Great Western Hospitals
NHS Foundation Trust

Great Western Hospitals NHS Foundation Trust
Annual Report and Accounts
2016/17

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

Contents

CHAIR AND CHIEF EXECUTIVE'S STATEMENT

Welcome to our Annual Report and Accounts for 2016/17.

This has been a year of transformation. Months of hard work have led to improvements in the quality of care we provide to patients, a stronger financial position and opportunities to build a more unified approach to healthcare in Swindon.

But this year has not been without its challenges. We cared for 186,000 more patients than five years ago and the daily pressures we experience will not ease, unless we adapt to meet the changing needs of patients. To provide safe and high quality care to a rapidly growing and ageing local population we need to think differently, plan differently and do things differently. That is what this year has been all about. This will also be our focus for the next few years.

We have been embracing opportunities for greater collaboration with other parts of the health and social care system, so patients experience more joined up care between services in hospital and at home.

A significant development has been the addition of community healthcare to our services in Swindon. We are starting to see the benefit to patients thanks to new services such as Home to Assess, a specialist team which visits patients within a few days of leaving hospital.

There is huge potential as we move into 2017/18 to further expand our services in the community and develop stronger links, not only between care provided in hospital and at home, but also with GP services.

Welcoming the Urgent Care Centre to our services has given us the opportunity to include our Ambulatory Care Service in the same space, which is an important step towards creating a single entrance for patients needing urgent or emergency treatment.

Providing community healthcare also means we are now in a better position to help patients with long term conditions, such as diabetes, arthritis and hypertension, stay well in their own homes.

Over the last year the response to improvement work following our Care Quality Commission inspection in 2015 has been inspiring.

We have introduced new nursing documentation and safety checklists which are helping us to identify deteriorating patients sooner, a specialist mental health team have joined the Emergency Department and we have strengthened the use of our discharge lounges.

There are lots of things we still need to do better, although as you read through this report you will see there is also much to celebrate and many examples of exemplary and innovative care.

These achievements are testament to the efforts and commitment of our 4,500 dedicated staff working at the Great Western Hospital and in homes across Swindon.

Throughout the year our waiting times for cancer patients have been consistently better than key national standards.

We are leading the way in the prevention of pressure ulcers, with the number of patients experiencing this painful condition falling by 30 per cent in the last year.

Despite challenges in recruiting and retaining staff, we now have over 100 more nursing and midwifery staff at the Great Western Hospital than last year.

We have taken steps to improve parking at the Great Western Hospital by expanding the staff car park, making it easier for patients and visitors to find a space in our limited public car parks.

We are also delighted to have raised over half of the £2.9 million needed to help bring radiotherapy to Swindon, with building work kicking off this year.

Alongside improvements to safety and quality, we are starting to build a more financially stable future.

We have ended the year with a small surplus, although it will be difficult to sustain this position as we focus on delivering a further £14 million of savings, while continuing to invest in our services.

You will find many more success stories in this report, alongside an honest account of the difficulties we face and the challenges ahead.

It is truly a privilege to lead this trust, and to be supported by a Board which shows absolute dedication to the NHS.

They all join us in expressing our gratitude to every one of our staff, as well as our public members, Healthwatch and health scrutiny committees, among others that we work with throughout the year.

It is only with the full support of our partners in health and social care, who we rely on to help us keep people well and out of hospital, that we can meet the changing needs of Swindon and Wiltshire.

Roger Hill
Chairman
30 May 2017

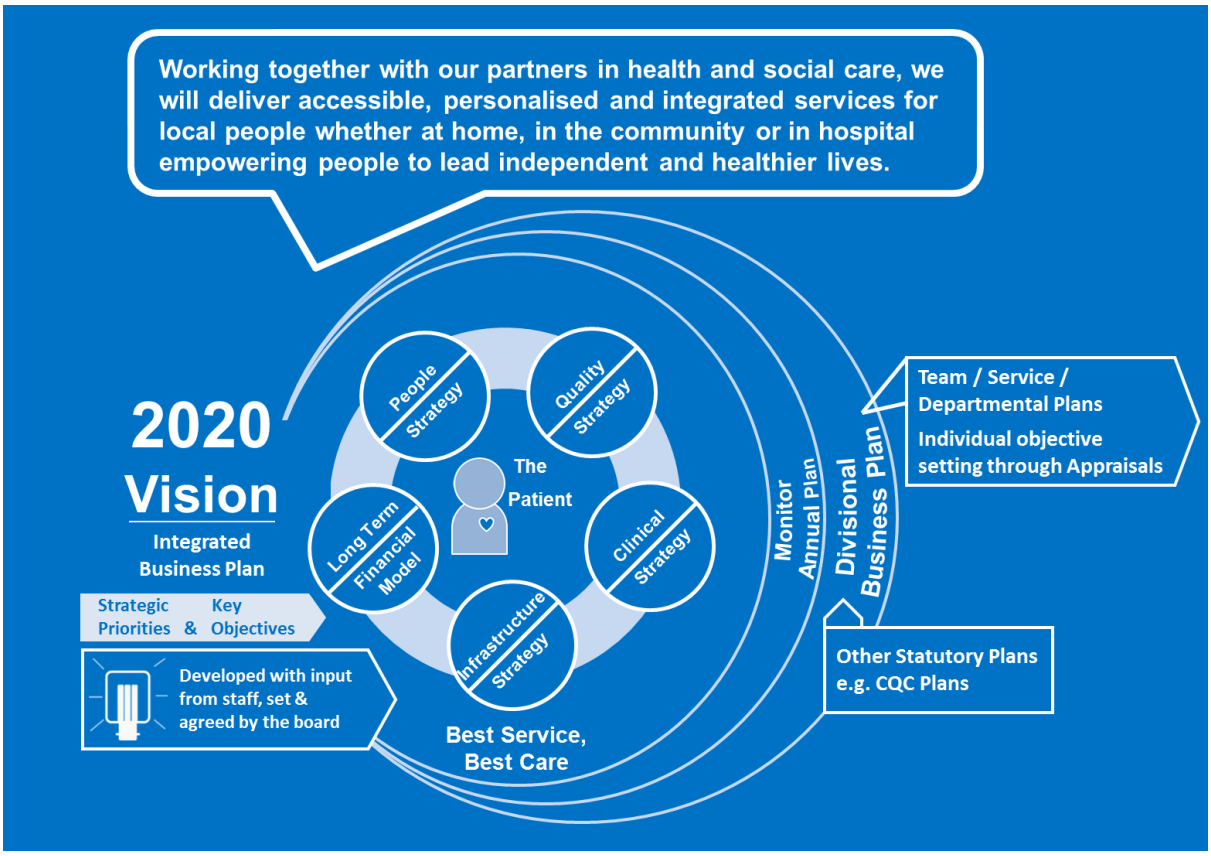
Nerissa Vaughan
Chief Executive
30 May 2017

PERFORMANCE REPORT

1. Overview of Performance

1.1 Trust Strategy

Our five year vision



Our vision is deliberately ambitious and to deliver it we will need to move further and faster to adopt new and innovative ways of delivering care. Providing **Best Service, Best Care** will be at the forefront of our approach but we will do so in a safe and sustainable way to ensure the long term viability of the Trust.

Our overall approach is centred on patient care, which provides an overarching direction and context for all Trust strategies. It is part of a dynamic process and has been informed by our organisation and operational plans as well as discussions with key partners including staff, patients, their carers, commissioners, members and our local community.

1.2 Our priorities

We will continue to provide high quality care for patients and service users in the right place and at the right time by delivering the most efficient use of resources. Our strategy is designed with the patient as the absolute focus, with quality and safety as the foundation of how we develop and deliver services in a sustainable way.

We have set ourselves four strategic priorities that drive the broad outcomes we aim to achieve in the next five years.

- We will make our patients the centre of everything we do
- We will ensure that everything we do supports the long term viability of the Trust, working smarter not harder making the best use of limited resources
- We will innovate and identify new ways of working
- We will build capacity and capability by investing in our staff, infrastructure and partnerships.

Over the next five years improvements will be delivered through progressive pieces of work with benefits being achieved at different times.

1.3 Our objectives

The Trust Board has agreed six key objectives which guide everything we do as a Trust, which are:

- To deliver consistently high quality, safe services which deliver desired patient outcomes and we will perform in the top 25% (upper quartile) of comparable Trusts in delivering Hospital Standardised Mortality Rate (HSMR), patient satisfaction and staff satisfaction.
- To improve the patient and carer experience of every aspect of the service and care that we deliver.
- To ensure that staff are proud to work for the Trust and would recommend the Trust as a place to work, and to receive treatment.
- To secure the long-term financial health of the Trust.
- To adopt new approaches and innovation to improve services as healthcare changes whilst continuing to become even more efficient.
- To work in partnership with others so that we provide seamless care for patients.

These priorities are underpinned by our five key internal strategies which describe how we will achieve our vision:

- People Strategy – addresses the culture we aim to foster to ensure staff can deliver best care, how we will meet the workforce challenges facing the Trust and the commitments we are making to our staff.

- Quality Strategy – setting out clear ambitions for the standard of service and care we aspire to deliver and how we will provide services that are effective, safe and provide the best patient experience.

- Clinical Strategy – setting out the acute and community transformation agenda for the Trust and how this will support integration of our services in a sustainable and viable way.

- Infrastructure Strategy – setting out our approach to making the best use of our IT, estate and business intelligence infrastructure to empower our staff, reduce barriers to work by giving them the tools and information to support them in their roles and to support the delivery of better patient care.

- Long Term Financial Model (LTFM) – addressing key financial challenges and opportunities over the next five years.

We know that there will always be significant change in the NHS and this makes a coherent set of priorities and a clear sense of direction all the more important.

1.4 Business Model

Great Western Hospitals NHS Foundation Trust is a not-for-profit, public benefit corporation forming part of the wider NHS providing health care and services. We provide and develop healthcare according to core NHS principles - free care, based on need and not ability to pay.

We are not directed by Government and so have greater freedom to decide, with our Governors and members, our own strategy and the way services are run. We can retain surpluses and borrow to invest in new and improved services for patients and service users.

We are accountable to our local communities through members and Governors; our commissioners through contracts; Parliament (in that we lay our annual report and accounts before Parliament); the Care Quality Commission (through the legal requirement to register and meet the associated standards for the quality of care provided); and NHS Improvement through the NHS provider licence.

NHS Improvement's role as the sector regulator of health services in England is to protect and promote the interests of patients by promoting the provision of services which are effective, efficient and economical and which maintains or improves their quality.

Note - From 1 April 2016, NHS Improvement became responsible for overseeing foundation trusts and NHS trusts, as well as independent providers that provide NHS-funded care. NHS Improvement offers the support these providers need to give patients consistently safe, high quality, compassionate care within local health systems that are financially sustainable. By holding providers to account and, where necessary, intervening, NHS Improvement help the NHS to meet its short-term challenges and secure its future.

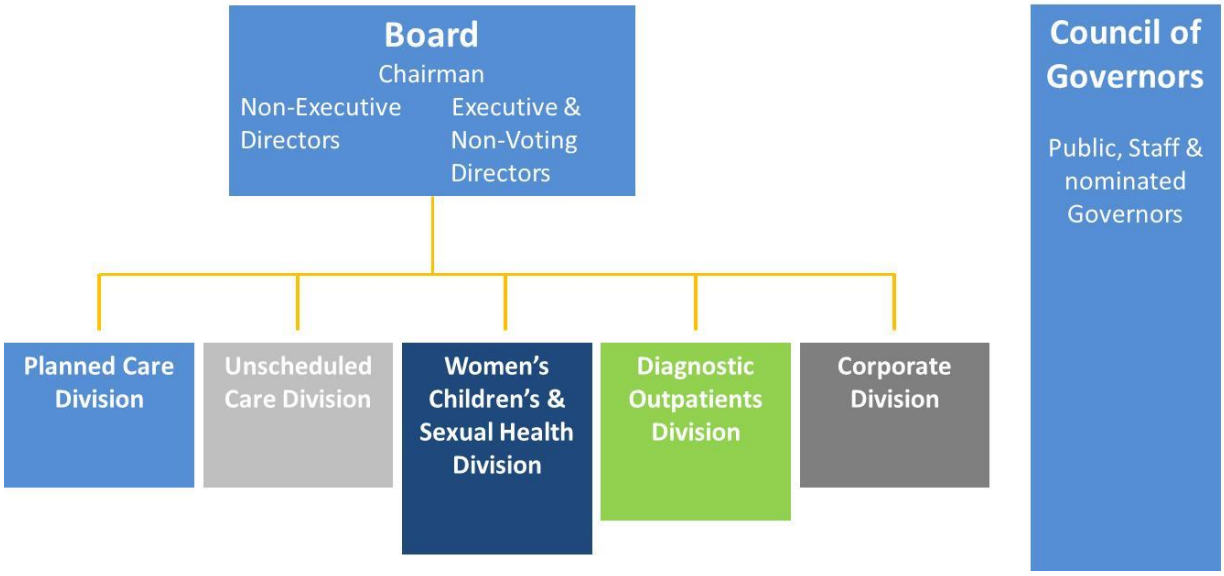
From 1 April 2016, NHS Improvement is the operational name for an organisation that brings together: -

- *Monitor*
- *NHS Trust Development Authority*
- *Patient Safety, including the National Reporting and Learning System*
- *Advancing Change Team*
- *Intensive Support Teams*

NHS Improvement builds on the best of what these organisations did, but with a change of emphasis. The priority is to offer support to providers and local health systems to help them improve.

As a Foundation Trust, we are responsive to the needs and wishes of our local communities. Anyone who lives in the Trust-wide geographical area or works for our Foundation Trust can become a member. Members elect our Council of Governors, who in turn approve the appointment of our Chief Executive and appoints the Chairman and Non-Executive Directors. The Non-Executive Directors appoint the Executive Directors and together they form the Board of Directors. The Board as a whole is responsible for decision making, whilst the Council of Governors, amongst other things, is responsible for holding the Non-Executive Directors to account for the performance of the Board and for representing the views of members to inform decision making.

1.5 Organisational structure 2016/17



1.6 Principal activities of the Trust

The regulated activities that the Trust is currently registered to provide include: -

- Treatment of disease, disorder or injury;
- Assessment of medical treatment for persons detained under the Mental Health Act 1983;
- Surgical procedures;
- Diagnostic and screening procedures;
- Management of the supply of blood and blood derived products;
- Maternity and midwifery services;
- Nursing care
- Termination of pregnancy

Information on all registered sites/locations and activities can be obtained by contacting the Trust or visiting the CQC website.

1.7 Location of services

Great Western Hospitals NHS Foundation Trust has its main headquarters at the Great Western Hospital (GWH) in Swindon. The Trust's geographical area covers Wiltshire, parts of Bath and North East Somerset, parts of Hampshire, Dorset, Oxfordshire, West Berkshire and Gloucestershire, covering a population of approximately 1,300,000 people.

Great Western Hospital
The Great Western Hospital (GWH) is a purpose built District General Hospital providing emergency care, elective (planned) surgery, diagnostics, paediatrics, maternity (both midwife and consultant), and outpatient and day case services.

The Brunel Treatment Centre
On the GWH site there is a purpose built centre for elective (planned) surgery called the Brunel Treatment Centre. The centre has enabled the Trust to separate emergency from elective (planned) surgery. The Centre includes the Shalbourne Suite, which is a private patient unit.

Within the Community
During the year, the Trust provided a number of services closer to patients' homes in the local community. Up until 30 June 2016 some of the Trust's sites included Chippenham, Trowbridge, Savernake, Warminster and Melksham Community Hospitals; Hillcote; Royal United Hospital Bath; Erlestoke Prison; Amesbury Health Clinic; Salisbury Central Health Clinic; Devizes Health Centre, West Swindon Health Centre, Malmesbury Primary Care Centre, Tidworth Clinic, Swindon Health Centre (Carfax Street) and various GP practices. However, from 1 July 2016 GWH's contract for Wiltshire adult community services came to an end. Those services are now provided by a limited liability partnership (formed by this Trust, Royal United Hospital, Bath NHS Foundation Trust and Salisbury NHS Foundation Trust), known as Wiltshire Health and Care.

From 1 October 2016, the Trust has been providing adult community health services in Swindon under a caretaker agreement. A formal contract for these services is expected to be entered into during 2017/18.

1.8 History of the Trust

Great Western Hospitals NHS Foundation Trust was authorised as a Foundation Trust on 1 December 2008 and established as a public benefit corporation under the NHS Act 2006. On becoming a Foundation Trust the name of the organisation was changed from Swindon and Marlborough NHS Trust to the name we have now.

On 1 June 2011, the Trust won the contract to provide a range of community health services and community maternity services across Wiltshire and the surrounding areas, which were previously provided by Wiltshire Community Health Services. However during 2014/15 the Trust ceased to provide community maternity services which transferred to the Royal United Hospital, Bath NHS Foundation Trust following competitive tender.

During 2015/16, the Trust established a Joint Venture, Wiltshire Health & Care LLP (a limited liability partnership), with Royal United Hospitals Bath NHS Foundation Trust and Salisbury NHS Foundation Trust to competitively bid in partnership for Wiltshire Adult Community Services. In January 2016 the Joint Venture was notified that it had been successful in its bid and was awarded the contract from 1 July 2016.

In the final quarter of 2015/16 the Trust placed an expression of interest to Swindon Clinical Commissioning Group for the provision of Swindon Integrated Adult Community Services. The Trust was agreed as the preferred provider, but prior to formal contract, the Trust was asked to "care take" the services due to the existing provider "SEQOL" ceasing to operate. Therefore, from 1 October 2016, the Trust has been providing adult community health services in Swindon under a caretaker agreement. A formal contract for these services is expected to be entered into during 2017/18.

1.9 Principal risks and uncertainties facing the Trust

The Trust has in place a Risk Management Strategy which provides a framework for the identification and management of risk. Risks to the Trust's strategic objectives are identified each year when the Trust formulates its annual plan and risks are identified locally through directorates and teams.

The principal risks and uncertainties facing the Trust during 2016/17 against our strategic objectives are set out below: -

Strategic Objective 1 -To deliver consistently high quality, safe services which deliver desired patient outcomes	*Failure to maintain high quality patient care including failure to meet key quality indicators*
Strategic objective 2 - To improve the patient and carer experience of every aspect of the service and care that we deliver	*Lack of co-ordination between providers and commissioners in Swindon to address issues of demand and capacity*
	Risk of inability to manage demand across the health economy due to activity shift both to the community and in terms of demand management schemes
Strategic Objective 3 - To ensure that staff are proud to work for the Trust and would recommend the Trust as a place to work, and to receive treatment	*Failure to recruit the right people to deliver high quality patient care and drive down agency spend*
	Lack of the requisite transformation and service improvement skills required to materially transform the business
Strategic objective 4 - To secure the long-term financial health of the Trust	*Failure to deliver recurrent CIPs impacting on financial sustainability*
	Non-achievement of community efficiency and integration resulting in missed opportunity to improve financial sustainability and reduce the risk of activity shifts
	Increasing burden of PFI impacting on financial sustainability
	Inability to manage demand creating significant pressure and cost
Strategic objective 5 - To adopt new approaches and innovation to improve services as healthcare changes whilst continuing to become even more efficient	*Lack of alignment of Trust plans and commissioner intentions*
	Future role of District General Hospitals and policy changes which may potentially reduce the scope of services not provided in acute hospitals of similar size
Strategic objective 6 - To work in partnership with others so that we provide seamless care for patients	*Failure to retain Wiltshire adult services following a competitive exercise*
	Sustainability of SEQOL and the impact the organisation has on our own ability to deliver services

1.10 Going concern

On 20 April 2015, following a review by Monitor, the Trust was found to be in breach of the following conditions of its licence: CoS3 (1)(a) and (b), FT4(2) and FT4 (5)(a), (d),(e), (f) and (g) relating to financial sustainability, performance and governance. Notwithstanding this breach, and a deficit for the year ending 31 March 2016 of £9.7m million, the Trust had a forecast surplus for the year ending 31 March 2017 of £0.6m. This includes the expected receipt of Sustainability & Transformation Funding of £8.9m, which will also enable the Trust to maintain a minimum cash balance of £1.7m as shown in the Trust's Annual Plan.

- The NHS Foundation Trust Annual Reporting Manual 2016/17 states that financial statements should be prepared on a going concern basis unless management either intends to apply to the Secretary of State for the dissolution of the NHS Foundation Trust without the transfer of the services to another entity, or has no realistic alternative but to do so.
- The Trust has prepared its annual plan, which includes a detailed cash flow forecast. The key assumptions within the plan are as follows: -
    - NHS Clinical Income includes assumptions on general population and demographic growth.
    - Delivery of Cost Improvement Plans (CIPs) of £14.3m.
    - Receipt of £8.9m Sustainability & Transformation Funding

After making enquiries and considering the uncertainties described above, the Directors have a reasonable expectation that the Trust will secure adequate resources to continue in operational existence for the foreseeable future and continue to adopt the going concern basis in preparing the Annual Report and Accounts.

2. Performance Analysis

2.1 Review of the Trust's business, development and performance during the financial year

The Trust's Annual Plan submitted to NHS Improvement (the regulator of Foundation Trusts) sets out the organisation's priorities for delivery during the year. Set out below is an overview of the Trust's business during 2016/17 which includes key developments, mapped against our strategic priorities which guide the direction of the Trust.

We will make our patients the centre of everything we do
Our last reported routine inspection by the Care Quality Commission (CQC) in September 2015 showed areas of strength and areas for improvement. Our kind and compassionate care was clear to the inspectors, who saw first-hand how we treat patients with dignity and respect. The quality of the Community Services demonstrates our track record of community services. Inspectors also observed many examples of high quality care and an organisation with solid foundations, a clear vision and established leadership. We knew many of the challenges highlighted and many improvements are already underway, but this inspection has given us a fresh perspective into where further progress can be made. Our culture of kindness and compassion, which is fundamental to safe and high quality care, gives us a strong foundation to build upon. The Trust was recently inspected by the CQC (March 2017) and we are currently awaiting the outcomes and feedback from their report.

We will ensure that everything we do supports the long term viability of the Trust, working smarter not harder making the best use of limited resources
Ensuring the long term viability of the Trust is perhaps the biggest challenge we face. The financial year 2016/17 has been a period of stabilisation for the Trust, as the financial challenges addressed in 2015/16 have been met and improved CIP and forecast processes continued. This has been against a background of continued service pressures, which has seen significant increases in activity over previous years, and of continued change. 7 Transformation programmes continue and ensure that the Trust does not look at costs savings in isolation but also actively investigates pathway redesign and improved ways of working. The Business Improvement Group has been established and embedded as a governance mechanism for the delivery of any investment decision as part of the business planning process. All investment proposals must align with Trust priorities and must be within the investment envelope available. Appropriate proposals will go before the Executive Committee for formal approval.

We will innovate and identify new ways of working
We plan to remodel our secondary care services so that they are wrapped around community and social care, putting in place processes to support patients to live healthily at home for as long as possible, and when care is needed for it to be provided in the most suitable setting. Good progress has been made on this. The Trust is a joint venture partner in Wiltshire Health & Care LLP, which provides community services to Wiltshire patients, and we have been providing a caretaking role for Swindon Community Health Services since 1st October (due diligence is underway in preparation for a three year contract from the summer of 2017). Securing both services allows us to develop our integrated, planned and preventative pathways with local partners, including the voluntary sector, commissioners and clinical networks, which are vital in delivering quality services to NHS Constitutional standards. Maintaining patient flow where patients are admitted to hospital is key to quality, performance and financial sustainability. This relies on a whole system approach to support people outside of hospital in the community. As a Trust, therefore, we need to focus on the things we are in control of whilst working with the

system to address systemic constraints. Where patients are admitted to hospital, processes are being re-designed to improve flow through the Right Patient, Right Place programme. We will develop integrated, planned, and prevention based pathways working with local partners, including the voluntary sector, commissioners and clinical networks to share best practice, learning, and resource to deliver more robust demand management as part of the mobilisation and integration of a new model for Swindon community services.

The Trust is currently undertaking community adult services for Swindon by way of a caretaker arrangement.

We will build capacity and capability by investing in our staff, infrastructure and partnerships

During 2016 the Trust has worked collaboratively with our STP partner organisations, including commissioners, public health and other providers, on the development of our STP. The STP's most recent submission to NHS Improvement was made in October 2016; this provided updates against the workstreams that have been established to support the five areas identified as priorities for transformation.

The STP's Leadership Group, which is comprised of the Chief Executives and/or Medical Directors for all partner organisations, has developed three major clinical work streams and a number of enabling work streams to support the planning, development and implementation of the five priorities.

Alongside these workstreams the STP has established enabling workstreams for Estates, Digital, Workforce and Finance, and these are designed to work across the STP organisations to support the development of the transformational projects.

The October STP submission set out the scope, method and benefits of the work that will be progressed over the next two years, with acknowledgement that further scoping is required to plan beyond 2019.

Our staff turnover, although reducing this financial year, is 14.05% against our local target of 13%. A high proportion of our staff leave to NHS organisations outside our STP, so we will strategically engage with those organisations to support our workforce planning.

The analysis identified that the highest level of turnover is for staff within the lower age groups; this generation has a different approach to work, whereby they move jobs more frequently, which may be a constraint to this project. In order to meet the employment expectations of the different generations the Trust will need to develop bespoke employment offers and a more flexible approach to employment in order to attract and retain staff.

By improving retention through the Recruitment and Retention Programme, the Trust will be able to reduce vacancy levels, spend on bank and agency workers and also increase the level of experience held within the organisation. By addressing those concerns raised by employees who choose to leave the Trust, it will be possible to improve employee engagement resulting in a happier and more productive workforce.

A significant barrier is ensuring that staff receive development opportunities in a context where we do not

have sufficient staff to look after levels of patient demand as our vacancy position is 9.60%.

Over the next two years, revised annual goals and objectives for workforce underpinning the People Strategy 2014-2019 will be recommended, following staff engagement, through our Executive Committee to our sub-Board Committee, People, Performance and Place Committee. The Trust Board will receive monthly updates on progress through the People Strategy Progress Report.

The Trust will continue to invest in our infrastructure to meet our changing operational needs. The estate we utilise and the IT that supports it and the workforce will need to be flexible and accessible to add value and seamlessly integrate into our future provision.

2.2 Performance across the range of healthcare indicators which we are measured against

A detailed performance report is provided elsewhere in the Trust's Quality Report (Section 11 refers).

2.3 Research and innovation 2016/17

The number of patients in 2016/17 that were recruited in year to research approved by a research ethics committee and adopted by the National Institute for Health Research (NIHR) Portfolio was 1024. This evidences growth in year and exceeded the Key Performance Indicator (KPI) set for the NIHR Clinical Research Network (CRN) for West of England.

The Trust has 97 actively recruiting Department of Health endorsed (portfolio) research projects which is a 20% increase on the previous financial year. We participate in a number of studies which are more difficult to recruit to given the complex nature of the inclusion and exclusion criteria. However, there is now a need to be more mindful about opening this type of trial as we are now expected to meet KPIs around recruitment to time and target, as this will play a part in determining the level of funding we receive. In order that our patients are still able to actively participate in the more complex and rare disease studies we will act as a Patient Identifying Centre, referring our patients to sites that are a tertiary care centre, for example the more complex cancer trials and paediatric trials.

We run a mix of observational studies together with interventional studies and have also increased our portfolio for device studies.

Our reputation in the commercial sector continues to grow and we are now not only a top recruiter in the UK for more than one of our trials, but we also achieved the first UK recruits in two recently opened trials. This with the appropriate resources could prove to be a good income stream generator for the Trust.

We continue with our efforts to ensure we recruit the agreed number of patients in the timescales given.

Research continues to grow throughout the Trust, across a wider range of specialities. This in turn gives our patients more opportunities to participate in and access to, new and innovative treatment pathways.

With funding received from the Department of Health through our Local Clinical Research Network (LCRN), Research and Innovation has and will continue to provide strong research support throughout the Trust.

2.4 Impact of the Trust's business on the environment

Details of the impact of the Trust's business on the environment, social and community issues and on employees, including information about policies in relation to those matters and the effectiveness of those policies, are referred to below.

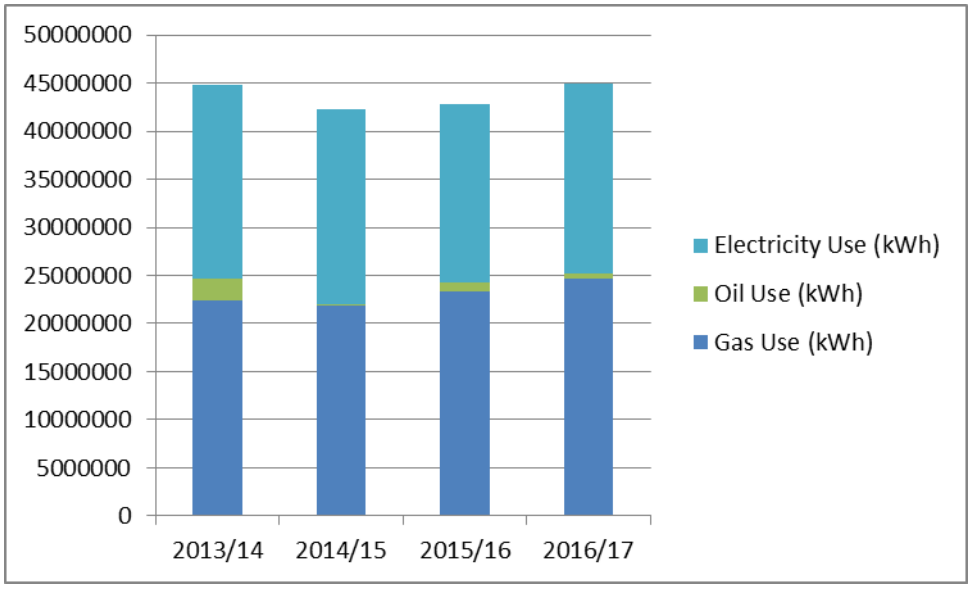
2.4.1 Environmental matters

The Great Western Hospitals NHS Foundation Trust recognises that there are many benefits of having a strong focus on all aspects of sustainability, which means we continue to meet the needs of the present without compromising the needs of future generations. There are short, medium and long term advantages to making sure that we are able to continue to provide healthcare of the highest standard in a sustainable way.

