.8%	31.9%			

* In 2014/2015 SHMI was reported as 104 to September 2014. The full year SHMI was 107 to March 2015.



Patient Reported Outcomes Measures (PROMs)

Salisbury NHS Foundation Trust considers that the Patient Reported Outcomes Measures (PROMs) are as described for the following reasons:

- We introduced PROMs in 2010 for patients who had hip and knee replacement surgery, groin hernia and varicose vein surgery. These measure a patient's health gain after surgery. The information is gathered from the patient who completes a questionnaire before and after surgery. The responses are analysed by an independent company and compared with other Trusts. The outcomes are published on NHS Choices.
- The finalised (18 months in arrears) PROMs in England 2013/2014 national report showed that, based on

patients' responses to questionnaires before and after surgery, the proportions reporting improvements in their conditions, and the average health gains reported, were in line with previous years for all procedures. Proportionally, more patients reported improvement on measures focussed specifically on their condition than reported improvement on more general health measures. Overall, Salisbury NHS Foundation Trust compares favourably on all four procedures which were similar to previous years.

Salisbury NHS Foundation Trust has taken the following action:

- Work with Healthwatch, Wiltshire and hold a local focus group to ask patients who have had knee replacement surgery about their experiences and improvement actions required.

NHS Outcomes Framework Domain	Indicator	2013/14	*2014/15	2015/16 Provisional	National average 2015/16	Highest average other Trusts 2015/16	Lowest average other Trusts 2015/16
Domain 3: helping people to recover from episodes of ill health or following injury	Patient reported outcome measures scores for:				Average health gain where full health = 1		
	i) groin hernia surgery	0.113	0.130	0.220**	0.088**	0.278	-0.17
	ii) varicose vein surgery	0.035	0.070	0.173**	0.104**	0.282	-0.074
	iii) hip replacement surgery	0.427	0.514	0.424**	0.454**	0.184	0.765
	iv) knee replacement surgery	0.289	0.117	0.354**	0.334**	0.745	0.041

*In the quality account 2014/2015 provisional data was presented. The data presented is now the final position.

**Average health gain figures have been used for the Trust for 2015/2016, rather than adjusted average health gain, due to the total number of records being lower than 30 for the time period covered (1 April 2015 to 30 September 2015).



Emergency readmissions within 28 days of discharge

Salisbury NHS Foundation Trust considers that the percentage of emergency re-admissions within 28 days of discharge from hospital is as described for the following reasons:

- Every time a patient is discharged and readmitted to hospital the staff code the episode of care. The Data Quality Service continually monitors and audits data quality locally and we participate in external audits which enable the Trust to compare its performance against other Trusts.

Salisbury NHS Foundation Trust has taken the following

actions to reduce readmissions of patients within 28 days of discharge to improve the quality of its services:

- Compared the first admission diagnosis with the re-admission diagnosis to see if they are the same or different.
- We have found that patients are often re-admitted because more support is required in the community.

Salisbury NHS Foundation Trust intends to take the following actions to reduce readmissions to improve the quality of its services:

- We will work with our partners in Wiltshire Health and Care to join up care and expand the amount of care offered in the community.

NHS Outcomes Framework Domain	Indicator	2013/14	2014/15	2015/16	National average 2015/16	Highest average other Trusts	Lowest average other Trusts
Domain 3: helping people to recover from episodes of ill health or following injury	Percentage of patients readmitted within 28 days of discharge from hospital of patients aged:		0 to 15* 4.3%	0 to 15 6.14%			
	i) 0 to 15	0 to 14* 4.69%	4.1%	6.14%	8.8%	8.5%	7.9%
	ii) 16 or over	15 or over* 5.74%	5.84%	5.91%	11.7%	13.3%	7.6%

*In MONITORs detailed requirements for quality reports 2014/2015 it has been acknowledged that an error was made in the drafting of the regulations and that the split of patients for this indicator should be (i) 0 to 15 and (ii) 16 or over

Responsiveness to the personal needs of patients

Salisbury NHS Foundation Trust considers that the mean score of responsiveness to inpatient personal needs is as described for the following reasons:

- Each year the Trust participates in the National Inpatient Survey. A nationally agreed questionnaire was sent to a random sample of 1250 patients and the results were analysed independently by the Patient Survey Co-ordination Centre. 746 (60%) patients responded to the survey.

Salisbury NHS Foundation Trust has taken the following actions to improve responsiveness to inpatient personal needs and improved the quality of its services by:

- Patients cared for on the Short-Stay Emergency Unit who needed help with eating and drinking at meal times received more assistance than before.
- Patients who needed extra emotional support were visited regularly by the 'Engage' volunteers to help improve their mood and reduce anxiety.



Salisbury NHS Foundation Trust intends to take the following actions to improve responsiveness to inpatient personal needs and improve the quality of its services by:

- Continuing to eliminate mixed sex accommodation.
- Reducing noise from the laundry at night for patients on the surgical wards.
- Improving communication with patients and their families about discharge arrangements.

NHS Outcomes Framework Domain	Indicator	2011/12	2012/13	2013/14	2014/15	National average 2014/15	Highest average other Trusts 2014/15	Lowest average other Trusts 2014/15
Domain 4: Ensuring that people have a positive experience of care	Responsiveness to the personal needs of its patients (mean score)	7.1	7.2	7.0	7.3	7.3	8.7	5.8

The Friends and Family Test – Patients

Salisbury NHS Foundation Trust considers the data collected from inpatients and patients discharged from the Accident and Emergency department who would recommend the ward or department if they needed similar care or treatment is as described for the following reasons:

- The Trust follows the Friends and Family Test national technical guidance published by NHS England to calculate the response rate and the percentage who would recommend the ward or the Accident and Emergency Department. The score measures the percentage of patients who were extremely likely or likely to recommend the hospital and the percentage of patients who were extremely unlikely or unlikely not to recommend the hospital. 'Don't know' and 'neither likely nor unlikely' responses are excluded from the score.

Salisbury NHS Foundation Trust has taken the following actions to improve the response rate and the percentage of patients who would recommend the hospital to friends and family needing care and improve the quality of its services by:

- Providing a range of different methods for patients to give their feedback, such as postcards, child-friendly postcards, the Trust website, a Friends and Family Test App for patients with a smartphone.

- Publishing the response rate and percentage who would recommend every month by ward and department with patient comments and the improvements we have made in response to feedback.

Salisbury NHS Foundation Trust intends to improve the response rate and percentage of patients who would recommend the hospital to friends and family needing care and improve the quality of its services by:

- Encourage our patients to complete the Friends and Family Test.
- Publicise the improvements we have made from patient comments.

See table at top of page 131.

The Friends and Family Test – Staff

Salisbury NHS Salisbury NHS Foundation Trust considers that the percentage of staff employed by, or under contract to the Trust during 2015/2016 who would recommend the hospital as a provider of care to their friends and family is as described for the following reason:

- Each year the Trust participates in the National Staff Survey. A random sample of staff are sent a nationally agreed questionnaire and the results are analysed by the Staff Survey Co-ordination Centre.



NHS Outcomes Framework Domain	Indicator	2013/14	2014/15	2015/16	National average 2015/16	Highest average other Trusts	Lowest average other Trusts
Domain 4: ensuring that people have a positive experience of care	Response rate and score of patients who would recommend the ward or A&E department to friends or family needing care	Response rate: Wards: 44.2% A&E: 14% Trust overall response rate: 24.3%	Response rate: Wards: 45.5% A&E: 20.6% Trust overall response rate: 28.5%	Response rate: Wards: 35.9% A&E: 11.4% Trust overall response rate: 18.7%	Response rate: Wards: 25.3% A&E: 13.9% Overall response rate: 12.7%	Response rate: Wards: 100% A&E: 43.7% Overall response rate: N/A	Response rate: Wards: 6.0% A&E: 0.2% Overall response rate: N/A

The table shows how staff responded to the Friends and Family test in the national staff survey 2015. The Trust was in the top 20% of hospitals nationally for this indicator

NHS Outcomes Framework Domain	Indicator	2012/13	2013/14	2014/15	2015/16	Average Median for acute Trusts in 2015/16
Domain 4: ensuring that people have a positive experience of care	Percentage of staff who would recommend the hospital to friends or family needing care	76%	82%	83%	85%	70%

Salisbury NHS Foundation Trust plan to take the following actions to improve the percentage of staff who would recommend the hospital as a place to work to improve the quality of its services by:

- Continuing to promote the Dignity at Work Ambassadors who can offer confidential, supportive and an impartial service for staff and managers on any issues around bullying, harassment or discrimination.
- Continuing to promote the Freedom to Speak Up Guardian who can act as an independent point of contact for staff about quality and safety concerns, signpost to Dignity at Work Ambassadors where appropriate, and feedback concerns directly to the Chief Executive.

Venous thromboembolism

Salisbury NHS Foundation Trust considers that the percentage of patients admitted to hospital and who were assessed for the risk of venous thromboembolism (blood clots) is as described for the following reasons:

- Patient level data is collected monthly by the ward pharmacist from the patients' prescription chart. The data is captured electronically and analysed by a senior nurse who is a member of the Thrombosis Committee.



Salisbury NHS Foundation Trust has taken the following actions to improve the percentage of patients admitted to hospital who were risk assessed for venous thromboembolism to improve the quality of its services:

- Salisbury NHS Foundation Trust is an exemplar site for the prevention and treatment of venous thromboembolism (blood clots) and has continued to achieve 99.7% of patients being assessed for the risk of developing blood clots and 97.3% receiving appropriate preventative treatment. We will continue to monitor our progress and feedback the results to senior doctors and nurses.
- We continued to conduct detailed enquiries of patients who develop blood clots to ensure we learn and improve.
- Our venous thromboembolism service and anticoagulation outreach service won a national

Quality in Care Programme award in 2015. These two services cover all aspects of a patient's anticoagulation journey, with the service seeing patients assessed in clinic, and the anticoagulation service operating on hospital wards. The award recognised good practice in patient care and joint working in key therapy areas. The judges were impressed by the streamlined integrated care pathway, collaboration with other departments, the assessment of care and the involvement of people who use the service – all supported by good patient experience and satisfaction levels.

Salisbury NHS Foundation Trust intends to continue with the actions described above to sustain the percentage of patients admitted to hospital who are risk assessed for venous thromboembolism and given preventative treatment.

NHS Outcomes Framework Domain	Indicator	2013/14	2014/15	2015/16	National average 2015/16	Highest average other Trusts 2015/16	Lowest average other Trusts 2015/16
Domain 5: treating and caring for people in a safe environment and protecting them from avoidable harm	Percentage of patients who were admitted to hospital and who were risk assessed for Venous Thromboembolism	98.7%	99.1%	99.7%	95.8%	100%	74.2%

Clostridium difficile infection

Salisbury NHS Foundation Trust considers that the rate per 100,000 bed days of cases of C.difficile infection are as described for the following reason:

- The Trust complies with Department of Health guidance against which we report positive cases of C. difficile. We submitted our data to the Health Protection Agency and are compared nationally against other Trusts. C. difficile data is subject to external audit for assurance purposes.

Salisbury NHS Foundation Trust has taken the following actions to reduce the rate per 100,000 bed days of

cases of C. difficile infection to improve the quality of its services by:

- Maintaining and monitoring good infection control practice including hand hygiene, prompt isolation and sampling of patients with suspected C. difficile, the use of different coloured aprons for each bay and Actichlor Plus for cleaning.
- Maintaining and monitoring standards of cleanliness and taking actions to improve.
- Designated ward rounds and improved best practice in antibiotic prescribing.
- In-depth analysis of patients who develop C difficile infection in hospital to learn and improve.



Salisbury NHS Foundation Trust intends to take the following actions to reduce the rate per 100,000 bed days of cases of C.difficile infection to improve the quality of its services by:

- Continued vigilance through the above actions
- Ongoing designated ward rounds to support doctors in best practice in antibiotic prescribing.
- Ongoing monthly audits of antibiotic prescribing practice and improvement actions

NHS Outcomes Framework Domain	Indicator	2012/13	2013/14	2014/15	2015/16	National average 2015/16	Highest average other Trusts 2015/16	Lowest average other Trusts 2015/16
Domain 5: treating and caring for people in a safe environment and protecting them from avoidable harm	The rate per 100,000 bed days of C difficile infection reported within the Trust amongst patients aged 2 or over	16.9	14.2	15.3	6.6	15.1	62.2	2.6

Patient safety incidents

Salisbury NHS Foundation Trust considers that the rate of patient safety incidents reported and the number and percentage of such incidents that resulted in severe harm or death are as described for the following reasons:

- The Trust actively promotes an open and fair culture that encourages the honest and timely reporting of adverse events and near misses to ensure learning and improvement actions are taken.
- The Trust submits weekly patient safety incident data to the National Reporting Learning System. We are ranked against other Trusts in respect of the rate of reporting and category of harm.
- We work in partnership with our commissioners to share learning and improvement actions.
- The Trust reviews compliance with the Duty of Candour.

Salisbury NHS Foundation Trust has taken the following actions to reduce the rate of patient safety incidents and the number and percentage of such incidents that have resulted in severe harm or death to improve the quality of its services by:

- Investigating clinical incidents and serious incidents and sharing the lessons learnt across the Trust and ensuring recommendations are implemented

through the Directorate quality performance meetings.

- Continuing to monitor the completion of recommendations of clinical reviews and serious incidents at the Clinical Management Board and Clinical Governance Committee.
- Ensuring more timely identification of themes and trends.

Salisbury NHS Foundation Trust intends to take the following actions to reduce the rate of patient safety incidents and the number and percentage of such incidents that result in severe harm or death to improve the quality of its services by:

- Data from the National Reporting Learning System (see table on page 134) shows that the Trust has decreased levels of harm compared to the median for acute (non specialist) organisations. The Trust will continue to actively promote reporting, investigation of clinical incidents and serious incidents and share learning across the Trust and with our commissioners to ensure improvement.
- Our staff survey also indicates that the hospital is in the top 20% of Trusts for staff feeling able to report errors, near misses or incidents witnessed, staff feeling secure to raise concerns about unsafe clinical practice and the fairness and effectiveness of procedures for reporting errors, near misses and incidents.



NHS Outcomes Framework Domain	Indicator	2013/14	2014/15	2015/16 1/4/2015 – 30/9/2015	Median for acute (not specialist) organisations 2015/16 1/4/2015 – 30/9/2015
Domain 5: treating and caring for people in a safe environment and protecting them from avoidable harm	Rate of patient safety incidents reported.	**8.04 incidents per 100 admissions	***31.26 incidents per 1000 bed days	41.44 incidents per 1000 bed days	38.25 incidents per 1000 bed days
	The percentage of such incidents that resulted in severe harm or death	0.45%	0.35%	0.2%	0.4%

**The number of incidents per 100 admissions is taken from the National Reporting Learning System (NRLS) report. This shows the latest actual figures reported nationally for the Trust which are always 6 months in arrears.