2.4.2 Energy

Graph 1 shows energy consumption in kwH for the Great Western Hospital NHS Foundation Trust since 2013/14. The increase in energy consumption in 2016/17 is in relation to the addition of SEQOL and their property portfolio. The Great Western Hospital remains by far and away the greatest energy user and the Trust has become a Carbon & Energy Fund member and is currently working towards the installation of a Combined Heat and Power unit on site, along with a whole lighting refurbishment moving to LEDs.

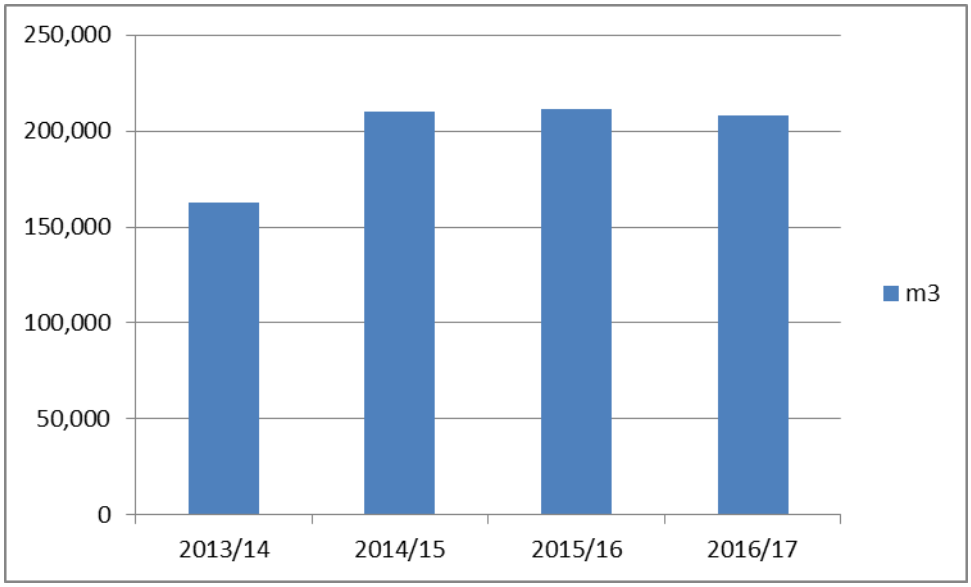
Graph 1 – Utility consumption (KwH)



2.4.3 Water

Water consumption has remained static over the past 3 years at the Great Western Hospital and WH&C estate. At the time of printing data was not available for SEQOL properties, but in relation to the Great Western Hospital their consumption would be minimal.

Graph 2– Water consumption (m^3)

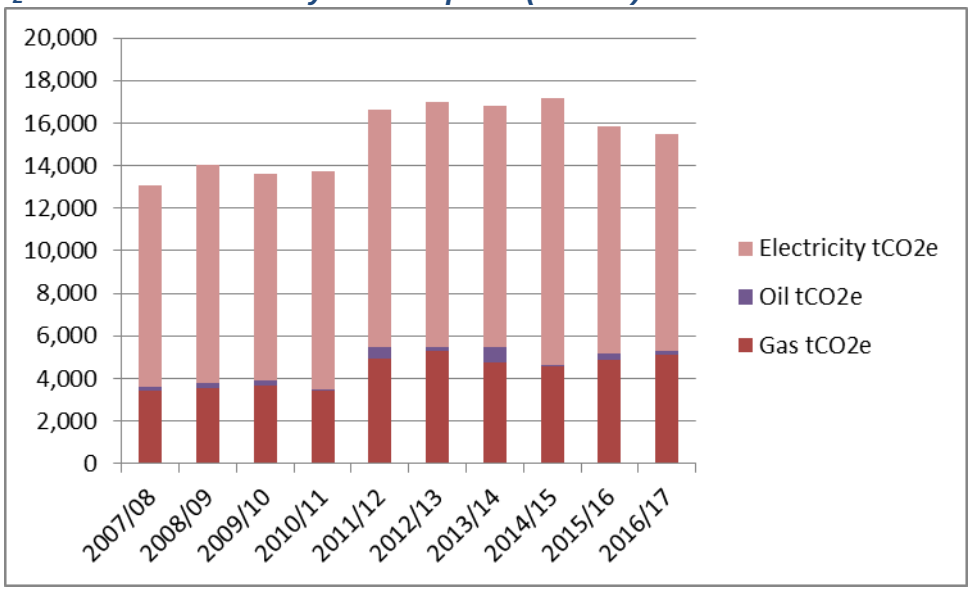


2.4.4 Carbon reduction

Carbon reduction is one area where the Trust has legal targets. There is NHS Carbon Reduction Strategy which is underpinned by the Climate Change Act[2]. We are working towards achieving a percentage reduction in CO_2e emissions each year which will assist the NHS as a whole with reaching the overall target of reducing 80% CO_2e emissions by 2050. Graph 3 shows carbon emissions in tonnes from utility consumption for the Trust since the baseline year of 2007. The reduction in carbon emissions have occurred through external factors such as the 'greening' of the National Grid, rather than internal factors, as with a larger estate, our overall usage has increased.

The Trust has a statutory duty to assess the risks posed by climate change, and these are on the risk register. The Trust is also aware of the potential need to adapt the buildings and services to reflect changes in climate and illnesses in our locality.

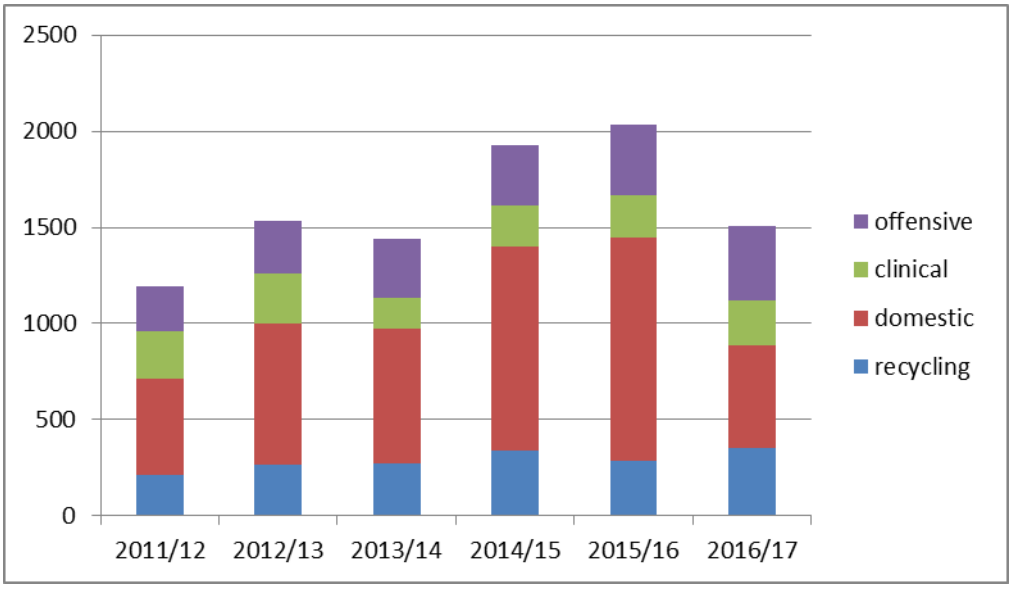
Graph 3– CO_2e emissions for utility consumption (tonnes)



2.4.5 Waste

At the time of going to print information was not available for the waste that is produced by SEQOL as part of their clinical activity. Though the awarding of new waste management contracts we have worked to reduce the amount of waste that is destined for landfill. Through changing processes such as food ordering for patient meals, we have reduced the amount of domestic waste that is produced, and therefore are reducing our carbon footprint.

Graph 4 – Waste produced (tonnes)



Note - The tables above show information at the time of printing the annual report.

2.5 Events since year end

Any important events since the end of the financial year affecting the Trust will be recorded as a post balance sheet event and noted in the accounts.

2.6 Details of overseas operations

None during 2016/17.

2.7 Consultations

There were no formal public or stakeholder consultations during 2016/17.

2.8 Main trends, developments or matters likely to impact on the Trust business in 2017/18

In the spring of 2016, as part of the 5 Year Integrated Business Plan (IBP), the Trust undertook a comprehensive bottom up demand and capacity exercise to review all elective and non-elective demand and capacity across the divisions. This was aligned with clinician job plans, outpatient templates and contractual activity (demand) against each speciality. The work was completed by triangulating a range of data sources (job plans, finance, previous modelling activities), and sense checking against operational performance, resulting in a comprehensive analysis which identified the capacity gaps within services to meet the 2016/17 contract, and which will be reflected in the 17/18 and 18/19 contract. This work highlighted stepped increases in demand in some specialities e.g. chemotherapy; areas that could benefit from an STP focus through joint working e.g. pathology; and areas where demand outstripped capacity e.g. dermatology. Variances in the demand and capacity modelling are being proactively managed internally through comprehensive job planning, the development of business cases to support an agreed service model, and externally with our Commissioners and partners through system wide joint working; we are also jointly undertaking deep dives into services where there are specific performance challenges.

Looking at the future demographic profile of Swindon, which includes the impact of major new housing developments leading to an expected population growth of in excess of 2% per year, (faster than the national average with the most significant rise expected in 2017/18), the Trust is working with our Commissioners on demand management schemes and pathway developments to ensure the appropriateness of patients seen and admitted.

The Trust is a joint venture partner in Wiltshire Health & Care LLP, which provides adult community services to Wiltshire patients, and we have been providing a caretaking role for Swindon Adult Community Health Services since 1st October (due diligence is underway in preparation for a three year contract from February 2017). Securing both services allows us to develop our integrated, planned and preventative pathways with local partners, including the voluntary sector, commissioners and clinical networks, which are vital in delivering quality services to NHS Constitutional standards.

Unhealthy living with people smoking, drinking too heavily, eating too much of the wrong types of food and not doing enough exercise is creating increased demand for healthcare. Nationally we are seeing an increase in obesity - the King's Fund predicts that in the UK by 2020, 37% of men and 34% of women will be obese, resulting in more than 550,000 cases of diabetes, around 400,000 additional cases of heart disease and stroke, and up to 130,000 additional cancer cases.

Locally projections indicate a continued growth of 3% year on year in the numbers of patients being diagnosed with cancer and we have seen chemotherapy episodes increase by 10.1% year on year for the last five financial years.

We know that over the next five years our local population is expected to increase by 3.6% (Ordnance National Survey results) in Wiltshire and faster than the national average, annual 2% increase in Swindon (based on Local Authority projections). People over 65 (retirement age population) currently make up 20% of the Wiltshire population and 15% of Swindon's, and this group will see the largest growth of the next 20 years with the number of people over 75 and 85 years old growing fastest.

Older people are more likely to need health and care services and we know that a large proportion of healthcare resources are consumed by people aged over 65. Much of this resource is needed for frail and vulnerable older people. Our local population reflects trends in national population changes and in 2013 the King's Fund predicted that the number of people over 85 years old is expected to increase nationally by 106% over the next 20 years, and this will be reflected in increasing numbers of long term conditions.

Older people are more likely to suffer from complex and long term conditions (for example Chronic Obstructive Pulmonary Disease (COPD) and dementia) and this will put increased demand on the Trust to provide services. Nationally, people with long term conditions account for 70% of all hospital bed days, with the number of people with long term conditions expected to double over the next 10 years.

Our ageing population and the increased prevalence of chronic diseases such as hypertension, diabetes, coronary heart disease, COPD and respiratory conditions requires a reorientation away from an emphasis on acute care towards prevention, self-care and care that is integrated and provided in the community. This year we have seen an increase in people needing one-to-one nursing due to mental health issues or dementia which reflects the increasing acuity and frailty of the patients we are seeing. Nationally, the number of people expected to be living with dementia is expected to double over the next 40 years and this is reflected locally with the number of people over 65 years old with dementia projected to increase by 22% in Wiltshire and 24.8% in Swindon by 2020 (figures from Projecting Older People Population Information (POPPI) data).

To support people with long term conditions, we will need to provide better coordination of care to prevent avoidable ill health and hospital admissions. With improved community integration there is the opportunity to manage the demand reaching the acute sector, and by managing more care in the community, there is opportunity to provide timely, quality care, with better value for money.

As new technologies are introduced, patients expect care and treatment to be available seven days a week, and provided in the most convenient manner to suit their busy lifestyles. As we all become used to seven day services like online shopping and call centres, so too patients expect us to offer similar access and service. This becomes more challenging at a time when money is getting much tighter.

The health indicators for people in Swindon are generally better than the England average but there are significant inequalities between the health of people living in the most affluent and most deprived areas. People living in deprived areas of Swindon have a life expectancy that is 8.9 years lower for men and 6.5 years lower for women than the least deprived areas.

Over the past ten years, all-cause mortality rates have fallen and the early death rate from heart disease and stroke is now similar to the England average. Swindon has higher than average obesity in adults and average obesity in children, and this presents greater challenges for us as obese patients have a greater number of associated health issues such as diabetes, cardiac and vascular problems as well as more complex needs when accessing maternity services and surgery. Swindon has higher than average numbers of people with diabetes and ranks poorly against peers for effective management of these patients.

The health of people in Wiltshire is generally better than the England average and deprivation is lower than average. However, the rural nature of Wiltshire and poor public transport provision has implications for us in providing health services and moving services currently based in the acute hospital into the community. Compared to Swindon, Wiltshire has an older population with significantly fewer people in the 20-40 year old bracket. Wiltshire's large retirement age population, which we expect to increase by 15.8% by 2020 (ONS), has implications for the provision of healthcare both at Great Western Hospital (where we receive approximately 22% of Wiltshire's non-elective and elective activity) but more significantly within the community. This will result in an increased demand for services to support older people with long term conditions and complex needs. This group of people may have issues accessing care and will need services to be provided close to their homes.

There will still be growth amongst the younger sections of the population and this will be supported and encouraged by planned housing developments in areas such as Trowbridge. Military personnel account for 3.3% of Wiltshire's population and every year 60% of people leaving the armed forces who are based in the South West settle here. Between 2014 and 2019, an estimated additional 4,300 military personnel (and 13,000 dependents) will relocate from Germany to the Salisbury plain area. Analysis shows that between 50-75% of the service population will seek healthcare outside the 'wire'. Military personnel and ex-service people often have specific health needs and we will work with our partners in mental health trusts and social care to ensure we support the health needs of these individuals.

We also provide healthcare to people in the borders of the counties around Great Western Hospital - Gloucestershire, Oxfordshire and West Berkshire. In general, the health of these areas is better than the England average, and over the last ten years early death rates from heart disease and stroke have fallen. In line with the national trend, the retirement age population is increasing in these areas with associated implications for the Trust as a provider of health care services. Priorities for commissioners in these counties include reducing early deaths from heart disease and stroke, supporting people with long term conditions and reducing childhood obesity. We have seen an increase in the number of GP referrals from West Berkshire

(9.9%) and Oxfordshire (13.9%) since 2012/13 as changes in other trusts drive patient flow, and patient choice and traditional geographical boundaries become blurred.

The challenges we are facing at national and trust level are unprecedented, and we are taking a proactive approach to planning for the future to deliver transformational change across our services, which will enable us to deliver high standards of healthcare and positive patient experience.

2.9 Opportunities for the year ahead

The Operational Plan 2017 - 2019 details the overall plan for the next two years. However, listed below are our key priorities for the year ahead:

- Living within agreed budgets and delivering the agreed savings in-line with our 7 transformation programmes
- Working safely and supporting our 500 extra lives initiative
- Delivering Emergency Department (ED), Referral to Treatment (RTT) and Cancer targets in a sustainable and affordable way
- Focus on integration, improve pathways across the system to help manage demand and maintain flow – Swindon & Wiltshire community focus
- Deliver the CQC Improvement Plan

2.10 Key challenges / main risks and uncertainties facing the Trust in the future

Our financial position at the year-end without financial support was £7.1m deficit (Section 2.11 below refers). However, this is an improvement on last year. Financial challenging facing the Trust will continue for future years.

If we continue delivering our services in the same way we do now, we are forecast to generate a financial gap of £26.7m over the next two years. This is not operationally viable, and the Trust is acting on this to make appropriate and effective changes to the way we deliver our services to achieve a sustainable and stable organisation for now, and for the future. A number of transformational programmes are in place to streamline our processes, and our service reviews have highlighted areas to assess for financial stability with service line reporting. This challenge is a priority for the Trust to overcome as quickly and safely as possible, to continue to offer high quality, effective and efficient care to our patients in the longer term.

An ageing population

Many of the diseases that would have killed people 67 years ago - when the NHS was created - are now able to be treated or cured, which is fantastic news for everyone. As our ageing population increases, more people are living with one or more long term complex conditions such as diabetes or heart and kidney disease, which means they need on-going treatment and specialist care. By 2020, we expect our retirement age Population to increase to 18.5% in Swindon and 15.8% in Wiltshire with the largest growth in people over 85 years old. This means that as a Trust, we are caring for increasing numbers of frail and acutely unwell people who have complex health and social needs.

Lifestyle factors

The way we live is seriously affecting our health with people smoking, drinking too heavily, eating too much of the wrong types of food, and not doing enough exercise. This all impacts on our health, and nationally we are seeing an increase in obesity – the King's Fund predicts that in the UK by 2020 37% of men and 34% of women will be obese, resulting in more than 550,000 cases of diabetes, around 400,000 additional cases of heart disease and stroke, and up to 130,000 additional cancer cases.

Increase in long term conditions

NHS England estimates that 15.4 million people (over a quarter of the population) have a long term condition and an increasing number have multiple long term conditions and this is expected to increase. People with long term conditions use a significant proportion of healthcare services (up to 50% of GP appointments and 70% of hospital bed days) This is reflected locally as we are seeing increasing numbers of patients with long term conditions who require regular and on-going care.

Changing patient expectations and rising costs

Originally tackling disease was the main job of the NHS, but we now all expect so much more. From advice on health management through to mental and social care and fast, efficient customer service whether at home, in the community or a hospital environment. This means that limited resources are more stretched to provide the responsiveness and quality of service that patients expect. As new technologies are introduced, patients expect care and treatment to be available seven days a week and provided in the most convenient manner to suit their busy lifestyles. As we all become used to seven day services like online shopping and call centres, so too patients expect us to offer similar access and service. This becomes more challenging at a time when money is getting much tighter.

Increasing demand

In general, we are experiencing an increase in demand for all our services but in particular more and more people are visiting our Emergency Department and Minor Injury Units as their first port of call. This is stretching the ability of these departments to respond, as well as creating pressure on other services within the Trust. Many people attend these departments because they are open 24/7 and they may be unclear about the most suitable place to access appropriate advice. Every winter sees an increase in the numbers visiting these departments and we need to support people to choose the most appropriate setting of care and understand where to access information and advice. Increased pressure in other sectors such as social services also has a negative impact on the Trust and affects our ability to support patients to return home as soon as possible. We cannot continue as we are with the massive increases in demand we have seen in recent years.

Workforce

As a trust, our challenge is to keep recruiting the right people as demand grows and models of care change. Nationally and locally, there are shortages of key groups of health professionals and as a trust we are competing with other healthcare providers to fill vacancies and avoid using expensive agency staff.

The main risks and uncertainties facing the Trust for 2017/18 are included in the Trust's Operational Plan 2017 - 2019, together with proposed actions to mitigate those risks. Examples are included in the Annual Governance Statement (Section 10 refers).

Brexit

The impact of public services, particularly the NHS, during and post Brexit negotiations could be significant.

Some of the future risks could include:

- The blocking of skilled workers from the EU, potential loss of skilled EU workers currently residing in the UK
- Potential loss of British skilled workers to overseas should vacancy levels rise and system pressures increase
- A reduction on research and development, as access to EU funded in this area is removed
- Regulations, standards and training needs may need to be looked at, impacts could be seen to the Working Time Directive, health and safety safeguards and even patient behavioural changes if food labelling, tobacco controls and lifestyle choices are affected
- The NHS is already under significant financial pressure with demand rising, further tightening on public sector budgets generally could have further impacts

The output of Brexit negotiations and the extent to which they impact directly on the Trust will take considerable time before they are known, given the Brexit timetable. However, the Trust will proactively plan, as far as it is able, for likely scenarios and will review regularly as more is known.

2.11 Position of the business at the year end

The financial figures reported in the accounts represent the consolidated accounts of the Trust and the NHS Charity in accordance with DH Group Accounting Manual

2016/17 was a particularly challenging and complex year from a financial perspective, due to the combination of another year of significant savings along with the national requirement to sign up to a control total set by NHS Improvement (NHSI). During the planning round for 2016/17 the Trust accepted a control total which was to deliver a £600k surplus after the Sustainability and Transformation Funding cash injection from NHSI of £8.9m. This additional money was not guaranteed as the Trust had to deliver on a number of quarterly performance measures, prior to any payment of the £8.9m i.e. delivery of the A&E 4 hour wait target. Although we did not meet all of the performance targets the Trust successfully appealed against the decision to withhold a proportion of the money and achieved 100% of this one off allocation. It is not known at this stage how many providers achieved 100%.

It is important to understand that this additional money will not continue into 2017/18 at the same rate and by 2019/20 it is likely that there will be no additional money to top up the financial position of the acute sector.

During 2015/16 the Trust ended the year with a £9.7m deficit. If we compare this figure with 2016/17, prior to any additional financial support from NHS Improvement, the provisional year end deficit is £7.3m. This demonstrates that the financial position of the Trust is still challenging but good progress is being made and the target set by our two year plan to become financially balanced by the end of 2018/19 is still very much achievable.

Over the last two years the Trust has delivered just under £29.0m of savings. The challenge for the Trust is to maintain the pace on our savings plans in order to achieve financial balance by the end of 2018/19 whilst clearly maintaining and improving quality.

The Trust has experienced another year of growth in demand which puts pressure on the financial position in particular around the use of agency spend. Unfortunately, the agency spend in 2016/17 was £3.0m higher than the previous year which exceeded the agency cap and is an area of focus for 2017/18. In addition high cost drugs continue to increase significantly year on year which is another area of focus for 2017/18. The Trust also made significant investment into areas such as the Emergency Department and maternity and still maintained our financial position.

In year the Trust revalued its Land and Buildings and this resulted in an increase in their value. Part of this was required to be charged to revenue and contributed a net additional £15.1m to the reported financial position.

The following financial summary relates to the Trust only and excludes the Revaluation adjustment: -

- Income was £4.4m above plan. The main driver is Sustainability and Transformation Funding and Non-Elective Activity. The Trust also received £11.2m income for Swindon Community Services which was not part of the plan for the year.

- Expenditure was £3.2m above plan. The main drivers for this were additional capacity and costs associated with additional activity. Drugs were overspent by £2.3m and clinical supplies by £3.0m, offset by an underspend on other costs of £4.3m. Pay expenditure was £2.2m above plan and the Trust continued to incur agency and locum costs to fill vacancies and to ensure safe staffing levels. Swindon Community Services increased these costs by £11.2m of which £8.6m related to pay costs and £2.6m to non-pay.

- Savings delivered totalled £13.4m against a target of £14.3m, an achievement of 94% and shortfall of £0.9m. Of the savings delivered £8.2m were achieved recurrently and £5.1m were delivered non-recurrently. The majority of non-recurrent savings relate to recruitment lag.

- The cash balance at year end was £5.5m for the Trust and was £3.8m higher than plan. The year-end cash balance was after receipt of £6.45m Working Capital borrowing from the Department of Health. This borrowing is to support the Trust's daily cash position including £4.45m borrowed in lieu of receipt of Sustainability and Transformation Funding.

- At the end of 2015/16 the Trust identified an error in the accounting model for GWH PFI that is used for accounting for the GWH PFI scheme when recognised on Balance Sheet in 2009/10. The accounting model had used lifecycle spend based on the PFI contractor's project plan and not the lifecycle that was in the Financial Model that forms part of the PFI agreement and is the basis for the Unitary Charge calculation. During 2016/17 the Trust received confirmation from the PFI Special Purpose Company THC, the correct lifecycle values were agreed and the Accounting Model updated accordingly. The accounting change has no impact on cash; it changes the values that form part of the unitary charge. The impact on the balance sheet has been to reduce the Lifecycle prepayment debtor by (£14.2m), increase the Lease Liability by £7m and reduce Retained Earnings by £7.2m.

High level summary

The table below provides an overview of the Trust's financial position for 2016/17. As well as the one off cash injection of £8.9m for 2016/17 for the Trust, in autumn 2016 NHSI announced other money called Incentive Sustainability & Transformation Money. This was allocated on the basis of a pound for pound increase for any Trust that exceeded (performed better than) their control total. This was based on a draft position statement at a point in time which resulted in Great Western Hospital receiving a further £1.3m (on top of the £8.9m). On top off these two payments, a further Bonus Sustainability & Transformation Fund payment (as it has been called) has been received meaning a further £1.1m of funding.

What this means

Overall the three payments combined equal £11.3m of one off external funding received for 2016/17.
There are clear conditions attached to the funding. The Incentive and Bonus money cannot be used to spend on future costs, the full benefit had to be released straight to the bottom line of the income and expenditure statement. It is purely a cash injection which will be used to clear as much historical debt as possible.

Finally, the Trust revalued its assets in line with financial regulations. This is a technical adjustment and has no impact on the ongoing financial viability of the Trust.

This table shows the operational deficit for the Trust improved by £1.0m against a planned deficit of £8.3m. If the Trust had not received the additional money from NHSI then the year end position would have been £7.3m deficit. It is important to recognise that although the final overall position is a surplus, this is not a sustainable surplus due to the significant one off money the Trust received.

Summary of the Year End position for Great Western Hospital

	Plan	Actual	Variance
Normalised position prior to any national support or changes to accounting treatment	-£ 8,300	-£ 8,159	£ 141
PFI Life Cycle Adjustment - ongoing benefit	£ -	£ 1,090	£ 1,090
Donated Asset Depreciation	£ -	-£ 269	-£ 269
Revised Operational position	**-£ 8,300**	**-£ 7,338**	**£ 962**
Sustainability and Transformation Fund	£ 8,900	£ 8,900	£ -
Sustainability and Transformation Fund Incentive monies	£ -	£ 1,311	£ 1,311
Sustainability and Transformation Fund Bonus monies	£ -	£ 1,168	£ 1,168
Total Plan including non recurrent financial support	**£ 600**	**£ 4,041**	**£ 3,441**
Technical Adjustment - Revaluation of Assets	£ -	£ 15,130	£ 15,130
Total Income and Expenditure position	**£ 600**	**£ 19,171**	**£ 18,571**
Negative is Deficit/Positive is Surplus			

2.12 Analysis using financial and key performance indicators

The earnings before interest, taxes, depreciation, and amortization (EBITDA) at year end were £11.668m which was £1.151m better than plan. The EBITDA income percentage was 3.77% against a plan of 3.45%. Creditors at year end amounted to £42.0m and were £3.7m higher than plan. Creditor days averaged 44.5. The Trust's Financial Sustainability Risk Rating (FSRR) at year end was 2 against a planned rating of 1. This is explained further in the Regulatory Ratings Report (Section 7 refers). Information about the Trust's performance is included in the Quality Report (Section 11 refers).

2.13 Additional activity creating pressure on finances

The following tables highlight activity levels by point of delivery for the GWH Acute and Community and Maternity contracts.

TABLE – GWH Acute Activity

Point of Delivery	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	Variance from last year %
New Outpatients	137,504	148,766	160,295	149,247	158,170	***164,426***	***4.0%***
Follow Up Outpatients	263,066	274,326	291,214	299,806	308,468	***306,409***	***-0.7%***
Day Cases	27,320	27,838	30,969	33,059	33,934	***33,648***	***-0.8%***
Emergency Inpatients	35,804	38,192	39,178	43,055	45,341	***47,633***	***5.1%***
Elective Inpatients	6,723	6,343	6,247	5,936	5,863	***5,607***	***-4.4%***
Emergency Department Attendances	70,731	77,642	75,440	78,522	82,425	***84,232***	***2.2%***
Total	***541,148***	***573,107***	***603,343***	***609,655***	***634,201***	***641,955***	***1.2%***

Note - There are some immaterial changes to patient numbers reported for 2014/15.

TABLE – Community Activity

Point of Delivery	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	Variance from last year %
Minor Injuries Unit	46,507	41,755	42,884	44,315	47,277	**41,067**	**-13.1%**
Admitted Patients	7,445	8,498	7,998	2,311	1,181	**972**	**-17.7%**
Community contacts including outpatients	803,545	789,473	804,341	716,513	633,423	**477,359**	**-30.0%**
Total	***857,497***	***839,726***	***855,223***	***763,139***	***681,881***	**519,398**	**-28.9%**

Note –The inpatient admissions (Wiltshire community activity only) between 2014/15 and 2015/16 have decreased due to the reduction in beds.

Note - Contacts are show as decreased across the same period due to the implementation of SystemOne. During 2016/17 nearly all community services moved from using ePEX to our new electronic patient record SystmOne. Whilst the clinicians were being trained on the new system for each service there was a gap during which little activity was recorded. Also in the same year the adult Learning Disabilities Service moved to the local Council system and we are no longer able to report this as our activity. Child Community services moved to Virgin Care from April 2016.

2.14 Contractual arrangements

The Trust does not have any contractual arrangements with persons which are essential to the business of the Trust.

2.15 Continued investment in improved services for patients

The Trust has continued to invest in improved services as follows: -

- £ 0.798m in the Emergency Department (ED) to fund additional staffing
- £0.176m investment in additional midwives to ensure the Trust meets staff ratios required by the Royal College of Midwives
- £0.200m Cancer Business Case to enable the Trust to meet additional activity demands.
- £0.150m investment in review of Acute Diabetes Service to support delivery of Commissioning for Quality and Innovation (CQUIN)
- £0.204m Ambulatory Care Business Case to provide an Ambulatory Care service alongside ED to ensure more appropriate treatment of patients attending ED
- £0.108m Seven Day Working Pilot in ED
- £0.130 Intensive Care Unit (ICU) Business Case for additional staffing to meet service demands
- £0.150m funding to Divisions to support delivery of Commissioning for Quality and Innovation (CQUIN).
- £0.035m Investment to enable implementation of new E-Roster system
- £0.030m Critical Care Outreach Business Case to provide additional staffing to meet service demand and enable the provision of a 24/7 service
- £0.026m Acute Sepsis and Kidney Injury (AKS) Business Case to expand the existing service so that a daily service is provided 52 weeks a year and to meet national CQUIN requirements for Sepsis

2.16 Financial implications of any significant changes in Trust objectives and activities, including investment strategy or long term liabilities

As at 31 March 2017 the Trust has three PFI schemes, Great Western Hospital, System C Medway Integrated Clinical Information System and Savernake Hospital. Savernake Hospital transferred to the Trust on 1 April 2013 as part of the transfer of community assets from Wiltshire Primary Care Trust (PCT). The Trust has a Working Capital Facility of £8.5m and utilised £6.45m of it in 2016/17.

2.17 Market value of fixed assets

There is no significant difference between market values and book values.

2.18 Charitable Donations

Total income through the Charitable Funds for 2016/17 was £1.3m of which £1.1m related to donations and legacies.

2.19 Future developments

During 2015/16 the Trust developed and continues to roll out a 5 Year Integrated Business Plan, setting our strategy and areas of key focus for the future, our 2020 vision. Future developments are also detailed within the Trust's Annual Plan. These include:

2.19.1 A Whole System Approach

We plan to remodel our secondary care services so that they are wrapped around community and social care, putting in place processes to support patients to live healthily at home for as long as possible, and when care is needed for it to be provided in the most suitable setting. Good progress has been made on this. During 2015 the Trust successfully bid and was successful for Adult Community Services in Wiltshire through a Joint Venture with Royal United Hospitals Bath NHS Foundation Trust and Salisbury NHS Foundation Trust. In 2016 the Trust bid and was successful in being identified as the preferred provider for Swindon Adult Community Health Services which is currently being delivered by the Trust in a 'caretaker' capacity as the CCG requested the Trust step in due to operational and financial difficulties experienced by the previous provider. The Trust is currently in negotiations regarding a longer term contract; this is anticipated to start from the summer of 2017.

Maintaining patient flow where patients are admitted to hospital is key to quality, performance and financial sustainability. This relies on a whole system approach to support people outside of hospital in the community. As a Trust, therefore, we need to focus on the things we are in control of whilst working with the system to address systemic constraints. Where patients are admitted to hospital, processes are being re-designed to improve flow through the Right Patient, Right Place programme. We will develop integrated, planned, and prevention based pathways working with local partners, including the voluntary sector, commissioners and clinical networks to share best practice, learning, and resource to deliver more robust demand management as part of the mobilisation and integration of a new model for Swindon community services.

2.19.2 Emergency Department (ED) & Non-Elective Demand

Management of ED and Non-Elective activity remains the most significant operational challenge as demand for these services continues to exceed plan. The ED trajectory has been calculated on the basis of demographic and morbidity factors, previous years' seasonal performance, the resilience of the local health and social care systems, and the trend of increasing inpatient admission.

Swindon is a very challenged health system that has experienced significant and ongoing year on year increases in acute admissions. The context to this rise is as follows:-

- The population of Swindon is expected to increase by 2% per year, higher than the national average;
- Within that population, the elderly (i.e. over 65) element is set to increase more significantly i.e. by 18.5% by 2020, with the over 75s within that group growing the fastest.
- The elderly population is most likely to present with severe medical conditions such as COPD and Diabetes crises, stroke and heart conditions, and will tend to generate longer lengths of stay and experience delayed discharges, thus reducing the hospital's operative bed stock;
- Delayed Transfers of Care have been a consistent feature of the Swindon health and social care economy for several years, with an overall increase in the number of DTOCs by 50% between 2015 and 2016;
- Swindon's Primary Care is severely compromised with nearly 40% of GP posts in the borough vacant, which leads to patients defaulting to ED attendance, and compromises out of hospital alternatives to admission;
- Swindon Community Health services have been historically highly contractualised and poorly resourced, leading to small numbers of hospital discharges, particularly at weekends. Although the Trust has undertaken a caretaker role of these services since August 2016, addressing the service deficits will not be accomplished quickly.

- The above factors have led to the Trust consistently incurring a bed occupancy of over 100% as escalation facilities are commissioned. Additional beds can be as high as 60 in the winter months, and between 30 and 40 for the rest of the year.

For the above reasons, the Trust has taken the view that to secure significant improvement the trajectory in 2017/18 and 2018/19 would be ambitious as the demographic and out of hospital service provision is unlikely to improve significantly and given the long term and structural nature of the above issues. The Trust refreshed both its elective and non-elective capacity assessments in January and February 2017, and has discussed with commissioners required alterations to 2017/18's activity plans.

Although the Trust has introduced, and will continue to introduce, a wide range of improvements to process and behavioural culture within the hospital, we believe this will mitigate the continuing challenge of rising acute admissions, and the impact of a rising and increasingly elderly and sick population, rather than resolving it. Naturally, however, the trajectory will be kept under regular review with our commissioners and should this landscape alter in a positive direction, then the agreement a more optimistic trajectory for 2018/19 may be possible.

In the longer term, exploiting the integration of Swindon Community Health Services with that of acute hospital services to establish a full frailty pathway, including comprehensive geriatric assessment between the AMU, the elderly care wards and SWICC; pursuing integrated long term condition pathways in Diabetes, Respiratory Medicine and Heart Disease, and physically integrating the location and pathways of Acute Stroke and Stroke Rehabilitation Services, facilitated by commissioners. It has also been agreed to fully refresh the system's Urgent Care Strategy, with a particular emphasis on out of hospital and admission avoidance initiatives and services, with commissioners.

The service is working at pace both internally and with its partners to secure robust patient pathways and ensure timely flow from the hospital. These programmes of work which include Right Patient Right Place, Integrated Front Door and Discharge to Assess are being monitored and reviewed through the local ED Delivery Groups.

2.19.3 Cancer

The Trust has consistently maintained all key national cancer standards over the past four years despite delivering a major RTT recovery programme during the past year. However, during the latter part of 2016/17 2 week cancer wait performance deteriorated due to capacity to meet the additional demand.

2.19.4 Referral to Treatment (RTT)

In 2016/17 the Trust recovered, but as unable to maintain the 92% RTT Standard at an aggregate level. There are still considerable challenges in specialities such as Surgery, Gastroenterology and Dermatology due to resource constraints which are being addressed through job planning, Service Redesign initiatives such as PIFU (patient initiated follow-ups), introduction of virtual clinics, and where necessary the development of Business Cases for additional resource. Some remodelling of services has occurred in order to support the elective care pathways of patients, including skill mix reviews, the provision of Hot Clinics and the review of theatre capacity to improve the management of CEPOD lists. The sustainability of this performance is monitored through regular Steering Group Meetings with Commissioners. Sustainability solutions include outsourcing to the private sector, working with Commissioners on outsourcing at source and review of demand management schemes to ensure appropriateness of referral. The Trust is committed to achieving the national RTT standard of 92% in the next two years for incomplete pathways, with no breaches of 52 weeks.

2.19.5 Future Activity Planning

As part of the current business planning process the Trust now undertakes a bottom up activity planning methodology to inform divisional business plans. This task is owned by the clinical delivery leads to ensure that there is full understanding of the data that is being used to develop the overall model and informs the basis of our activity planning.

2.19.6 Quality & Care Quality Commission (CQC) Improvement

Our most recent reported routine inspection by the Care Quality Commission (CQC) showed areas of strength and areas for improvement. Our kind and compassionate care was clear to the inspectors, who saw first-hand how we treat patients with dignity and respect. Inspectors observed many examples of high quality care and an organisation with solid foundations, a clear vision and established leadership. We knew many of the challenges highlighted and many improvements are already underway, but this inspection has given us a fresh perspective into where further progress can be made. Our culture of kindness and compassion, which is fundamental to safe and high quality care, gives us a strong foundation to build upon.

The Trust was recently inspected (March 2017) and we currently awaiting the outcomes and feedback from their report.

2.19.7 Transformation

The transformation programme at GWH was successful in delivery of 2015/16 Cost Improvement Programmes (CIPs). The position for 2016/17 year end savings was £13.4m against the target of £14.3m.

The Trust has established 7 cross-cutting workstreams, each led by an Accountable Officer:

1. Productive People
2. Better Buying
3. New Products, New Income
4. Right Response First Time
5. Streamlining Support
6. Elective Efficiency
7. Better Control

2.19.8 Long Term Financial Viability

The financial year 2016/17 has been a period of stabilisation for the Trust, as the financial challenges addressed in 2015/16 have been met and improved CIP and forecast processes continued. This has been against a background of continued service pressures, which has seen significant increases in activity over previous years, and of continued change. The Trust's two year Operation Plan, submitted to NHS Improvement in December 2016 and covering 2017/18 and 2018/19, shows the Trust in financial balance by 31 March 2019 with a surplus of £68k excluding Sustainability & Transformation Funding. This includes the achievement of £26.7m savings over that period.

The PFI (relating to the Great Western Hospital) is a key driver of our financial position and currently accounts for 10% of Trust income each year and will grow over time. Over the coming year the Trust will be working closely with NHSI, the Department of Health and HM Treasury to look at and consider all suitable options that may lower the financial burden to the Trust.

Our long term financial plan fully supports our whole system approach.

2.20 No Trust branches outside UK

The Trust does not have branches outside the UK.

2.21 Notes to the Accounts

In relation to the use of financial instruments, an indication of the financial risk management objectives and policies of the Trust and the exposure of the entity to price risk, credit risk, liquidity risk and cash flow risk, unless such information is not material for the assessment of the assets, liabilities, financial position and results of the entity, are included in the notes to the accounts.

Disclosures in respect of policy and payment of creditors are included in the notes to the Accounts.

2.22 Explanation of amounts included in the annual accounts

Explanations of amounts included in the annual accounts are provided in the supporting notes to the accounts.

2.23 Preparation of the Accounts

The Accounts for the period ended 31st March 2017 have been prepared in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006 in the form that Monitor (the Independent Regulator of NHS Foundation Trusts) with the approval of the Treasury, has directed.

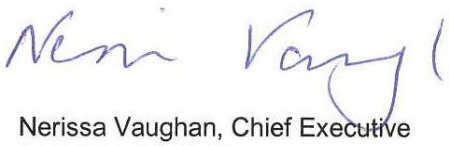
2.24 Preparation of the Annual Report and Accounts

The Directors consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS foundation trust's performance, business model and strategy.

Please note that the Trust has disclosed information on the above as required under the Companies Act 2006 that is relevant to its operations.

Approved by the Board of Directors

Signed



Nerissa Vaughan, Chief Executive
Accounting Officer
30 May 2017

ACCOUNTABILITY REPORT

3. Directors' Report

General Companies Act Disclosures

3.1 Directors of Great Western Hospitals NHS Foundation Trust

Directors of Great Western Hospital NHS Foundation Trust during 2016/17: -

Roger Hill	Chairman
Nerissa Vaughan	Chief Executive
Dr Nicholas Bishop	Non-Executive Director *(from 1 August 2016)*
Roberts Burns	Non-Executive Director *(until 31 January 2017)*
Liam Coleman	Non-Executive Director *(until 31 December 2016)* Senior Independent Director
Andy Copestake	Non-Executive Director *(from 1 July 2016)*
Oonagh Fitzgerald	Director of Human Resources
Angela Gillibrand	Non-Executive Director *(until 30 June 2016)* Deputy Chairman
Karen Johnson	Director of Finance
Jemima Milton	Non-Executive Director
Steve Nowell	Non-Executive Director Senior Independent Director *(from 1 January 2017)*
Dr Guy Rooney	Medical Director
Julie Soutter	Non-Executive Director Deputy Chairman *(from 1 July 2016)*
Hilary Walker	Chief Nurse

Non-Voting Board Members

Douglas Blair	Director of Community Services *(until 30 June 2016)*
Kevin McNamara	Director of Strategy
Carole Nicholl	Director of Governance & Assurance (& Company Secretary) *(from 1 November 2016)*

3.2 Board of Directors

The Board of Directors or Trust Board is comprised of Executive, Non-Executive Directors and Non-Voting Members and has overall responsibility for the performance of the Trust. The Board determines strategy and agrees the overall allocation of resources and ensures that adequate systems and processes are maintained to measure and monitor the Trust's effectiveness, efficiency and economy as well as the quality of its healthcare delivery. The Board takes decisions consistent with the approved strategy. The Executive Directors are responsible for operational management of the Trust. Non-voting Board Members do not have executive powers. Brief biographies for Board Members in 2016/17 are set out below.

3.3 Biography of individual Directors

Roger Hill, Chairman

	Roger was appointed to the Board in April 2008. Until 1999 he had been both the Chairman and Managing Director of the UK subsidiary of Intergraph Corporation, a large American computer company. Subsequently he was a Board Director of a number of IT services companies, both in the UK and Ireland. Until 2008 he was a Governor of Newbury College. Roger was re-appointed as a Non-Executive Director in January 2012 for a further term of three years ending 30 April 2015. Roger was appointed the Senior Independent Director of the Trust from 1 October 2012. In 2013/14 Roger was appointed Chairman of the Trust from 1 February 2014 for a three year term ending 31 January 2017 and therefore he ceased to be the Senior Independent Director. In 2016/17 Roger was re-appointed as the Chairman for a further two year term ending 31 January 2019. In 2016/17 Roger was an invitee of the Finance, Investment and Performance Committee (latterly known as the Finance & Investment Committee). He was also a member of the Remuneration Committee and the Joint Nominations Committee.

Nerissa Vaughan, Chief Executive

	Nerissa Vaughan joined the NHS in 1991 as a Graduate National Management trainee. She trained in Birmingham and after completing the Training Scheme took up her first post in Birmingham Family Health Services authorising developing GP commissioning. After a few years in commissioning at Birmingham Health Authority, she took up her first hospital management job in Dudley Road Hospital in Birmingham as Divisional Manager for Clinical Support Services, which included A&E, Pharmacy, Theatres, ICU, Therapies and a range of other support services. Nerissa became Project Director for the Wolverhampton Heart Centre, setting up a new Cardiac Tertiary Centre from scratch. Following this, she became interested in capital development and moved to Hull as Director of Planning. She oversaw a £200m capital programme which included a cardiac development and oncology PFI scheme. Keen to return to the Midlands, she took up post as Deputy Chief Executive at Kettering General Hospital and thereafter moved to her first Chief Executive role at King's Lynn where she led the Trust to Foundation Trust status. Nerissa became Chief Executive of this Trust in October 2011. Nerissa originates from Llanelli and holds a BA Degree in Theology and a Master of Science Degree in Health Service Management from Birmingham University.

Dr Nicholas Bishop, Non-Executive Director *(from 1 August 2016)*

A former consultant general and interventional radiologist, Nick chaired the Board of the British Association of Medical Managers (BAMM). After being Assistant Medical Director for Commission for Health Improvement (CHI), he became senior medical advisor to the Healthcare Commission and the Care Quality Commission (CQC).

Nick is an Education Associate with the General Medical Council (GMC) and was appointed to the National Advisory Group on Clinical Audits and Enquiries in 2014. Now retired, he continues to chair CQC inspections of acute and specialist hospitals as a Specialist Advisor.

Nick became a Non-Executive Director on 1 August 2016. During 2016/17 his membership of Board Committee was as follows: -

- Chair of the Mental Health Act / Mental Capacity Act Committee from 1 July 2016 (latterly known as Mental Health Governance Committee)
- Member of the Governance Committee until 31 December 2016 at which point he was appointed Chair of that Committee which became known as the Quality & Governance Committee.
- Member of the People Strategy Committee (until 31 December 2017 when the Committee was disbanded).
- Member of the Performance, People and Place Committee and the Audit, Risk & Assurance Committee (both from 1 January 2017).
- Member of the Remuneration Committee
- Invitee to the Finance, Investment & Performance Committee (latterly known as the Finance & Investment Committee).

Andy Copestake, Non-Executive Director *(from 1 July 2016)*

Andy joined the Board as a Non-Executive Director on 1 July 2016 having previously held a number of senior finance positions in the private, public and charity sectors.
From the late 1990s until May 2016, Andy was the Director of Finance at the National Trust in Swindon. Prior to that, he was the Finance Director at St Mary's NHS Trust in Paddington. Andy is a certified accountant.

During 2016/17 Andy's membership on Board Committee was as follows: -

- Member of the Audit, Risk & Assurance Committee
- Member of the Governance Committee (until 31 December 2016)
- Member of the Performance, People & Place Committee (from 1 January 2017)
- Member of the Finance, Investment & Performance Committee (latterly known as the Finance & Investment Committee)
- Member of the Charitable Funds Committee
- Member of the Remuneration Committee.

Oonagh Fitzgerald, Director of Human Resources

Oonagh joined the Trust in February 2008. Oonagh had previously worked as Director of Human Resources and Organisation Development at Kingston Hospital, South West London and prior to that she was Deputy Director of Human Resources at Mayday Healthcare NHS Trust in Croydon, South London. She is a Fellow of the Chartered Institute of Personnel and Development. She originally studied law at university and gained a Masters in HR Leadership in 2005.

Karen Johnson, Director of Finance

Karen Johnson was appointed as the Director of Finance in August 2015 after a period of Acting Director of Finance from February 2015. Prior to joining the Trust in June 2013 Karen was Acting Chief Finance Officer for Wiltshire Primary Care Trust.
Karen became a member of the Chartered Institute of Management Accountants (ACMA) in 2001 and has over 25 years experience in the public sector including; Ministry of Defence, Local Authority and the NHS.
Karen joined the NHS in January 2010 and is committed to ensuring the public sector provides good value for money whilst maintaining good quality services. Karen was appointed Acting Director of Finance on 28 February 2015 and was later appointed as the substantive Director of Finance on 3 August 2015.

Jemima Milton, Non-Executive Director

Jemima has been involved in Local Government for the last 15 years, first as a Councillor in Swindon holding a number of cabinet positions and then as a Councillor in Wiltshire where she took a key interest in Health and Social Care. Jemima was an active partner in the family farm with her late husband and during this time ran a catering company and then a Bed and Breakfast business. Jemima joined the Board on 1 January 2014, having previously been a governor of the Trust. In 2016/17 Jemima was re-appointed to the Board for a three year term ending 31 December 2019.

In 2016/17 Jemima's membership of Committees was as follows: -

- Chair of the People Strategy Committee (until 31 December 2016 when the Committee was disbanded)
- Member of the Audit, Risk and Assurance Committee
- Member of the Charitable Funds Committee (becoming Chair of that Committee from 1 January 2017)
- Member of the Governance Committee (until 30 June 2016)
- Member of the Quality & Governance Committee (from 1 January 2017
- Member of the Remuneration Committee
- Invitee to the Mental Health Act / Mental Capacity Act Committee until 30 June 2016 at which point she became a member of that Committee which latterly became known as the Mental Health Governance Committee
- Member of the Performance, People & Place Committee (from 1 January 2017)
- Invitee to the Finance, Investment & Performance Committee (latterly known as the Finance & Investment Committee).

Kevin McNamara (Director of Strategy – Non Voting Board Member)

Kevin first joined the Trust is November 2009 as Head of Marketing and Communications and has worked in the NHS for over 10 years. Kevin previously worked at South Central Strategic Health Authority (SHA) leading on public campaigns, market research, stakeholder engagement and parliamentary business.
Before that Kevin worked for Thames Valley SHA on media relations. In his previous role in the Trust, Kevin lead on all aspects of communications and reputation management including the Patient Advice and Liaison Service and the way the Trust investigates and responds to complaints and other customer feedback. In December 2013 Kevin was appointed as the interim Director of Strategy. He is the Board lead for developing and implementing a five-year plan for the Trust and for identifying new business opportunities through bids, tenders and fundraising.
Kevin was appointed to the substantive position of Director of Strategy on 10 April 2014.

Carole Nicholl, Director of Governance & Assurance (& Company Secretary) – Non-Voting Board Member) *(from 1 November 2016)*

Carole first joined the Trust in 2011 as Head of Corporate Governance & Company Secretary. Carole previously worked in local government managing a wide range of governance portfolios including elections, democratic services and corporate functions. Carole was appointed as Director of Governance & Assurance (and Company Secretary) in November 2016 and is responsible for the Trust's assurance framework, corporate risk, corporate governance, including the company secretarial function, compliance and regulation and legal services.

Her focus is to ensure that the Board receives assurance on all matters relating to Trust business and that there is an effective Council of Governors to represent the views of members and local people.

Carole originates from Worcestershire where she qualified as a Chartered Company Secretary. Thereafter Carole study in Oxford where she gained further qualifications including a Diploma in Management Studies.

Steve Nowell, Non-Executive Director & Senior Independent Director

Steve started his career as a lawyer working in private practice and in a number of industries before moving into management.

He spent the last 10 years of his career in financial services as a divisional director of Nationwide Building Society leading a wide range of risk and control functions, and was part of the organisation's senior leadership team looking at the organisation's wider strategy and performance.

Steve became a Non-Executive Director on 1 June 2014. Steve was appointed Senior Independent Director from 1 January 2017. During 2016/17 Steve's membership of Board Committees was as follows: -

- Member of the Governance Committee becoming Chair of that Committee from 1 July 2016
- Member of the Finance, Investment & Performance Committee (until 30 June 2016). This Committee later became known as the Finance & Investment Committee and Steve became Chair from 1 January 2017. In the intervening period Steve was an invitee to the Committee.
- Member of the Remuneration Committee becoming Chair of that Committee from 1 January 2017.
- Member of the People Strategy Committee (until 31 December 2016 when the Committee was disbanded
- Chair of Performance, People & Place Committee (from 1 January 2017)
- Chair of the Charitable Funds Committee (until 31 December 2016)
- Member of the Audit, Risk & Assurance Committee (from 1 July 2016)

Guy Rooney, Medical Director & Deputy Chief Executive *(from 1 April 2015)*

Dr Guy Rooney first joined the Trust in 1999 as a new consultant in sexual health and HIV. Over the years he has been a key contributor to national guidelines; incorporating the management and testing of patients for HIV and extending to the recognition of sexual infections in children exposed to sexual abuse. His sexual health work has involved working for the UK Government in Russia, contributing to the National Sexual Health Strategy and a key author of STIF: a national training programme for primary care.

For the last few years he has been involved within the management structure of the Trust, initially as Clinical Lead for Non-acute Medicine, followed by Associate Medical Director for the Diagnostics & Outpatients Division.

Dr Guy Rooney joined the Board as Medical Director on 1 April 2014. He has driven the clinical engagement in all aspects of the work the Trust undertakes, in particular the transformation work outlined in Simon Stevens' (CEO NHS England) five-year vision for the NHS.

In 2016/17 Guy was re-appointment as the Medical Director and Deputy Chief Executive for a further two year term ending 31 March 2019.

Julie Soutter, Non-Executive Director & Deputy Chairman

Julie is a finance and management professional, with qualifications in finance (FCA) and change management, including managing programmes and projects and process improvement. She has worked across the professional, charitable, private and public sectors, with roles in large accountancy practices, senior positions in the NHS and not for profit organisations. Her experience covers finance, operations, performance management, strategy and business planning, project management, governance and service improvement.

Recent roles include Interim Chief Operating and Finance Officer for the Energy Systems Catapult, a government and commercially funded technology and innovation centre based in Birmingham, where Julie led the setting up and delivery of finance, HR, IT, facilities, procurement and governance functions and systems. Prior to that she was Director of Finance for the Chartered Institute of Housing, and Head of Operations at Innovate UK, which supports innovation in the commercial and academic sectors.

Julie has held a number of non-executive roles in the NHS, public and charitable sectors. She has been a Non-Executive Director since 1 January 2015. Julie became Deputy Chairman from 1 July 2016 following the end of the term of office of Angela Gillibrand. During 2016/17 Julie's membership of Board Committees was as follows: -

- Chair of Audit, Risk and Assurance Committee
- Member of Governance Committee (from 1 July 2016), latterly known at the Quality & Governance Committee
- Member of the Finance Investment and Performance latterly known as the Finance & Investment Committee
- Invitee to the Mental Health Act / Mental Capacity Act Committee (until 30 June 2016)
- Member of the Remuneration Committee
- Invitee to the People Strategy Committee, becoming a member of that Committee from 1 July 2016 until 31 December 2016 when the Committee was disbanded
- Member of the Joint Nominations Committee

Hilary Walker, Chief Nurse

Hilary has been a Registered Nurse since 1985. She held a number of corporate nursing roles in the West Midlands before joining the Trust in May 2012 as interim Chief Nurse and thereafter was successful in securing the substantive Chief Nurse position from 1 January 2013. She is keen to strengthen the contribution of Nurses and Allied Health Professionals to modern healthcare and is focussed on improving the safety and quality of care and patient experience.

Douglas Blair, Director of Community Services *(until 30 June 2016)*

Douglas was appointed to the Trust as Director of Community Services in August 2014. Before this, he had held local and regional roles in NHS England and the South West Strategic Health Authority. This included the establishment of Clinical Commissioning Groups and Commissioning Support Units. Douglas joined the NHS in 2006 in a Primary Care Trust commissioning role after spending eight years as a civil servant in central and regional government working on areas such as homelessness, rural issues and the Criminal Justice System. Douglas ceased to be a Board member on 30 June 2016 at which point he became the Managing Director on the Board of Wiltshire Health & Care LLP.

Robert Burns, Non-Executive Director *(until 31 January 2017)*

Robert Burns has a financial management background. Robert joined the Board on 1 August 2008 and was re-appointed for further terms in 2012, 2015 and again in 2016 when he was re-appointed for an additional six month term until 31 January 2017 at which point Robert left the Trust.

In 2016/17 Robert was a member of the Governance Committee and the Mental Health Act/ Mental Capacity Act Committee (until 31 July 2016) and the Remuneration Committee. In addition Robert was an invitee to the Finance, Investment & Performance Committee (until 31 July 2016).

Liam Coleman, Non-Executive Director and Senior Independent Director *(until 31 December 2016)*

Liam Coleman has a financial background. Liam joined the Board in December 2008 and was re-appointed in 2012 and again in 2015 for a further three year term ending 31 October 2018. However, due to work commitments Liam resigned as a Non-Executive Director leaving the Trust on 31 December 2016. Liam was the Senior Independent Director from 1 March 2014 and he remained in this role up until the time he left the Trust.
In 2016/17 Liam was Chair of the Finance and Investment Committee and Chair of the Remuneration Committee. Liam was also a member of the People Strategy Committee and the Joint Nominations Committee.

Angela Gillibrand, Non-Executive Director and Deputy Chair *(until 30 June 2016)*

Angela Gillibrand has a financial background. Angela became a Board member in July 2004. Angela was re-appointed as a Non-Executive Director in 2012 and 2014. Angela was appointed and thereafter re-appointed as Deputy Chairman of the Trust from 1 January 2012 and remained in this role until she left the Trust on 30 June 2016.

In 2016/17 Angela was Chair of both the Governance Committee and the Mental Health Act/Mental Capacity Act Committee. Angela was a member of the Audit, Risk and Assurance Committee, the Finance and Investment Committee and the Remuneration Committee.

3.4 Length of appointments of Non-Executive Directors

Listed below are details of the length of appointments of those Non-Executive Directors who held office during 2016/17. Appointments are shown from 1 December 2008, being the date of Authorisation as a Foundation Trust.

Name	First Term	Second Term	Third Term	Fourth Term
Roger Hill	01.12.08 – 30.04.12	01.05.12 – 31.01.14	01.02.14 – 31.01.17	01.02.17 – 31.01.19*
Nick Bishop	01.08.16 – 31.07.19			
Robert Burns	01.12.08 – 31.07.12	01.08.12 – 31.07.15	01.08.15 – 31.07.16*	01.08.16 - 31.01.17*
Liam Coleman	01.12.08 – 31.10.12	01.11.12 – 31.10.15	01.11.15 – 31.10.18	
Andy Copestake	01.07.16 – 30.06.19			
Angela Gillibrand	01.12.08 – 30.06.12	01.07.12 – 30.06.14	01.07.14 – 30.06.16	
Jemima Milton	01.01.14 – 31.12.16	01.01.17 – 31.12.19*		
Steve Nowell	01.06.14 – 31.05.17	01.06.17 – 31.05.20*		
Julie Soutter	01.01.15 – 31.12.17			

Non-Executive Directors are appointed by the Council of Governors. A Non-Executive Director or Chairman may be removed from office with approval of three-quarters of the members of the Council of Governors. The circumstances under which this might happen are included in the Trust's Constitution.

Two new Non-Executive Directors were appointed during 2016/17. *Three Non-Executive Directors were re-appointed during 2016/17 and one was re-appointed in early 2017/18. The process involved assessment by the Joint Nominations Committee. The following considerations were taken into account and matched against a job description and person specification in respect of each re-appointment / appointment: -

- Skills and qualities identified as required;
- Composition of the Board mapped against Directors;
- Statutory and Code of Governance requirements;
- Governors' duties in considering re-appointments;
- Views of the Chairman and Governors;
- Independence;
- Qualifications and experience requirements;
- Annual performance appraisals feedback;
- Board development feedback;
- Refreshment of the Board;
- Changes in significant commitments which could be relevant;
- Time commitment for the role; and
- Term of appointment.

The appointments were approved by the Council of Governors.

As recommended by the Local Counter Fraud Service (LCFS), the names of all Trust Directors (Executive and Non-Executive) are cross-referenced with the Disqualified Directors Register on the Companies House website on an annual basis. No Trust Directors appeared on the Disqualified Directors Register (as at 29 March 2017).

Three Non-Executive Directors left the Trust during 2016/17.

3.5 Statement about the balance, completeness and appropriateness of the Board of Directors

The Non-Executive Directors are all considered to be independent of the Foundation Trust and the Trust Board believes it has the correct balance, completeness and appropriateness in its composition to meet the requirements of an NHS Foundation Trust.

The Board is committed to reviewing its balance and composition in order to maintain its effectiveness. During 2016/17 the Trust again considered the requirements from Directors on the Board, looking in detail at the skills and qualities needed now and in the future. There was reflection on the existing composition of the Board against desired experience and knowledge on the Board and it was considered that clinical and financial expertise was needed in part to offset the retiring Non-Executive Directors and to ensure robust challenge. In 2016/17 recruitment commenced for new Non-Executive Directors which resulted in the Joint Nominations Committee recommending to the Council of Governors three candidates for appointment, namely Andy Copestake who has financial and accountancy experience; Nicholas Bishop who has extensive clinical expertise and knowledge and more recently Peter Hill a former NHS Trust Chief Executive and nurse by background who will join the Trust in April 2017. The Trust may appoint up to seven Non-Executive Directors in addition to the Chairman.