***The comparative reporting rate was changed on 1/4/2014 from incident per 100 admissions to incidents per 1000 bed days. This does not allow a comparison of the 2013/2014 data with the 2014/2015 and 2015/2016 data. In addition, data was only available from 1/4/2014 to 30/9/2014. The full year 2014/2015 is now reported.

Part 3: Other information

Review of Quality Performance

This section gives information relating to the quality of care that Salisbury NHS Foundation Trust provides through a range of selected measures of patient safety, effectiveness and experience. These areas have been chosen to cover the priority areas highlighted for improvement in this Quality Account, as well as

areas which our patients have told us are important to them, such as cleanliness and infection prevention and control. Our commissioners measure a number of these areas and our CQUIN contract supports improvement measures.

These indicators are included in a monthly quality indicator report that is reported to the Board and Clinical Governance Committee.

Patient Safety Indicators								
	2011/12	2012/13	2013/14	2014/15	2015/16	National average	What does this mean?	Source of measure
1. Mortality rate (HSMR)	104	114	109	*108	109 to Jan 16	100	Lower than 100 is good	Based on the national definition of HSMR & SHMI.
SHMI	105	107	103	*107	109 to Sept 15	100		
2. MRSA notifications**	4 (5)	3 (3)	2 (2)	2 (5)	0 (2)	Not available	0 is excellent	National definition



3. C. difficile infection per 1,000 bed days	0.51 Trust and non Trust apportioned	0.25 Trust and non Trust apportioned	0.19 Trust and non Trust apportioned	0.19 Trust and non Trust apportioned	0.10 Trust and non Trust apportioned	Not available	Lower than national average is good	National definition
	0.29 Trust apportioned only	0.16 Trust apportioned only	0.14 Trust apportioned only	0.15 Trust apportioned only	0.06 Trust apportioned only			
4. Global Trigger adverse events rate	41	32	34	37.1***	33.5 (to 31/1/16)	Lower score the better	Lower score the better	Definition based on Sign up to Safety Campaign
5. 'Never events' that occurred in the Trust****	1 (This was associated with surgery with no patient harm)	2	0	2 (These were associated with surgery)	2 (These were associated with surgery)	271 never events (1/4/14 – 28/2/15)	0 is good	Definition from National Patient Safety Agency
6. Patient falls in hospital resulting in a fracture or major harm	32	32	21	29	23	Not available	Low number is good	Definition from National Patient Safety Agency

Clinical Patient Safety Indicators Effectiveness indicators

7. Patients having surgery within 36 hours of admission with a fractured hip	87%	80%	81%	87.1%	86.08%	90%	Higher number is good	Based on national definition with data taken from hospital system and national database.
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8. % of patients who had a risk assessment for VTE (venous thromboembolism)	92%	98%	98.7%	99.1%	99.7%	90%	Higher number better	Based on national definition with data taken from hospital system and national database.
9. % patients who had a CT scan within 24 hrs of admission with a stroke	92%	94.6%	91.6%	96.9% in 2014/15 measured as a CT scan within 12 hours	98.3% in 2015/16 measured as a CT scan within 12 hours	Not available	Higher number better	Based on national definition with data taken from hospital system and national database.
10. Compliance with NICE Technology Appraisal Guidance published in year	70%	72%	68%	73%	61%	Not measured	Higher number better	Local indicator
Patient experience indicators								
11. Number of patients reported with grade 3 & 4 pressure ulcers	12	7	6	4	4	Not available	Lower number is better	National definition with data taken from hospital reporting systems
12. % of patients who felt they were treated with dignity and respect	79% Yes always 19% Yes sometimes	83% Yes always 15.5% Yes sometimes	82% Yes always 15.5% Yes sometimes	83% Yes always 15% Yes sometimes	86% Yes always 13% Yes sometimes	Not available	Higher number is better	Data taken from national inpatient survey
13. Mean score of patients' rating of quality of care ##	7.8 #	8.1 #	8.1 #	8.3 #	8.4 #	Not available	Higher number is better	Data taken from national inpatient survey



Patient Safety Indicators								
	2011/12	2012/13	2013/14	2014/15	2015/16	National average	What does this mean?	Source of measure
14. % of patients in mixed sex accommodation	11%	7%	3%	11%	9%	Not available	Lower number is better	Data taken from national inpatient survey
15. % of patients who stated they had enough help from staff to eat their meals	63%	74%	75%	68%	68%	Not available	Higher number is better	Data taken from national inpatient survey
16. % of patients who thought the hospital was clean	65%	66%	69%	70%	73%	Not available	Higher number is better	Data taken from national inpatient survey

* In 2014/2015 HSMR was reported as 101 to December 2014. The full year rate was 108. In 2014/2015 SHMI was reported as 104 to 30/9/2014. The full year rate was 107.

** In previous annual reports the Trust quoted Trust and non-Trust apportioned MRSA notifications as a total figure. This will have included community hospital and GP patients. The total figure is quoted in brackets in the table.

*** The Global Trigger/adverse events rate in 2014/2015 was published as 48 up to 31 January 2015. The total figure for the full year in 2014/2015 was 37.1.

**** Never events are adverse events that should never happen to a patient in hospital. An example is an operation that takes place on the wrong part of the body. The never events list increased from 8 to 25 on 1 April 2011.

In the national inpatient survey in 2012 the way patients were asked to answer the question was changed. To enable a year on year comparison the average score has been substituted with a mean score of patients asked the question

The patient safety indicator name has been changed from '13. Mean score of patients stating the quality of care was very good or better' to 'Mean score of patients' rating of quality of care' as it is no longer rated between excellent and poor but is on a sliding scale from 10 to zero.

National Targets and Regulatory Requirements

Indicators for acute Trusts from Monitors risk assessment framework updated August 2015	2011/12	2012/13	2013/14	2014/15	2015/16	Target for 2016/17
1a: Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate – patients on an incomplete pathway	91.5%	94.7%	96.3%	96.4%	94.0%	92%
1b: Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate – patients on an admitted pathway	93.5%	93.4%	94%	91.6%	89.4%	90%



1c: Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate – patients on an non-admitted pathway	98.2%	97.9%	98.2%	98.1%	96.7%	95%
2. A&E: maximum waiting time of four hours from arrival to admission/transfer/discharge	97.86%	96.9%	96.3%	95.2%	94.8%	95%
3a: All cancers: 62 day wait for first treatment from: urgent GP referral for suspected cancer	93.3%	90.5%	92.85%	90.6%	89.1%	85%
3b: All cancers: 62 day wait for first treatment from NHS Cancer Screening Service referral	97.2%	100%	100%	95.2%	99.2%	90%
4a: All cancers: 31 day wait for second or subsequent treatment comprising – surgery	98.9%	98.9%	97.6%	99.6%	100.0%	94%
4b: All cancers: 31 day wait for second or subsequent treatment comprising – anti cancer drug treatments.	100%	100%	100%	100%	100.0%	98%
4c: All cancers: 31 day wait for second or subsequent treatment comprising – radiotherapy	n/a	n/a	n/a	n/a	n/a	94%
5. All cancers: 31 day wait from diagnosis to first treatment	97.9%	97.9%	98.4%	98.4%	99.1%	96%
6a: Cancer: two week wait from referral to date first seen comprising - all urgent referrals (cancer suspected)	94%	94.4%	94.4%	94.7%	94.3%	93%
6b: Cancer: two week wait from referral to date first seen, comprising - for symptomatic breast patients (cancer not initially suspected)	97.3%	97.0%	94.9%	95.1%	94.5%	93%
14. C. difficile year on year reduction (from 10/11 positive samples taken within 72 hrs of admission are reported as non Trust apportioned)*	111 (44 Trust apportioned 67 non Trust apportioned)	39 (25 Trust apportioned 14 non Trust apportioned)	30 (21 Trust apportioned 9 non Trust apportioned)	29 (23 Trust apportioned, 6 non Trust apportioned)	21 (15 Trust apportioned, 6 non Trust apportioned)	19



Indicators for acute Trusts from Monitors risk assessment framework updated August 2015	2011/12	2012/13	2013/14	2014/15	2015/16	Target for 2016/17
18. Certification against compliance with requirements regarding access to health care for people with a learning disability	Compliant	Compliant	Compliant	Compliant	Compliant	Maintain compliance

* From 2010/2011 the definition changed and this reflects the number of positive Trust in-patient cases split between Trust apportioned (over 72 hrs after admission) and non-Trust apportioned (less than 72 hrs of admission).

Statement from NHS Wiltshire Clinical Commissioning Group for Salisbury NHS Foundation Trust Quality Account 2015 - 2016 – 20 May 16

NHS Wiltshire Clinical Commissioning Group (CCG) has reviewed Salisbury Hospital NHS Foundation Trust's (SFT) 2015-16 Quality Account. In doing so, the CCG reviewed the Quality Account in light of information presented through intelligence indicators and the assurances sought and given at monthly Clinical Quality Review Meetings. Wiltshire CCG therefore confirms that the Quality Account is a representative account.

It is the view of the CCG that the Quality Account reflects the ongoing commitment from Salisbury Foundation Trust to quality improvement by tackling key areas of improvement in a focused and innovative way. It is evident that the Trust has reflected the NHS Outcomes Framework in their Trust priorities, and the account summarises the achievements against quality priorities throughout the year. The CCG acknowledges and commends the improvement in the reduction of avoidable infections, particularly in C.difficile. The CCG has worked with the Trust to eliminate mixed sex accommodation breaches, and is pleased to see a reduction in numbers of breaches reported and the continuation of working towards the elimination of breaches in the 2016-17 priorities.

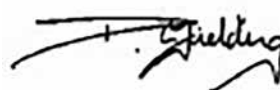
The Trust has recently been rated by the CQC as 'Requires Improvement.' Within the report published by the CQC, the Trust was commended for the kind and compassionate care delivered by staff with examples of outstanding practice. The CCG will work with the Trust to review and monitor progress against the areas identified within the formal action plan.

The CCG are supportive of the priorities identified by the Trust for 2016-17, which align to many of CQUIN

schemes for this year. The CCG values the work which the Trust completes in reviewing mortality and hopes to see a continued focus in 16/17 from the Trust on the review, monitoring and investigation of the Hospital Standardised Mortality Ratio (HSMR), which is currently above the expected range.

In response to the warning notice raised by the CQC in relation to spinal services provided by Salisbury Foundation Trust, the Trust has identified actions to reduce the numbers of spinal cord injured patients who are waiting for video-urodynamic testing and/or an outpatient appointment, which the CCG supports and will monitor progress against with the Trust. The CCG will also continue to monitor spinal services as a whole, and the environment the services provides, to ensure the welfare and safety of its patients. In addition, the CCG is supportive of planned work to address workforce concerns to improve recruitment and retention in the Trust.

The Trust has identified priorities for 2016-17, which align with system-wide objectives to improve quality and patient safety. Building on the accomplishments of 2015-16, the CCG anticipates that considerable achievements can be made in Sepsis and Acute Kidney Injury. The CCG looks forward to working collaboratively with the Trust and other partners towards achievement of improved patient outcomes and experience and the Trust's identified priorities for the coming year.



Deborah Fielding
Accountable Officer
NHS Wiltshire Clinical Commissioning Group



Statement from Wiltshire Council Health Select Committee – 17 May 2016

The Health Select Committee has been given the opportunity to review the draft Quality Account for Salisbury NHS Foundation Trust 2015/16.

The Committee has not undertaken any detailed work on the Trust this year. However, we have scheduled an item for its meeting on 27th September to consider:

- The CQC inspection report of the Trust, following the inspection undertaken in December 2015, the result of which was a grading of 'Requires Improvement'
- The Trust's improvement plan for addressing issues identified by the CQC.

Cllr Chuck Berry, Chairman, Wiltshire Health Select Committee

Officer contact: Henry Powell, Senior Scrutiny Officer, 01225 718052, henry.powell@wiltshire.gov.uk

Statement from Healthwatch – 12 May 2016

Healthwatch Wiltshire welcomes the opportunity to comment on Salisbury Hospital NHS Foundation Trust's quality account for 2015/16. Healthwatch Wiltshire was established to promote the voice of patients and the wider public with respect to health and social care services. Over the past year we have continued to work with the Trust to ensure that patients and the wider community are appropriately involved in providing feedback and that this feedback is taken seriously by the Trust.

Following a recent inspection by the Care Quality Commission (CQC), we were disappointed to see that the overall assessment of the Trust was that it requires improvement. In particular, we were concerned that the spinal injuries centre received a rating of inadequate for 'responsive' for their management of outpatients (appointments and video urodynamics). However, we were much encouraged that the Trust were rated as Good for caring and that the staff were described as kind, compassionate and committed and Good for effective care and treatment. We were also happy to see that a number of areas of excellence were identified. We note that plans are already in place to improve those areas identified by The CQC as requiring attention. We will continue to monitor their progress over the coming months and support the Trust where we can with this.

We welcome the work already carried out by the Trust to reduce the amount of falls resulting in hip fracture and the new initiatives such as sensor alarms that aim

to prevent falls from occurring. We will monitor the outcomes of these initiatives going forward.

We note the reduction in the number of grade 2 pressure ulcers and hospital acquired infections and are pleased to see that further reductions and in particular, a zero tolerance of grade 3 and 4 pressure ulcers are priorities for the coming year.

It is pleasing to see that the Trust have taken into account the experiences of patients, their families and carers of discharge from hospital. Our own work at this and other Trusts, indicated that more could be done to improve the patients' journey from admission to discharge home. We therefore, welcome the Trust's commitment to working with external partners to improve the experience of those who are discharged from their care. This includes involvement in work commissioned through the Better Care Fund. Healthwatch Wiltshire is commissioned to evaluate services under the Better Care Fund and will feedback to the Trust any information that may assist in their continued work to improve patient experience in this area.

We welcome the Trust's continued work that seeks to identify unpaid carers and the issues that are of most concern to them. We are pleased to see that as a result of feedback from unpaid carers, the Trust have introduced John's Campaign that allows families or unpaid carers to stay with people with dementia over the 24-hour period. In addition, we note the collaborative working between the Trust and voluntary sector partners to provide support to unpaid carers in the form of a carer's café. We are pleased to see that unpaid carers remain a priority for the coming year.

We were concerned that the most frequent theme from complaints and concerns were poor communication and attitude. However, we welcome the introduction of initiatives such as the 'This is my usual life' document and bed boards that aim to improve communication with and involvement of, relatives and unpaid carers. We will monitor the outcomes of these initiatives through our on-going engagement.

We see that the response rates for the Friends and Family Test remain low and that the overall response rate is down on last year. This is particularly so for A&E. Whilst recognising that response rates for the test are a national issue, we would like to see significant improvements if the tests are to give meaningful results. In addition, we are concerned to see that the percentage of patients stating that they had enough help from staff to eat their meals remains at 68%. This is unchanged from last year. Whilst recognising staff pressures, we would like to see further action to improve this situation.