3.6 Statement setting out that the Board of Directors undertakes a formal and rigorous evaluation of its own performance and that of its collective and individual directors

During 2016/17 there was again change and refreshment of the Board. There were two new Non-Executive Directors, as explained above, with a third joining in April 2017; three Non-Executive Directors were re-appointed and recruitment will take place later in the year for an additional Non-Executive Director. Furthermore, a new non-voting Director position was created, namely the Director of Governance & Assurance (and Company Secretary) who commenced in November 2016. This post was considered essential having regard to the increasing governance and compliance requirements on healthcare organisations.

The Chief Operating Officer position remains vacant. However, the post is covered by an interim appointment but not as an Executive Director. During the year the non-voting Director of Community Services position was removed from the Board following the transfer of Wiltshire Community Health Services to Wiltshire Community Health & Care LLP.

The Board considered its effectiveness in terms of decision making, refreshing its reserved powers, the Scheme of Delegation and the Terms of Reference of the Board Committees. In 2016/17 there was a fundamental refresh of the Board Committee structure to ensure lines of assurance on all areas of Trust business via Board Committee to the Board.

External evaluation of the Board and / or governance of the Trust commenced in February 2016 under NHS Improvement's Well Led Governance Framework. This was undertaken by Deloitte as an independent reviewer and the report was published in August 2016 resulting in a number of actions to improve governance.

In April 2017 the Board held a workshop to consider its effectiveness, reviewing the added value of committees, reporting and information and considering assurance versus reassurance. The outcome was a self-assessment on whether further changes could be made to improve the effectiveness of the Board Committees and how they seek assurance for the Board.

For individual Non-Executive Directors, the Trust has in place a framework for their annual review. The evaluation of the Chair's performance is led by the Senior Independent Director with input from the Lead Governor and the Chief Executive on behalf of the Executive Directors and having regard to the views of the other Non-Executive Directors. The Chief Executive and Non-Executive Directors' performance is evaluated by the Chairman taking account of Governors' and other Directors' input. The Executive Directors' appraisals

are led by the Chief Executive in April/May each year and are reported through the Remuneration Committee following a formal appraisal process.

3.7 Attendance at meetings of the Board of Directors during 2016/17

Listed below are the Board Directors and their attendance record at the meetings of the Trust Board held during the past year.

Record of attendance at each meeting
✓ = Attended
× = Did not attend

	07.04.16	25.04.16 (additional meeting)	05.05.16	23.05.16(additional meeting)	02.06.16	09.06.16 (reconvened meeting)	07.07.16	25.07.16 (additional meeting)	04.08.16	01.09.16	06.10.16	03.11.16	17.11.16 (extraordinary meeting)	01.12.16	15.12.16	05..01.17	02.02.17	02.03.17
Nick Bishop	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Robert Burns *(until 31-Jan-17)*	✓	✓	×	×	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	n/a	n/a
Liam Coleman (Senior Independent Director) *(until 31-Dec-16)*	×	✓	✓	✓	✓	×	✓	×	×	✓	✓	✓	×	✓	×	n/a	n/a	n/a
Andy Copestake *(from 1 Jul-16)*	n/a	n/a	n/a	n/a	n/a	n/a	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Oonagh Fitzgerald	✓	✓	✓	✓	×	✓	✓	✓	✓	✓	✓	✓	✓	✓	×	✓	✓	✓
Angela Gillibrand (Deputy Chair) *(until 30-Jun-16)*	✓	×	✓	×	✓	×	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Roger Hill (Chair)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	×	✓	✓	✓	✓	✓	✓	×
Karen Johnson	✓	×	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Jemima Milton	×	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Steve Nowell	✓	×	✓	×	×	×	✓	×	✓	✓	✓	✓	✓	✓	✓	×	✓	✓
Guy Rooney	✓	×	✓	✓	✓	×	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	×	✓
Julie Soutter	✓	✓	✓	✓	✓	×	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Nerissa Vaughan	✓	×	✓	✓	✓	✓	✓	✓	✓	×	✓	✓	×	✓	✓	✓	×	✓
Hilary Walker	✓	✓	✓	✓	✓	✓	×	✓	✓	✓	✓	✓	✓	✓	×	✓	✓	✓
Douglas Blair (non-voting member) *(until 30-Jun-16)*	×	✓	✓	✓	✓	✓	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Kevin McNamara (non-voting member)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	×	✓
Carole Nicholl (non-voting member) *(from 1-Nov-16)*	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	✓	×	✓	✓	✓	✓	✓

There was a Joint Council of Governors and Board on 9 June 2016.

3.8 Decisions reserved for the Board of Directors

There are certain matters which are reserved for the Board of Directors to decide relating to regulation and control; appointments; strategic and business planning and policy determinations; direct operational decisions; financial and performance reporting arrangements; audit arrangements and investment policy. The Reservation of Powers to the Board was refreshed in June 2016 and will be refreshed again during 2016/17. A full copy can be obtained from the Company Secretary.

3.9 Interests of Directors

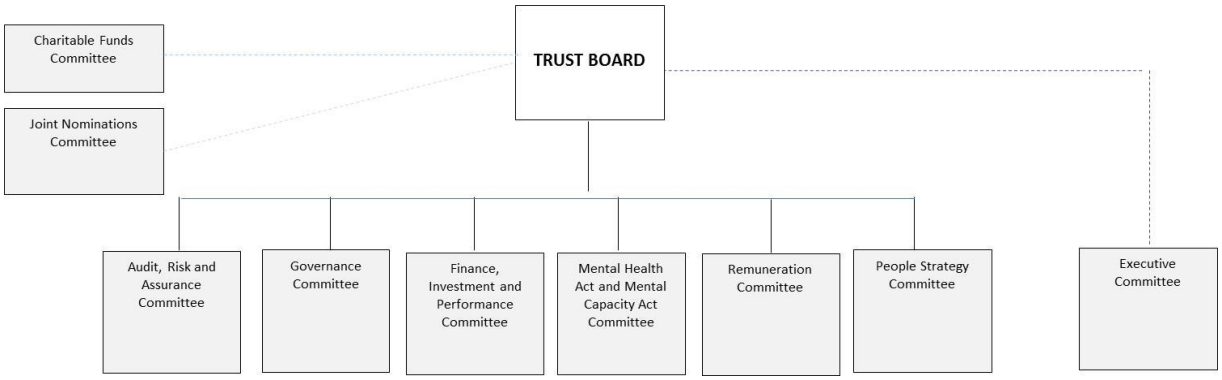
A Register of Interests of Directors is maintained, a copy of which can be obtained from the Company Secretary.

3.10 Significant commitments of the Chairman

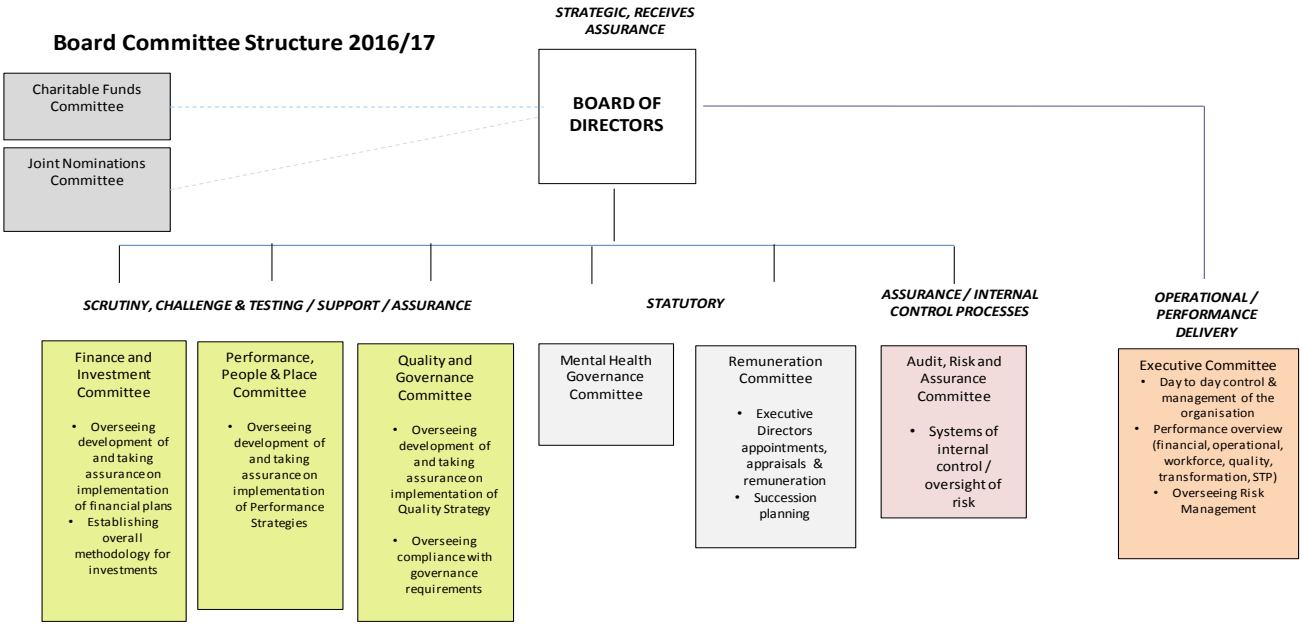
There were no substantial changes to commitments during the year and the Chairman, Roger Hill was able to devote the appropriate time commitment to this role.

3.11 Committee structure

The structure of the Board committees during 2016/17 was as follows up until 31 December 2016: -



The structure of the Board committees from 1 January 2017 was as follows: -



Sitting below this top level structure are a number of working groups and other meetings. The Terms of Reference for the Board Committees are refreshed each year.

3.12 Key Committees

The Board recognises the importance of organisational governance such as executive structures, annual and service plans, performance management and risk management arrangements to deliver the Trust's strategic objectives. The Trust has developed a meetings structure to support these and to provide assurance to the Board.

The Board has established the following committees: -

- Charitable Funds Committee
- Audit, Risk and Assurance Committee*
- Quality and Governance Committee
- Finance and Investment Committee
- Mental Health Governance Committee*
- Remuneration Committee*
- People, Performance and Place Committee
- Executive Committee

* Statutory Committees

The Joint Nominations Committee is established by the Council of Governors.

3.13 Accounting policies for pensions and other retirement benefits

Accounting policies for pensions and other retirement benefits are set out in the notes to the accounts and details of senior employees' remuneration can be found in the remuneration report (Section 4 refers).

3.14 Interests held by Directors and Governors

Details of company directorships and other significant interests held by Directors or Governors which may conflict with their management responsibilities are registered. The Trust maintains two registers, one for Directors and one for Governors, which are open to the public. Both registers are available from the Company Secretary.

Each Director and Non-Executive Director is required to declare their interests on an ongoing basis and to ensure that their registered interests are up to date. The Directors are reminded at the beginning of each Trust Board meeting that they must declare any interest which may conflict with the business of the Trust and excuse themselves from any discussion where such conflict may arise. The Trust is satisfied with the independence of the Board for the entire year.

3.15 Cost allocation and charging requirements

The Trust has complied with the cost allocation and charging requirement set out in HM Treasury and Office of Public Sector Information Guidance.

3.16 Political donations

There were no political donations during 2016/17.

3.17 Better Payment Practice Code

The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or valid invoice, whichever is the latter. Information on measure of compliance is included in Note 9 to the accounts.

3.18 Working with suppliers

The Great Western Hospitals NHS Foundation Trust works with a large number of suppliers across a very diverse portfolio. Our aim is to work in partnership with our suppliers and to build strong relationships that enable us to obtain best value for money when purchasing the quality of goods and services the Trust needs to support patient care.

The Trust has an E-Procurement tool which enhances transparency of our contracting processes, gives visibility of the contracts the Trust is tendering for, makes it easier for suppliers to engage with us and reduces the paperwork suppliers have to complete during formal tendering processes.

3.19 Enhanced Quality Governance Reporting

Quality Governance is a combination of structures and processes at and below Board level to lead on Trust-wide quality performance including:

- ensuring required standards are achieved;
- investigating and taking action on sub-standard performance;
- planning and driving continuous improvement;
- identifying, sharing and ensuring delivery of best-practice; and
- identifying and managing risks to quality of care.

Arrangements are in place to ensure quality governance and quality is discussed in more detail within the Annual Governance Statement (Section 10 refers).

3.20 Quality Governance Framework

The Trust has had regard to NHS Improvement's Quality Governance Framework in arriving at its overall evaluation of its performance, internal control and Board Assurance Framework. The Trust seeks to ensure that the Trust strategy; capabilities and culture; processes and structure and measurements are mapped against the Quality Governance Framework. Quality Governance is discussed in more detail elsewhere in this report namely in the Quality Report (Section 10 refers) and in the Annual Governance Statement (Section 9 refers).

During 2016/17 the Trust had in place a number of plans and processes which contribute to ensuring Quality Governance. Examples of this include: -

- On-going development of the Trust's business strategy with particular emphasis on quality. In addition, sitting under the Trust Strategy, is a Quality Strategy encompassing eight domains. Key Performance Indicators have been agreed to focus on patient care, positive patient experiences and good clinical outcomes.

- Following the initial governance review reporting structures were refreshed and posts realigned / established with a focus on quality. This past year we have written and are currently consulting on a Trust quality governance framework which describes the expected systems and processes of quality governance within the trust.

- Divisional quality dashboards continue to be enhanced, to support department and divisions in their monitoring and reporting of quality performance indicators.

- Regular reporting to the Board on risks and potential risks to quality, with action plans in place to address any gaps in assurance. A further refreshing of risk management in the organisation took place during 2016-17 with continued focus on the management of risks at local levels. Additional training and workshop sessions have been held to raise awareness of the need to identify and manage risk, including risks which may compromise the Trust's ability to consistently deliver high quality care.

- Ongoing refreshment of the Board to ensure that the Board has the necessary skills and qualities to manage the Trust and deliver the quality agenda. During 2016-17 a clinical Non-Executive Director was appointed who now chairs the Quality and Governance Committee.

- Promotion of a quality focused culture throughout the Trust evidenced by the role of staff values and improved communication and feedback mechanisms. Quality is considered in developing policies and procedures for the Trust with consideration given to the impact on clinical effectiveness, patient experience and the quality of care.

- There are clear processes for escalating quality performance issues to the Board. These are documented, within policies and procedures determining which issues should be escalated. These amongst other issues include escalation of serious untoward incidents and complaints. Robust improvement plans are put in place to address quality performance issues.

- A robust and effective Board Assurance Framework and Risk Management process, which provides a valuable tool for identifying risks, managing them, ensuring controls are in place and addressing any gaps in those controls. The Board Assurance Framework has been completely refreshed with a focus on oversight of metrics to indicate mitigation of strategic risks including quality.

- Patient experience is important to the Trust. Each month the results of the Family and Friends Test and information from comments and complaints are reported, which includes areas for learning and themes of concerns.

- Quality information is analysed and challenged in a number of areas. The Board reviews a monthly Quality Report, which includes metrics and analysis of essential quality indicators, such as Infection Prevention and Control, Incident Reporting and Clinical Audit.

- During the course of the year, the internal auditor carried out audits of a number of areas associated with quality governance such as risk management, Information Governance (IG) Toolkit (see box below) and incident reporting and management.

- During the course of the year there was a Trust wide improvement plan, led by a time limited collaborative Improvement Committee, whose primary aim was to ensure the delivery of the Improvement Plan to meet the recommendations arising out of the Care Quality Commission's (CQC) inspection in 2015. This supports the Trust's focus on aiming to comply with the CQC regulations and key lines of enquiry.

Note - The Information Governance (IG) Toolkit is a Department of Health measuring tool that allows organisations to assess themselves against IG policies, IG law and central guidance. It demonstrates whether we can be trusted with public data.

Patient Care

3.21 Development of services to improve patient care

We treat thousands of patients every year as outlined in the Overview of Performance Report (Section 1 refers). Service improvements are also included in the Overview of Performance Report.

3.22 Performance against key healthcare targets

Details of performance against key healthcare indicators is set out elsewhere in the Quality Report (Section 11 refers).

3.23 Arrangements for monitoring improvements in the quality of healthcare

Continuous monitoring of the Quality Accounts and improvement plan and national targets is done monthly. The improvement indicators and national targets are reported through to our Commissioners and Trust Board via an Executive Committee. The Quality Account improvement indicators also inform a Patient Quality Committee each month.

Compliance Monitoring of the CQC regulations is undertaken through the Patient Quality Committee, Quality and Governance Committee and Executive Committee up to Trust Board. Exceptions in compliance or risks to compliance are identified and included in the Trust's Risk Register. Action plans are developed and progress is monitored to provide assurance of compliance.

In addition the Trust has in place an Improvement Committee which oversees the roll out of milestone actions to drive improvement and also tests and challenges embeddedness of improvement.

3.24 Progress towards targets

Progress with national targets informs the Trust Safety and Performance dashboard which is shared and monitored by our Commissioners, as well as monitored through the Executive Committee and Trust Board. Monthly directorate performance meetings are held to monitor performance at directorate level.

Progress towards targets as agreed with local Commissioners, together with details of other key quality improvements, are included in the Quality Report (Section 11 refers).

3.25 New or significantly revised services

Details of services throughout the year are included in the Overview of Performance Report (Section 1 refers).

There were no new or significantly revised services during 2016/17 other than those detailed below.

The Trust did decide not to continue with Wiltshire Children & Young People's Services at the time that this service came to tender. As a result, this service transferred to Virgin Healthcare from 01/04/16. In addition, due to the bundling of locations, the Trust was unable to bid for health services delivered to HMP Erlestoke. As a result this service transferred to Bristol Community Health from 1 April 2016.

In the final quarter of 2015/16 the Trust placed an expression of interest to Swindon Clinical Commissioning Group for the provision of Swindon Integrated Adult Community Services. The Trust was agreed as the preferred provider but, prior to formal contract, the Trust was asked to "care take" the services due to the existing provider "SEQOL" ceasing to operate. Therefore, from 1 October 2016, the Trust has been providing adult community health services in Swindon under a caretaker agreement. A formal contract for these services is expected to be entered into during 2017/18.

The business planning process, which was updated during 2015/16, has been further developed and embedded within the organisation. The Trust is now actively participating in a system–wide STP (Sustainability and Transformation Plan) which covers BANES (Bath and North East Somerset), Wiltshire and Swindon. The Trust is also working on the development of new models of care for Swindon. This is currently in the early stages but will be a key area of focus for 2017/18.

3.26 Improvement in patient / carer information

This is referred to in the Quality Report (Section 10 refers).

3.27 Focusing on the patient

How the Trust has focused on the patient, with examples, is included in the Performance Report referred to elsewhere in this document (Section 2 refers).

3.28 Complaints Handling

Published under Regulation 18 of the Local Authority, Social Services and NHS Complaints (England) Regulations 2009

This is referred to in the Quality Report (Section 10 refers).

3.29 Using patient experience to drive service improvements

This is referred to in the Quality Report (Section 10 refers).

Stakeholder Relations

3.30 Partnerships and alliances

During the course of the year we have continued to place significant emphasis on building strong relationships with local providers and commissioners. In respect of the Wiltshire health community, we have worked extensively with local GPs, voluntary sector organisations, Wiltshire Clinical Commissioning Group and the public to develop our Joint Venture, Wiltshire Health & Care LLP. The establishment of the Joint Venture in itself is was leap forward in joint partnership working.

Looking forward, the Trust is actively working to develop partnerships and closer working relationships with a network of organisations across Swindon, which will place us well in our ambition to become an Accountable Care Organisation. Work also continues across our STP (Sustainability & Transformation Plan) footprint (covering BANES, Wiltshire & Swindon), here we are looking at how best to work together as a system to deliver real service improvements to patients, efficiencies and savings.

Work has continued with our partners at the Oxford University Hospitals NHS Trust on plans to develop a local Radiotherapy Unit on the Great Western Hospital site in Swindon. The development was given the official go ahead in March 2016. A crucial element of the development of this service will be a multi-million fundraising appeal, which was launched in early 2015 by our Trust, and which as of October 2016 had already reached the £1,000,000 mark.

3.31 Development of services with others and working with our partners to strengthen the service we provide

Examples of how the Trust has developed services with others and worked with partners to strengthen the services we provide is included in the Overview of Performance Report (Section 1 refers).

3.32 Health and Overview Scrutiny Committees (HOSCs)

HOSCs (known as the Adult Social Care Select Committee in Wiltshire) are a statutory function of Local Authorities comprising elected representatives whose role it is to scrutinise decisions and changes that impact on health services in the area.

3.33 Local Healthwatch organisations

We continue to engage with the local Healthwatch organisations in the Trust's geographical area and in particular for Swindon and Wiltshire.

3.34 Public and patient involvement activities

Details of engagement events with the public and patients is included in the Disclosures set out in the NHS Foundation Trust Code of Governance Report (Section 6 refers).

Additional disclosures

3.35 Statement as to disclosures to auditors

For each individual Director, so far as the Director is aware, there is no relevant information of which the Great Western Hospitals NHS Foundation Trust's auditor is unaware and that each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Great Western Hospitals Foundation Trust's auditor is aware of that information.

Relevant audit information means information needed by the auditor in connection with preparing their report. In taking all steps the Directors have made such enquiries of their fellow Directors and of the Trust's auditors for that purpose and they have taken such other steps for that purpose as are required by their duty as a Director of the Trust to exercise reasonable care, skill and diligence.

3.36 Income disclosures

The income the Trust receives from the provision of goods and services for the purposes other than health care does not exceed the income it receives from the provision of goods and services for the provision of health.

3.37 Other income

Other income totalling £39m does not have a negative impact on provision of goods and services for the purposes of the health service in England.

4. Remuneration Report

Information not subject to audit

Including disclosures required by section 156 (1) of the Health and Social Care Act 2012, which amended paragraph 26 of Schedule 7 to the NHS Act 2006

4.1 Remuneration Committee

The Trust has a Remuneration Committee which has responsibility to put in place formal, rigorous and transparent procedures for the appointment of Executive and Non-Voting Board Directors and to develop, maintain and implement a remuneration policy that will enable the Trust to attract and retain the best candidates for Executive and Non-Voting Director Board positions. The Committee reviews the structure, size and composition (including the skills, knowledge and experience) required of the Board and gives consideration to and is responsible for succession planning at senior level. The responsibility for carrying out these duties rests with the Remuneration Committee whilst the accountability for the actions of the Committee remains with the full Board. Executive and Non-Voting Board Directors are in senior positions that influence the decisions of the Trust as a whole.

4.2 Membership of the Remuneration Committee

The Remuneration Committee is comprised of the Chairman, Non-Executive Directors and the Chief Executive and chaired by the Senior Independent Director. The Chief Executive does not take part in the consideration of Executive and Non-Voting Board Directors appointments or salaries which are agreed by Non-Executive Directors only.

4.3 Membership and attendance at meetings of the Remuneration Committee during 2016/17

There were 3 meetings of the Remuneration Committee during 2016/17. Membership and attendance is set out below: -

	Record of attendance at each meeting (✓ = attended × = did not attend n/a = was not a member)		
	16 July 2016	**24 October 2016**	**27 March 2017**
Robert Burns	✓	✓	n/a
Nicholas Bishop	n/a	✓	✓
Liam Coleman *(Chair until 31 December 2016)*	✓	✓	n/a
Andy Copestake	✓	✓	✓
Angela Gillibrand	n/a	n/a	n/a
Roger Hill	✓	✓	✓
Steve Nowell *(Chair from 1 January 2017)*	✓	✓	✓
Jemima Milton	✓	✓	✓
Julie Soutter	×	✓	✓
Nerissa Vaughan	✓	✓	✓

4.4 Policy and guidance

In exercising its responsibilities, the Committee: -

- has regard for each individual's performance and contribution to the Trust and the performance of the Trust itself;
- takes into account benchmark information relating to remuneration of Executive Directors; and
- seeks professional advice from Oonagh Fitzgerald, Director of Human Resources

4.5 Remuneration of senior managers (Executive and Non-Voting Board Directors)

An element of variable pay for Executive Directors was introduced in 2013/14, having first introduced it for the Chief Executive in 2011/12. The Committee had a clear view that there must be a rigorous threshold to be achieved before payment of all or part of the variable element could be considered. The majority of the senior manager's salary is base pay, with a percentage as variable pay.

At the end of each year the Remuneration Committee considers whether the variable element is payable, as the variable element is only payable if clear threshold levels and objectives are achieved by the senior managers. In 2014/15 the Remuneration Committee suspended the variable pay element which remained suspended throughout 2015/16 and again throughout 2016/17.

In July 2016 the Remuneration Committee undertook its annual review of remuneration of Executive and Non-Voting Board Directors, excluding the variable pay element. The Remuneration Committee wishes to ensure that Directors' remuneration reflects current market levels, thus enabling the Trust to continue to recruit and retain high calibre Directors. Benchmarking information relating to other Trusts was considered and basic pay was reviewed in line with benchmarking rates. No changes to the remuneration of Executive and Non-Voting Board Directors were made, albeit there was an uplift to one director's salary to align with market rates.

The following steps were taken to ensure that the Committee satisfied itself that it was reasonable to pay one or more senior managers more than £142,500: -

- Comparison made of salaries of similar roles in similar organisations
- Consideration of vacancies across the NHS for similar roles
- Consideration of the likelihood of recruiting and retaining individuals in the current market

The Committee was satisfied that the salaries were reasonable for these roles in this organisation.

The variable pay scheme (suspended throughout 2015/16 and again in 2016/17) is as follows: -

Components of the Remuneration Package for senior managers	**How the component supports the short and long term strategic objectives of the Trust**	**How the component operates**	**The maximum which could be paid for the component**	**Amount (expressed in monetary terms or otherwise) that may be paid for minimum performance and any further levels of performance**
Basic Pay	Basic pay for standard performance			
Variable Pay	Delivery of Plan	Threshold	10% of basic pay	
	Delivery of stretch objectives	Individual specific objectives		

The scheme was suspended in that because the Trust had entered into enforcement undertakings, the threshold component of the scheme was not achievable.

Pension - The pension and other benefits for Executive and Non-Voting Board Directors is payable according to the NHS Pension Scheme and the Trust's Expenses Policy.

Claw back - Provisions for the recovery of sums paid to Directors, i.e. claw back provisions, are included in Executive and Non-Voting Board Directors contracts.

Policy - The difference between the Trust's policy on senior manager's remuneration and its general policy on employee's remuneration is that the Executive and Non-Voting Board Directors are on spot salaries whereas the rest of the organisation is on a pay scale with annual increments.

The Director remuneration was considered in the context of senior manager's remuneration in that at the time of extending variable pay from the Chief Executive to the Executive Directors it was intended that a variable pay scheme would be replicated to the senior management via a phased approach. However, as the variable element of the scheme has been suspended the Remuneration Committee decided in November 2015 not to proceed with variable pay for senior manager below Board level. The variable pay scheme for Executive and Non-Voting Board Directors remains suspended and consideration will again be given to the scheme in 2017/18.

In considering Executive and Non-Voting Board Directors pay, relativities of senior manager pay were also taken into account. There was no consultation with employees when preparing the Executive and Non-Voting Board Directors remuneration policy.

4.6 Service contract obligations

There are no service contract obligations.

4.7 Performance of senior managers

The appraisal process for the Chief Executive and Executive and Non-Voting Board Directors involves an annual review of the objectives set and performance against those objectives. These are agreed by the Chairman and Chief Executive respectively and reported through the Remuneration Committee. The Committee receives a summary report from the Chief Executive into the performance of each Executive and Non-Voting Board Director.

4.8 Board of Directors' employment / engagement terms

Executive and Non-Voting Board Directors, but not the Chief Executive, are appointed by the Remuneration Committee. The Chief Executive and the Non-Executive Directors are nominated for appointment by a Joint Nominations Committee comprised of Governors and Non-Executive Directors. The Council of Governors approves the Chief Executive and Non-Executive Director appointments.

The Chief Executive and Executive and Non-Voting Board Directors have a contract with no time limit (with the exception of the Medical Director position which is for a fixed term of three years) and the contract can be terminated by either party with six months' notice as per NHS Employers standard Director contract. These contracts are subject to usual employment legislation. New Director contracts include claw back clauses for any variable payment and fit and proper person disqualification provisions. The Non-Executive Directors, which includes the Chairman, are appointed for terms of office not exceeding three years. They do not have contracts of employment, but letters of appointment with terms agreed by the Council of Governors. The Council of Governors may remove Non-Executive Directors at a general meeting with the approval of three quarters of the members of the Council of Governors.

The Trust's Constitution sets out the circumstances under which any Board Director may be disqualified from office. The policy for loss of office payment is that the Trust would normally pay not more than contractual notice period. Any exceptions would be considered at the Remuneration Committee on a case by case basis.

4.9 Senior managers with additional duties

Set out below (section 4.13 refers) is a table disclosing the single total figure of remuneration for each person occupying a director post. This includes all remuneration paid by the Trust to the individual in respect of their service for the Trust, including remuneration for duties that are not part of their management role.

Note that the element of remuneration from the Trust which relates to any clinical role is included. Where any individual received part of their remuneration from another body, the Trust's share of the individual's remuneration is listed only.

4.10 Remuneration of Non-Executive Directors

The Non-Executive Directors are paid an annual allowance, together with responsibility allowances for specific roles as set out in the table below: -

Chairman	£42,500
Non-Executive Director (basic which all receive except chairman)	£13,000
Deputy Chairman	£1,000
Senior Independent Director	£1,000
Audit, Risk & Assurance Committee Chair	£3,000
Mileage	In accordance with Trust scheme
Expenses	All reasonable and documented expenses in accordance with Trust's policy.

Note that a Nominations and Remuneration Working Group comprised of Governors makes recommendations on allowances to the Council of Governors which sets the allowances for the Non-Executive Directors.

4.11 Annual Statement from the Chairman of the Remuneration Committee summarising the financial year

During the year the Committee considered recruitment and selection options, which included the benefits of psychometric testing. The Committee supported a review of essential and desirable job specification criteria together with psychometric, personality and general intelligence testing to support recruitment and selection. The Committee also considered succession planning.

During the year the Committee reviewed the Chief Executive, Executive and Non-Voting Board Directors achievements against objectives for 2015/16 and objectives for 2016/17. There were no major decisions on senior managers' remuneration during 2016/17.

The Committee considered the Executive and Non-Voting Board Director composition of the Board and agreed plans around recruitment to substantive posts. Furthermore, with Douglas Blair, the Director of Community Services (non-voting Board Director) leaving the Board on 30 June 2016 to coincide with the transfer of Wiltshire Community Health Services to Wiltshire Health and Care LLP, the Committee agreed the removal of this Director position from the Board.

In addition the Committee appointed Guy Rooney, the Medical Director as the Deputy Chief Executive from 20 July 2016. Guy's re-appointment as the Medical Director and Deputy Chief Executive for a further two year term ending 31 March 2019 was also agreed by the Committee.

During 2016/17 the Committee reflected on the needs of the Board and agreed the establishment of a new non-voting Board Director position, namely the Director of Governance and Assurance (and Company Secretary). Carole Nicholl was appointed to the role from 1 November 2016. The Committee also reflected on the voting status of Directors and considered that the Director of Strategy should be a voting position on the Board. It was noted that a majority of Non-Executive Directors would remain, albeit that a vacancy for a Non-Executive Director position exists. The Committee further considered that the title for this role should be expanded to Director of Strategy and Community Services to reflect the portfolio of the post.

This report contains a summary of the work of the Remuneration Committee during 2016/17.

Disclosures required by Health and Social Care Act

4.12 Expenses of Directors and Governors

4.12.1 Expenses 2016/17 (unaudited)

Note - The total number of Board Directors in office during 2016/17 was 17 (2015/16: 16) and the total number of Governors in office was 23 (2015/16: 24)

Name	Title	Expenses 2016/17 £
Robert Burns	Non-Executive Director *(until 31.01.17)*	897.14
Nicholas Bishop	Non-Executive Director *(from 01.08.16)*	947.70
Liam Coleman	Non-Executive Director *(until 31.12.16)*	0
Andy Copestake	Non-Executive Director *(from 01.07.16)*	0
Angela Gillibrand	Non-Executive Director *(until 30.06.16)*	212.24
Roger Hill	Chairman	1004.96
Jemima Milton	Non-Executive Director	0
Steve Nowell	Non-Executive Director	421.64
Julie Soutter	Non-Executive Director	0
Douglas Blair	Director of Community Services (non-voting) *(until 30.06.16)*	1014.68
Oonagh Fitzgerald	Director of Human Resources	709.16
Karen Johnson	Director of Finance	0
Kevin McNamara	Director of Strategy (non-voting)	996.67
Carole Nicholl	Director of Governance & Assurance (& Company Secretary) (non-voting) *(from 01.11.16)*	81.10
Guy Rooney	Medical Director & Deputy Chief Executive	1211.44
Nerissa Vaughan	Chief Executive	1377.36
Hilary Walker	Chief Nurse	443.59
Total		**£9317.68**

Name	Title	Expenses 2016/17 £
David Barrand	Nominated Governor	0
Orli Berman (previously known as Elizabeth Garcia)	Public Governor *(until 07.04.16)*	0
Penny Bowen	Public Governor *(from 06.09.16)*	0
Claire Brooks	Public Governor *(from Nov-16)*	0
Lisa Campisano	Staff Governor *(until Nov-16)*	0
Anna Collings	Nominated Governor	0
Pauline Cooke	Public Governor	360.36
Brian Ford	Nominated Governor *(from 01.09.16)*	0
Peter Hanson	Staff Governor	0
Louise Hill	Public Governor	45.45
Ian James	Nominated Governor	0
Janet Jarmin	Public Governor	327.76
Brian Mattock	Nominated Governor *(until 18.05.16)*	0
Phrynette Morrison	Nominated Governors *(until 11.11.16)*	0
Sheila Parker	Nominated Governor	314.76
Kevin Parry	Public Governor	0
Peter Pettit	Public Governor	430.29
Rosemarie Phillips	Public Governor *(from Nov-16)*	0
Martin Rawlinson	Public Governor	0
Roger Stroud	Public Governor *(from Nov-16)*	0
Ros Thomson	Public Governor	0
Margaret White	Public Governor	997.92
Robert Wotton	Public Governor *(until 11.05.16)*	0
Total		**£3080.32**

4.12.2 Expenses 2015/16

Name	Title	Expenses 2014/15 £
Name	**Title**	**Expenses 2015-16 £**
Robert Burns	Non-Executive Director	1547.72
Liam Coleman	Non-Executive Director	0
Angela Gillibrand	Non-Executive Director	74.48
Roger Hill	Chairman	1173.64
Jemima Milton	Non-Executive Director	0
Steve Nowell	Non-Executive Director	564.40
Julie Soutter	Non-Executive Director	148.70
Douglas Blair	Director of Community Services (non-voting)	1626.53
Oonagh Fitzgerald	Director of Workforce & Education	221.20
Karen Johnson	Director of Finance	0
Michelle Kemp	Chief Operating Officer (to May-15)	2920.20
Maria Moore	Deputy Chief Executive & Director of Finance (to Apr-15)	118.84
Kevin McNamara	Director of Strategy (non-voting)	1384.54
Guy Rooney	Medical Director	2514.73
Nerissa Vaughan	Chief Executive	554.40
Hilary Walker	Chief Nurse / Chief Nurse	678.82
Total		**£13,528.20**

Note Michelle Kemp's expenses include a relocation sum

Name	Title	Expenses 2015/16 £
Shane Apperley	Staff Governor (to Jul-15)	0
David Barrand	Nominated Governor	0
Orli Berman (previously known as Elizabeth Garcia)	Public Governor	0
Roger Bullock	Public Governor (to Nov-15)	0
Lisa Campisano	Staff Governor	0
Anna Collings	Nominated Governor (from Nov-15)	0
Pauline Cooke	Public Governor (from Nov-15)	0
Mike Halliwell	Public Governor (to Nov-15)	0
Peter Hanson	Staff Governor	0
Louise Hill	Public Governor	508.92
Ian James	Nominated Governor	0
Janet Jarmin	Public Governor	943.60
Hayley Madden	Staff Governor (to Sep-16)	0
Brian Mattock	Nominated Governor	0
Phrynette Morrison	Nominated Governors (from Aug-15)	0
Sheila Parker	Nominated Governor	0
Kevin Parry	Public Governor	0
Peter Pettit	Public Governor	226.80
Martin Rawlinson	Public Governor (from Aug-15)	0
Saul Richardson	Staff Governor (from Nov-15)	0
Ros Thomson	Public Governor	0
Margaret White	Public Governor	678.16
Edward Wilson	Nominated Governor (to Sep-15)	0
Robert Wotton	Public Governor	0
Total		**£2,357.48**

Information subject to audit

The information subject to audit, which includes Governors' expenses, senior manager's salaries, compensations, non-cash benefits, pension, compensations and retention of earnings for non-executive directors, is set out in the tables below.

4.13 Pension Benefits and Remuneration

4.13.1 Pensions Benefits 2016-17

Name (alphabetical order)	Title	(a) Real Increase in Pension 2016-17 (Bands of £2500)	(b) Real Increase in Lump Sum 2016-17 (Bands of £2500)	(c) Total accrued pension at 31st March 2017(Bands of £5000)	(d) Total accrued related lump sum at 31st March 2017 (Bands of £5000)	(e) Cash Equivalent Transfer Value at 31st March 2017	(f) Cash Equivalent Transfer Value at 31st March 2016	(g) Real Increase in Cash Equivalent Transfer Value	(h) Employers Contribution to Stakeholder Pensions
		£000	£000	£000	£000	£000	£000	£000	£000
Douglas Blair	Director of Community Services	0-2.5	0-2.5	25-30	60-65	329	304	25	0
Oonagh Fitzgerald	Director of Human Resources	0-2.5	(0)-(2.5)	25-30	60-65	364	336	28	0
Karen Johnson	Director of Finance	5-7.5	2.5-5	15-20	0.0	144	111	33	0
Kevin McNamara	Director of Strategy (non-voting)	2.5-5	2.5-5	10-15	30-35	156	121	35	0
Carole Nicholl	Director of Governance & Assurance (non-voting)	2.5-5	5-7.5	45-50	0.0	582	522	60	0
Guy Rooney	Medical Director	2.5-5	7.5-10	55-60	175-180	1,124	1045	79	0
Nerissa Vaughan	Chief Executive	0-2.5	2.5-5	50-55	140-145	891	816	75	0
Hilary Walker	Chief Nurse	0-2.5	2.5-5	40-45	125-130	823	774	49	0

Note - Accrued Pension and Lump Sum relate to benefits accrued to date and are not a projection of future benefits. They will include any additional pension benefits that have been purchased to date.
Note - Membership of the Board during 2016/17 is referred to elsewhere in the Directors Report (Section 3 refers).
Note - CETV values are not applicable over age 60.

4.13.2 Remuneration 2016/17

	2016-17

Name	Title	A Salary & Fees (Bands of £5000)	B All Taxable Benefits £100	C Annual Performance Related Bonuses (Bands of £5,000)	Long Term Performance Related Bonuses (Bands of £5,000)	Other Remuneration (Bands of £5000)	E Pension-Related Benefits (Bands of £2,500)	Total
Robert Burns	NED	15-20	-	-	-	-	-	15-20
Nicholas Bishop	NED	5-10	-	-	-	-	-	5-10
Liam Coleman	NED	10-15	-	-	-	-	-	10-15
Andy Copestake	NEDF	5-10	-	-	-	-	-	5-10
Angela Gillibrand	NED	0-5	-	-	-	-	-	0-5
Roger Hill	Chairman	40 – 45	-	-	-	-	-	40-45
Steve Nowell	NED	10-15	-	-	-	-	-	10-15
Jemima Milton	NED	10-15	-	-	-	-	-	10-15
Julie Soutter	NED	15-20	-	-	-	-	-	15-20
Douglas Blair	Director of Community Services	95-100	-	-	-	-	20-22.5	115-120
Oonagh Fitzgerald	Director of Human Resources	105-110	-	-	-	-	17.5-20	120-125
Karen Johnson	Director of Finance	125-130	-	-	-	-	45-47.5	170-175
Kevin McNamara	Director of Strategy (non-voting)	110-115	-	-	-	-	55-57.5	170-175
Carole Nicholl	Director of Governance & Assurance (non-voting)	75-80	-	-	-	-	102.5-105	180-185
Guy Rooney	Medical Director & Deputy Chief Executive	130-135	-	-	-	35-40	25-27.5	195-200
Nerissa Vaughan	Chief Executive	170-175	-	-	-	-	35-37.5	205-210
Hilary Walker	Chief Nurse	105-110	-	-	-	-	5-7.5	110-115

Note – In respect of Guy Rooney, other remuneration relates to his clinical role.

Note – The remuneration figures do not include any final bonus/performance related pay increases which are subject to agreement by the Remuneration Committee. None were approved for payment in 2015/16.

Note – Douglas Blair's remuneration and expenses are part year (until 28 February 2017) when he TUPE transferred to Wiltshire Health & Care LLP. However, he ceased to be a Board Member on 30 June 2017.

4.13.3 Remuneration 2015-16

Pension Contributions for 2015/16 have been restated in the table below (above) so that they include contributions to the two NHS Pension Schemes - 2015 NHS Pension scheme and 1995/2008 Pension Scheme.

		2015-16							
Name	**Title**	**Salary (Bands of £5000)**	**Arrears for 2014-15 paid in 2015-16 (Bands of £5,000)**	**Benefits in Kind Rounded to the Nearest £100**	**Annual Performance Related Bonuses (Bands of £5,000)**	**Long Term Performance Related Bonuses (Bands of £5,000)**	**Other Remuneration (Bands of £5000)**	**Pension-Related Benefits (Bands of £2,500)**	**Total**
Robert Burns	NED	15-20	-	-	-	-	-	-	15-20
Liam Coleman	NED	10-15	-	-	-	-	-	-	10-15
Angela Gillibrand	NED	10-15	-	-	-	-	-	-	10-15
Roger Hill	Chairman	40 – 45	-	-	-	-	-	-	40-45
Steve Nowell	NED	10-15	-	-	-	-	-	-	10-15
Jemima Milton	NED	10-15	-	-	-	-	-	-	10-15
Julie Soutter	NED	10-15	-	-	-	-	-	-	10-15
Douglas Blair	Director of Community Services	100-105	-	-	-	-	-	42.5-45	145-150
Oonagh Fitzgerald	Director of Human Resources	105-110	-	-	-	-	-	45-47.5	150-155
Karen Johnson	Acting Director of Finance	115-120	-					90-92.5	205-210
Michelle Kemp	Chief Operating Officer	70-75	-					(65)-(62.5)	5-10
Kevin McNamara	Director of Strategy (non-voting)	95-100	-	-	-	-	-	40-42.5	140-145
Maria Moore	Deputy Chief Executive & Director of Finance	0-5	-	-	-	-	100-105	0-2.5	100-105
Guy Rooney	Medical Director	125-130		-	-	-	35-40	52.5-55	220-225
Nerissa Vaughan	Chief Executive	170-175	-	-	-	-	-	60-62.5	230-235
Hilary Walker	Chief Nurse	110-115	-	-	-	-	-	25-27.5	135-140

Note – In respect of Guy Rooney, other remuneration relates to his clinical role.
Note – In respect of Maria Moore, other remuneration relates to exit package paid in April 2015.
Note – The remuneration figures do not include any final bonus/performance related pay increases which are subject to agreement by the Remuneration Committee. None were approved for payment in 2015/16.
Note - Pension Related Benefits relate to the increase in employer contributions from prior year.
Note - Maria Moore left the Trust on 6 April 2015 and Michelle Kemp left the Trust on 31 May 2015

4.13.4 Notes to Pension, Remuneration and Expenses Tables

- Non-Executive Directors do not receive pensionable remuneration.
- There are no Executive Directors who serve elsewhere as Non-Executive Directors and, therefore, there is no statement on retention of associated earnings.
- Salary includes employer NI and pension contributions. The above figures do not include any final bonus/performance related pay increase which is subject to agreement by Remuneration Committee.
- The accounting policies for pensions and other retirement benefits and key management compensation are set out in the notes to the accounts.
- The Remuneration Committee considered that the level of remuneration paid to Executive Directors needed to be sufficient to attract and retain Directors of the calibre and value required to run a foundation trust successfully. The Committee had previously decided to increase the remuneration of Executive Directors so that there were in line with current market levels.

4.13.5 Cash Equivalent Transfer Value

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at any one time. The benefits valued are the members' 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 arrangements when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures show 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 the scheme at their own cost. CETV's are calculated within the guidelines and frameworks prescribed by the Institute and Faculty of Actuaries. The CETV is based on actual contributions to 31st March 2017.

On 16 March 2016, the Chancellor of the Exchequer announced a change in the Superannuation Contributions Adjusted for Past Experience (SCAPE) discount rate from 3.0% to 2.8%. This rate affects the calculation of CETV figures in this report.

Due to the lead in time required to perform calculations and prepare annual reports, the CETV figures quoted in this report for members of the NHS Pension scheme are based on the previous discount rate and have not be recalculated.

4.13.6 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 and contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses the common market valuation factors from the start and end of the period.

Additional disclosures

4.14 Highest paid director remuneration

All NHS Foundation Trusts are required to disclose the relationship between the remuneration of the highest paid Director in their organisation and the median remuneration of the organisation's workforce. The median total remuneration above is the total remuneration of the staff member lying in the middle of the linear distribution of staff employed in the Trust, excluding the highest paid Director. This is based on an annualised full time total staff equivalent remuneration as at the reporting period date. There are no Executive Directors who have been released, for example to serve as Non-Executive Directors elsewhere and, therefore, there are no remuneration disclosures on whether or not the Director will retain such earnings.

Executive Name and Title	**Total remuneration**	
	2016/17	**2015/16**
Nerissa Vaughan, Chief Executive	**£172,500**	**£172,500**

The above remuneration is on an annualised basis and is that of the highest paid Director. This includes salary, performance related pay, severance payments and benefits in kind where applicable, but excludes employer pension contributions.

Multiple Statement	**2016/17**	**2015/16**	**% change**
Highest paid Directors' total remuneration	**£172,500**	**£172,500**	0%
Median total remuneration	**£28,441.26**	**£27,090**	5.0%
Ratio	**6.07**	**6.37**	(4.7%)

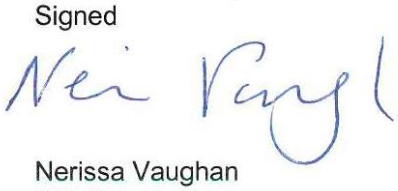
4.15 Payments for Loss of Office

There were no payments made for loss of office during 2016/17.

4.16 Payments to past senior managers

There were no payments made to past senior managers during 2016/17.

Signed



Nerissa Vaughan
Chief Executive

30 May 2017

5. Staff Report

5.1 Staff Numbers

We want our Trust to be a place that people want to work and would recommend to their family and friends. Our People Strategy sets out our journey of cultural change, ensuring that compassion and care are at the heart of our organisation, both for patients and our staff.

Every single person who works in our organisation plays an invaluable role in providing the high quality care and excellent service we strive for and we are committed to supporting our staff to achieve this through the six commitments outlined in our People Strategy.

As a Trust we are committed to developing our staff and strive to ensure that all our employees reach their full potential at work and are happy and motivated to do their job and contribute to our success as an organisation. We also continue to work towards improving how we recognise the hard work, loyalty, commitment and successes of our workforce and have raised the profile of achievement through the monthly and annual award scheme and in putting staff forward for national awards.

Average number of employees for 2016/17 was 4,892. The breakdown by professional group is listed below: -

Note 4.2 Average number of employees (WTE basis)	08K 2016/17 Total Number	08L 2016/17 Permanent Number	08M 2016/17 Other Number
Medical and dental	536	536	
Ambulance staff	0	0	
Administration and estates	1,068	1,068	
Healthcare assistants and other support staff	860	860	
Nursing, midwifery and health visiting staff	1,424	1,424	
Nursing, midwifery and health visiting learners	9	9	
Scientific, therapeutic and technical staff	599	599	
Healthcare science staff	0	0	
Social care staff	0	0	
Agency and contract staff	179		179
Bank staff	217		217
Other	0		
Total average numbers	4,892	4,496	396

An analysis of average staff numbers is included in Note 7 to the accounts, together with an analysis of staff with permanent employment contracts with the Trust and other staff engaged on the objectives of the organisation.

5.2 Staff Costs

Staff costs are included in Note 4.1 to the accounts.

5.3 Trust employees

A breakdown at 31 March 2017 of Trust employees is as follows: -

	Male	Female	Total
Directors (senior managers)	1 Executive Director, 1 Non-Voting Board Directors & 4 Non-Executive Directors	4 Executive Directors, 1 Non-Voting Board Director & 2 Non-Executive Directors	**13**
Bank & Substantive Staff	183	1043	**1226**
Substantive Staff Only	659	3,634	**4293**
Bank Staff only (includes Swindon Community Health Services)	188	1,084	**1272**
TOTAL	**1037**	**5768**	**6804**

The Trust has agreed key workforce policies with the recognised trade unions on behalf of our employees in line with our People Strategy 2014-2019. These policies include recruitment and selection, conduct, capability, grievance and health and safety. The policies are reviewed regularly for effectiveness and outcomes are reported bi-annually through the Executive Committee and People Strategy Committee. The HR Team members are aligned with the Clinical Divisions and meet regularly with the line managers to ensure that the relevant policies are implemented.

5.4 Sickness Absence

Staff Sickness Absence	2016/17	2015/16
Total days lost	34,192	33,812
Total staff years	4,281	4,364
Average working days lost per whole time equivalent	8	8

5.5 Staffing related issues during the year

International recruitment
Nurse staffing levels remain a concern so the Trust continued its international recruitment campaign during 2016/17 and will continue for the foreseeable future. This is in addition to encouraging local people to return to a career in nursing or acute care.

To date 4 candidates have arrived from Non-EU countries and 45 candidates have arrived from the EU. 12 have received their NMC registration and are working as band 5 registered nurses on the wards. All other candidates are working as pre-registered nurses whilst they complete either the OSCE (Non EU) or English Exam (EU).

Agency spend
The Trust is in negotiation with ID Medical, an external contractor and our current primary agency provider of temporary staff to move to a master vendor agreement. This will streamline our process and provide a more robust service for the staff and ensure adherence to our NHSI regulator requirements.

National Pay Rise
During the year national negotiations took place resulting in a 1% pay rise for all staff groups covered under Agenda For Change (our national terms and conditions) effective from 1 April 2017.

Swindon Community Health Services
Following a formal service tender exercise, the Swindon Community Health Services contract was awarded to the Trust on the 18 February 2016. Swindon CCG then asked the Trust to 'caretake' staff from the 1st October 2016 which resulted in the formal TUPE of 460 staff from SEQOL to the Trust.

Apprentices
In line with the national agenda for the employment of apprentices, the Trust has employed 43 apprentices in differing and varied roles to include the traditional junior administrator posts as well as the introduction of higher apprentices in healthcare settings. In addition, 96 of our existing staff were developed using apprenticeship training opportunities.

Staff Policies and actions applied during the year
The Trust has agreed key workforce policies with the recognised trade unions on behalf of our employees in line with our People Strategy 2014-2019. These policies include a range of employment situations e.g. recruitment and selection, conduct, capability, grievance and health and safety. The policies are reviewed regularly for effectiveness and outcomes are reported bi-annually through the Executive Committee and the Performance, People and Place Committee.

Details of policies applied during the financial year for giving full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities, are available on request to the Trust.

Details of policies applied during the financial year for continuing the employment of, and for arranging appropriate training for, employees who have become disabled persons during the period are available on request to the Trust.

Details of policies applied during the financial year for the training, career development and promotion of disabled employees are available on request to the Trust.

Actions taken in the financial year to provide employees systematically with information on matters of concern to them as employees include site communication with staff and "Staff Room" (a staff magazine) circulation.

Actions taken in the financial year to consult employees or their representatives on a regular basis so that the views of employees can be taken into account in making decisions which are likely to affect their interests are included elsewhere in this report under the Staff Survey information below.

To enable consultation with employees, the Trust has in place an employee partnership agreement. There is an Employee Partnership Forum made up of representatives from the trades unions and management. The agenda covers Trust developments and financial information, as well as consultation on policies and change programmes.

Actions taken in the financial year to encourage the involvement of employees in the Trust's performance are included elsewhere in this report (Section 5.8 refers).

Action taken in this financial year and as a result of the Sir Robert Francis 'Freedom to Speak Up' report and the Department of Health report known as 'Learning not blaming', the Trust launched a "Freedom to Speak Up" campaign to encourage staff to speak up in a safe environment. The Trust has appointed five Guardians to support the campaign. Their role is to be responsible for providing confidential advice and support to staff in relation to any concerns about patient safety. They can also offer advice and support to ensure concerns raised are handled professionally and result in a clear outcome

Actions taken in the financial year to achieve a common awareness on the part of all employees of the financial and economic factors affecting the performance of the Trust include site communication with staff and "Staff Room" (a staff magazine) circulation.

One of the basic principles of public sector organisations is the proper use of public funds. The Trust is a public funded organisation and consequently it is important that every employee and associated person acting for, or on behalf of, the Trust is aware of the risk of fraud, corruption and bribery; the rules relating to fraud, corruption and bribery and the process for reporting their suspicions and the enforcement of these rules. The Trust has a Fraud and Corruption Policy which includes a response plan for detected or suspected fraud, corruption or bribery. In addition the Board endorses the NHS Counter Fraud Strategy and subsequent guidance.

5.6 Policies for potential and existing disabled employees – engagement as an Employer of Choice with and for our community

The Trust is signed up to the national "two ticks" symbol and supports the recruitment and development of disabled candidates/employees. To achieve this we show commitment to five key areas and work with our key partner Job Centre Plus as well as stakeholders within Swindon e.g. voluntary sector agencies, training providers and colleges.

The Trust interviews all disabled applicants who meet the minimum criteria for a job vacancy and to consider them on their abilities. The Trust makes every effort when employees become disabled to make sure they stay in employment. HR staff work with Occupational Health Specialist Advisers and Line Managers to seek appropriate roles for staff following a change in circumstances

5.7 Staff consultation and engagement / other consultations

The Trust has a strong relationship with its trade union colleagues and also the Employee Partnership Forum (EPF) which formally negotiates on changes to policies, pay, terms and conditions of employment. EPF is formally recognised under a Trade Union Recognition Agreement and continues to be the route for communication with Trade Union Representatives for Wiltshire Health and Care LLP. In this financial year, EPF has also expanded to include Swindon Community Health Services.

Working in partnership with Trade Union Representatives, we TUPE transferred approximately 460 staff from SEQOL in October 2016. The Trust has also commenced consultation with staff working in Swindon Community Health Services on the proposal to move to GWH terms and conditions of employment. This should be concluded in the first quarter of 2017/18.

We continue to embed the STAR organisation values, which are Service, Teamwork, Ambition and Respect (STAR). These values are embedded in our People Strategy 2014-2019, HR policy framework, recognition schemes and support recruitment decisions.

5.8 Communicating with staff

We have continued to extend the range of channels to strengthen communication between senior management and Trust staff:

- The Trust has a single intranet site for staff, providing an accurate and timely source of information across the various departments and empowering staff to take control of their own areas of the site to share information with colleagues. The intranet also features a 'Hot News' section which allows important information to be shared with staff in a timely manner.

- The Staff Room is a newspaper for all staff and volunteers and is a new way of keeping in touch with what's happening across the Trust. We encourage individuals and teams to feature in an edition of *Staff Room* or, if staff think there's something we should be telling colleagues about, then we encourage staff to let us know. Copies of each issue of Staff Room are delivered to GWH and all the main community sites. It's also available electronically.

- The Trust also has an internet site for the public, current and future staff, members and Governors to access which provides useful information about services within the Trust, health care information and information about working for the Trust. The 'Working for us' section provides a series of information about career paths available, 'A day in the life of' and information about reward and benefits.

5.9 Workforce Key Performance Indicators (KPI's)

The Trust has a range of workforce KPI's which are monitored to understand the organisation's performance.

Sickness absence - Sickness absence levels were 3.76% for the period February 2016 - January 2017. This is consistent with the national picture for similar NHS Trusts. This is an increase on the same period for the previous year which was 3.49%. The Employee Relations team continue to work closely with managers to review all long and short term sickness absences within the Divisions and support the managers to reduce absence across the Trust by supporting their staff and addressing any issues which affect absence.

Turnover – Turnover as at January 2017 was 14.61%, of which voluntary turnover was 11.54%. The rate has continued to go down month on month during the year. This is due in part to the development of a Recruitment and Retention strategic plan to recruit and retain and provide the necessary development and reward to key areas experiencing turnover over and above the median for NHS Trusts.

Vacancy levels – As at February 2017 there were 430.10 WTE vacancies Trust wide, which equates to 8.98% of our total staffing levels. These are again supported by individual plans to support growth and development.

Appraisal rates - The overall completion rate for the Trust is 84.60% as at February 2017, (compared to 79.46% in February 2016). In 2017/18 the Trust will be focusing on improving the quality of the discussion and content of performance appraisals, as well as improving appraisal rates to ensure that staff feel that the appraisal was worthwhile and added value to them as an employee of the Trust.

5.10 Workforce Development

The Trust is committed to supporting and motivating current staff, trainees and future workforce, including students, with on-going learning and development. Despite challenging service pressures across the Trust, the Academy has been proactive in delivering training and in supporting staff and managers to engage with mandatory elements of training. Mandatory training compliance now stands at 89%. Role essential training has been identified for our staff with 82% compliance. The departments and staff groups with the lowest compliance rates are highlighted as hotspots in the monthly workforce report which is reported through the Executive Committee and the Performance, People and Place Committee. These hotspots have reduced from 123 to 26 more recently over the last 12 months.

The Academy, which is our dedicated Learning and Development Centre, continues to deliver training and support in a number of locations across the Trust. Simulation activity has increased with multi professional simulation scenarios now applying a human factor approach to reducing risk and increasing competence and self-awareness. The Academy has aimed to support the Trust in a proactive way by conducting a skill assessment and seeking the views of staff and service leads around key areas for improvement. The aim has been to provide education solutions to support recruitment, retention, talent management, succession planning as well as competency development and support for advanced and specialist skills.

The Academy has focussed on a number of improvements to education and development opportunities available for staff including:

- As part of the Academy continuing professional development programmes (CPD), new courses have been created in-house. These programmes focus on cardiac care, acute stroke, excellence in chemotherapy and end of life. These all focus on the patient pathway through different services in both acute and community settings. These programmes are multidisciplinary (for nursing/AHPs) promoting a cross service approach to learning and service delivery. The intention is that all these extended courses will be accredited at degree level via Oxford Brookes University later in 2017.

- We've increased our apprenticeships for both existing staff and those new to the healthcare work force to develop and maximise their potential – this has led to a strengthening of our pipeline of future staff – with 43 entry roles in the last year as well as the development of new roles such as Assistant practitioner to support skills mix reviews.

- Continued support of students to develop as caring, competent registrants and to successfully apply for positions within the Trust has been further strengthened by our stepping in programme and strong preceptorship offer - evaluated as excellent by our newly qualified staff.

- We have strengthened awareness of GWH support for furthering healthcare careers, devising and delivering a series of popular Nursing traineeships as well as devising clear development routes and raising awareness of our Continuing Professional Development (CPD) support. This has resulted in record numbers of staff applying and being support with their CPD.

- The national course to develop expertise in line with Resus guidelines was added to the Academy course portfolio this year – this is entitled Newborn Life Support. 33 staff have accessed this course, of which 20 were offered sponsored places free of charge, saving the Trust around £4000. The remainder used study budgets funded by the Severn Deanery. This course has also generated £1,890 of additional income for the Trust from external candidates.

- Experiences are measured after an educational event and to identify the impact of education. This feedback is used to inform future educational approaches. This year this has revealed that over 90% feel the service has been very good or excellent.