We are pleased that the Trust has acknowledged the stresses involved for those children with long-term conditions, who are transitioning from children's to adult services. We therefore welcome the introduction of the 'Ready, Steady Go' programme for children with diabetes and cerebral palsy and the planned development of this programme for young people who have physical disabilities.

We note the new priorities set by the Trust. Healthwatch Wiltshire will engage with patients, carers and the wider community to support the Trust in meeting these priorities over the coming year.

Healthwatch Wiltshire looks forward to working with the Trust over the coming year to ensure that the experiences of patients, their families and unpaid carers are heard and taken seriously.

Statement from the Governors – 12 May 2016

The NHS in general is of course under enormous pressure to cut costs, and Salisbury Hospital is no exception. What is so reassuring about this report is that it shows the enormous effort being made in every sphere of hospital activity to maintain and raise the quality of the care provided by our hospital to every patient, young and old.

There are many facets of this report that are particularly welcome.

- One of the most important is the further emphasis on the Duty of Candour – a duty to tell patients honestly about the course of their care, and in particular if they have suffered avoidable harm.
- Another is the tremendous effort being made to prevent complications arising during care – sepsis, falls, pressure ulcers etc. An important motto for care is 'First, do no Harm'.
- Staff shortages and the continuing reliance on agency staff are still a concern, and although the Governors appreciate the difficulty of recruiting and retaining suitable staff, this issue should continue to be a priority throughout the coming year.
- There is a clear association between staff health and wellbeing and the quality of patient care. We are pleased to see that staff health is a quality indicator being assessed in the coming year.
- We would highlight the effort being made to care for patients with dementia, from screening through to involvement of carers from the moment of admission to the time of discharge.

- Finally, we are glad to note that the Trust is already taking steps to improve the areas highlighted by the Care Quality Commission as requiring attention. We believe that these areas have been assessed and plans outlined to address them.

We endorse the quality priorities and work streams set out in the Quality Account for 2016/17.

This is all made possible by the wonderful commitment of so many staff from cleaners to executives. Your governors, as representatives of your patients, thank you sincerely.

How to provide feedback

All feedback is welcomed, the Trust listens to these concerns and steps are taken to address individual issues at the time. Comments are also used to improve services and directly influence projects and initiatives being put in place by the Trust.

Statements of Directors' Responsibilities for the Quality Report

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS Foundation Trust Boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS Foundation Trust Boards should put in place to support the data quality for the preparation of the quality report.

In preparing the quality report, Directors are required to take steps to satisfy themselves that:

- The content of the quality report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2015/2016 and supporting guidance.
- The content of the quality report is not inconsistent with internal and external sources of information including:
 - Board minutes and papers for the period April 2015 to May 2016;
 - Papers relating to quality reported to the Board over the period April 2015 to May 2016;
 - Feedback from commissioners dated 20 May 2016.
 - Feedback from governors dated 12 May 2016.
 - Feedback from Local Healthwatch organisations dated 12 May 2016



- Feedback from Overview and Scrutiny Committee dated 17 May 2016.
- The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 5 October 2015, 8 February 2016, 4 April 2016.
- The 2015 national patient survey dated 8 June 2016 (will not be published until 8 June 2016)
- The 2015 national staff survey dated February 2016.
- The Head of Internal Audit's annual opinion over the Trust's control environment dated 13 May 2016.
- Care Quality Commission intelligent monitoring report dated May 2015.
- The quality report presents a balanced picture of the NHS Foundation Trust's performance over the period covered;
- The quality report has been prepared in accordance with Monitor's annual reporting guidance (which incorporates the Quality Accounts regulations published at www.monitornhsft.gov.uk/annualreportingmanual) as well as the standards to support data quality for the preparation of the quality report (available at www.monitornhsft.gov.uk/annualreportingmanual)

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

By order of the Board



Nick Marsden
Chairman
20 May 2016

Data Quality

The Trust acknowledges the finding of the audit set out in section 2.3 in relation to data underpinning the measures of performance set out in this report, but remain satisfied that overall:

- The performance information reported in the quality report has improved since 2014/2015 and remains sufficiently reliable and accurate to ensure appropriate management of the processes of the organisation;
- There are internal controls over the collection and reporting of the measures of performance included in the quality report, and these controls are subject to review to confirm that they are working effectively in practice;



Peter Hill
Chief Executive
20 May 2016

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF SALISBURY NHS FOUNDATION TRUST ON THE QUALITY REPORT

We have been engaged by the Council of Governors of Salisbury NHS Foundation Trust to perform an independent assurance engagement in respect of Salisbury NHS Foundation Trust's Quality Report for the year ended 31 March 2016 (the 'Quality Report') and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2016 subject to limited assurance consist of the following two national priority indicators (the indicators):

- percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period;
- A&E: maximum waiting time of four hours from arrival to admission/transfer/discharge;



Respective responsibilities of the directors and auditors

The directors are responsible for the content and the preparation of the Quality Report in accordance with the criteria set out in the NHS Foundation Trust Annual Reporting Manual issued by Monitor.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual;
- the Quality Report is not consistent in all material respects with the sources specified in the Detailed Guidance for External Assurance on Quality Reports 2015/16 ('the Guidance'); and
- the indicator in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.

We read the Quality Report and consider whether it addresses the content requirements of the NHS Foundation Trust Annual Reporting Manual and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with:

- board minutes and papers for the period April 2015 to May 2016;
- papers relating to quality reported to the board over the period April 2015 to May 2016;
- feedback from commissioners;
- feedback from governors;
- feedback from local Healthwatch organisations;
- feedback from Overview and Scrutiny Committee;
- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009;
- the 2014 national patient survey;
- the 2015 national staff survey;
- the 2015/16 Head of Internal Audit's annual opinion over the trust's control environment; and
- the May 2015 CQC Intelligent Monitoring Report.

We consider the implications for our report if we become aware of any apparent misstatements or material

inconsistencies with those documents (collectively, the 'documents'). Our responsibilities do not extend to any other information.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for the Council of Governors of Salisbury NHS Foundation Trust as a body, to assist the Council of Governors in reporting the NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2016, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicator. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Salisbury NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – 'Assurance Engagements other than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicator;
- making enquiries of management;
- testing key management controls;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the NHS Foundation Trust Annual Reporting Manual to the categories reported in the Quality Report; and
- reading the documents.

A limited assurance engagement is smaller in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.



Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the NHS Foundation Trust Annual Reporting Manual.

The scope of our assurance work has not included governance over quality or the non-mandated indicator, which was determined locally by Salisbury NHS Foundation Trust.

Basis for qualified conclusion

As a result of the procedures performed in relation to the referral to treatment within 18 weeks for patients on incomplete pathways quality indicator, we have not been able to gain assurance over the six dimensions of data quality as required by Monitor, with issues identified in relation to the operating effectiveness of the control environment.

Qualified conclusion

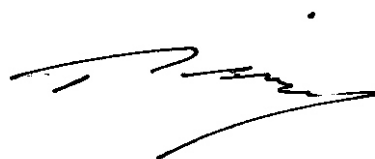
Except for the matter described in the 'Basis for qualified conclusion' section above relating to the referral to treatment within 18 weeks for patients on incomplete pathways quality indicator, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2016:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual;
- the Quality Report is not consistent in all material respects with the sources specified in the Guidance; and
- the remaining indicator in the Quality Report subject to limited assurance has not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.

Jonathan Brown

for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
100 Temple Street
Bristol
BS1 6AG
19 May 2016

The Annual Report has been approved by the Trust Board on 20 May 2016.



Peter Hill
Chief Executive
20 May 2016



Salisbury NHS Foundation Trust Consolidated Financial Statements For The Year To 31 March 2016

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FOREWORD TO THE ACCOUNTS

These consolidated accounts for the year ended 31 March 2016 have been prepared by Salisbury NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006, and comply with the annual reporting guidance for NHS Foundation Trusts within the NHS Foundation Trust Annual Reporting Manual (FT ARM) for the financial period.

Salisbury NHS Foundation Trust Annual Report and Accounts are presented to Parliament pursuant to Schedule 7 paragraph 25(4) (a) of the National Health Service Act 2006.

The results of the Trust's subsidiary companies, Odstock Medical Limited, Salisbury Trading Limited and Sterile Supplies Limited for the year to 31 March 2016 together with their assets and liabilities as at that date have been consolidated into these financial statements. Details of the subsidiary companies can be found in note 33.

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1 April 2013, the Trust has consolidated the income and expenditure of Salisbury District Hospital Charitable Fund for the year ended 31 March 2016 and its assets and liabilities as at that date.

Signed:

A handwritten signature in black ink, appearing to read 'Peter Hill', with a long horizontal stroke extending to the right.

Peter Hill - Chief Executive

Date: 23 May 2016

Independent Auditor's report to the Council of Governors of Salisbury NHS Foundation Trust Only

1. Our opinion on the financial statements is unmodified

We have audited the financial statements of Salisbury NHS Foundation Trust (FT) for the year ended 31 March 2016 set out on pages 1 to 44 of the Accounts. In our opinion:

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

2. Our assessment of risks of material misstatement

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

Valuation of land and buildings including dwellings - Land £1.0 million (2014/15: £5.1 million) and Buildings (including dwellings) £107.9 million (2014/15: £104.5 million) risk level is → (consistent) year on year

Refer to the Annual Report page 60 (Audit Committee Report), Financial Statements pages 8 to 11 (accounting policies) and pages 27 to 30 (financial disclosures).

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

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

In 2015/16 the Group undertook a full re-valuation. The 2015/16 financial statements include £1.3 million for revaluation losses (2014/15 £4.9m), and £0.5 million for impairments (2014/15 £Nil). These have primarily been driven by a change in the way in which the land is valued.

Our Response: In this area our audit procedures included:

- We assessed the competency, capability, objectivity and independence of the Group's external valuer and considered the terms of engagement of, and the instructions issued to, the valuer for consistency with the Group's accounting policies for the valuation of property, plant and equipment;
- We undertook work to understand the basis upon which any revaluations to land and buildings have been recognised in the financial statements and determined whether they complied with the requirements of the FT ARM; and
- We agreed the appropriateness of any amendments made by management to the information received from the valuer before incorporation into the financial statements.

We also considered the adequacy of the Group's disclosures in respect of land and buildings.

Recognition of NHS and non-NHS income – Patient care income NHS £177.1 million (2014/15: £176.4 million) and patient care income non-NHS £4.4 million (2014/15: £5.3 million) and non-patient care income £23.4 million (2014/15: £17.0 million) risk level is → (consistent) year on year

Refer to the Annual Report page 60 (Audit Committee Report) and the Financial Statements pages 6 to 7 (accounting policy) and pages 19 to 20 (financial disclosures).

The risk: The main source of income for the Group is the provision of healthcare services to the public under contracts with NHS commissioners, which make up 86% of income. The Group participates in the Agreement of Balances (AoB) exercise which is mandated by the Department of Health (the Department), covering the English NHS only, for the purpose of ensuring that intra-NHS balances are eliminated when the consolidation exercise takes place to report the Department's Consolidated Resource Account. The AoB exercise identifies mismatches between receivable and payable balances recognised by the Group and its counter parties at 31 March 2016.

Mis-matches can occur for a number of reasons, but the most significant arise where the Trust and commissioners have not concluded the reconciliations of healthcare spells completed within the last quarter of the financial year, which have not yet been invoiced, or there is not final agreement over proposed contract penalties as activity data for the period has not been finally validated.

In addition to this patient care income the Group reported total income of £23.4 million (2014/15: £17.0 million) from other activities, primarily through education and training, research and development, or other activities. Much of this income is generated by contracts with other NHS and non-NHS bodies which are based on varied payment terms, including payment on delivery, milestone payments and periodic payments. Therefore there is a greater risk that income will be recognised on a cash rather than an accruals basis. In addition some sources of income require independent grant confirmations which can impact the amount of income the Group will actually receive.

We do not consider NHS income to be at high risk of significant misstatement, or to be subject to a significant level of judgement. However, due to its materiality in the context of the financial statements as a whole NHS income is considered to be one of the areas which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.

Our response: In this area our audit procedures included:

- We agreed commissioner income to the signed contracts and selected a sample of the four largest balances (comprising 88% of income from patient care activities) to agree in more detail to supporting evidence. We reviewed contract variations and sought explanations from management to ensure these had been agreed;
- In 2015/16 the Trust participated in the Agreement of Balances (AoB) exercise with other NHS organisations. We reviewed third party confirmations from your commissioners and compared the values they are disclosing within their financial statements to the value of income captured in your financial statements. We sought explanations for any variances over £200k, and all balances in dispute;
- We reviewed the approach to impairing receivables and confirmed that they were in line with the Group's accounting policies, and the judgement for the level of provision was appropriate;
- We reviewed the judgement made in accounting for incomplete spells to determine whether income had been recognised in the appropriate period; and
- We carried out testing of other income by analysing the movement in key balances and obtaining explanations for

We also considered the adequacy of the Group's disclosures in respect of income, particularly in relation to any key judgments made and estimates used in recognising income.

3. Our application of materiality and an overview of the scope of our audit

The materiality for the financial statements was set at £3.97 million (2014/15: £3.8 million), determined with reference to a benchmark of income from operations (of which it represents 2%). We consider income from operations to be more stable than a surplus related benchmark.

We report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £200,000 (2014/15: £190,000), in addition to other identified misstatements that warrant reporting on qualitative grounds.

The Group has three reporting components and all of them were subject to audits for group reporting purposes performed by the Group audit team at one location in Salisbury. These audits covered 100% of group income, surplus for the year and total assets. The audits performed for group reporting purposes were all performed to materiality levels set individually for each component and ranged from £0.2m to £3.97m.

4. Our opinion on other matters prescribed by the Audit Code for NHS Foundation Trusts is unmodified

In our opinion:

- the parts of the Remuneration and Staff Reports to be audited have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2015/16; and
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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

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

- we have identified material inconsistencies between the knowledge we acquired during our audit and the directors' statement that they consider that the Annual Report and Accounts taken as a whole is fair, balanced and understandable and provides the information necessary for patients, regulators and other stakeholders to assess the Group's performance, business model and strategy; or
- the Audit & Assurance Committee Report (within the Annual Report) does not appropriately address matters communicated by us to the audit committee.

Under the Audit Code for NHS Foundation Trusts we are required to report to you if in our opinion:

- the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2015/16, is misleading or is not consistent with our knowledge of the Group and other information of which we are aware from our audit of the financial statements.
- the Trust has not made proper arrangement for securing economy, efficiency and effectiveness in its use of resources.

In addition we are required to report to you if:

- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006.
- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit.

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

Certificate of audit completion

We certify that we have completed the audit of the accounts of Salisbury NHS Foundation Trust in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office.

Respective responsibilities of the accounting officer and auditor

As described more fully in the Statement of Accounting Officer's Responsibilities on page 81 of the Annual Report the accounting officer is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the UK Ethical Standards for Auditors.