- New courses to support recruitment have been developed this year with a UK based oversees nurse course, as well and support for overseas staff to achieve required competencies and professional registration requirements currently underway.

Post Graduate Medical Education has recently employed six Clinical Innovation Fellows who are working on discrete and specific projects tied in with the clinical environments they are working in. This has proven to be extremely productive and has allowed changes to be made to support trainees with departments that are struggling to meet their educational commitments. Electronic Induction continues to be developed across the region, with GWH being part of the steering group. We have been working closely with the Guardian and Medical Workforce to support the implementation of the Junior Doctors contract,

Our dedicated staff library has continued to improve the quality of service offered with NHS Library Quality Assurance Framework (LQAF) peer review. The Trust received an outstanding compliance against the reviews criteria in 2016, which puts us ahead of other local trusts that have been accredited a 93% compliance score rate.

GWH Research & Innovation profile within the Commercial sector has gained in momentum and recognition during the past financial year, with particular success within the field of Cardiology. We have achieved UK highest participation in two high profile trials. Alongside this we are the only Trust within our network to reach 100% recruitment to Time and Target on trials closing within this financial year. This has helped to make us an attractive site for Sponsors to approach.

The Undergraduate Department received their annual Monitor Visit in February and received outstanding feedback on its teaching, innovation, pastoral care, financial governance and leadership. As a result student numbers are set to increase in line with the new curriculum that comes into effect from September 2017. Clinical Teaching Fellow posts (CTF) continue to draw high calibre doctors to the Trust with 20 job offers for August 2017. Due to our own Widening Participation and Dare to Doctor programmes, Swindon Academy have been asked to host a pilot programme, on behalf of the University of Bristol (UoB), for 50 students from the Inner City of London during July 2017. Annual income generation from the UoB External Student Selected Components continue to generate vital income to fund CTF posts across ED, AAU and Paediatrics with the added enhancement of Research and Innovation and Quality Improvement Fellows for 17/18.

5.11 Supporting our volunteers

We are extremely fortunate to have over 360 committed and enthusiastic volunteers who support delivery of services across our acute and community services. The volunteers provide an extremely valuable service to patients and provide support to staff. They form an essential part of the hospital team and are greatly appreciated. We always have a lot of people interested in assisting us in a voluntary capacity and currently have an additional 100 people in our recruitment process.

For many, volunteering is a step on the ladder to employment; an opportunity to experience the hospital environment before going to university or to gain a familiarity with the NHS before applying for a role. Many of our volunteers stay with us for years, with many having achieved awards for five and ten years' service and some have accrued over 25 years of voluntary service. Each volunteer has their own personal reasons for offering their time. We ask our volunteers to commit to a minimum of three hours per week for a minimum of six months. They come through a robust recruitment process, including referencing and criminal records checks. Our volunteers sit alongside new members of staff at the Trust induction and in any other relevant training they need before they start volunteering with us. Following induction, all volunteers attend at least one half day training session in each 12 month period.

Volunteers can be found across the Trust in a variety of roles, such as patient befriending and assisting patients at mealtimes on the wards, manning information points for patients in the Eye Clinic and Cancer Services, doing exercises with patients in Physiotherapy, assisting patients in Radiology, providing a way finding service, and even helping in the laboratories to archive specimen slides and records. Additionally, there is the opportunity to volunteer at the hospital via other organisations, such as British Red Cross, Changing Faces, Hospital Radio, Royal Voluntary Service and Swindon & Wiltshire Carers Support Services.

We are committed to support the community we serve this is one way of enabling us to engage with our local towns and the people within them.

5.12 Health & Wellbeing

5.12.1 Healthy Lifestyles Update

As a result of the health and wellbeing survey that was carried out in February 2016, a “you said” so “we are doing” approach was taken to ensure that services matched what staff were asking for. We focused on offering a package of health assessments for staff, increasing activity levels and supporting staff with weight management and healthy eating advice. Raising awareness of services is key and so Health and Wellbeing launched their new logo to establish and recognise our commitment to this key support for all our staff. The health and wellbeing website has been redesigned to provide a one stop portal of information for staff

We now have a dedicated Health and Wellbeing Advisor, who has a regular column in Staffroom Magazine to provide staff with information on leading a healthy lifestyle with tips for exercise and healthy recipes. Links have been made with our Public Health team at Swindon Borough Council who provide a joint approach and advice on preventative strategies.

Health assessments for staff that include cholesterol and blood pressure testing, height, weight and BMI and advice and information on exercise, weight management and stress management were re-launched for staff in June 2016 and to date 194 have been completed. Staff can access these sessions in many settings both on the main Acute site and also the community venues. In addition to this, staff are now able to access NHS discounted membership at 18 local gyms and leisure centres. There have been 18 visits from local gyms to promote services and offers to staff at GWH. Currently over 300 members of staff are taking advantage of this

Active Travel Promotion day was held in September by Swindon Travel Choices at GWH. Information was available on bike loan scheme, cycle routes and maps, walking routes and bus timetables. Bike security marking was available along with free saddle covers, cycle high vis bands. This was very successful with 200 visitors to the stand. Following on from this, the cycle changing rooms have been redecorated and deep cleaned and a locker audit carried out in late 2016 identified spare lockers for new users

In March, GWH received 4 loan bikes from Swindon Travel which can be loaned to staff on a try-a-bike basis. Bikes come with helmet, lock, lights and panniers. The Health and Wellbeing advisor will facilitate the loan process for staff to encourage this mode of travel to work and general fitness.

In order to encourage staff and visitors to use the stairs more often, £100 was awarded from staff lottery to purchase frames and produce awareness signs promoting taking the stairs instead of the lift

Other interventions for Health and Wellbeing include “Weigh to Wellbeing” which is a staff slimming club re-launched in January 2017 with a full 12 month programme on offer and education and exercise information is produced each month.

The Great Healthy Bake off took place in November 2016 and saw 8 entrants coming up with their own healthy recipes. Prizes included smoothie makers, cook books, gym memberships and fruit and veg box, donated by local companies. Articles, including the winning recipe, were included in the January edition of the Staffroom magazine.

The Trust has an Occupational Health and Physiotherapy Service which also provides a range of management and staff support packages.

5.12.2 Staff Support Services

Our dedicated staff support service offers a range of holistic mental health and counselling services to our staff**.** This facility is off site and provides staff experiencing professional and personal issues with an opportunity to engage with a professional confidential service. We are part of the Mindful Employer network and regularly work with partners to support varied interventions for our staff.

The NHS is under immense pressure and this affects some of our staff so we offer both short mid and long term support in a non-judgemental and supportive environment.

5.13 Swine / seasonal flu vaccinations

For the 2016-17 season we vaccinated 59.6% of frontline staff, which is the highest uptake our Trust has had based on historical data. Nationally 9 out of 10 Trusts have increased their uptake from last season. We are already developing a plan for next season's flu campaign to further increase our uptake figures.

5.14 Health and Safety

Significant changes this year have incorporated work towards the integration of Swindon Community Services (formerly SEQOL) assessing supporting and reviewing with the community staff the issues raised under the Health and Safety remit. This has been taken place since October 2016. This year has again seen several improvements made across the Trust's H&S, and Fire and Security management systems, which are highlighted below.

The Trust has received no prosecutions or Improvement Notices from the HSE, CQC or Wiltshire Fire & Rescue Service during 2016/17. This is an excellent achievement and we wish to maintain this record again next year.

Specific targeted achievements this year have included:

- During the year 11 RIDDOR reportable accidents were reported to the HSE and root cause analysis investigations have been completed. This is a reduction from last year when 12 were reported. This level of RIDDOR rate has again benchmarked considerably lower than all other comparable Trusts in the South West Region.

- Completion of our annual Health & Safety audit programme across all Departments within the Acute and Community sites. This has enabled central appraisal of Departmental risk assessments and safe systems of work and provision of feedback to Departments in order to achieve improvements.

- Furthermore Trust Security improvements have been achieved this year with the replacement of the controlled door and access control security system. Furthermore night time security arrangements have been reviewed and amended.

- The governance arrangements for our community organisation Wiltshire Health & Care LLP for H&S, Fire and Security arrangements have been agreed and implemented during this year. We continue to work closely on policy and health and safety development.

- Fire Safety management improvements have continued to be made in reducing Unwanted Fire Signals by 75% [false fire alarm activations resulting in Fire & Rescue Service attendance] by introducing a 5 minute internal investigation period and confirming if Fire Service is necessary before a call sent. This demonstrates some good solution focused working across public sector organisations.

5.15 Expenditure on consultancy

Expenditure on consultancy in 2016/17 was £1.8m. Consultancy advice provided to the Trust covered a number of different areas including: -

- PFI
- Governance and Well Led Review
- Diabetes Care Pathway
- Sustainability & Transformation Plan (STP)
- Private Patients
- Swindon Community Services

All of these agreed through a formal procurement process.

5.16 Off Payroll Engagements

TABLE 1: For all off-payroll engagements as of 31 March 2017, for more than £220 per day and that last longer than six months

	Number
No. of existing engagements as of 31 March 2017	5
Of which:	
No. that have existed for less than one year at time of reporting	1
No. that have existed for between one and two years at time of reporting	4
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

An assessment has been made as to which engagements are required to provide assurance. A letter is sent for all those engagements employed via personal service companies requesting assurance and associated contractual clauses.

TABLE 2: For all new off-payroll engagements, or those that reached six months in duration between 1 April 2016 and 31 March 2017, for more than £220 per day and that last for longer than six months

	Number
No. of new engagements, or those that reached six months in duration, between 1 April 2016 and 31 March 2017	1
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	1
Of which:	
No. for whom assurance has been received	1
No. for whom assurance has not been received	0
No. that have been terminated as a result of assurance not being received	0

Assurance has been requested only from those engagements via personal service companies

TABLE 3: For any off-payroll engagements of Board members, and/or senior officials with significant financial responsibility between 1 April 2016 and 31 March 2017

	Number
No. of off payroll engagements of Board members, and/or senior officials with significant financial responsibility during the financial year	**0**
No. 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	**18**

The consequence of assurance not being received referred to in table 2 above could result in tax liability.

5.17 Reporting on Compensation Scheme and Exit Packages

TABLE 1 Foundation trusts are required to disclose summary information of their use of exit packages agreed in the year

	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages	Number of departures where special payments have been made	Cost of special payment element included in exit packages
Exit package cost band	Number	£000s	Number	£000s	Number	£000s	Number	£000s
<£10,000			1	8	1	6		
£10,00 – £25,000			2	38	2	38	1	20
£25,001 – £50,000			1	48	1	48		
£50,001 – £100,000			2	143	2	143		
£100,000 – £150,000								
£150,001 – £200,000								
etc.								
Total number of exit packages by type								
Total resource cost	0	0	6	237	6	237	1	20

TABLE 2 This note discloses the number of non-compulsory departures which attracted an exit package in the year, and the values of the associated payment(s) by individual type.

	2016/17	2016/17
	Payments agreed	Total value of agreements
	Number	£000
Voluntary redundancies including early retirement contractual costs		
Mutually agreed resignations (MARS) contractual costs	5	231
Early retirements in the efficiency of the service contractual costs		
Contractual payments in lieu of notice		
Exit payments following Employment Tribunals or court orders		
Non-contractual payments requiring HMT approval *	1	20
Total	6	251
Of which: non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months of their annual salary	0	0

5.18 IR35 Update

IR35 is also known as 'intermediaries legislation'. It's a set of rules that effects a workers Tax and National Insurance contributions if a worker is contracted to work for a client through an intermediary.

The intermediary can be:

- your own limited company
- a service or personal service company
- a partnership

Following a consultation process the following changes came into force on the April 6th 2017:

- Responsibility for determining IR35 status will sit with the end user (the Trust).
- In instances where it is determined that IR35 applies, the entity paying the intermediary will be required to deduct the appropriate amount of income tax and National Insurance Contributions (NIC's) before paying the worker.
- The liability for any unpaid tax and NI contributions sits with the body that pays the intermediary.

The Trust is required to use the facts of each contract or engagement to decide if IR35 applies and decided the employment status for each contract by considering what that relationship would be if there wasn't an intermediary involved. The Trust complete a check via the Gov.Uk website on a case by case basis.

This change has led to a number of agency workers increasing their pay rate to compensate the reduction in take home pay (albeit there shouldn't be an overall reduction in annual pay). If they haven't increased their pay rates many doctors have refused to decrease them to account for the 13.8% employers NI contribution. Therefore overall there has been a cost pressure to the Trust, particularly for medical agency doctors, one agency consultant is now costing £24 p/h more than pre IR35 rules. All bookings are being reviewed and more financially efficient solutions are being introduced where possible.

5.19 Staff Survey Report 2016/17

At the Great Western Hospitals NHS Foundation Trust we recognise that our staff are our greatest asset. Every single person who works for us plays an invaluable role in providing the high quality care and excellent service that we strive for. We know that when our staff have positive experiences at work, our patients also have positive experiences and, therefore, we are keen to hear from our staff about what it is like to work for us and what we can do to make things better.

The NHS Staff Survey is an important source of information about what it is like to work in the health service in England. The survey involves 316 NHS organisations from across the country and achieves over 423,000 responses. The NHS Staff Survey is understood to be the largest workforce survey anywhere in the world and offers unparalleled insight into staff experiences. As one of the 316 participating NHS organisations, in October 2016 the Trust randomly selected 1250 employees to complete the 2015/16 NHS Staff Survey (an increased sample size from last year (850 in 2015)). 603 of those employees selected returned a completed questionnaire giving the Trust a 49% response rate which is an improvement from last year (43% in 2015) and above the national average for combined acute and community Trusts in England.

5.20 National and regional comparisons

5.20.1 National

The latest NHS Staff Survey results demonstrate a positive improvement in terms of staff experience and engagement despite the numerous challenges currently facing the NHS and its workforce. Nationally, staff engagement has improved continuously over the last five years and this year has also seen an improvement in the overall willingness of staff to recommend the NHS as a place to work or be cared for.

Despite the extreme pressures that the NHS is under, nearly three quarters of staff remain enthusiastic about their job, the majority of frontline staff (80%) report that they are able to do their job to a standard they are personally pleased with and 90% of staff state that their job makes a difference for patients.

Generally staff reported feeling that managers are invested in their health and wellbeing with a significant proportion of staff stating that their immediate manager takes an interest in their health and wellbeing (67%) and the majority of staff feeling that their organisation takes positive action on the health and wellbeing of staff (90%). In addition to this, the percentage of staff witnessing potentially harmful incidents is at its lowest in five years and the percentage of staff able to report those concerns is at its highest in six years.

As is to be expected in such pressured working environments, the survey does highlight some areas of staff concern, with only 52% of staff feeling satisfied with the opportunities for flexible working and 11.9% of staff reporting that they have experienced discrimination at work. Whilst progress has been made, levels of bullying and harassment still remain unacceptably high nationally.

5.20.2 Regional

Whilst the Trust's response rates remain one of the highest in the region, the Trust's overall position has declined slightly compared with last year. This year the Trust is ranked 12th when benchmarking performance against organisations from across the South West. Last year the Trust were ranked 10th, Oxford University Hospitals NHS Trust and Torbay and South Devon Healthcare NHS Trust have both improved their performance this year and moved ahead of GWH.

Key

	Score	Points
Better Than Average	G	3
Average	A	2
Worse Than Average	R	1

Total Score %

65% & Above
between 50% & 64%
49% & below

Response %

60% & Above
between 50% & 59%
49% & below

		Appraisals and Support for Development			Equality and Diversity		Errors and Incidents				Health and Wellbeing			Working Patterns		Job Satisfaction						Managers			Patient Care and Experience			Violence, Harassment and Bullying							
		% appraised in last 12 mths	Quality of appraisals	Quality of non-mandatory training, learning or development	% experiencing discrimination at work in last 12 mths	% believing the organisation provides equal opportunities for career progression / promotion	% witnessing potentially harmful errors, near misses or incidents in last mth	% reporting errors, near misses or incidents witnessed in the last mth	Fairness and effectiveness of procedures for reporting errors, near misses and incidents	Staff confidence and security in reporting unsafe clinical practice	% feeling unwell due to work related stress in last 12 mths	% attending work in last 3 mths despite feeling unwell because they felt pressure (eg coming in when ill)	Organisation interest in and action on health and wellbeing	% of staff satisfied with the opportunities for flexible working patterns	% working extra hours	Staff recommendation of the organisation as a place to work or receive treatment	Staff motivation at work	% able to contribute towards improvements at work	Staff satisfaction with level of responsibility and involvement	Effective team working	Staff satisfaction with resourcing and support	Recognition and value of staff by managers and the organisation	% reporting good communication between senior management and staff	Support from immediate managers	Staff satisfaction with the quality of work and care they are able to deliver	% agreeing that their role makes a difference to patients / service users	Effective use of patient / service user feedback	% experiencing physical violence from patients, relatives or the public in last 12 mths	% experiencing physical violence from staff in last 12 mths	% reporting most recent experience of violence	% experiencing harassment, bullying or abuse from patients, relatives or the public in last 12 mths	% experiencing harassment, bullying or abuse from staff in last 12 mths	% reporting most recent experience of harassment, bullying or abuse		
Acute Trusts (* Denotes Combined Acute & Community)	Response Rate	KF11	KF12	KF13	KF20	KF21	KF28	KF29	KF30	KF31	KF17	KF18	KF19	KF15	KF16	KF1	KF4	KF7	KF8	KF9	KF14	KF5	KF6	KF10	KF2	KF3	KF32	KF22	KF23	KF24	KF25	KF26	KF27	Total Score	Total Score %
The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust	44%	G	G	G	R	G	G	A	G	G	A	G	G	G	G	G	G	G	G	G	G	G	G	G	G	G	G	A	G	G	G	G	A	90	94%
Royal Devon and Exeter NHS Foundation Trust	42%	G	R	G	G	G	G	G	G	G	G	G	G	G	A	G	A	G	G	G	G	G	A	G	A	G	G	G	G	R	G	G	G	88	92%
Northern Devon Healthcare NHS Trust *	37%	G	A	G	G	G	A	G	G	G	G	G	G	G	G	G	A	G	G	G	G	G	R	G	G	G	G	A	G	A	A	A	G	87	91%
Salisbury NHS Foundation Trust	35%	G	G	G	G	A	G	R	G	G	A	G	G	G	R	G	G	G	G	G	A	G	G	G	A	G	G	G	A	G	G	A	G	86	90%
University Hospital Southampton NHS Foundation Trust	38%	G	G	G	A	G	A	A	G	G	A	G	G	G	A	G	G	G	G	G	G	G	G	G	A	G	G	G	R	G	G	R	G	86	90%
Poole Hospital NHS Foundation Trust	51%	G	G	G	G	G	R	G	G	G	G	A	A	A	R	G	G	G	G	G	A	G	A	G	R	A	G	R	G	G	R	G	G	80	83%
Oxford University Hospitals NHS Trust	39%	R	G	A	R	R	G	G	G	G	G	G	G	A	R	G	G	G	G	G	G	G	G	G	G	R	G	G	G	R	G	G	R	80	83%
Taunton and Somerset NHS Foundation Trust	48%	G	A	A	A	G	A	G	A	A	G	G	A	G	R	G	A	G	G	G	G	G	A	G	A	A	G	R	G	A	R	G	G	78	81%
Portsmouth Hospitals NHS Foundation Trust	58%	A	G	G	G	G	R	A	G	G	G	R	G	A	G	G	A	G	G	G	G	G	G	G	A	G	G	R	R	A	R	A	R	77	80%
Yeovil District Hospital NHS Foundation Trust	64%	R	A	A	G	G	A	G	R	G	G	R	G	G	A	R	A	A	G	G	G	G	A	G	R	R	R	A	G	A	G	G	G	73	76%
Torbay and South Devon Healthcare NHS Trust *	45%	A	R	A	G	A	G	R	R	A	G	G	A	G	G	G	A	G	A	G	G	G	A	G	A	A	R	A	G	R	G	A	A	73	76%
Great Western Hospitals NHS Foundation Trust *	48%	A	A	A	A	G	R	G	G	G	G	G	A	A	R	A	G	G	G	R	R	A	A	G	R	A	A	A	A	A	R	G	G	70	73%
University Hospitals Bristol NHS Foundation Trust	42%	A	A	R	A	G	R	G	G	R	G	R	G	R	A	G	R	A	A	A	A	A	A	A	R	G	G	G	G	R	A	G	R	66	69%
Dorset County Hospital NHS Foundation Trust	54%	R	A	R	G	G	G	R	R	R	G	R	A	R	G	G	R	R	A	A	R	A	A	G	R	R	G	R	G	A	G	R	G	61	64%
Royal Berkshire NHS Foundation Trust	37%	G	A	G	R	R	A	A	A	A	R	G	R	R	R	A	G	A	A	A	R	A	A	A	R	A	G	G	R	R	G	G	R	61	64%
Royal United Hospital Bath NHS Trust	46%	G	G	R	A	G	A	R	R	R	A	R	A	A	G	G	A	A	A	A	R	G	A	G	R	R	R	R	R	R	A	G	A	60	63%
Plymouth Hospitals NHS Trust	48%	G	R	R	G	G	A	A	A	R	G	R	G	R	G	R	R	R	R	R	R	R	R	G	R	R	R	R	A	A	G	G	G	57	59%
Weston Area Health NHS Trust	46%	A	R	A	A	A	R	G	R	R	R	A	R	R	A	R	R	G	R	A	R	R	R	R	R	R	R	R	R	G	R	R	G	47	49%
Gloucestershire Hospitals NHS Foundation Trust	50%	A	R	R	A	G	A	R	R	R	G	R	R	R	G	R	R	R	R	R	R	R	R	R	R	R	R	R	R	G	R	A	A	45	47%
Royal Cornwall Hospitals NHS Trust	43%	R	R	R	G	R	R	A	R	R	R	G	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	G	A	A	R	R	41	43%
North Bristol NHS Trust	32%	R	R	G	G	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	A	R	R	R	R	A	38	40%
Average	45%																																	69	72%
Mental Health & Learning Disabilities Trusts (* Denotes Combined MH/LD & Community)																																			
Dorset Healthcare University NHS Foundation Trust*	47%	A	A	G	G	G	G	R	A	A	G	G	A	R	A	G	G	G	G	G	G	G	A	G	G	G	A	G	G	A	A	G	A	81	84%
Berkshire Healthcare NHS Foundation Trust*	46%	A	G	G	R	R	G	A	G	G	G	G	G	G	R	G	G	A	G	G	G	G	G	A	A	G	G	G	A	R	G	A	R	79	82%
2Gether NHS Foundation Trust	40%	G	A	A	G	A	G	G	G	G	G	G	G	G	A	G	G	G	G	A	G	A	A	A	A	G	R	G	G	R	A	R	R	78	81%
Devon Partnership NHS Trust	62%	A	A	R	G	G	A	A	A	G	A	G	G	G	G	A	A	A	A	G	A	G	A	G	R	R	R	G	G	G	A	G	A	74	77%
Oxford Health NHS Foundation Trust*	51%	R	G	G	A	A	R	R	A	G	A	G	R	A	R	A	A	G	R	A	R	A	G	A	R	G	G	G	A	A	G	R	R	64	67%
Cornwall Partnership NHS Foundation Trust*	41%	G	A	G	G	A	G	A	R	A	R	G	R	R	R	R	G	A	A	A	A	A	A	G	R	A	R	G	G	R	R	R	R	61	64%
Avon and Wiltshire Mental Health Partnership NHS Trust	51%	A	R	R	A	R	A	R	A	R	R	A	R	A	A	R	A	A	A	A	R	A	R	A	R	R	A	A	G	A	R	R	R	50	52%
Somerset Partnership NHS Foundation Trust*	46%	G	R	R	A	G	A	R	R	R	G	R	A	R	A	A	R	R	R	R	A	R	R	R	R	R	R	R	A	A	R	A	G	49	51%
Average	48%																																	67	70%

5.21 Results analysis – key findings

The results from this year's Staff Survey provide some very encouraging findings regarding the experiences of staff at GWH. However, it also highlights some areas that are experiencing challenges and some that need improvement. Whilst this year's results have not significantly changed from last year, there has been continued progress overall since 2014.

Key area	2014 score	2015 score	2016 score	Change
% Appraised in last 12 months	91	86	84	-2%
Staff confidence and security in reporting unsafe clinical practice	3.58	3.79	3.75	-0.04
Staff recommendation of the organisation as a place to work or receive treatment	3.55	3.73	3.71	-0.02
Staff motivation at work	3.88	4.09	4.01	-0.08
% able to contribute towards improvements at work	67	77%	74	-3%
Staff satisfaction with level of responsibility and involvement	3.83	3.97	3.95	-0.02

There have been considerable improvements in the level of confidence that staff have in reporting unsafe practice, the effectiveness of communication from senior managers and job satisfaction. This year, GWH performed above average in 12 of the 32 Key Findings of the survey results, average in 14 and worse than average in only 6 areas. Whilst we are pleased that there have been improvements this year, there is further work to do in areas such as staffing levels and the number of staff experiencing harassment, bullying or abuse at work from patients or service users.

Overall, staff engagement at GWH continues to be high with the Trust scoring above the national average for staff motivation. This is measured by the fact that the majority of staff felt they could contribute to improvements at work, would recommend the Trust as a place to work or receive treatment and feel motivated at work. Whilst the Trust's staff engagement score has reduced slightly this year (previously 3.88 in 2015), this result remains above the national average for acute and community Trust's and is higher than the results of 10 other Trusts in the South West region.

Although the results show an improvement in the number of staff who have experienced harassment, bullying or abuse from patients, relatives or the public in the last 12 months, this is still higher than the average score in similar organisations. To ensure our staff are protected at work, our 'Never OK' campaign was launched in October 2016 and will continue this year to reassure our staff that we take this very seriously.

2016 was a very busy year at GWH which has placed additional pressures on our staff and as a result everyone has gone above and beyond what is expected of them to ensure the best possible experience for our patients. To ensure our patients receive the highest quality of care, we must ensure that the health and wellbeing of our staff is a priority. During 2016 fewer staff reported experiencing stress due to work and fewer staff have felt pressured to come to work when they are unwell. In addition to this, fewer staff are working extra hours and staff satisfaction with opportunities for flexible working has improved which has been our plan.

5.22 Summary of staff survey results

Table - Response Rate

	2015/16 (previous year)	**2016/7 (current year)**		**Trust improvement / deterioration**
	Trust	Trust	Benchmarking group (trust type) average	
Response rate	43%	49%	44%	6% improvement

Table – Summary of Performance

Those areas where the Trust has performed highly in comparison to the National results can be seen in the table below as well as those areas where further improvement is required.

The response rate in 2016/17 was 49% and compared with 43% in 2015/16.

Results scores range between 1 being the lowest to 5 being the highest.

Top 5 ranking scores				
	2015/16 (previous year)	**2016/17 (current year)**		**Trust improvement / deterioration**
	Trust	**Trust**	Benchmarking group (trust type) average	
Staff motivation at work *(the higher the score the better)*	4.09	4.01	3.94	Deterioration
% of staff feeling unwell due to work related stress in the last 12 months *(the lower the score the better)*	36%	33%	36%	Improvement
% of staff reporting errors, near misses or incidents witnessed in the last month *(the higher the score the better)*	92%	93%	91%	Improvement
% of staff / colleagues reporting most recent experience of harassment, bullying or abuse *(the higher the score the better)*	34%	48%	45%	Improvement
Staff confidence and security in reporting unsafe clinical practice *(the higher the score the better)*	3.79	3.75	3.68	Deterioration

Bottom 5 ranking scores				
	2015/16 (previous year)	**2016/17 (current year)**		**Trust improvement / deterioration**
	Trust	**Trust**	Benchmarking group (trust type) average	
Staff satisfaction with resourcing and support *(the higher the score the better)*	3.20	3.22	3.28	Improvement
% of staff experiencing harassment, bullying or abuse from patients, relatives or the public in the last 12 months *(the lower the score the better)*	35%	30%	26%	Improvement
Staff satisfaction with the quality of work and care they are able to deliver *(the higher the score the better)*	3.91	3.88	3.92	Deterioration
Effective team working *(the higher the score the better)*	3.83	3.74	3.78	Deterioration
% of staff witnessing potentially harmful errors, near misses or incidents in the last month *(the lower the score the better)*	25%	30%	29%	Deterioration

5.23 Next steps / summary of actions / priorities for 2017/18

This year the Staff Survey results will be analysed at sub specialty level and presented to the relevant committees. Each committee will discuss their specific set of results and agree an appropriate action plan in response to the feedback from that specific professional group or regarding a specific area of interest in order to make improvements. Once an action plan has been agreed, each Committee will undertake a quarterly review of the actions and the impact that they have had. Quarterly progress reports will also be submitted to the Executive Committee and the Performance, People and Place Committee.

Please note that the Trust has disclosed information on the above as required under the Companies Act that is relevant to its operations.

6. NHS Foundation Trust Code of Governance

6.1 Council of Governors

As an NHS Foundation Trust we have established a Council of Governors, which consists of up to 22 elected and nominated Governors who provide an important link between the Trust, local people and key stakeholders by sharing information and views that can be used to develop and improve health services. The Council of Governors is a valued part of the Trust's decision making processes to ensure that the Trust reflects the needs and wishes of local people. The Council of Governors also has the following roles and responsibilities: -

To:

- appoint and remove the Chairman and Non-Executive Directors.
- decide on the remuneration, allowances and terms and conditions of office of the Non-Executive Directors.
- approve the appointment of the Chief Executive.
- appoint and remove the External Auditor.
- hold the Non-Executive Directors, individually and collectively, to account for the performance of the Board of Directors.
- represent the members' interests and bring these to bear on strategy decisions.
- approve significant transactions.
- approve the Trust's Constitution.
- input into the development of the annual plan.
- receive the Annual Report and Accounts and the Auditor's opinion on them.

The Council of Governors has a duty to represent the views of foundation trust members and stakeholders, to the Board of Directors and the management of the Trust. The Trust keeps the Council of Governors fully informed on all aspects of the Trust's performance. This is done through formal Council meetings, and through working groups set up by the Council of Governors. These are explained below in this section.

During 2016/17 the Council of Governors carried out or was involved in the following: -

- Appraisals of the Chairman and Non-Executive Directors.
- The appointment of three new Non-Executive Director (Andy Copestake, Nicholas Bishop and Peter Hill)
- The re-appointment of the Chairman and two Non-Executive Directors
- Holding the Non-Executive Directors to account on a number of issues such as recruitment & retention, Referral to Treatment Times (RTT) performance, medicines management, and Trust-wide improvement plans.

In 2016/17 the Council of Governors did not exercise its power to require one or more of the Directors to attend a Governors' meeting for the purpose of obtaining information about the Foundations Trust's performance of its function or the Directors' performance of their duties.

Any disagreements between the Council of Governors and the Board of Directors will be resolved following the provisions in the Trust's Constitution.

6.2 Members of the Council of Governors, Constituencies and Elections

Six public constituencies exist to cover the Trust's catchment area namely: -

- Swindon
- Northern Wiltshire
- Central Wiltshire
- Southern Wiltshire;
- West Berkshire and Oxfordshire
- Gloucestershire and Bath and North East Somerset

There are 12 public Governor positions (Swindon – 5, Northern Wiltshire – 2, Central Wiltshire – 2, Southern Wiltshire – 1, West Berkshire and Oxfordshire - 1, and Gloucestershire and Bath and North East Somerset – 1). In addition there are 4 elected staff Governors and 6 Governors nominated by organisations that have an interest in how the Trust is run. The number of public Governors positions must be more than half of the total membership of the Council of Governors.

Governors are elected by members of those constituencies in accordance with the election rules stated in the Trust's Constitution using the "first past the post" voting system. Elections were carried out on behalf of the Trust in 2016/17 by the independent Electoral Reform Services Ltd. In the event of an elected Governor's seat falling vacant for any reason before the end of a term of office, it shall be filled by the second (or third) place candidate in the last held election for that seat provided they achieved at least five percent of the vote and they will be known as reserve Governors.

The names of Governors during the year, including where Governors were elected or appointed and their length of appointments are set out in the following tables. The Trust held elections in all constituencies during the year for Governors whose terms of office expired and where there were vacancies.

6.2.1 Elected Governors in 2016/17 – Public Constituencies

	Name	Constituency	Date first elected	Current Term of Office (date ending)	Attendance from 7 Council of Governor meetings
1	Ros Thomson	Swindon	Dec-08	3 years *(term ends Nov-19)*	7/7
2	Kevin Parry	Swindon	Nov-11	3 years *(term ends Nov-19)*	6/7
3	Louise Hill	Swindon	Nov-13	3 years *(term ends Nov-19)*	6/7
4	Robert Wotton	Swindon	Nov-13	3 years *(term ending Nov-17 but resigned May-16)*	0/1
5	Orli Berman (previously known as Elizabeth Garcia)	Swindon	Nov-13	3 years *(term ending Nov-17 but resigned Apr-16)*	0/1
6	Roger Stroud	Swindon	Nov-16	3 years (term ends Nov-19)	2/2
7	Rosemarie Phillips	Swindon	Nov-16	3 years (term ends Nov-19)	2/2
8	Pauline Cooke	Northern Wiltshire	Nov-15	3 years *(term ends Nov-18)*	6/7
9	Penny Bowen	Northern Wiltshire	Sept-16	Remainder of 3 years *(term from Sep-16 ends Nov-18)*	2/3
10	Margaret White	Central Wiltshire	Jun-11	3 years *(term ends Nov-18)*	6/7
11	Janet Jarmin	Central Wiltshire	Dec-08	3 years *(term ends Nov-18)*	6/7
12	Martin Rawlinson	Gloucestershire, Bath & North East Somerset	Nov-15	3 years *(term ends Nov-18)*	4/7
13	Peter Pettit	West Berkshire & Oxfordshire	Apr-14	3 years *(ends Nov-19)*	3/7

In September 2016 a contested by-election was held for the Wiltshire Northern Public Constituency for 1 seat to serve for the remainder of ta three year term of office ending November 2018. There were five candidates and Penny Bowen was duly elected.

In November 2016 a contested election was held for the Swindon Public Constituency for 5 seats to serve for a three year term of office ending November 2019. There were ten candidates and Ros Thomson, Kevin Parry and Louise Hill were re-elected. Roger Stroud and Rosemarie Phillips were also both elected.

In November 2016 a contested election was held for the West Berkshire & Oxfordshire Public Constituency for 1 seat to serve a three year term of office ending November 2019. There were two candidates and Peter Pettit was duly re-elected.

During 2016/17, whilst there was sufficient membership to trigger an election for the Wiltshire Southern Constituency, no candidates stood. A further by-election for this constituency will be held in 2017/18.

6.2.2 Elected Governors in 2016/17 – Staff Constituency

	Name	Staff Constituency – sub class	Date first elected	Current Term of Office (date ending)	Attendance from 7 Council of Governor meetings
1	Lisa Campisano	Administrators, Maintenance, Auxiliary and Volunteers	Nov-12	3 years *(term ended Nov-16)*	6/6
2	Peter Hanson	Doctors & Dentists	Nov-10	3 years *(term ends Nov-19)*	6/7
3	Claire Brooks	Allied Health Professionals	Nov-16	3 years *(term ends Nov-19)*	1/2

There are 4 staff Governor seats split into sub-classes. During the year two sub-classes remained vacant, namely the Hospital Nursing and Therapy Staff sub-class and the Community Nursing and Therapy Staff sub-class. Normal elections were scheduled for November 2017 and, therefore, the opportunity was taken to review the sub-classes as follows: -

	Sub-Class	Reason for change
1.	Administrators, Maintenance, Auxiliary and Volunteers	n/a
2.	Doctors & Dentists	n/a
3.	Hospital Nursing and Therapy Staff	n/a
4.	Community Nursing and Therapy Staff	Disband because the Trust transferred Wiltshire Community Services
5.	Allied Health Professionals	Created to better reflect the Trust's staff base

However, in October 2016 the Trust became caretaker of Swindon Community Health Services and is planning to take over the service in May 2017, and as such this presents the opportunity to review the sub-classes again. The Hospital and Therapy Staff sub-class is currently vacant and the intention is for this sub-class to be expanded to incorporate all nursing and therapy staff with eligible staff from Swindon Community Health joining that constituency.

In November 2016 there was an uncontested election for the Doctors and Dentists Sub Class, with Peter Hanson re-elected for a three year term. At the same time there was an uncontested election for the Allied Health Professions Sub Class, with Claire Brooks elected for a three year term.

No candidates stood in the November elections for the Hospital Nursing and Therapy Staff Governor seat or the Administrators, Maintenance, Auxiliary and Volunteers governor seat and, therefore, these seats are vacant. By elections will be held in 2016/17.

6.2.3 Nominated Governors in 2016/17

	Name	Nominating Partner Organisation	Date first nominated	Current Term of Office (ending date)	Attendance from 7 Council of Governor meetings
1	Ian James	Swindon Clinical Commissioning Group	Aug-13	3 years *(term end Aug-19)*	4/7
2	Anna Collings	Wiltshire Clinical Commissioning Group	Nov-15	3 years *(term ends Nov-18)*	3/7
3	Brian Mattock	Local Authority – Swindon Borough Council	Nov-11	3 years *(term ending Nov-17 but resigned May-16)*	0/1
4	Brian Ford	Local Authority – Swindon Borough Council	Aug-16	Remainder of 3 years *(term end Nov-17)*	1/4
5	Sheila Parker	Local Authority – Wiltshire Council	Nov-14	3 years *(term ends Nov-17)*	3/7
6	David Barrand	Other Partnerships – Prospect Hospice	Feb-15	Remainder of 3 years *(term ends Nov-17)*	3/7
7	Phrynette Morrison	Other Partnerships – Swindon and North Wiltshire Health and Social Care Academy	Aug-15	Remainder of 3 years *(term ending Nov-17 but resigned Nov-16)*	2/6

There are 6 appointed Governor seats.

Phrynette Morrison resigned in November 2016 as the Governor representing Swindon & North Wiltshire Health and Social Care Academy. A replacement governor was sought to fill the vacancy for the remainder of the term of office however the seat remains vacant.

Also during the year Brian Mattock resigned in May 2016 as the Governor representing Swindon Borough Council. A replacement nomination was sought to fill the vacancy with Brian Ford nominated in August 2016 to serve for the remainder of a three year term ending November 2016.

6.3 Attendance at meetings of the Council of Governors during 2015/16

There were 7 meetings of the Council of Governors in 2016/17. The table below shows Governor attendance at those meetings: -

	Attendee(✓ = attended X = did not attend)	21 Apr-16	9 Jun-16	7 Jul-16	12 Sep-16	22 Sep-16	24 Nov-16	2 Feb-17
	Governors							
1	David Barrand	×	×	✓	×	✓	✓	×
2	Orli Berman (previously known as Elizabeth Garcia) *(resigned Apr-16)*	×	n/a	n/a	n/a	n/a	n/a	n/a
3	Penny Bowen *(from Sep-16)*	n/a	n/a	n/a	n/a	✓	✓	×
4	Claire Brooks *(from Nov-16)*	n/a	n/a	n/a	n/a	n/a	×	✓
5	Lisa Campisano *(term ended Nov-16)*	✓	✓	✓	✓	✓	✓	n/a
6	Anna Collings	✓	×	×	×	✓	×	✓
7	Pauline Cooke	✓	✓	×	✓	✓	✓	✓
8	Brian Ford	n/a	n/a	n/a	×	×	✓	×
9	Peter Hanson	✓	✓	✓	✓	×	✓	✓
10	Louise Hill	✓	✓	✓	✓	×	✓	✓
11	Ian James	✓	×	✓	✓	×	×	✓
12	Janet Jarmin	✓	✓	✓	✓	✓	✓	×
13	Brian Mattock	×	n/a	n/a	n/a	n/a	n/a	n/a
14	Phrynette Morrison	×	✓	✓	×	×	n/a	n/a
15	Kevin Parry	✓	✓	✓	×	✓	✓	✓
16	Sheila Parker	×	✓	×	✓	×	×	✓
17	Peter Pettit	×	✓	×	✓	×	✓	×
18	Rosemarie Phillips *(from Nov-16)*	n/a	n/a	n/a	n/a	n/a	✓	✓
19	Martin Rawlinson	×	✓	×	✓	✓	×	✓
20	Roger Stroud *(joined Nov-16)*	n/a	n/a	n/a	n/a	n/a	✓	✓
21	Ros Thomson	✓	✓	✓	✓	✓	✓	✓
22	Margaret White	✓	×	✓	✓	✓	✓	✓
23	Robert Wotton *(resigned May-16)*	×	n/a	n/a	n/a	n/a	n/a	n/a
	Directors							
1	Nick Bishop	n/a	n/a	n/a	✓	×	×	×
2	Douglas Blair (non-voting member)	✓	✓	n/a	n/a	n/a	n/a	n/a
3	Robert Burns *(term ended Jan-17)*	✓	✓	✓	✓	×	✓	n/a
4	Liam Coleman (Senior Independent Director) *(resigned Dec-16)*	×	×	×	×	×	×	n/a
5	Andy Copestake *(from Jul-17)*	n/a	n/a	✓	✓	×	✓	×
6	Oonagh Fitzgerald	×	✓	×	✓	×	×	×
7	Angela Gillibrand (Deputy Chair) *(term ended Jun-16)*	×	×	n/a	n/a	n/a	n/a	n/a
8	Roger Hill (Chair)	✓	✓	✓	✓	×	✓	✓
9	Karen Johnson	✓	×	✓	✓	×	×	✓
10	Kevin McNamara (non-voting member)	×	✓	×	✓	✓	×	×
11	Jemima Milton	×	×	×	✓	×	✓	×

	Attendee(✓ = attended X = did not attend)	21 Apr-16	9 Jun-16	7 Jul-16	12 Sep-16	22 Sep-16	24 Nov-16	2 Feb-17
12	Carole Nicholl (non-voting member) *(from Nov-16)**	✓	✓	✓	✓	✓	✓	✓
13	Steve Nowell (Senior Independent Director	×	×	✓	✓	×	✓	×
14	Guy Rooney	✓	×	×	✓	×	✓	×
15	Julie Soutter (Deputy Chair)	✓	×	✓	✓	✓	×	✓
16	Nerissa Vaughan	✓	✓	✓	✓	×	✓	×
17	Hilary Walker	×	✓	×	✓	×	×	×

* Carole Nicholl became a Board Member from 1 November 2016. However she had previously attended meetings of the Council of Governors.

6.4 Lead and Deputy Lead Governors

Margaret White and Peter Pettit were Lead and Deputy Lead Governors respectively throughout 2016/17. The Lead Governor is responsible for receiving from Governors and communicating to the Chairman any comments, observations and concerns expressed by Governors regarding the performance of the Trust or any other serious or material matter relating to the Trust or its business. The Deputy Lead Governor is responsible for supporting the Lead Governor in their role and for performing the responsibilities of the Lead Governor if they are unavailable. The Lead Governor regularly meets with the Chairman of the Trust both formally and informally. In addition the Lead Governor communicates with other Governors by way of regular email correspondence and Governor only sessions.

6.5 Council of Governors meetings structure

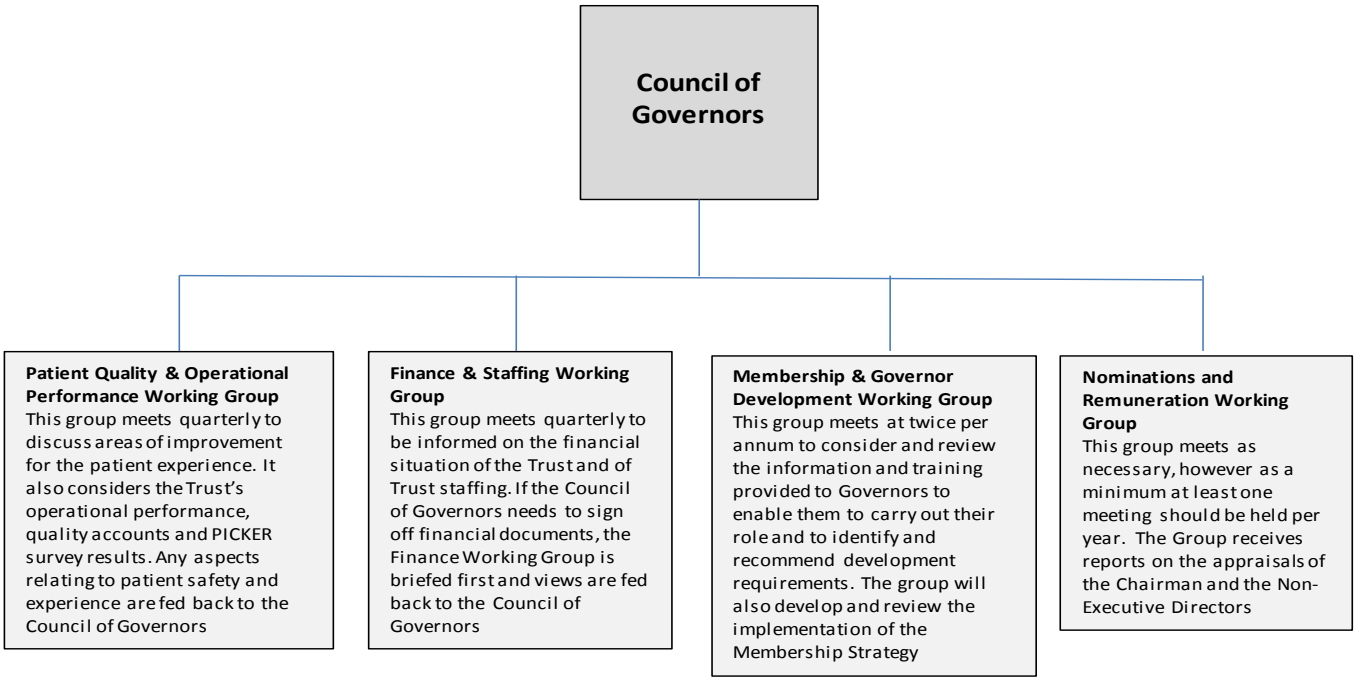
The Council of Governors has established a number of working groups which each have focussed attention for specific areas of work. During 2016/17 the following working groups were in place: -

- Patient Quality and Operational Performance Working Group
- Finance and Staffing Working Group
- Membership and Governor Development Working Group
- Nominations and Remuneration Working Group

Working groups inform Governors about activities and issues relevant to each area, thereby assuring Governors about the performance of the Board. Governors can feed in their views to inform decision making.

In addition there is a Joint Nominations Committee, established by the Council of Governors jointly with the Board of Directors, which considers nominations for Non-Executive Director appointments. The meetings structure of the Council of Governors is shown below.

STRUCTURE – Council of Governors Meeting structure



6.6 Biography of individual Governors

A biography of each Governor is included on the Trust's website.

6.7 Statement setting out how the Council of Governors and the Board of Directors operate

The overall responsibility for running the Trust lies with the Board of Directors. The Council of Governors is the collective body through which the Directors explain and justify their actions. The Board has a scheme setting out which decisions it will make itself, known as the Reservation of Powers to the Board and there is a Scheme of Delegation which sets out powers delegated to staff.

It is the responsibility of the Council of Governors to represent the views and interests of the members, to hold the Board of Directors to account for the performance of the NHS Foundation Trust and to ensure the Trust acts within the terms of its Provider Licence. The Council of Governors also works with the Board of Directors to shape the future strategy of the organisation.

The Council of Governors has specific statutory powers and duties as set out above in this report.

The Chairman of the Council of Governors is also the Chairman of the Board of Directors and he provides a link between the two, supported by the Company Secretary.

6.8 Statement setting out the steps that members of the Board of Directors, in particular the Non-Executive Directors, have taken to understand the views of Governors and members

The Board of Directors has taken the following steps to understand the views of Governors and members: -

Non-Executive Director attendance at Council of Governors meetings – During 2016/17 Non-Executive Directors attended Council of Governor meetings which enabled them to listen to Governors' concerns and to respond to any questions raised.

Presentations to the Council of Governors by Non-Executive Directors - Non-Executive Directors in their capacity as Chairs of Board Committees made presentations to the Council of Governors on the role and work of those Committees which provided an opportunity for Governors to express their views and question the Non-Executive Directors on the performance of the Board. Specifically, presentations were made regarding the work of the Finance and Investment Committee, the Audit, Risk and Assurance Committee and the Quality and Governance Committee.

Joint Board of Directors and Council of Governors training – Joint training for Non-Executive Directors and Governors (with Executive Directors invited) on the role and work of individual directorates within the Trust continued to be rolled out in 2016/17. A session was held whereby the Unscheduled Care Division explained the services they provide. The joint training provides an opportunity for the Non-Executive Directors to engage with the Governors and to better understand their views and concerns.

Public health lectures – To provide forums for members to meet Governors, public health lectures were introduced some years ago and are continuing. Members and the public are invited to attend public lectures on a specific health topic and thereafter meet Governors and share thoughts and views on healthcare generally or on their experience in the Trust. In 2016/17 three public health lectures were held as follows: -

- Cancer (Apr-16)
- Obesity (Jun-16)
- Radiotherapy (Sept-16)

These continue to be well attended and welcomed by local people.

"Listening to our patients" – An initiative previously known as "eyes and ears" but later changed to "listening to our patients" is in place whereby the Governors identify any issues of concern regarding the provision of services. Governors feedback on the issues they have witnessed for themselves or those which have been reported to them. Patients have been invited into the hospital to share their experience of the care they or a family member received, with governors invited to attend to hear feedback. Notably two families spoke about their experiences of care relating to orthopaedic services.

Council of Governors effectiveness review – An effectiveness review of the Council of Governors was held in January 2017, led by the Chairman and Director of Governance & Assurance. Non-Executive Directors were invited to join the review. The review resulted in a refresh of the work of the Council of Governors in terms of an updated work plan and a proposed approach to how working groups might feed into the Council of Governors. Furthermore, governors reflected on how best to ensure issues are discussed in an environment which encourages open debate, questions and consideration of the main points.

Governor Working Groups / Non-Executive Directors aligned – As referred to elsewhere in this section, there are a number of working groups of the Council of Governors, the work of which is supported by staff and directors. The joint working results in effective communication between the staff, Directors and Governors. Governors have an opportunity to input directly into the workings of the Trust either through working groups or through non-executive directors. On request, Non-Executive Directors may attend meetings of working groups to provide information and receive feedback from Governors directly. Non-Executive Directors are aligned to Working Groups providing a clear link for Governors to hold Non-Executive Directors to account individually and collectively for the performance of the Board.

Additional briefing sessions – The Chief Executive has held separate sessions with Governors to discuss specific topics of interest, with other members of the Board present. In addition there have been additional briefing sessions and training including Directorate Briefings; the Hip Fracture Scaling launch in November 2016 and a Swindon Adult Community Healthcare presentation in September 2016.

Annual Members Meeting – In September 2016 an Annual Members Meeting was held in Swindon. The annual report and accounts were presented and a briefing given on the overall performance of the Trust in the previous year. This meeting allowed an opportunity for Governors to address members, seek questions on Trust business and provide feedback to the Board of Directors.

Chairman – The Chairman of the Trust and the Director of Governance & Assurance meet monthly with the Lead and Deputy Lead Governors to discuss their views on any matters currently being considered. The Lead and Deputy Lead Governors are representatives of the Council of Governors. Their advice and input is incorporated into the decision making process via the Chairman. The Lead and Deputy Lead Governor are able to feedback additional information on the workings of the Trust to other governors.

South West Governor Exchange Network - In 2016/17 Governor representatives attended the South West Governor Exchange Network events. These provide useful information to Governors and enable them to network with Governors from other trusts.

Governor involvement in events / activities – Governors are invited to attend a number of events throughout the year which allows them to be directly involved in the work of the Trust and to influence the decisions being made. A few examples in 2016/17 were: -

- Governor representative on the End of Life Committee
- Joint workshops and training events with the Trust Board
- Governor involvement in fundraising for Brighter Futures
- Governor representative on the Improvement Committee

6.9 Non-Executive Director Allowances and Annual Reviews - Nominations and Remuneration Working Group

The Nominations and Remuneration Working Group considers the performance of the Chairman and the Non-Executive Directors and determines their level of remuneration. The Working Group is comprised of five governors. The Chairman with the Senior Independent Director attend meetings as requested, namely to present their reports on the review of the Non-Executive Directors and the Chairman respectively.

The Working Group has established the process for review of the Chairman and the Non-Executive Directors and it considers reports from the Chairman and the Senior Independent Director on performance during the year.

The Working Group met once in 2016/17 to undertake the annual performance review of the Chairman and Non-Executive Directors. The pay arrangements for Non-Executive Directors were originally fixed at Authorisation in December 2008 to reflect foundation trust responsibilities. A remuneration increase was awarded during 2014 to reflect rates elsewhere. The rates were again reviewed in 2016/17 but no changes were made to the allowances. Further information about the remuneration of the Non-Executive Directors can be found in this report (section 4.10 refers).

6.10 Interests of Governors

Governors are required to declare any interests which are relevant and material to the business of the Trust; pecuniary interests in any contract, proposed contract or other matter concerning the Trust; and family interests of which the Governor is aware, irrespective of whether the interests are actual and potential, direct or indirect.

A register of those interests is maintained, a copy of which can be obtained from the Company Secretary.

6.11 Non-Executive Director Appointments – Joint Nominations Committee

The Trust has a Joint Nominations Committee which is responsible for recommending suitable candidates to the Council of Governors for appointment to the Chairmanship or office of Non-Executive Director; and for nominating suitable candidates for appointment as the Chief Executive.

6.12 The work of the Joint Nominations Committee in discharging its responsibilities

In 2016/17 the Committee met three times during the year to consider existing Non-Executive Director re-appointments and new Non-Executive Director appointments and thereafter to consider feedback from interviews and recommend candidates for appointment to the Council of Governors.

When the Chairman or a Non-Executive Director reaches the end of their current term and being eligible wishes to be reappointed, the Joint Nominations Committee may nominate the individual for such reappointment without competition, subject to the Committee taking into account the result of any review of the individual's performance during their term of office and the balance of skills required on the Board of Directors.

The Joint Nominations Committee is comprised of the Chairman, two Non-Executive Directors and four Governors, hence a majority of Governors as required by the Code of Governance when nominating individuals for appointment

Expressions of interest for new Non-Executive Directors are invited by way of formal applications in response to open advertising. Candidates are shortlisted and interviewed by a panel comprised of Governors and Non-Executive Directors. The outcome of the panel interview is considered by the Joint Nominations Committee which recommends candidates for appointment to the Council of Governors.

During 2016/17 the Joint Nominations Committee re-appointed Robert Burns as a Non-Executive Director for a further term of 6 months; re-appointed Roger Hill as Chairman for a further term of 2 years and re-appointed Jemima Milton as a Non-Executive Director for a further term of 3 years.

Furthermore, the Committee appointed Peter Hill as a Non-Executive Director. One Non-Executive Director position remains vacant and recruitment for this position will take place during 2017/18.

6.13 Attendance at the Joint Nominations Committee Meetings during 2016/17

Joint Nominations Committee Members	Record of attendance at each meeting ✓ = Attended × = Did not attend n/a = not applicable as not member at that time		
	1 September 2016	5 December 2016	31 January 2017
Liam Coleman – Non-Executive Director (member until 30-Jun-16)	n/a	n/a	n/a
Steve Nowell – Non-Executive Director (member from 1-Jan-17)	✓ (substitute for Roger Hill)	n/a	×
Roger Hill – Chairman	×	✓	×
Julie Soutter – Non-Executive Director	✓	×	×
Lisa Campisano– Governor (member until Nov-16)	✓	n/a	n/a
Pauline Cooke – Governor	✓	×	×
Martin Rawlinson – Governor (member from Nov -16)	n/a	×	✓
Peter Pettit	✓	✓	✓
Margaret White – Governor	✓	✓	✓

Note: Liam Coleman, Steve Nowell, Roger Hill and Julie Soutter are Non-Executive Directors appointed by the Chairman / Board and Lisa Campisano, Pauline Cooke, Martin Rawlinson, Peter Pettit and Margaret White are Governors appointed by the Council of Governors.

The Committee is chaired by a Governor when considering Chairman and Non-Executive Director appointments.

Note that in addition to the Joint Nominations Committee, there is a Remuneration Committee authorised by the Trust Board to oversee a formal, rigorous and transparent procedure for the appointment of the Executive Directors and to keep under review the composition size and structure of the Executive, leading on succession planning, appointing candidates to Board level positions. The Remuneration Committee reviews senior manager (Executive and Non-Voting Board Director) remuneration and has delegated authority for agreeing any annual pay review for these staff only.

6.14 Membership

The Trust is accountable to local people who can become members of the Trust. Members share their views and influence the way in which the Trust is run.

The Trust's membership is made up of local people, patients and staff who have an interest in healthcare and their local health care services and these are broken down into two groups with different criteria.

Members can only be a member of one constituency, therefore local people and patients can only be a member of one public constituency. Staff can only be members of one sub-class in the staff constituency. Members are able to vote and stand in elections for the Council of Governors provided they are 18 years old and over.

6.15 Public Members

Public members include patients, carers and interested members of the public. Public members are aged 12 and over who live in the geographical area of the Trust.

Public members fall into constituencies based on where they live. The constituencies are periodically reviewed to ensure they reflect the Trust's geographical area and populations.

- Swindon
- North Wiltshire
- Central Wiltshire
- Southern Wiltshire
- West Berkshire and Oxfordshire
- Gloucestershire and Bath and North East Somerset

6.16 Staff Members

Staff members include Trust employees, Carillion Health employees and volunteers. The Trust has strong links with the local community, with over 360 volunteers. Staff automatically become members when:

- they are employed by the Trust under a contract of employment which has no fixed term or has a fixed term of at least 12 months; or
- they have been continuously employed by the Trust under a contract of employment for at least 12 months; or
- they are employed by a designated subcontractor (i.e. Carillion Health) who otherwise exercise functions for the purpose of the Trust provided they have exercised these functions continuously for a period of 12 months; or
- they are designated volunteers who assist the Trust on a voluntary basis and have been doing so for at least 12 months.

Trust staff may opt out of membership if they wish.

The Trust has a wide range of staff undertaking a variety of roles and in a variety of professions, split into the following sub classes to reflect occupational areas: -

- Hospital Nursing and Therapy Staff
- Allied Health Professional
- Doctors and Dentists
- Administrators, Maintenance, Auxiliary and Volunteers

The sub classes were reviewed in 2016/17 and further review is planned for 2017/18. Details are contained elsewhere in this report section 6.2.2 refers.

6.17 Membership analysis

Being a member of our Foundation Trust gives local people opportunities to become involved and have their say in how our services are developed.

During the year, the Trust continued to recruit members. As at 31 March 2017, the membership of the Great Western NHS Foundation Trust was as follows: -

Total Number of Members across all Constituencies	2015/16	2016/17
Swindon	2981	3334
North Wiltshire	1196	1335
Central Wiltshire	466	584
Southern Wiltshire	109	182
West Berkshire and Oxfordshire	323	361
Gloucestershire and Bath and North East Somerset	296	385
Staff	6386	6495
TOTAL	**11,757**	**12,676**

This shows an increase in overall membership of 919 (7.8% increase which is an improvement on last year's increase of 5.9% from 2015/16)

Public Constituency	2015/16	2016/17	2017/18 *(estimate based on 2016/17 levels)*
At year start (1 April)	4887	5371	6181
New Members	624	992	1137
Members leaving	140	182	191
At year end (31 March)	**5371**	**6181**	**7127**

This shows an increase in public members of 810 (15.0% increase)

Staff Constituency	2015/16	2016/17	2017/18 *(estimate based on 2016/17 levels)*
At year start (1 April)	6213	6386	6495
New Members	986	1290	1311
Members leaving	813	1181	1195
At year end (31 March)	**6386**	**6495**	**6611**

This shows an increase in staff members of 109 (1.7% increase)

The estimates for 2017/18 public members are based on a prediction having regard to membership recruitment drives planned to take place in 2017/18 and an initiative to retain former staff as members, provided they meet the eligibility criteria.

The estimates for 2017/18 staff members are based on expected staff levels and turnover.