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

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

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

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

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

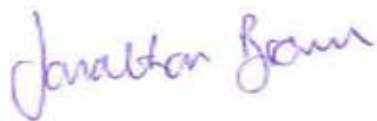
Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General (C&AG), as to whether the Trust has proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The C&AG determined this criterion as necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2016.

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

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

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



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

Chartered Accountants
100 Temple Street
Bristol
BS1 6AG

23 May 2016

STATEMENT OF COMPREHENSIVE INCOME

For The Year Ended 31 March 2016

	Note	Group		Trust	
		2015/16 £000	2014/15 £000	2015/16 £000	2014/15 £000
Revenue from patient care activities	3	181,554	181,706	181,554	181,706
Other operating revenue	5	23,366	21,980	17,008	16,178
Operating expenses	7	(206,002)	(199,862)	(199,403)	(193,053)
OPERATING (DEFICIT)/ SURPLUS		(1,082)	3,824	(841)	4,831
FINANCE COSTS					
Finance income	12	229	240	127	64
Finance costs - financial liabilities	13	(1,944)	(1,941)	(1,944)	(1,941)
Finance costs - unwinding of discount on provisions	13	(5)	(5)	(5)	(5)
PDC Dividends payable		(3,650)	(3,675)	(3,650)	(3,675)
NET FINANCE COSTS		(5,370)	(5,381)	(5,472)	(5,557)
Movement in fair value of investment property and other investments	18	(65)	24	-	-
RETAINED DEFICIT FOR THE YEAR		(6,517)	(1,533)	(6,313)	(726)
OTHER COMPREHENSIVE INCOME:					
Items that will not be reclassified to income and expenditure					
Revaluation (losses) on property plant and equipment	17	(1,111)	(587)	(1,549)	(829)
Items that may be reclassified to income and expenditure					
Fair Value gains/ (losses) on Available-for-sale financial investments	18	(205)	393	-	-
TOTAL COMPREHENSIVE (EXPENSE) FOR THE YEAR		(7,833)	(1,727)	(7,862)	(1,555)
NOTE: ALLOCATION OF PROFIT/(LOSSES) FOR THE YEAR					
(a) (Deficit) for the period attributable to:					
(i) Minority interest, and		25	7	-	-
(ii) Owners of Salisbury NHS Foundation Trust		(6,542)	(1,540)	(6,313)	(726)
TOTAL		(6,517)	(1,533)	(6,313)	(726)
(b) Total comprehensive income/ (expense) for the year attributable to:					
(i) Minority interest, and		25	7	-	-
(ii) Owners of Salisbury NHS Foundation Trust		(7,858)	(1,734)	(7,862)	(1,555)
TOTAL		(7,833)	(1,727)	(7,862)	(1,555)

The notes on pages 5 to 44 form an integral part of these financial statements.
All revenue and expenditure is derived from continuing operations.

STATEMENT OF FINANCIAL POSITION
31 MARCH 2016

		Group		Trust	
		31 March 2016 £000	31 March 2015 £000	31 March 2016 £000	31 March 2015 £000
NON-CURRENT ASSETS	Note				
Intangible assets	16	4,970	2,460	4,970	2,460
Property, plant and equipment	17	136,104	138,236	129,475	131,640
Investments in subsidiaries	33	-	-	5	-
Investments	18	5,854	5,812	-	-
Other financial assets	19	-	-	2,522	2,868
Total non-current assets		146,928	146,508	136,972	136,968
CURRENT ASSETS					
Inventories	20	2,963	2,994	2,149	1,892
Trade and other receivables	21	12,627	10,296	12,456	10,360
Investments	18	58	237	-	-
Other financial assets	19	-	-	2,712	462
Non-current assets held for sale	22	660	-	660	-
Cash and cash equivalents	23	11,612	17,436	7,151	14,880
Total current assets		27,920	30,963	25,128	27,594
Total assets		174,848	177,471	162,100	164,562
CURRENT LIABILITIES					
Trade and other payables	24	(17,659)	(17,776)	(17,317)	(17,249)
Borrowings	25	(1,244)	(694)	(1,244)	(694)
Provisions	26	(214)	(549)	(214)	(549)
TOTAL CURRENT LIABILITIES		(19,117)	(19,019)	(18,775)	(18,492)
TOTAL ASSETS LESS CURRENT LIABILITIES		155,731	158,452	143,325	146,070
NON-CURRENT LIABILITIES					
Borrowings	25	(24,014)	(19,258)	(24,014)	(19,258)
Provisions	26	(328)	(352)	(328)	(352)
TOTAL NON CURRENT LIABILITIES		(24,342)	(19,610)	(24,342)	(19,610)
TOTAL ASSETS EMPLOYED		131,389	138,842	118,983	126,460
FINANCED BY:					
TAXPAYERS' EQUITY					
Minority Interest		83	63	-	-
Public dividend capital	35	54,016	53,631	54,016	53,631
Revaluation reserve		55,039	56,740	55,039	56,740
Income and expenditure reserve		10,422	16,220	9,928	16,089
Charitable fund reserves	36	11,829	12,188	-	-
TOTAL TAXPAYERS EQUITY		131,389	138,842	118,983	126,460

The notes on pages 5 to 44 form an integral part of these financial statements.

The financial statements on pages 1 to 44 were approved by the Board on 20 May 2016 and signed on its behalf by:

Signed:



Peter Hill - Chief Executive

CONSOLIDATED STATEMENT OF CHANGES IN TAXPAYERS EQUITY
31 MARCH 2016

	Public dividend capital (PDC) £000	Income and expenditure reserve £000	Revaluation reserve £000	Minority interest £000	NHS Charitable Funds reserve £000	Total taxpayers' equity £000
Taxpayers' and Others' Equity at 1 April 2014	53,339	15,965	58,452	56	12,465	140,277
Changes in taxpayers' equity for 2014/15						
Retained surplus/(deficit) for the year	-	(1,914)	-	7	374	(1,533)
Net gain/(loss) on revaluation of property plant and equipment	-	-	(829)	-	-	(829)
Transfer of the excess of current cost depreciation over historical cost depreciation to the Income and Expenditure Reserve	-	883	(883)	-	-	-
Revaluations and impairments - charitable fund assets	-	-	-	-	242	242
Fair Value gains/(losses) on Available-for-sale financial investments	-	-	-	-	393	393
Other reserve movements	-	1,286	-	-	(1,286)	-
Public dividend capital received in year	292	-	-	-	-	292
Balance at 31 March 2015	53,631	16,220	56,740	63	12,188	138,842
Changes in taxpayers' equity for 2015/16						
Retained surplus/(deficit) for the year	-	(6,977)	-	25	435	(6,517)
Other recognised gains and losses	-	-	-	(5)	-	(5)
Impairment of property plant and equipment	-	-	-	-	-	-
Net gain/(loss) on revaluation of property plant and equipment	-	-	(1,549)	-	-	(1,549)
Transfer of the excess of current cost depreciation over historical cost depreciation to the Income and Expenditure Reserve	-	152	(152)	-	-	-
Revaluations and impairments - charitable fund assets	-	-	-	-	438	438
Fair Value gains/(losses) on Available-for-sale financial investments	-	-	-	-	(205)	(205)
Other reserve movements	-	1,027	-	-	(1,027)	-
Public dividend capital received in year	385	-	-	-	-	385
Balance at 31 March 2016	54,016	10,422	55,039	83	11,829	131,389

The notes on pages 5 to 44 form an integral part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 MARCH 2016**

		Group		Trust	
		2016	2015	2016	2015
	Note	£000	£000	£000	£000
CASH FLOWS FROM OPERATING ACTIVITIES					
Total operating (deficit)/ surplus		(1,082)	3,824	(841)	4,831
NON-CASH INCOME AND EXPENSE					
Depreciation and amortisation charge		7,802	9,270	7,580	9,049
Impairments		463	-	463	-
Loss on disposal of property, plant and equipment		62	21	37	37
Non-cash donations credited to income		-	-	(1,090)	(1,293)
(Increase)/ decrease in trade and other receivables		(2,349)	183	(2,155)	653
(Increase)/ decrease in inventories		31	146	(257)	(100)
Increase/ (decrease) in trade and other payables		(372)	1,079	(122)	849
Increase/ (decrease) in provisions		(364)	(34)	(364)	(34)
NHS charitable funds - net adjustments for working capital movements, non-cash transactions and non-operating cash flows		519	479	-	-
Net cash inflow from operating activities		4,710	14,968	3,251	13,992
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received		47	64	127	64
Purchase of financial assets		(5)	-	(5)	-
Payments to acquire property, plant and equipment		(7,167)	(9,573)	(6,016)	(8,234)
Receipts from sale of property, plant and equipment		13	132	13	116
Payments to acquire intangible assets		(3,339)	(977)	(3,339)	(977)
NHS charitable funds - net cash flows from investing activities		(227)	(209)	-	-
Net cash (outflow) from investing activities		(10,678)	(10,563)	(9,220)	(9,031)
CASH FLOWS FROM FINANCING ACTIVITIES					
New public dividend capital received		385	292	385	292
Loans received		6,000	-	6,000	-
Loan to subsidiary		-	-	(2,250)	-
Loan repayment received		-	-	346	-
Loans repaid		(37)	(819)	(37)	(819)
Capital element of finance lease rental payments		(105)	(98)	(105)	(98)
Capital element of Private Finance Initiative obligations		(552)	(577)	(552)	(577)
Interest paid		(27)	(5)	(27)	(5)
Interest element of finance lease rental payments		(17)	(18)	(17)	(18)
Interest element of Private Finance Initiative obligations		(1,900)	(1,918)	(1,900)	(1,918)
PDC dividend paid		(3,603)	(3,887)	(3,603)	(3,887)
Net cash inflow/ (outflow) from financing		144	(7,030)	(1,760)	(7,030)
(Decrease) in cash and cash equivalents		(5,824)	(2,625)	(7,729)	(2,069)
Cash and cash equivalents at the beginning of the financial year		17,436	20,061	14,880	16,949
Cash and cash equivalents at the end of the financial year	23	11,612	17,436	7,151	14,880

The notes on pages 5 to 44 form an integral part of these financial statements.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

Monitor is responsible for issuing an accounts direction to NHS foundation trusts under the NHS Act 2006. Monitor has directed that the financial statements of NHS foundation trusts shall meet the accounting requirements of the FT ARM which shall be agreed with the Secretary of State. Consequently, the following financial statements have been prepared in accordance with the FT ARM 2015/16 issued by Monitor. The accounting policies contained in that manual follow IFRS and HM Treasury's FReM to the extent that they are meaningful and appropriate to NHS foundation trusts. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Accounting convention

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

Whilst the Group had a deficit of £5.926m (excluding Charitable Funds) in 2015/16, which was in line with its plans, after making enquiries, the directors have a reasonable expectation that the NHS foundation trust has adequate resources to continue in operational existence for the foreseeable future. There is an expectation of receiving £6.3m from the national Sustainability and Transformation Fund in 2016/17 which should prevent any cash flow problems. Accordingly, the Directors continue to adopt the going concern basis in preparing the accounts.

1.2 Basis of Consolidation

NHS Charitable Fund

The NHS foundation trust is the corporate trustee to Salisbury District Hospital Charitable Fund. The foundation trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the foundation trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

The consolidation is for reporting purposes only and does not affect the charity's legal and regulatory independence and day to day operations.

The charitable fund's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard (FRS) 102. On consolidation, necessary adjustments are made to the charity's assets, liabilities and transactions to:

- recognise and measure them in accordance with the Trust's accounting policies; and
- eliminate intra-group transactions, balances, gains and losses.

Charitable donations and assets are maintained and administered separately and distinctly from those of the Trust by charitable Trustees. By virtue of the fact that the patients and staff of Salisbury District Hospital are the beneficiaries of the charity's fundraising activities HM Treasury has mandated that the Trust must consolidate the charity's financial data to comply with International Financial Reporting Standards.

The key accounting policies of the charitable funds are included below in the relevant sections to which they relate.

1. ACCOUNTING POLICIES (CONTINUED)

1.2 Basis of Consolidation (continued)

Subsidiaries

Subsidiary entities are those over which the Trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines. The capital and reserves attributable to the minority interests are included as a separate item in the Statement of Financial Position.

The amounts consolidated are drawn from the published financial statements of the subsidiaries for the year.

Where subsidiaries' accounting policies are not aligned with those of the Trust (including where they report under UK FRS 102) then amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/ losses are eliminated in full on consolidation.

Subsidiaries which are classified as held for sale are measured at the lower of their carrying amount and 'fair value less cost to sell'.

Unless otherwise stated the notes to the accounts refer to the group and not the Trust, as the Trust's balances are not materially different.

Associates

Associate entities are those over which the Trust has the power to exercise a significant influence. Associate entities are recognised in the Trust's financial statement using the equity method. The investment is initially recognised at cost. It is increased or decreased subsequently to reflect the Trust's share of the profit or loss or other gains and losses (e.g. revaluation gains on the entity's property, plant and equipment) following acquisition. It is also reduced when any distribution (e.g. share dividends) are received by the Trust from the associate.

Associates which are classified as held for sale are measured at the lower of their carrying amount and 'fair value less costs to sell'.

1.3 Income Recognition

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable. The main source of income for the Trust is under contracts from commissioners in respect of healthcare services. Income is recognised in the period in which services are provided, however, inpatient income is recognised in the accounts based on completed spells. Where income is received for a specific activity which is to be delivered in the following year, that income is deferred.

The Trust receives income under the NHS Injury Cost Recovery Scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid e.g. by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit that the individual has lodged a compensation claim. The income is measured at the agreed tariff for the treatments provided to the injured individual, less a provision for unsuccessful compensation claims and doubtful debts.

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

Charitable incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of the incoming resources can be measured with sufficient reliability.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.3 Income Recognition (continued)

Legacy income is accounted for within the charity as incoming resources, either upon receipt, or where the receipt of the legacy is virtually certain; this will be once confirmation has been received from the representatives of the estate(s) that payment of the legacy will be made, or property transferred, and once all conditions attached to the legacy have been fulfilled.

1.4 Expenditure on goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been utilised, and is measured at the fair value of those goods and services. Expenditure relating to inventory is recognised when items are consumed as part of the Trust's service delivery. Expenditure is not recognised in operating expenses where it results in the creation of a non-current asset such as property, plant and equipment. Accruals at 31 March 2016 are based on estimates of invoices where services/goods were received but not invoiced at the year end. Included within these accruals is an estimated sum to cover invoices in the coming year where specific liabilities at 31 March 2016 had not been identified.

1.5 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the trust; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Internally generated

Expenditure on research is not capitalised. Expenditure on development is capitalised only where all of the following can be demonstrated:

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

Software

Software which is integral to the operation of hardware e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware e.g. application software, is capitalised as an intangible asset.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

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

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

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.5 Intangible assets (continued)

Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits, which is as follows:

Software 5 Years

1.6 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

Valuation

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

Land and Property assets are valued every 5 years with annual desktop valuations and annual impairment reviews carried out in all other years. The 5 yearly revaluations are carried out by a professionally qualified valuer in accordance with the Royal Institute Chartered of Surveyors (RICS) Appraisal and Valuation manual. The valuations are carried out on the basis of fair value or current value in existing use, as required by HM Treasury. The annual reviews are carried out using the most appropriate information available at the date of the review. A full revaluation was carried out at 1 April 2015. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use.
- Specialised buildings – depreciated replacement cost until 1 April 2015, when the assets were valued at modern equivalent value. (i.e. the estimated cost of replacing specialised buildings by using modern materials, techniques and design)

An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

Until 31 March 2008, fixtures and equipment were carried at replacement cost, as assessed by indexation and depreciation of historic cost. From 1 April 2008 indexation has ceased. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is added to the asset's carrying value. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is derecognised.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.6 Property, plant and equipment (continued)

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated. All other assets are being depreciated as follows:

- Buildings (excluding dwellings) 20 - 77 years
- Dwellings 54 - 64 years
- Plant and Machinery 5 - 42 years
- Transport equipment 5 - 10 years
- Information Technology 4 - 10 years
- Furniture and Fittings 5 - 25 years

The remaining economic lives of buildings and dwellings were given consideration as part of their revaluation, and the lives adjusted accordingly from 1 April 2015.

Property, plant and equipment which has been reclassified as 'held for sale' ceases to be depreciated upon the reclassification.

Revaluation gains and losses

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease previously recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'Other comprehensive income'.

Each year the Trust makes a transfer from the Revaluation Reserve to the Income and Expenditure Reserve to reflect the excess of current cost depreciation over historical cost depreciation.

Impairments

In accordance with the FT ARM, impairments that arise from a clear consumption of economic benefits or service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before impairment.

An impairment arising from a clear consumption of economic benefit or service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where at the time of the original impairment, a transfer was made from the revaluations reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition

Assets intended for disposal are reclassified as 'Held for sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales
- the sale must be highly probable i.e.:
 - management are committed to a plan to sell the asset;
 - an active programme has begun to find a buyer and complete the sale;
 - the asset is being actively marketed at a reasonable price
 - the sale is expected to be completed within twelve months of the date of classification as 'held for sale'; and
 - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.6 Property, plant and equipment (continued)

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are derecognised when all material sale contract conditions have been met. Fair value is opening market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Income. On disposal, the balance for the asset on the revaluation reserve is transferred to retained earnings.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the assets economic life is adjusted. The asset is derecognised when scrapping or demolition occurs.

Donated, government grant and other grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor imposes a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

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

Private Finance Initiative (PFI) transactions

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as "on-Statement of Financial Position" by the trust. In accordance with IAS 17, the underlying assets are recognised as property, plant and equipment at their fair value, together with an equivalent finance lease liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets as appropriate.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

- a) Payment for the fair value of services received;
- b) Payment for the PFI asset, including finance costs; and
- c) Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

PFI Asset

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the Trust's approach for each relevant class of asset in accordance with the principles of IAS 16.

PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.6 Property, plant and equipment (continued)

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Income.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Income.

Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

Assets contributed by the Trust to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the Trust's Statement of Financial Position.

Other assets contributed by the Trust to the operator

Assets contributed (e.g. cash payments, surplus property) by the trust to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the Trust, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

1.7 Investment

Investments in subsidiary undertakings, associates and joint ventures are treated as fixed asset investments and stated at cost.

Deposits and other investments that are readily convertible into known amounts of cash at or close to their carrying amounts are treated as liquid resources in the cash flow statement.

Investments in quoted stocks, shares, gilts and alternative investments are included in the Statement of Financial Position at mid-market price, ex-div.

Unquoted investments are included at the charitable trustee's best estimate of market value.

All gains and losses are taken to the Statement of Comprehensive Income as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (or purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.8 Borrowing costs

Borrowing costs are recognised as expenses as they are incurred.

1.9 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured on the First In, First Out (FIFO) method. Work-in-progress comprises goods in intermediate stages of production. The Laundry stock value is based on the original cost less an adjustment to reflect usage, over a three year life (except for Towels and Scrub Suits which have a two year life), in determining an approximation of net realisable value.

1.10 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Trust's cash management.

1.11 Provisions

The NHS Foundation Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the HM Treasury's discount rates of -1.05%, -1.00% and -0.80% in real terms where the expected payments would be in 0 - 5 years, 5 - 10 years and over 10 years respectively from the SOFP date, except for early retirement provisions and injury benefit provisions which both use the HM Treasury's pension discount rate of 1.37% in real terms.

Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the Trust pays an annual contribution to the NHSLA, which, in return, settles all clinical negligence claims. Although the NHSLA is administratively responsible for all clinical negligence cases the legal liability remains with the Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at Note 26, but is not recognised in the NHS Foundation Trust's accounts.

Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to the NHS Litigation Authority and in return receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses as and when the liability arises.

1.12 Employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.12 Employee benefits (continued)

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. It is not possible for the NHS Foundation Trust to identify its share of the underlying scheme liabilities. Therefore the scheme is accounted for as a defined contribution scheme.

Employers pension cost contributions are charged to operating expenses as and when they become due.

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

Subsidiary pension scheme

The subsidiary companies operate defined contribution schemes for employees who have contracts of employment directly with the companies. Employer's pension costs are charged to operating expenses as and when they become due.

1.13 Value Added Tax

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.14 Corporation Tax

The group and trust do not have a corporation tax liability for the year 2015/16. Tax may be payable on activities described below:

- The activity is not related to the provision of core healthcare as defined under Section 14(1) of the HSCA.
- The activity is commercial in nature and competes with the private sector. In house trading activities are normally ancillary to the core healthcare objectives and are therefore not subject to tax.
- Annual profits from the activity must exceed £50,000

1.15 Foreign Exchange

The Trust's functional currency and presentational currency is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March 2016. Resulting exchange gains and losses for either of these are recognised in the trust's surplus/deficit in the period in which they arise.

1.16 Third Party Assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with the requirements of the HM Treasury Financial Reporting Manual, see note32.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.17 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

The trust as lessee

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate on interest on the remaining balance of the liability. Finance charges are recognised in calculating the trust's surplus/deficit.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

The trust as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the trust's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the trust's net investment outstanding in respect of the leases.

The trust leases land to Salisbury District Hospital Charitable Fund at a nominal amount and, as a result, no separate disclosure has been made of this arrangement.

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.18 Public Dividend Capital (PDC) and PDC dividend

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the cost of capital utilised by the NHS foundation trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the NHS foundation trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for (i) donated assets (including lottery funded assets), (ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and (iii) any PDC dividend balance receivable or payable. In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.19 Losses and Special Payments

Losses and Special Payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had NHS trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses and compensations register which reports amounts on an accruals basis with the exception of provisions for future losses.

1.20 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the trust, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the trust. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

1.21 Financial assets

Financial assets are recognised when the trust becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

Financial assets are initially recognised at fair value.

De-recognition

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

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

Classification

Financial assets are classified into the following categories: financial assets at fair value through income and expenditure; held to maturity investments; available for sale financial assets, and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets at fair value through income and expenditure

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in calculating the trust's surplus or deficit for the year. The net gain or loss incorporates any interest earned on the financial asset.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.21 Financial assets (continued)

Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method and credited to the Statement of Comprehensive Income.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the initial fair value of the financial asset. Loans from the Department of Health are not held for trading and are measured at historic cost with any unpaid interest accrued separately.

At the end of the reporting period, the trust assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

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

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets which are either designated in this category or not classified in any of the other categories. They are included in long-term assets unless the trust intends to dispose of them within 12 months of the Statement of Financial Position date.

Available-for-sale financial assets are recognised initially at fair value, including transaction costs, and measured subsequently at fair value, with gains or losses recognised in reserves and reported in the Statement of Comprehensive Income as an item of "other comprehensive income". When items classified as "available-for-sale" are sold or impaired, the accumulated fair value adjustments recognised are transferred from reserves and recognised in "Finance Costs" in the Statement of Comprehensive Income.

1.22 Financial liabilities

Financial liabilities are recognised on the statement of financial position when the trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are derecognised when the liability has been discharged, that is, the liability has been paid or has expired.

Loans from the Department of Health are recognised at historical cost. Otherwise, financial liabilities are initially recognised at fair value.

Financial liabilities at fair value through profit and loss

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the trust's surplus/deficit. The net gain or loss incorporates any interest payable on the financial liability.

1. ACCOUNTING POLICIES (CONTINUED)

1.22 Financial liabilities (continued)

Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method, except for loans from Department of Health, which are carried at historic cost. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.23 Critical Accounting Estimates and Judgements

International accounting standard IAS1 requires estimates, assumptions and judgements to be continually evaluated and to be based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The purpose of evaluation is to consider whether there may be a significant risk of causing material adjustment to the carrying value of assets and liabilities within the next financial year, compared to the carrying value in these accounts. The following significant assumptions and areas of estimation and judgement have been considered in preparing these financial statements.

Value of land, buildings and dwellings £107.21 million: This is the most significant estimate in the accounts and is based on the professional judgement of the Trust's independent valuer with extensive knowledge of the physical estate and market factors. The value does not take into account potential future changes in market value which cannot be predicted with any certainty.

1.24 Accounting standards that have been issued but have not yet been adopted

The following accounting standards, amendments and interpretations have been issued by the IASB and IFRIC but are not yet required to be adopted:

IFRS 11 (amendment) - acquisition of an interest in a joint operation	Not yet EU adopted. Expected to be effective from 2016/17.
IAS 16 (amendment) and IAS 38 (amendment) - depreciation and amortisation	Not yet EU adopted. Expected to be effective from 2016/17.
IAS 16 (amendment) and IAS 41 (amendment) - bearer plants	Not yet EU adopted. Expected to be effective from 2016/17.
IAS 27 (amendment) - equity method in separate financial statements	Not yet EU adopted. Expected to be effective from 2016/17.
IFRS 10 (amendment) and IAS 28 (amendment) - sale or contribution of assets	Not yet EU adopted. Expected to be effective from 2016/17.
IFRS 10 (amendment) and IAS 28 (amendment) - investment entities applying the consolidation exception	Not yet EU adopted. Expected to be effective from 2016/17.
IAS 1 (amendment) - disclosure initiative	Not yet EU adopted. Expected to be effective from 2016/17.
IFRS 15 Revenue from contracts with customers	Not yet EU adopted. Expected to be effective from 2017/18.
Annual improvements to IFRS: 2012-15 cycle	Not yet EU adopted. Expected to be effective from 2017/18.
IFRS 9 Financial Instruments	Not yet EU adopted. Expected to be effective from 2017/18.

The Trust has considered the above new standards, interpretations and amendments to published standards that are not yet effective and concluded that they are either not relevant to the Trust or that they would not have a significant impact on the Trust's financial statements, apart from some additional disclosures.

1.25 Accounting standards, amendments and interpretations issued that have been adopted early

The Trust has not early adopted any new accounting standards, amendments or interpretations.

NOTES TO THE ACCOUNTS

2. Segmental Analysis

Group and Trust

The business activities of the Group can be summarised as that of 'healthcare'. The Trust's activities comprise five key operating areas where costs are closely monitored during the year. Income is not allocated to each area of activity. The chief operating decision maker for Salisbury NHS Foundation Trust is the Trust Board. Key decisions are agreed at monthly Board meetings and sub-committee meetings of the Board, following scrutiny of performance and resource allocation. The Trust Board review and make decisions on activity and performance of the Trust as a whole entity, not for its separate business activities. The activities of the subsidiary companies, Odstock Medical Limited and Salisbury Trading Limited, and of the charity, Salisbury District Hospital Charitable Fund, are not considered sufficiently material to require separate disclosure.

NOTES TO THE ACCOUNTS

3 Revenue From Patient Care Activities

	Group and Trust	
	2016 £000	2015 £000
3.1 Revenue by Type		
Elective revenue	34,545	36,655
Non-elective revenue	56,750	53,264
Outpatient revenue	25,808	26,139
A & E revenue	5,514	4,957
Other types of activity revenue	51,901	52,768
Total revenue at full tariff	174,518	173,783
Revenue from activities		
Private patient revenue	2,068	1,856
Other clinical income	4,968	6,067
	181,554	181,706

Other types of activity revenue above includes amounts due for specialist services (e.g. spinal, burns, genetics, cleft lip and palate), direct access, intensive care, community and hospice services.

	2016 £000	2015 £000
3.2 Revenue by Source		
Foundation Trusts	3,185	3,246
NHS Trusts	700	764
Clinical Commissioning Groups and NHS England	171,470	170,676
Local Authorities	1,797	1,409
Department of Health	9	-
NHS Other	201	295
Non NHS:		
- Private patients	2,068	1,856
- Overseas patients (non-reciprocal)	94	81
- NHS Injury scheme (was Road Traffic Act)	947	1,171
- Other	1,083	2,208
	181,554	181,706

NHS Injury Scheme revenue is subject to a provision for doubtful debts of 21.99% (2015: 18.9%) to reflect expected rates of collection. Other income includes £1.1m (2015: £1.1m) income from Salisbury Hospice Charity.

3.3 Commissioner requested services

Under the terms of its Provider Licence, which commenced on 1 April 2013, the Trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are those where the Trust has a contractual obligation to provide patient services. This information is provided in the table below:

	2016 £000	2015 £000
Commissioner requested services	166,669	165,210
Non-commissioner requested services	14,885	16,496
	181,554	181,706

4. Private patient revenue

The Health & Social Care Act 2012 removed the restriction on the amount a Foundation Trust could earn from private patient income as a percentage of total income, provided a ceiling of 49% is not exceeded for non-NHS income.

Salisbury NHS Foundation Trust private patient income in 2015/16 (and 2014/15) was substantially below the revised level permitted.

5. Other operating revenue

	Group		Trust	
	2016	2015	2016	2015
	£000	£000	£000	£000
Research and development	754	738	754	738
Education and training	5,904	5,496	5,904	5,496
Non-patient care services to other bodies	982	940	982	940
Received from NHS charities - donated assets	-	-	1,090	1,293
Salisbury Trading Limited	3,841	4,362	-	-
NHS Charitable Funds: Incoming Resources excluding investment income	2,299	1,682	-	-
Odstock Medical Limited	1,852	1,653	-	-
Other	7,734	7,109	8,278	7,711
	23,366	21,980	17,008	16,178

Included within 'Other' revenue above are amounts received from lodgings £1,327k (2015: £1,294k), car parking £1,393k (2015: £1,358k), catering £893k (2015: £921k) and child care services £603k (2015: £518k).

6. Operating lease income**6.1 As lessor**

The Trust has entered into short term commercial leases on buildings. During 2012/13 the Trust entered an agreement to lease an area within the hospital main entrance to a high street retailer on commercial terms.

6.2 Receipts recognised as income

	Group		Trust	
	2016	2015	2016	2015
	£000	£000	£000	£000
Rental revenue from operating leases - minimum lease receipts	145	160	564	241

6.3 Total future minimum lease income

	Group		Trust	
	2016	2015	2016	2015
	£000	£000	£000	£000
Receivable:				
Within 1 year	178	170	558	473
Between 1 and 5 years	261	343	1,021	1,252
After 5 years	-	14	-	14
Total	439	527	1,579	1,739

NOTES TO THE ACCOUNTS

7. Operating Expenses

Operating expenses comprise:

	Group		Trust	
	2016	2015	2016	2015
	£000	£000	£000	£000
Services from other NHS Foundation Trusts	2,642	1,790	2,642	1,790
Services from NHS Trusts	196	402	196	402
Services from Clinical Commissioning Groups and NHS England	-	3	-	3
Services from other NHS bodies	258	224	258	224
Purchase of healthcare from non-NHS bodies	837	1,121	837	1,121
Executive directors costs	927	912	927	912
Non-executive directors costs	131	134	131	134
Staff costs	128,637	124,715	125,225	121,015
Drug costs	18,283	16,840	18,283	16,840
Supplies and services - clinical (excluding drug costs)	20,183	19,912	20,183	19,912
Supplies and services - general	3,072	3,269	3,405	3,588
Establishment	1,866	1,851	1,866	1,851
Transport	939	973	752	724
Premises	8,241	7,777	7,838	7,263
Provision for impairment of receivables	117	166	117	166
(Decrease)/ increase in other provisions	(158)	15	(158)	15
Depreciation and amortisation	8,010	9,514	7,580	9,049
Impairments of property, plant and equipment	463	-	463	-
Rentals under operating leases	114	82	156	124
Audit services - statutory audit	68	68	64	64
Fees payable to the Trust's auditor and its associates for other services:				
- further assurance services	8	8	8	8
Clinical negligence insurance premiums	6,064	4,171	6,064	4,171
Other	5,104	5,915	2,566	3,677
	206,002	199,862	199,403	193,053

The total employer's pension contributions are disclosed in note 9.1.

Redundancy payments totalling £Nil (2015: £Nil) are included in staff costs and further details are disclosed in note 9.4.

There is a limitation on the Auditor's liability of £1.0m.

Other expenses include payments for course fees £0.3m (2015: £0.3m), patient's travel £0.1m (2015: £0.2m), the service element of the PFI contract £0.9m (2015: £0.8m), consultancy fees £0.1m (2015: £0.5m), insurance fees £0.2m (2015: £0.2m), legal fees £0.1m (2015: £0.2m), internal audit fees £0.2m (2015: £0.2m) and costs attributable to the Trust's subsidiary companies, Odstock Medical Limited £0.8m (2015: £0.6m) and Salisbury Trading Limited £0.3m (2015: £0.7m). In addition it also includes charitable fund expenses of £1.3m (2015: £0.9m).

8. Operating leases expenditure

8.1 As lessee

The Group has entered into commercial leases on certain items of property, motor vehicles and equipment. The principal arrangements are in respect of motor vehicles. For these, rentals are for an agreed mileage over a three year term. Excess mileage is charged at a price per mile determined at the inception of the lease.

8.2 Payments recognised as expense

	Group		Trust	
	2016	2015	2016	2015
	£000	£000	£000	£000
Minimum lease payments	114	82	156	124

8.3 Total future minimum lease payments

	Group		Trust	
	2016	2015	2016	2015
	£000	£000	£000	£000
Payable:				
Within 1 year	63	51	105	92
Between 1 and 5 years	96	52	162	147
After 5 years	30	-	35	18
Total	189	103	302	257

NOTES TO THE ACCOUNTS

9. Staff costs and numbers

9.1 Staff costs

Group	Total 2016 £000	Permanently Employed 2016 £000	Other 2016 £000	Total 2015 £000	Permanently Employed 2015 £000	Other 2015 £000
Salaries and wages	102,382	102,382	-	98,696	98,696	-
Social Security Costs	7,183	7,183	-	7,043	7,043	-
Employer contributions to NHSPA	12,165	12,165	-	11,451	11,451	-
Other pension costs	6	6	-	6	6	-
Agency and contract staff	8,540	-	8,540	8,974	-	8,974
	130,276	121,736	8,540	126,170	117,196	8,974
Less: costs of staff capitalised	(712)	(712)	-	(543)	(543)	-
	129,564	121,024	8,540	125,627	116,653	8,974

Trust	Total 2016 £000	Permanently Employed 2016 £000	Other 2016 £000	Total 2015 £000	Permanently Employed 2015 £000	Other 2015 £000
Salaries and wages	99,518	99,518	-	95,808	95,808	-
Social Security Costs	7,183	7,183	-	7,043	7,043	-
Employer contributions to NHSPA	12,165	12,165	-	11,451	11,451	-
Other pension costs	6	6	-	6	6	-
Agency and contract staff	7,992	-	7,992	8,162	-	8,162
	126,864	118,872	7,992	122,470	114,308	8,162
Less: costs of staff capitalised	(712)	(712)	-	(543)	(543)	-
	126,152	118,160	7,992	121,927	113,765	8,162

9.2 Average number of persons employed - WTE basis

Group	Total 2016 Number	Permanently Employed 2016 Number	Other 2016 Number	Total 2015 Number	Permanently Employed 2015 Number	Other 2015 Number
Medical and dental	342	314	28	356	322	34
Ambulance staff	-	-	-	-	-	-
Administration and estates	743	714	29	733	688	45
Healthcare assistants & other support staff	259	255	4	255	251	4
Nursing, midwifery & health visiting staff	1,539	1,382	157	1,362	1,231	131
Scientific, therapeutic and technical staff	385	364	21	464	440	24
Total	3,268	3,029	239	3,170	2,932	238

Trust	Total 2016 Number	Permanently Employed 2016 Number	Other 2016 Number	Total 2015 Number	Permanently Employed 2015 Number	Other 2015 Number
Medical and dental	342	314	28	356	322	34
Ambulance staff	-	-	-	-	-	-
Administration and estates	657	650	7	632	619	13
Healthcare assistants & other support staff	259	255	4	255	251	4
Nursing, midwifery & health visiting staff	1,539	1,382	157	1,362	1,231	131
Scientific, therapeutic and technical staff	369	348	21	447	423	24
Total	3,166	2,949	217	3,052	2,846	206

The figure shown under the 'Other' column relates to agency staff, disclosed under the operational areas where they worked.

NOTES TO THE ACCOUNTS

9. Staff costs and numbers (continued)

9.3 Directors' remuneration

	Group and Trust	
	2016	2015
	£000	£000
Salaries and wages	872	866
Social Security Costs	100	99
Employer contributions to Pension Schemes	86	84
	<u>1,058</u>	<u>1,049</u>

The total number of Directors accruing benefits under pension schemes is 5 (2015: 5).

9.4 Staff departure costs

Group and Trust

	2016 No. of compulsory redundancies	2016 No. of other agreed departures	2015 No. of compulsory redundancies	2015 No. of other agreed departures
Exit package cost band				
< £10,000	-	-	-	7
£10,001 - £25,000	-	-	-	-
£25,001 - £50,000	-	-	-	-
£50,001 - £100,000	-	-	-	-
Total number of exit packages by type	<u>-</u>	<u>-</u>	<u>-</u>	<u>7</u>
	£000	£000	£000	£000
Total resource costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>20</u>

There were no compulsory redundancy costs relating to senior managers in the year.

The non-compulsory departure payments can be analysed as:

	2016 Agreements Number	2016 Value of agreements £000	2015 Agreements Number	2015 Value of agreements £000
Contractual payments in lieu of notice	<u>-</u>	<u>-</u>	<u>7</u>	<u>20</u>

10 Pension costs

The total cost charged to income in respect of the Group's obligations to the NHS Pension Agency and the defined contribution schemes for Odstock Medical Limited and Salisbury Trading Limited was £12.17m (2015: £11.45m). As at 31 March 2016, contributions of £1.69m (2015: £1.61m) due in respect of the current reporting period (representing the contributions for the final month of the year) had not been paid over to the schemes by the balance sheet date.

10.1 Pension costs

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

NOTES TO THE ACCOUNTS

10.1 Pension costs (continued)

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2016, is based on valuation data as 31 March 2015, updated to 31 March 2016 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012.

The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

NOTES TO THE ACCOUNTS

10.1 Pension costs (continued)

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC's run by the Scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

11. Retirements due to ill-health

During the year to 31 March 2016 there were 1 (2015: 3) early retirements from the Trust on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £0.046m (2015: £0.285m). The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

12. Finance income

	Group		Trust	
	2016	2015	2016	2015
	£000	£000	£000	£000
Interest revenue:				
Bank accounts	229	240	47	64
Other loans and receivables	-	-	80	-
	<u>229</u>	<u>240</u>	<u>127</u>	<u>64</u>

13. Finance costs

Group and Trust

	2016	2015
	£000	£000
Interest on capital loans from the Department of Health	27	5
Interest on obligations under finance leases	17	18
Finance costs on obligations under Private Finance Initiatives	1,297	1,335
Contingent finance costs - PFI	603	583
Total finance expense - financial liabilities	<u>1,944</u>	<u>1,941</u>
Other finance costs - unwinding of discounts on provisions	5	5
Total	<u>1,949</u>	<u>1,946</u>

14. The Late Payment of Commercial Debts (Interest) Act 1998

There were no amounts payable arising from claims made by businesses under this legislation (2015: £Nil).

NOTES TO THE ACCOUNTS

15. Losses and special payments

	Group and Trust			
	2016		2015	
	Number	Value £000	Number	Value £000
Losses				
Cash losses	1	-	4	1
Fruitless payments and constructive losses	1	-	2	97
Bad debts and claims abandoned	523	9	590	40
Stores losses	-	-	3	15
	<u>525</u>	<u>9</u>	<u>599</u>	<u>153</u>
Special payments				
Ex-gratia payments	38	18	41	48
	<u>38</u>	<u>18</u>	<u>41</u>	<u>48</u>
Total losses and special payments	<u>563</u>	<u>27</u>	<u>640</u>	<u>201</u>

There were no case payments that exceeded £0.1m.

16. Intangible Assets

16.1 Intangible assets at the balance sheet date comprise the following elements:

Group and Trust

	Assets under Construction £000	Software Licences £000	Total £000
Cost or valuation			
At 1 April 2015	-	3,176	3,176
Additions - purchased	806	2,533	3,339
At 31 March 2016	<u>806</u>	<u>5,709</u>	<u>6,515</u>
Amortisation			
At 1 April 2015	-	716	716
Provided during the period	-	829	829
Amortisation at 31 March 2016	<u>-</u>	<u>1,545</u>	<u>1,545</u>
Net book value at 31 March 2015			
- Purchased at 31 March 2015	-	2,460	2,460
Total at 31 March 2015	<u>-</u>	<u>2,460</u>	<u>2,460</u>
Net book value at 31 March 2016			
- Purchased at 31 March 2016	806	4,164	4,970
Total at 31 March 2016	<u>806</u>	<u>4,164</u>	<u>4,970</u>

17. Property, plant and equipment

Group

NOTES TO THE ACCOUNTS

17.1 Property, Plant and equipment at the balance sheet date comprise the following elements:

	Freehold land	Freehold buildings excluding dwellings	Freehold dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation									
At 1 April 2015	5,142	97,775	6,723	2,612	63,454	710	16,718	2,915	196,049
Additions - purchased	-	1,746	-	2,958	1,504	22	785	342	7,357
Additions - donated	-	-	-	-	-	-	-	-	-
Impairments	(354)	(109)	-	-	-	-	-	-	(463)
Reclassifications	-	-	-	(2,612)	2,612	-	-	-	-
Revaluation	(3,604)	(272)	2,569	-	-	-	-	-	(1,307)
Transfer to assets held for sale	(198)	(462)	-	-	-	-	-	-	(660)
Disposals	-	-	-	-	(1,047)	(38)	-	-	(1,085)
At 31 March 2016	986	98,678	9,292	2,958	66,523	694	17,503	3,257	199,891
Accumulated depreciation									
At 1 April 2015	-	29	-	-	42,245	679	13,790	1,070	57,813
Provided during the period	-	1,746	164	-	3,802	17	1,202	249	7,180
Revaluation	-	(171)	(25)	-	-	-	-	-	(196)
Impairments	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(989)	(21)	-	-	(1,010)
Accumulated depreciation at 31 March 2016	-	1,604	139	-	45,058	675	14,992	1,319	63,787
Net book value at 31 March 2015									
Owned	5,142	76,222	6,723	2,612	18,037	31	2,894	1,521	113,182
Finance leased	-	-	-	-	123	-	-	-	123
On balance sheet PFI	-	21,224	-	-	-	-	-	-	21,224
Donated	-	300	-	-	3,049	-	34	324	3,707
Total at 31 March 2015	5,142	97,746	6,723	2,612	21,209	31	2,928	1,845	138,236
Net book value at 31 March 2016									
Owned	986	78,652	9,153	2,958	17,808	19	2,467	1,616	113,659
Finance leased	-	-	-	-	61	-	-	-	61
On balance sheet PFI	-	18,422	-	-	-	-	-	-	18,422
Donated	-	-	-	-	3,596	-	44	322	3,962
Total at 31 March 2016	986	97,074	9,153	2,958	21,465	19	2,511	1,938	136,104

On 1 April 2015 Cushman and Wakefield reviewed the Trust's land, buildings and dwellings on a Modern Equivalent Asset basis in accordance with the guidance included in the Royal Institution of Chartered Surveyors Valuation Standards. As a result, these assets were revalued to bring them to their fair value at 1 April 2015

17. Property, plant and equipment (continued)

Group

NOTES TO THE ACCOUNTS

17.2 Property, plant and equipment at the previous balance sheet date comprise the following elements:

	Freehold land	Freehold buildings excluding dwellings	Freehold dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2015									
At 1 April 2014	5,544	99,060	6,486	3,063	59,626	710	16,313	2,258	193,060
Additions - purchased	-	1,150	-	1,884	5,108	-	401	657	9,200
Additions - donated	-	-	-	-	-	-	4	-	4
Impairments	-	-	-	-	-	-	-	-	-
Reclassifications	-	2,335	-	(2,335)	-	-	-	-	-
Revaluation	(402)	(4,770)	237	-	-	-	-	-	(4,935)
Disposals	-	-	-	-	(1,280)	-	-	-	(1,280)
At 31 March 2015	5,142	97,775	6,723	2,612	63,454	710	16,718	2,915	196,049
Accumulated depreciation at 1 April 2015									
At 1 April 2014	-	21	-	-	39,975	667	12,677	885	54,225
Provided during the period	-	4,193	163	-	3,397	12	1,113	185	9,063
Revaluation	-	(4,185)	(163)	-	-	-	-	-	(4,348)
Impairments	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(1,127)	-	-	-	(1,127)
Accumulated depreciation at 31 March 2015	-	29	-	-	42,245	679	13,790	1,070	57,813
Net book value at 31 March 2015									
Owned	5,142	76,222	6,723	2,612	18,037	31	2,894	1,521	113,182
Finance leased	-	-	-	-	123	-	-	-	123
On balance sheet PFI	-	21,224	-	-	-	-	-	-	21,224
Donated	-	300	-	-	3,049	-	34	324	3,707
Total at 31 March 2015	5,142	97,746	6,723	2,612	21,209	31	2,928	1,845	138,236

17. Property, plant and equipment (continued)

Trust

NOTES TO THE ACCOUNTS

17.3 Property, Plant and equipment at the balance sheet date comprise the following elements:

	Freehold land	Freehold buildings excluding dwellings	Freehold dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation									
At 1 April 2015	4,479	94,234	5,885	2,612	59,553	710	16,718	2,915	187,106
Additions - purchased	-	1,746	-	2,958	443	-	759	300	6,206
Additions - donated	-	-	-	-	1,022	-	26	42	1,090
Impairments	(354)	(109)	-	-	-	-	-	-	(463)
Reclassifications	-	-	-	(2,612)	2,624	-	-	-	12
Revaluation	(3,614)	(462)	2,527	-	-	-	-	-	(1,549)
Transfer to assets held for sale	(198)	(462)	-	-	-	-	-	-	(660)
Disposals	-	-	-	-	(994)	(38)	-	-	(1,032)
At 31 March 2016	313	94,947	8,412	2,958	62,648	672	17,503	3,257	190,710
Accumulated depreciation									
At 1 April 2015	-	-	-	-	39,927	679	13,790	1,070	55,466
Provided during the period	-	1,567	139	-	3,586	8	1,202	249	6,751
Revaluation	-	-	-	-	-	-	-	-	-
Impairments	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(961)	(21)	-	-	(982)
At 31 March 2016	-	1,567	139	-	42,552	666	14,992	1,319	61,235
Net book value at 31 March 2015									
Owned	4,479	72,710	5,885	2,612	16,454	31	2,894	1,521	106,586
Finance leased	-	-	-	-	123	-	-	-	123
On balance sheet PFI	-	21,224	-	-	-	-	-	-	21,224
Donated	-	300	-	-	3,049	-	34	324	3,707
Total at 31 March 2015	4,479	94,234	5,885	2,612	19,626	31	2,928	1,845	131,640
Net book value at 31 March 2016									
Owned	313	74,958	8,273	2,958	16,439	6	2,467	1,616	107,030
Finance leased	-	-	-	-	61	-	-	-	61
On balance sheet PFI	-	18,422	-	-	-	-	-	-	18,422
Donated	-	-	-	-	3,596	-	44	322	3,962
Total at 31 March 2016	313	93,380	8,273	2,958	20,096	6	2,511	1,938	129,475

On 1 April 2015 Cushman and Wakefield reviewed the Trust's land, buildings and dwellings on a Modern Equivalent Asset basis in accordance with the guidance included in the Royal Institution of Chartered Surveyors Valuation Standards. As a result, these assets were revalued to bring them to their fair value at 1 April 2015

NOTES TO THE ACCOUNTS

17. Property, plant and equipment (continued)

Trust

17.4 Property, plant and equipment at the previous balance sheet date comprise the following elements:

	Freehold land	Freehold buildings excluding dwellings	Freehold dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2014									
At 1 April 2014	4,940	95,690	5,710	3,063	55,741	710	16,313	2,258	184,425
Additions - purchased	-	910	-	1,884	3,790	-	391	657	7,632
Additions - donated	-	7	-	-	1,272	-	14	-	1,293
Reclassification	-	2,335	-	(2,335)	-	-	-	-	-
Revaluation	(461)	(4,708)	175	-	-	-	-	-	(4,994)
Disposals	-	-	-	-	(1,250)	-	-	-	(1,250)
At 31 March 2015	4,479	94,234	5,885	2,612	59,553	710	16,718	2,915	187,106
Accumulated depreciation at 1 April 2014									
At 1 April 2014	-	-	-	-	37,901	667	12,677	885	52,130
Provided during the period	-	4,025	140	-	3,123	12	1,113	185	8,598
Revaluation	-	(4,025)	(140)	-	-	-	-	-	(4,165)
Disposals	-	-	-	-	(1,097)	-	-	-	(1,097)
Accumulated depreciation at 31 March 2015	-	-	-	-	39,927	679	13,790	1,070	55,466
Net book value at 31 March 2015									
Owned	4,479	72,710	5,885	2,612	16,454	31	2,894	1,521	106,586
Finance leased	-	-	-	-	123	-	-	-	123
On balance sheet PFI	-	21,224	-	-	-	-	-	-	21,224
Donated	-	300	-	-	3,049	-	34	324	3,707
Total at 31 March 2015	4,479	94,234	5,885	2,612	19,626	31	2,928	1,845	131,640

NOTES TO THE ACCOUNTS

17. Property, plant and equipment (continued)

Group and Trust

Net Book Value of Assets Held Under Finance		Plant & Machinery £000	PFI Arrangements £000	Total £000
17.5 Leases				
Cost or valuation				
At 1 April 2015		616	21,224	21,840
Additions - Purchased		-	205	205
Revaluations		-	(2,750)	(2,750)
At 31 March 2016		616	18,679	19,295
Accumulated depreciation				
At 1 April 2015		493	-	493
Provided during the period		62	257	319
Accumulated depreciation at 31 March 2016		555	257	812
Net book value at 31 March 2016				
- Purchased		61	18,422	18,483
Total at 31 March 2016		61	18,422	18,483
Cost or valuation				
At 1 April 2014		616	21,363	21,979
Additions - purchased		-	448	448
Revaluation		-	(587)	(587)
At 31 March 2015		616	21,224	21,840
Accumulated depreciation				
At 1 April 2014		431	-	431
Provided during the period		62	551	613
Revaluation		-	(551)	(551)
Accumulated depreciation at 31 March 2015		493	-	493
Net book value at 31 March 2015				
- Purchased		123	21,224	21,347
Total at 31 March 2015		123	21,224	21,347

NOTES TO THE ACCOUNTS

18. Investments

	Group		Trust	
	31 March 2016 £000	31 March 2015 £000	31 March 2016 £000	31 March 2015 £000
Non-current				
Financial assets designated as fair value through profit or loss	5,854	5,812	-	-
	<u>5,854</u>	<u>5,812</u>	<u>-</u>	<u>-</u>
Current				
Financial assets designated as fair value through profit or loss	58	237	-	-
	<u>58</u>	<u>237</u>	<u>-</u>	<u>-</u>

Non-current investments is an investment portfolio managed by HSBC Private Bank (UK) Limited on behalf of the charitable fund.

Current asset investments are the cash balances held by HSBC Private Bank (UK) Limited on behalf of the charitable fund and represents dividend income, interest income and the proceeds of fixed asset investment disposals which have not yet been reinvested.

19. Other financial assets

	Group		Trust	
	31 March 2016 £000	31 March 2015 £000	31 March 2016 £000	31 March 2015 £000
Current				
Loans and receivables	-	-	2,712	462
Non-current				
Loans and receivables	-	-	2,522	2,868
	<u>-</u>	<u>-</u>	<u>5,234</u>	<u>3,330</u>

Current other financial assets represent loans made to:

- a) Salisbury Trading Limited to purchase laundry equipment and laundry stocks from Salisbury NHS Foundation Trust on the commencement of the subsidiary business due in less than one year; and
- b) Sterile Supplies Limited to build and develop a new production facility with a third party.

Non-current other financial assets represent loans made to Salisbury Trading Limited to purchase laundry equipment and laundry stocks from Salisbury NHS Foundation Trust on the commencement of the subsidiary business due after more than one year.

The long term loan of £2.0m to purchase the laundry equipment is repayable over a 10 year term and attracts interest at 2% above the Bank of England base rate . Repayments commenced on 1 July 2015.

The short term loan of £1.3m to purchase the laundry stock is repayable over a 3 year term and attracts interest at 2% above the Bank of England base rate. Repayments commenced on 1 July 2015.

NOTES TO THE ACCOUNTS

19. Other financial assets (continued)

In March 2016 the Trust made a loan to its wholly owned subsidiary company, Sterile Supplies Limited. The intention is for this sum to be used to help finance a joint venture arrangement with a third party, which will deliver cost savings into the future. Until the joint venture agreement is finalised and formal agreement is signed, the loan remains repayable on demand.

20. Inventories

	Group		Trust	
	31 March	31 March	31 March	31 March
	2016	2015	2016	2015
	£000	£000	£000	£000
Materials	2,044	1,770	2,044	1,770
Consumables	919	1,224	105	122
	<u>2,963</u>	<u>2,994</u>	<u>2,149</u>	<u>1,892</u>
Inventories recognised as an expense in the period	22,954	21,962	22,084	21,091
	<u>22,954</u>	<u>21,962</u>	<u>22,084</u>	<u>21,091</u>

21. Trade and other receivables**21.1 Amounts falling due within one year:**

	Group		Trust	
	31 March	31 March	31 March	31 March
	2016	2015	2016	2015
	£000	£000	£000	£000
NHS receivables	6,306	3,687	6,306	3,687
Other receivables with related parties	433	328	897	912
Provision for impairment of receivables	(1,103)	(904)	(1,103)	(904)
Prepayments	1,808	1,348	1,796	1,348
PDC dividend receivable	27	74	27	74
Vat receivable	449	305	449	305
Other receivables	4,707	5,458	4,084	4,938
	<u>12,627</u>	<u>10,296</u>	<u>12,456</u>	<u>10,360</u>

The majority of transactions are with Clinical Commissioning Groups (CCGs) or NHS England's Specialist Commissioners, as commissioners for NHS patient care services. As CCGs and Specialist Commissioners are funded by government to buy NHS patient care services, no credit scoring of them is considered necessary.

The average credit period taken on sale of goods is 21.8 days (2015: 17.7 days). No interest is charged on trade receivables.

Other receivables include non-NHS trade debts £1.2m (2015: £1.3m) and amounts due from the Compensation Recovery Unit of £2.9m (2015: £3.0m).

NOTES TO THE ACCOUNTS

21. Trade and other receivables (continued)

21.2 Movement in the provision for impairment of receivables

	Group		Trust	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	£000	£000	£000	£000
Balance at beginning of year	904	989	904	989
Amount written off during the year	(9)	(251)	(9)	(251)
(Decrease)/increase in allowance recognised in income	208	166	208	166
Balance at end of year	1,103	904	1,103	904

An allowance for impairment is made where there is an identifiable event which, based on previous experience, is evidence that the monies will not be recovered in full.

21.3 Impaired receivables past their due date

	Group		Trust	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	£000	£000	£000	£000
By up to three months	21	32	21	32
By three to six months	46	17	46	17
By more than six months	1,036	855	1,036	855
Total	1,103	904	1,103	904

21.4 Non-impaired receivables past their due date

	Group		Trust	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	£000	£000	£000	£000
By up to three months	1,143	1,081	1,143	1,081
By three to six months	328	135	328	135
By more than six months	2,576	3,218	2,576	3,218
Total	4,047	4,434	4,047	4,434

The sums included in receivables past due date by more than six months, but not impaired, relate to the amount due from the NHS Injury Scheme. The Department of Health issued guidance to provide for debts on the amount owed at 21.99% (2015: 18.9%). These debts relate to insurance claims and hence the date of receipt of monies is not known and so the debts are disclosed as due after one year.

NOTES TO THE ACCOUNTS

22. Non-current assets for sale

	Group		Trust	
	31 March	31 March	31 March	31 March
	2016	2015	2016	2015
	£000	£000	£000	£000
Balance at beginning of year	-	235	-	-
Assets classified as held for sale in the year	660	-	660	-
Assets sold in the year	-	(235)	-	-
Balance at end of year	660	-	660	-

During the year the Trust received its property portfolio and deemed one property to be surplus to requirements, and was being marketed as a residential property at 31 March 2016.

During 2014 the charitable fund received a legacy in the form of a residential property. In accordance with the terms of the donor's last will and testament the property was placed with a local estate agent and made available for sale. The property was sold in the year to 31 March 2015.

23. Cash and cash equivalents

	Group		Trust	
	31 March	31 March	31 March	31 March
	2016	2015	2016	2015
	£000	£000	£000	£000
Balance at beginning of year	17,436	20,061	14,880	16,949
Net change in year	(5,824)	(2,625)	(7,729)	(2,069)
Balance at end of year	11,612	17,436	7,151	14,880
Made up of:				
Cash with Government Banking Service	2,054	5,204	2,054	5,204
Cash with National Loans Fund	5,000	9,500	5,000	9,500
Cash at commercial banks and in hand	4,558	2,732	97	176
Cash and cash equivalents as in balance sheet	11,612	17,436	7,151	14,880
Bank overdrafts	-	-	-	-
Cash and cash equivalents as in cash flow statement	11,612	17,436	7,151	14,880

NOTES TO THE ACCOUNTS

24. Trade and other payables

	Group		Trust	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	£000	£000	£000	£000
Amounts falling due within one year:				
NHS payables - revenue	1,797	1,714	1,797	1,714
Amounts due to other related parties - revenue	4,053	3,864	4,053	3,864
Non-NHS trade payables - revenue	5,248	5,422	5,080	5,157
Non-NHS trade payables - capital	1,001	811	1,001	811
Receipts in advance	889	1,170	889	1,170
Accruals and deferred income	447	672	419	410
Other	4,224	4,123	4,078	4,123
	17,659	17,776	17,317	17,249

NHS payables includes £1.7m outstanding pensions contributions due to the NHS Pensions Agency at 31 March 2016 (2015: £1.6m)

Amounts due to related parties includes income tax and national insurance contributions of £2.4m (2015: £2.3m). Included in 'Other' payables is £0.52m (2015: £0.48m) in respect of March enhancements earned in March but not paid until April, £0.18m (2015: £0.26m) payable to bank staff for work performed in March and £0.99m (2015: £0.50m) due for agency staff for the year to 31 March 2016.

All Trade and other payables are current liabilities.

25. Borrowings

Group and Trust	Current		Non-current	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	£000	£000	£000	£000
Obligations under finance leases	85	105	-	85
Amounts due under on-SoFP PFI (note 31)	528	552	18,645	19,173
Capital loans from Department of Health	631	-	5,369	-
Other loans	-	37	-	-
	1,244	694	24,014	19,258

The finance lease relates to the purchase of microbiology equipment and is for a term of 10 years. For the year ended 31 March 2016 the effective borrowing rate was 7.7% (2015: 7.7%). Interest rates are fixed at the contract date.

The loan from the Department of Health is unsecured and for a 10 year period, repayable in equal instalments commencing on 18 May 2016. Interest is payable on the loan at a rate of 1.64% pa.

Other loans relate to an interest free 4 year loan from Salix Finance Limited, a not for profit company funded by the Department for Energy and Climate Change. The final instalment of this loan was repaid on 1 September 2015.

Amounts payable under finance leases:	Minimum lease payments		Present value of minimum lease payments	
	2016	2015	2016	2015
	£000	£000	£000	£000
Within one year	90	117	85	105
Between one and five years	-	88	-	85
After five years	-	-	-	-
	90	205	85	190
Less finance charges allocated to future periods	(5)	(15)	-	-
	85	190		

Included within:

Current borrowings	85	105
Non-current borrowings	-	85
	85	190

NOTES TO THE ACCOUNTS

26. Provisions for liabilities and charges

Group and Trust	Current		Non-current	
	31 March 2016 £000	31 March 2015 £000	31 March 2016 £000	31 March 2015 £000
Pensions relating to other staff	8	21	46	53
Legal claims	144	410	-	-
Other	62	118	282	299
	214	549	328	352
	Pensions relating to other staff	Legal claims	Other	Total
	£000	£000	£000	£000
At 1 April 2015	74	410	417	901
Change in the discount rate	-	-	(2)	(2)
Arising during the year	8	49	4	61
Utilised during the year	(29)	(155)	(22)	(206)
Reversed unused	-	(160)	(57)	(217)
Unwinding of discount	1	-	4	5
At 31 March 2016	54	144	344	542
Expected timing of cash flows:				
Within 1 year	8	144	62	214
1 - 5 years	32	-	78	110
5-10 years	14	-	204	218
	54	144	344	542

Pension provisions arise from early retirements which do not result from ill health. These liabilities are not funded by the NHS Pension Scheme.

Legal claims relate to the Trust's provision for personal injury claims and employee claims outstanding at 31 March 2016. These are based on valuation reports provided by the Trust's legal advisers.

Other provisions include the following:

a) £0.304m the Trust has provided for injury benefits payable to former employees as a result of an injury suffered whilst in the Trust's employment (2015: £0.302m).

b) £Nil (2015: £0.57m) in respect of a supplier claim arising at the end of the contractual term.

£69.43m is included in the provisions of the NHS Litigation Authority at 31 March 2016 in respect of clinical negligence liabilities of the Trust (2015: £41.96m).

NOTES TO THE ACCOUNTS

27. Capital Commitments**Group and Trust**

Commitments under capital expenditure contracts at the balance sheet date were £4.412m (2015: £1.882m).

28. Contingent liabilities

The Trust has agreed in principle to underwrite any loans to its subsidiary company, Odstock Medical Limited, up to a value of £0.5m.

29. Related Party Transactions

Salisbury NHS Foundation Trust is a body corporate established by order of the Secretary of State for Health.

The Department of Health is regarded as a related party. During the year ended 31 March 2016 the Foundation Trust has had a significant number of material transactions with other entities for which the Department is regarded as the parent. These entities are listed below:

	Income £000	Expenditure £000	Receivables £000	Payables £000
Year ending 31 March 2016				
NHS Dorset CCG	19,605	-	737	-
NHS West Hampshire CCG	14,518	-	220	-
NHS Wiltshire CCG	92,550	8	1,738	-
NHS England:				
South West Commissioning Hub	27,978	-	1,016	-
South Central Local Office	8,674	-	-	59
Wessex Commissioning Hub	1,767	-	188	-
Wessex Local Office	1,446	-	-	154
South West Local Office	131	-	-	35
Health Education England	6,012	10	4	-
NHS Litigation Authority	5	6,266	-	3
Year ending 31 March 2015				
NHS Dorset CCG	18,600	-	196	-
NHS West Hampshire CCG	14,382	-	7	-
NHS Wiltshire CCG	93,619	-	1,255	-
NHS England:				
Bath, Gloucester, Swindon & Wiltshire Area Team	8,790	-	40	-
Bristol, North Somerset, Somerset & South Gloucestershire Area Team	26,858	-	-	562
Wessex Area Team	2,961	-	241	-
Health Education England	5,594	-	7	-
NHS Litigation Authority	-	4,348	-	-

During the period none of the Board Members or members of the key management staff or parties related to them has undertaken any material transactions with Salisbury NHS Foundation Trust.

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

The Trust has also received revenue and capital payments from a number of charitable funds, for which it is the Corporate Trustee.

NOTES TO THE ACCOUNTS

30. Private Finance Initiative Schemes (PFI)

30.1 PFI schemes deemed to be on-Statement of Financial Position

Contract start date: 3 March 2004

Contract end date: 31 January 2036

The PFI scheme provides modern clinical buildings for patient services covering a number of specialties including: Burns, Plastics, Orthopaedics, Elderly Medicine, Inpatient and Outpatient facilities. A replacement Laundry also forms part of the scheme, which brought the off-site service onto the District General Hospital premises.

At the end of the contract term the hospital buildings revert back to the Trust for Nil consideration.

There were no changes to the terms and conditions of the PFI agreement during the year

30.2 PFI scheme - Charge to operating expense in Statement of Comprehensive Income

	Group and Trust	
	2016	2015
	£000	£000
Amounts included within operating expenses in respect of the 'service' element of PFI schemes deemed to be on-Statement of Financial Position	880	809
Depreciation of PFI asset	257	551
Net charge to operating expenses	1,137	1,360

30.3 PFI scheme - Analysis of amounts payable to service concession operator

	Group and Trust	
	2016	2015
	£000	£000
Interest	1,297	1,335
Repayment of finance lease liability	552	577
Service element	880	809
Capital lifecycle maintenance	205	155
Contingent rent	603	583
Unitary payment payable to service concession operator	3,537	3,459

30.4 Annual commitments under Private Finance Transactions - On Statement of Financial Position

The Trust is committed to make the following service payments on the PFI:	2016	2015
	£000	£000
Due within one year	895	852
Due within 2 to 5 years	4,097	3,947
Due after 5 years	17,425	18,757
	22,417	23,556

The annual charge will be indexed each year. Indexation will be increased in line with the Retail Price Index.

Imputed finance lease obligations comprise:	Minimum lease payments		Present value of minimum lease payments	
	2016	2015	2016	2015
	£000	£000	£000	£000
Rentals due within one year	1,788	1,849	528	552
Rentals due within 2 to 5 years	6,654	6,833	1,944	1,993
Rentals due thereafter	26,993	28,602	16,701	17,180
	35,435	37,284	19,173	19,725
Less: interest element	(16,262)	(17,559)		
Total	19,173	19,725		

NOTES TO THE ACCOUNTS

31. Financial instruments

IFRS 7, IAS 32 and IAS 39, Financial Instruments: Disclosure, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. The main source of income for the Group is under contracts from commissioners in respect of healthcare services. Due to the way that the Commissioners are financed, the Group is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IFRS 7 mainly applies. Financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Group in undertaking its activities.

31.1 Foreign currency risk

The Group is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Group has no overseas operations and therefore has low exposure to currency fluctuations.

The carrying amount of the Group's foreign currency denominated monetary asset and liabilities at the reporting date is as follows

	Assets		Liabilities		Cash	
	2016	2015	2016	2015	2016	2015
	£'000	£'000	£'000	£'000	£'000	£'000
Euro	-	-	85	190	-	-
GBP	12,627	10,296	43,374	38,439	11,612	17,436
	12,627	10,296	43,459	38,629	11,612	17,436

The Euro denominated financial instruments relate to the Trust itself

31.2 Liquidity and interest risk tables

The interest rate profile of the non-derivative financial liabilities of the Group, their contractual maturity profile and their weighted average effective interest rates are as follows:

As at 31 March 2016

	Weighted average effective interest rate	Less than one month	1-3 months	3 months to 1 year	1-2 years	2-5 years	over 5 years	Discount	Total
	%	£000	£000	£000	£000	£000	£000	£000	£000
<u>Fixed rate</u>									
Finance lease obligations	7.7	-	29	61	-	-	-	(5)	85
PFI obligations	6.5	250	250	1,288	1,896	4,758	26,993	(16,262)	19,173
Department of Health Loan	1.64	-	349	363	717	2,061	2,987	(477)	6,000
Salix Loan	-	-	-	-	-	-	-	-	-

Floating rate

Trade and other payables	-	12,099	-	-	-	-	-	-	12,099
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As at 31 March 2015

	Weighted average effective interest rate	Less than one month	1-3 months	3 months to 1 year	1-2 years	2-5 years	over 5 years	Discount	Total
	%	£000	£000	£000	£000	£000	£000	£000	£000
<u>Fixed rate</u>									
Finance lease obligations	7.7	-	29	88	88	-	-	(15)	190
PFI obligations	6.5	250	250	1,349	1,896	4,937	28,602	(17,559)	19,725
Salix Loan	-	-	-	37	-	-	-	-	37

Floating rate

Trade and other payables	-	11,811	-	-	-	-	-	-	11,811
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31.3 Credit risk

As the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk, the maximum exposures at 31 March 2016 are in receivables from customers, as disclosed in note 21.

NOTES TO THE ACCOUNTS

31. Financial instruments (continued)

31.4 Liquidity risk

The NHS Foundation Trust's net operating costs are incurred under contracts with commissioners, which are financed from resources voted annually by Parliament. The Trust also largely finances its capital expenditure from funds made available from Government. Salisbury NHS Foundation Trust is not, therefore, exposed to significant liquidity risks.

31.5 Interest-rate risk

The Group's financial liabilities carry either nil or fixed rates of interest. The Group is not exposed to significant interest-rate

31.6 Financial instruments by category

	At Fair value through income and expenditure account	Loans and receivables	Available for sale	Total
	£000	£000	£000	£000
Financial assets - Group				
Trade and other receivables excluding non financial assets	-	8,106	-	8,106
Cash and cash equivalents	-	10,789	-	10,789
Other financial assets	5,854	-	-	5,854
Total at 31 March 2016	5,854	18,895	-	24,749
Trade and other receivables excluding non financial assets	-	6,383	-	6,383
Cash and cash equivalents	-	15,831	-	15,831
Other financial assets	5,812	-	-	5,812
Total at 31 March 2015	5,812	22,214	-	28,026
Financial assets - Trust				
Trade and other receivables excluding non financial assets	-	7,877	-	7,877
Cash and cash equivalents	-	7,151	-	7,151
Other financial assets	-	-	-	-
Total at 31 March 2016	-	15,028	-	15,028
Trade and other receivables excluding non financial assets	-	6,298	-	6,298
Cash and cash equivalents	-	14,880	-	14,880
Other financial assets	-	-	-	-
Total at 31 March 2015	-	21,178	-	21,178

NOTES TO THE ACCOUNTS

31. Financial Instruments (continued)

31.6 Financial instruments by category (continued)

	Group		Trust	
	At 'Fair value through income and expenditure account'	Other	At 'Fair value through income and expenditure account'	Other
	£000	£000	£000	£000
Financial liabilities				
Borrowings	-	6,000	-	6,000
Private Finance Initiative	-	19,173	-	19,173
Finance lease obligations	-	85	-	85
Trade and other payables	-	14,363	-	14,051
Provisions under contract	-	542	-	542
Total at 31 March 2016	-	40,163	-	39,851
Borrowings	-	37	-	37
Private Finance Initiative	-	19,725	-	19,725
Finance lease obligations	-	190	-	190
Trade and other payables	-	14,290	-	13,762
Provisions under contract	-	901	-	901
Total at 31 March 2015	-	35,143	-	34,615

31.7 Fair values of financial liabilities at 31 March 2016

	Group		Trust	
	Book Value	Fair Value	Book Value	Fair Value
	£'000	£'000	£'000	£'000
Provisions under contract	542	542	542	542
Loans	6,000	6,000	6,000	6,000
	6,542	6,542	6,542	6,542

32 Third Party Assets

The Trust held £0.001m cash at bank and in hand at 31 March 2016 (2015: £0.001m) which relates to monies held by the NHS Trust on behalf of patients. This has been excluded from the cash at bank and in hand figure reported in the accounts.

NOTES TO THE ACCOUNTS

33. Investment in subsidiary**33.1 Odstock Medical Limited**

Salisbury NHS Foundation Trust established, following Department of Health approval, a subsidiary company, Odstock Medical Limited, to market and develop a technology created at Salisbury District Hospital. The technology assists patients to obtain increased mobility following illnesses which reduce their muscular co-ordination. The company was established in August 2005 and commenced trading on 1 April 2006. Salisbury NHS Foundation Trust owns 70% of Odstock Medical Limited.

	Trust £
Shares at cost	
At 31 March 2015	34
Acquired during the year	5,000
At 31 March 2016	<u><u>5,034</u></u>

No goodwill arose in respect of the subsidiary as the reporting Trust established the company and received an interest in the company equal to the fair value of assets on its formation.

33.2 Salisbury Trading Limited

Salisbury NHS Foundation Trust established a subsidiary company, Salisbury Trading Limited, to market and deliver laundry and linen services. The company commenced trading on 1 October 2013. Salisbury NHS Foundation Trust owns 100% of Salisbury Trading Limited.

	Trust £
Shares at cost	
At 31 March 2016 and 31 March 2015	<u><u>1</u></u>

No goodwill arose in respect of the subsidiary as the reporting Trust established the company and received an interest in the company equal to the fair value of assets on its formation.

33.3 Sterile Supplies Limited

Salisbury NHS Foundation Trust established a subsidiary company, Sterile Supplies Limited, to market and deliver sterilisation services. The company intends building and developing a new production facility. The company has not yet started trading. Salisbury NHS Foundation Trust owns 100% of Sterile Supplies Limited.

	Trust £
Shares at cost	
At 31 March 2016	<u><u>1</u></u>

No goodwill arose in respect of the subsidiary as the reporting Trust established the company and received an interest in the

34. Investment in associate

Salisbury NHS Foundation Trust purchased one third of the shares at cost in a start up company, Replica 3dm Limited, which produces three dimensional models from scans and is marketing this capability to other NHS organisations. The company commenced trading in September 2012, but results from that date to 31 March 2015 are deemed to be immaterial and have not been incorporated into these consolidated financial statements. Following the involvement of a new investor during the year to 31 March 2015, the Trust's share of ownership of the company reduced to 22%.

NOTES TO THE ACCOUNTS

35. Movements on Public Dividend Capital

	2016 £000	2015 £000
Public Dividend Capital at 1 April	53,631	53,339
New public dividend capital received	385	292
Public Dividend Capital at 31 March	<u>54,016</u>	<u>53,631</u>

36. Charitable fund balances

	2016 £000	2015 £000
Restricted funds	4,273	3,738
Unrestricted funds	7,547	8,441
Endowment funds	9	9
	<u>11,829</u>	<u>12,188</u>

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by the donor, or where the donor has restricted the use of their donation to a specified ward, patients' or project fund. Where the restriction requires the gift to be invested to produce income but the trustees have the power to spend the capital, it is classed as expendable endowment.

Unrestricted income funds comprise those funds that the Trustee is free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include general funds, where the donor has not specified or restricted the use the Charity may make of their donation. General funds additionally generate income from Gift Aid, investment income, interest and donations given specifically to cover running costs.

Endowment funds are funds which the trustees are required to invest or to keep and use for the Charity's purposes.



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