6.18 Numbers of members by age ethnicity and gender

The groupings of the members in the public constituency are as follows: -

Age	2015/16	2016/17
0-16	12	2
17-21	184	155
22+	5118	5967
Unknown	57	57
Total	**5371**	**6181**

Ethnicity	2015/16	2016/17
White	3726	3733
Mixed	26	26
Asian or Asian British	150	151
Black or Black British	53	54
Other	27	27
Unknown	1389	2190
Total	**5371**	**6181**

Gender	2015/16	2016/17
Male	2127	2177
Female	3109	3441
Unspecified	135	563
Total	**5371**	**6181**

The Trust uses information from the Office of National Statistics (Census 2012) to build up a picture of the population size and ethnicity for each constituency. This helps the Trust in its aims to make the membership reflective of its population. The Trust has also determined the socio-economic breakdown of its membership and the population from its catchment area.

6.19 Building a strong relationship with our members / engagement and canvassing views

It is the aim of the Trust to have a membership that will allow the Trust to continue to develop into a more locally accountable organisation, delivering healthcare services that reflect the needs of the local communities. Membership supports the Trust in increasing local accountability through communicating directly with current and future service users. In turn services are developed which reflect the needs of our local communities and loyalty within the local communities is encouraged.

The Trust fulfils this aim by communicating and engaging with members via the Trust's newsletter, News in Brief, and hosting members' briefings and events such as Public Lectures. The Trust's website provides regular updates and information on meetings and events. The Trust has a full time Governance Officer responsible for membership, to answer any questions from members or to provide additional information.

Examples of opportunities for engagement in 2016/17 included: -

- Public lectures
- Governors talking to members and the public at local community events
- Public and member attendance at Council of Governor Meetings
- Mailings about upcoming events

Governors are reminded to canvass the opinion of members and the public and for nominated Governors, the organisations they represent on the Trust's operational plan, including its objectives, priorities and strategy. Views from governors feed into strategy development. For example, Governors' views were sought by the Board at the meeting of the Council of Governors held in February 2017, where an open discussion on proposals around community care in Swindon took place. Earlier in 2016/17 Governors' views were incorporated into strategic planning around Swindon 0Community Health Services.

Mailings to members have been sent out regarding Equipment Replacement Programmes, Radiology Service reviews, newsletters to support the Brighter Future charity appeals, CQC Inspection Feedback and advertising Non-Executive Director vacancies.

6.20 Membership Strategy

To encourage membership, the Trust has in place a Membership Strategy which is reviewed annually to ensure that it reflects the needs of the members. The latest Membership Strategy focuses on how the Trust plans to engage and offer more to our existing members.

The Council of Governors has established a sub-group, known as the Membership & Governor Development Working Group, whose remit is to aim to increase and promote membership. The group meets quarterly and deliberates mechanisms to increase membership, as well as how to market membership, including tangible benefits that can be offered.

6.21 Membership development in 2016/17

In order to build a representative membership during 2016/17 the Trust undertook the following: -

- The Governance Officer hosted monthly recruitment drives in the hospital atrium
- The Governance Officer attended various Wiltshire Council public health events
- An Annual Members Meetings was held in September 2016
- The Governance Officer attended various school and college careers events within the area
- A partnership was formed with a number of sports teams in Wiltshire who are promoting Trust membership in their sports programmes and on their websites.
- Monthly health messages were sent to various companies and councils to be distributed to their employees.

The membership application form has been widely circulated with Governors taking a proactive approach to handing out forms in the community and engaging directly with members of the public at any social events, e.g. promoting the Trust through writing articles in local newspapers.

The Governance Officer hosts a stall in the atrium of the Great Western Hospital on a monthly basis talking to visitors and patients and recruiting new members.

6.22 Membership recruitment proposed for 2016/17

6.22.1 Engagement with existing forums

The Governance Officer will continue to engage with existing forums, such as Patient Participation Groups, parish and town councils, sports teams, carers groups etc. by attending meetings and presenting to them information about membership and encouraging new members.

6.22.2 Youth Membership Drive

The Governance Officer is continuing to develop and work with contacts within youth groups who are likely to be interested in the future of the hospital and is planning to engage with GCSE and A Level students, working alongside the Trust's Academy.

The Governance Officer will attend careers events along with the NHS Careers team to better engage and recruit members. Students will receive a presentation on the structure of foundation trusts, tied in with the politics and funding of healthcare. This will be an opportunity to increase our membership of younger people.

6.22.3 News In Brief

The Trust's quarterly newsletter 'News in Brief' is sent to members electronically.

6.22.4 Public Lectures

A series of public lectures on a variety of topics are planned, with the Governance Officer in attendance to recruit new members.

6.22.5 Annual Members Meeting

An annual members meeting is planned to update existing members on issues affecting the Trust. This will be an opportunity to recruit new members as emphasis will be placed on advertising the meeting throughout the community.

6.22.6 Approach to large local employers

The Trust will continue to work with large local employers to promote membership, to send out health messages and hopefully attract more businesses to sign up to support the Trust.

6.23 Contacting the Governors and Directors

If any constituency member or member of the public generally wishes to communicate with a Governor or a Director they can do so by emailing the Foundation Trust email address: foundation.trust@gwh.nhs.uk. This email address is checked daily by the Governance Officer who will forward the email to the correct Governor and/or Director. Alternatively a message can be left for a Governor by ringing the Governance Officer on 01793 604185 or for a Director by ringing the Company Secretary on 01793 605171 or by sending a letter to:

Company Secretary, the Great Western Hospital, FREEPOST (RRKZ-KAYR-YRRU), Swindon, SN3 6BB.

6.24 Code of Governance Disclosure Statement

The Trust Board has overall responsibility for the administration of sound corporate governance throughout the Trust and recognises the importance of a strong reputation.

The Great Western Hospitals 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 Trust has been compliant with the Code with the exception of the following: -

D.2.3 The Code states that the Council of Governors 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. However, in view of the costs associated with this, the Council of Governors resolved that instead the Director of Human Resource should undertake a benchmarking exercise. During 2016/17 consideration was given to the remuneration levels of the non-executive directors using benchmarking date and no changes were made.

Compliance with the Code of Governance is monitored through the Trust's Quality and Governance Committee.

Other disclosures required under the Code of Governance are included in the Director's Report and the Remuneration Report.

6.25 Audit Committee Annual Report 2016/17

6.25.1 Introduction

On behalf of the Audit, Risk & Assurance Committee (ARAC), I am delighted to present the Committee's Annual Report. The Committee operates under a Board delegation and approved Terms of Reference. It comprises three Non-Executive Directors, has met six times during the period and has reported to the Board and Council of Governors on its activities. The Committee also provides assurance in relation to the Annual Governance Statement made by the Trust's Chief Executive (CE) as Accountable Officer (AO) in respect of Great Western Hospitals NHS Foundation Trust for the year ending 31 March 2017. This report covers activities and accounts during the period 1 April 2016 to 31 March 2017.

6.25.2 Terms of Reference

During 2016/17 the Terms of Reference of the Committee were refreshed and referenced against the Audit Committee Handbook published by the HFMA and Department of Health, NHS Improvement's Code of Governance and current best practice. The Committee's revised Terms of Reference were approved by the Board on the 5 January 2017. The Committee acts in an advisory capacity and has no executive powers.
A copy of the terms of reference is available on request from the Company Secretary.

6.25.3 Committee membership and attendance

The Committee has had at least three Non-Executive Directors acting as members during the financial year as follows: -

Julie Soutter	Julie has been Chair of the Audit, Risk and Assurance Committee since 1 January 2016. Prior to that she was a member of the Committee from the time she joined the Trust in January 2015. Julie is the Deputy Chairman of the Trust.
Angela Gillibrand *(until 30-Jun-16)*	Angela previously Chaired the Audit Risk & Assurance Committee until 31 March 2012 and thereafter she remained a member of the Committee until the time she left the Trust on 30 June 2016.
Jemima Milton *(until 31-Dec-16)*	Jemima was a member of the Committee from the time she joined the Trust in January 2014 until 31 December 2016. Jemima is Chair of the Charitable Funds Committee.
Steve Nowell *(from 1-Jul-16 until 30-Jun-16)*	Steve was a member of the Committee from 1 July to 31 December 2016. Steve is the Chair of the Finance & Investment Committee; the Performance, People and Place Committee and the Remuneration Committee. Steve is also the Senior Independent Director.
Andy Copestake *(from 1 Jul-16)*	Andy has been a member of the Committee since joining the Trust on 1 July 2016.
Nicholas Bishop *(from 30-Jun-16)*	Nicholas has been a member of the Committee since 1 January 2017. Nicholas is the Chair of the Quality and Governance Committee and the Mental Health Governance Committee.

Attendances Non-Exec Members	19 May 2016	13 July 2016	15 September 2016	17 November 2016	19 January 2017	16 March 2017
Julie Soutter *(Chair)*	✓	✓	✓	✓	✓	✓
Andy Copestake (from 1 July 2016)	n/a	✓	x	✓	✓	✓
Nick Bishop (from 1 Jan 2017)	n/a	n/a	n/a	n/a	✓	✓
Steve Nowell (until 31 December 2016)	n/a	✓	✓	✓	n/a	n/a
Jemima Milton	✓	✓	✓	x	n/a	n/a
Angela Gillibrand (until 30 June 2016)	x	n/a	n/a	n/a	n/a	n/a

n/a Not applicable, x not attended, ✓attended

Nerissa Vaughan, Chief Executive and Accountable Officer (CE & AO), Karen Johnson, Director of Finance (DoF), Dr Guy Rooney (Medical Director) or appropriate alternates also attend, as does Carole Nicholl, Director of Governance & Assurance & Company Secretary (CoSec). Additional attendees at all Committee meetings include representatives from Internal Audit and Counter Fraud (TIAA) and External Audit (KPMG) who provide updates on activities, planning and reporting. KPMG also provide updates on technical or regulatory matters which the Committee should be made aware of.

Other senior managers or representatives from Internal and External Audit are invited to attend meetings to assist on matters of specific interest or relevance to the Committee's responsibilities as required. Other Non-Executive Directors may attend as observers.

6.25.4 Audit Committee purpose and activity in discharging its responsibilities

The primary purpose of the Committee is to provide oversight and scrutiny of the Trust's risk management and assurance activity, internal financial and other control processes, including those related to service quality and performance. These controls underpin the Trust's Assurance Framework so as to ensure its overall adequacy, robustness and effectiveness. This approach should, therefore, address risks and controls that affect all aspects of the Trust's activity and reporting.

Operational oversight and scrutiny, in particular relating to service quality and patient care performance, is also provided through the Quality & Governance Committee. There is a direct link between the Quality & Governance Committee and the Audit Committee through committee membership and exception reporting. The Finance and Investment Committee provides oversight of financial management and planning. Again there is a direct linkage between this Committee and the Audit Committee through membership and exception reporting. Day to day performance management of the Trust's activity, risks and controls is the responsibility of the Executive Directors.

The Audit Committee has oversight of corporate governance and compliance and the performance and outcomes of Internal Audit, (including Counter Fraud services) and of External Audit. The Committee seeks to ensure that the relationship between Internal and External Audit is robust and effective and that all parties receive and provide adequate support to and from Trust management as required. Time is set aside for private discussion with Internal Auditors, External Auditors and Trust Finance Management Leads. Note that the Quality and Governance Committee also has oversight of corporate governance and governance generally, such as consideration of progress against milestone actions arising from the Well Led Governance Review.

6.25.5 Risk and Governance Activity

The Committee met in May, July, September and November 2016, and also in January and March 2017. For the current financial year a minimum of six meetings are scheduled, commencing in May 2017 with the review and approval of the 2016/17 year-end Annual Report and Accounts. The major review areas addressed in the meetings in 2016/17 are summarised as follows: -

- At least on a quarterly basis the Board Assurance Framework and 15+ Risk Register are reviewed and risks and assurances challenged where appropriate by the Committee. During 2016/17 the Committee supported the Company Secretary in a refresh of risk management, with the introduction of a Risk Escalation Framework and improved Board Assurance Framework. This includes the alignment of strategic risks to the Board Committees with those Committee now responsible for seeking assurances that strategic risks are being managed.
  The Committee has challenged embeddedness of risk management throughout the organisation and has identified the need for further action and areas for focus, such as consideration of older risks, targeting action to improve management in poorer performing Divisions and reviewing topics of increased numbers of risks, e.g. patient safety.
  The Committee has oversight of risk management and the Board Assurance Framework to ensure they remain "fit for purpose", reflect risks that impact on strategic objectives and the assurance and mitigation provided, or, if none exist, prompt a suitable course of action to minimise the impact of risks.

- The Committee has reviewed Trust policies, including the Staff Code of Conduct, has sought to challenge how new policies are implemented and requested update reports.

- The Committee reviewed reports on Electronic Rostering, Medicines Management and Private Patients. This included discussion on progress made and mitigating actions to control any future risks.

- The Committee has reviewed and approved reports of any single tender actions, contract extensions and reports of losses, including patient property, and any compensation paid. The Committee challenged the format and presentation of these reports, which led to improved reporting and consequently improved visibility of areas for focus, resulting in different actions with a subsequent improvement to systems and processes.

- The Chair of the Committee has reviewed the Seal Register and sought any necessary explanations relating to the use of the Trust seal.

- The minutes of the Committee are submitted to the Board. The Chair of the Committee has also given verbal updates on the work of the Committee and any current concerns to the Board as required. In addition, towards the latter part of 2016/17, the Chair introduced a Chair's report of the Audit Committee, which is presented after each meeting to the Board in public, providing visibility in the public domain of the work of the Committee and areas of focus.

- As indicated above, in May 2017 the Trust's Financial Accounts for 2016/17 and Annual Report, including the Quality Report, were reviewed and approved by the Committee for endorsement by the Board.

- The key issues in relation to the financial statement, operations and compliance are income, revaluation of fixed assets and the PFI restatement. The Committee gains assurance on these through financial internal controls, internal and external audits and challenge of reports received.

6.25.6 Internal Audit and Counter Fraud

The Committee reviewed and approved TIAA's internal audit and counter-fraud plans for 2016/17 to ensure the provision of support to the assurance framework and adequate review of internal controls and known areas of risk or concern. This included a review of financial accounting and payroll; waiting list initiatives, cyber security, agency spend controls and nurse revalidation. The Committee ensured that audit planning also took account of areas identified by the Quality and Governance Committee and the Finance and Investment Committee as worthy of an audit review, together with consideration of those areas identified through the Board Assurance Framework.

The Committee monitors audit delivery and receives all finalised reports on audits and counter fraud activity, all findings and any other opinions concerning governance, control or risk management arrangements. The Director of Finance provides updates at meetings that confirm progress against the plan, areas of concern and the progress on resolving audit recommendations.

Each May the Audit Committee considers and endorses the Head of Internal Audit's Report. For 2016/17 the Trust's internal controls were assessed as reasonable??? and that they provided overall Reasonable Assurance.

During 2016/17 the outcomes of 19 internal audit reviews were reported to the Committee. Of those, four resulted in "limited" assurance, namely Planned Preventative Maintenance; Equality & Diversity; Waiting List Initiatives and SAS Development Funds. The recommended actions to address weaknesses identified by the reviews are monitored by the Committee. All other internal audit reports provided "reasonable" (6 reviews) or "substantial" (9 reviews) assurance. These included clinical records management; Referral to Treatment (RTT) operational practices; cyber security; financial accounting and payroll. All reports have agreed action plans and were subject to detailed review by the Committee. It should be noted that each year there are areas of the internal audit plan work that are completed towards the end of the current financial year but reported to the ARAC in the following financial year.

The Committee also reviewed the work of Counter Fraud during the year. In addition to regular reports, it received the Fraud Risk Assessment 2016/17, which advised that the Trust had been assessed to have a majority of satisfactory counter fraud measures in place. Two areas of risk were identified notably pre-employments checks within nursing agencies and agency nursing comparator review. However work undertaken during the year resulted in the Local Counter Fraud Service concluding that pre-employment checks conducted were of a good standard and the Trust was found to operate within good practice for agency nursing.

In line with good practice, the Trust decided to tender the provision of both the Internal Audit and Counter Fraud services during the year to ensure value for money and continued quality and effectiveness of the services. The tender process was supported by two members of the Committee, with the outcome being the appointment of a new provider, BDO, for both services. At the meeting in March, the Committee thanked TIAA for their service over a number of years and agreed handover arrangements for the new provider.

6.25.7 External Audit

KPMG were represented at all meetings of the Committee and submitted reports as needed, including their 2016/17 **unqualified audit opinion on the Trust's Financial Accounts** and their Annual ISA260 report.

In April 2015 Monitor reported that the Trust was failing to comply with a number of the provider licence conditions, in particular, those relating to financial reporting and financial governance, due to a failure to comply with its general duty to exercise its functions effectively, efficiently and economically. During 2016/17 the enforcement undertakings remained in place and as a result the external auditors **qualified the Use of Resources certificate**.

Furthermore, the external auditors have completed a review of the Trust's Quality Accounts and have given a **clean limited assurance opinion on the content of the Quality Report**. Two indicators were tested namely percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period (RTT); and percentage of patients with a total time in A&E of four hours or less from arrival to admission, transfer or discharge (A&E). The auditor's detailed testing on the indicators has concluded that the auditors are able to give a **clean limited assurance opinion on the presentation and recording of the four hour A&E wait**. However the work conducted of **incomplete pathways within 18 weeks has resulted in a qualified opinion.** The auditors concluded that there is not sufficient evidence to allow them to provide a limited assurance opinion. The reason for this is that of the samples tested, there were instances of insufficient data to collaborative clock start date; instances where a patient pathway was restarted; an instance of an open pathway for a non-complicated pregnancy and an instance of a duplicate pathway.

The auditors work on the local selected indicator chosen by the by the Governors on missed doses of critical medicines is not subject to a limited assurance opinion. The auditors advised that if requested to provide an audit opinion they would be unable to do so due to the inherit limitations of testing.

In addition, the external auditors intended to issue an **unqualified Group Audit Assurance Certificate** to the National Audit Office regarding the Whole Government Accounts submission made through the summarisation scheduled to NHS Improvement.

The 2016/17 year-end audit plan was reviewed and agreed. All significant points raised by KPMG as a result of their audit work, including any issues carried forward, have been discussed with the Committee, were considered by management and, if needed, appropriate responses have been made and control processes identified for strengthening. The Committee also reviewed the fees charged by KPMG and the scope of work undertaken.

The effectiveness of the external audit process is reviewed when considering the appointment / re-appointment of the external auditor.

There were no material non-audit services provided by KPMG during the year which might impact KPMG's professional independence.

6.25.8 Review of Effectiveness

Each year the Committee undertakes a formal review of its effectiveness. Although no major weaknesses were identified in 2016/17, the review resulted in an action plan aimed at delivering improvements around reporting, information and Committee member knowledge. The Committee conducted a further review in year with further action being developed. The Committee refreshed its forward planning of presentations and agenda items.

6.25.9 Directors' responsibilities for preparing accounts and External Auditor's report

So far as the Directors are aware, there is no relevant material audit information of which the Auditor is unaware. The Directors have ensured that any such information has been brought to the Auditor's attention.
The Directors are aware of their responsibilities for preparing the accounts and are satisfied that they meet NHS Foundation Trust reporting requirements 2016/17 and the requirements reflected in the Accounting Officer's Annual Governance Statement made by the Chief Executive of the Trust. A letter of representation reviewed and approved by the Committee, has been provided to the External Auditors signed by the Chief Executive on behalf of the Board to this effect.

The responsibilities of the External Auditors are set out in their Audit Report as included elsewhere in the Annual Report of the Trust.

6.25.10 Audit Committee Assurance

Based on its work over this reporting period, the Committee is able to provide assurance on the adequacy of control processes, governance and Board Assurance Framework within the Trust and to provide assurances to the AO and the Board in respect of the audit assurances (internal and external), governance, risk management and accounting control arrangements operated.

There were no areas of concern to be disclosed in the Annual Governance Statement which have not already been disclosed. The Committee was of the opinion that there is full and frank disclosure of any material issues.

In 2017/18 the Committee will continue to operate against its Terms of Reference, seek further assurance that steps are being taken to maintain effective risk management and mitigation, sound systems of internal control and quality control, monitor actions planned to implement audit recommendations or strengthen controls in areas of concern.

6.25.11 Acknowledgements

The Committee acknowledges the support received from the Executive Directors and senior management Team and their readiness to co-operate with the Audit Committee and take action where it is indicated. The Committee is grateful for the detailed work and application of both Internal and External Auditors.

Julie Soutter

Chair
Audit Risk and Assurance Committee
24 May 2017

7. Regulatory ratings

7.1 Single Oversight Framework

NHS Improvement's Single Oversight Framework provides the framework for overseeing providers and identifying potential support needed. The framework looks at five themes:

- quality of care
- finance and use of resources
- operational performance
- strategic change
- leadership and improvement capability (well led)

Based on information from these themes, providers are segmented from 1 to 4, where '4' reflects providers receiving the most support, and '1' reflects providers with maximum autonomy. A foundation trust will only be in segments 3 or 4 where it has been found to be in breach or suspected breach of licence.

The Single Oversight Framework applied from Quarter 3 of 2016/17. Prior to this, Monitor's Risk Assessment Framework (RAF) was in place. Information for the prior year and first two quarters relating to the RAF has not been presented on the basis of accountability was different. This is in line with NHS Improvement's guidance for annual reports.

7.2 Segmentation

The Trust has been placed in segment 3. Details and actions from any formal interventions are set out below. This segmentation information is the Trust's position as at 31 March 2017. Current segmentation information for NHS trusts and foundation trusts is published on the NHS Improvement website.

7.2.1 Monitor Investigation and Enforcement undertakings April 2015

The Trust was subject to a Monitor (now NHS Improvement) investigation during 2014/15 which remains in place. This was because the Trust's Continuity of Risk Rating was flagging high risk at the time.

In April 2015, Monitor had reasonable grounds to suspect that the Trust had provided and was providing health care services for the purposes of the NHS in breach of the following conditions of its licence: CoS3(1)(a) and (b), FT4(2) and FT4(5)(a),(d), (e), (f) and (g). Monitor decided to accept from the Trust as Licensee enforcement undertakings in relation to financial performance and sustainability and financial governance.

Monitor had agreed to accept and the Trust as Licensee had agreed to give undertakings, pursuant to section 106 of the Health and Social Care Act 2012 in relation to financial sustainability, financial governance, distressed funding, reporting and general matters as follows: -

1. Financial sustainability

1.1. The Licensee will take all reasonable steps to deliver its services on a financially sustainable basis, including but not limited to the actions in paragraphs 1.2 to 1.8 below.

1.2. The Licensee will develop and deliver a recovery plan for the 2015/16 financial year (the "Short-Term Recovery Plan") to be submitted to Monitor for agreement by 14 May 2015 or such later date as may be agreed with Monitor.

1.3. The Licensee will develop and agree with Monitor a realistic and robust long-term strategy for financial sustainability (the "Strategy") along with a realistic and robust supporting long-term financial recovery plan to address the five years following submission of the Short-Term Recovery Plan, or such other

period as may be agreed with Monitor (the "Long-Term Recovery Plan"). The Licensee will submit the final Strategy and the final Long-Term Recovery Plan to Monitor by 1 October 2015 or such later date as may be agreed with Monitor. The Long-Term Recovery Plan should be aligned with commissioners' intentions and wider strategic developments impacting on the local health economy insofar as practicable.

1.4. The Licensee will keep the Strategy, the Recovery Plans and their delivery under review. Where matters are identified which materially affect the Licensee's ability to meet the requirements of paragraph 1.1, whether identified by the Licensee or another party, the Licensee will notify Monitor as soon as practicable and update and resubmit the Strategy and Recovery Plans within a timeframe to be agreed with Monitor.

1.5. The Licensee will develop and agree with Monitor Key Performance Indicators ("KPIs") to assess the effective delivery and impact of the Short-Term Recovery Plan by 14 May 2015, and for the Strategy and the Recovery Plans by 1 October 2015 or such later dates as may be agreed with Monitor.

1.6. If requested by Monitor, the Licensee will obtain assurance that delivery of the Short-Term Recovery Plan, the Long-Term Recovery Plan and the Strategy will enable it to meet the requirements of paragraph 1.1. The source, scope and timing of that assurance will be agreed with Monitor. If any such assurance takes the form of a review and report, the Licensee will provide copies of the draft and final report to Monitor within a timeframe to be agreed with Monitor.

1.7. The Licensee will provide assurance to Monitor that its leadership and management arrangements will ensure there is sufficient capacity and capability to develop and deliver effectively the Short-Term Recovery Plan, the Long-Term Recovery Plan and the Strategy. The source and scope of that assurance will be agreed with Monitor. The Licensee will submit the assurance in relation to the Short-Term Recovery Plan by 14 May 2015 and the assurance in relation to the Strategy and Long-Term Recovery Plan by 1 October 2015, or, in either case, such other date as may be agreed with Monitor.

1.8. The Licensee will demonstrate that it is able to deliver the Strategy and the Long-Term Recovery Plan, the evidence and timing of such to be agreed with Monitor.

2. Financial governance

2.1. The Licensee will take all reasonable steps to address the identified weaknesses in its financial governance, including but not limited to the actions in paragraphs 2.2 to 2.4 below.

2.2. The Licensee will develop and deliver a plan ("the Financial Governance Plan") to address the findings of the external review of its financial governance undertaken by Deloitte (the "Financial Governance Review"). The Licensee will agree the draft Financial Governance Plan with Monitor and submit the final Financial Governance Plan to Monitor by 14 May 2015 or such later date as may be agreed with Monitor.

2.3. If requested by Monitor, the Licensee will commission an external assurance review on the implementation of the Financial Governance Plan, from a source and according to a scope and timing to be agreed with Monitor. The Licensee will provide copies of the draft and final reports to Monitor.

2.4. The Licensee will keep the Financial Governance Plan and its delivery under review. Where matters are identified which materially affect the Licensee's ability to meet the requirements of paragraph 2.1, whether identified by the Licensee or another party, the Licensee will notify Monitor as soon as practicable and update and resubmit the Financial Governance Plan within a timeframe to be agreed with Monitor.

3. Distressed funding

3.1. Where interim support financing or planned term support financing is provided by the Secretary of State for Health to the Licensee pursuant to section 40 of the NHS Act 2006, the Licensee will comply with any terms and conditions which attach to the financing.

3.2. The Licensee will comply with any reporting requests made by Monitor in relation to any financing to be provided by the Licensee by the Secretary of State pursuant to section 40 or 42 of the NHS Act 2006.

4. Reporting

4.1. The Licensee will provide regular reports to Monitor on its progress in meeting the undertakings set out above, including reporting against the KPIs agreed pursuant to paragraph 1.5 and will attend meetings or, if Monitor stipulates, conference calls, to discuss its progress in meeting those undertakings. These meetings shall take place once a month unless Monitor otherwise stipulates, at a time and place to be specified by Monitor and with attendees specified by Monitor.

5. General

5.1. The Licensee will implement sufficient programme management and governance arrangements to enable delivery of the following plans:

5.1.1. The Short-Term Recovery Plan;

5.1.2. The Long-Term Recovery Plan; and

5.1.3. The Financial Governance Plan.

Summary of Action taken to address the Enforcement Undertakings

The Trust implemented recommendations arising out of an independent review of financial governance that included the following: -

- Improved forecasting and planning to enable a forward as well as a backward look at financial governance
- Movement of Committee dates to ensure flow of information to the Board
- Monthly reporting from the Chair of the Finance, Investment and Performance Committee to the Board
- Interim finance lead appointed to support and challenge the Project Management Office and divisional directors on progress
- Review of Finance Team structure in light of this report and gaps identified; recruitment plan developed and executed
- New finance report implemented and training complete with Finance Team
- Cost Improvement Programme linked with business as usual reporting and management
- Finance forecast based on most likely outturn not best case option introduced
- Consideration of whether planning assumptions were robust to inform future planning
- Independent review of structure to assess effectiveness and progress of Finance Team / Finance, Investment and Performance Committee commissioned
- Review of business planning guidance and process
- Recommendations made around priorities and reports presented to Finance, Investment and Performance Committee on underlying issues
- Scenario models and sensitivity analysis undertaken as part of the financial planning process
- Increased level of contact with external commissioners by the Director of Finance with programme of meetings established
- Formalised sign off end of month between divisional director and accountant
- Quarterly divisional performance meetings with whole Executive Team introduced
- Modified Divisional Performance Management meetings
- Cost Improvement Programme recommendations for future years made through Finance, Investment and Performance Committee
- Informatics action plan developed for implementation with key milestones

7.2.2 Care Quality Commission – Breach of The Health and Social Care Act 2008 (regulated Activities) Regulations, Section 29A Warning Notice - December 2015

The Care Quality Commission (CQC) undertook a routine inspection of Trust services commencing in September 2015. Subsequent to this the CQC served a Section 29A Warning Notice on the Trust notifying that the CQC had formed the view that the quality of health care provided by the Trust for the treatment of disease, disorder or injury required significant improvement at the Great Western Hospital, Swindon. The reasons for this view were as follows: -

Systems or processes have not been established and operated to ensure

(a) The assessment, monitoring and improvement of quality and safety of the services provided;

(b) The assessment, monitoring and mitigations of risk relating to the health, safety and welfare of service users and others who may be at risk which arise from the carrying on of regulated activity;

(c) That accurate, complete and contemporaneous records are maintained in respect of each service user, including a record of the care and treatment provided to the service user and of decisions taken in relation to the care and treatment provided;

and treatments are not being provided in a safe way for service users.

The Warning Notice required the Trust to make significant improvement relating to the following: -

A. The location, design and layout of the emergency department observation unit at the Great Western Hospital, combined with inadequate staffing levels and staff training, presents risk to patients and staff.
B. Systems to ensure accurate records were maintained in respects of patient' care and treatment were not effective. The CQC could not be assured appropriate care and treatment takes place in a timely manner.
C. There was a lack of assurance that nurse staffing levels had been appropriately established or that planned levels of staffing were consistently achieved to ensure that patients attending the emergency debarment received timely, safe and effective care and treatment.
D. There were insufficient numbers of staff employed in the children's emergency department who had received appropriate training to equip them to care for children. Planned staffing levels were not consistently maintained. This, combined with the design and layout of the department, presented unacceptable risks to patients. These risks were not addressed and steps to mitigate risks were not adequate or effective to ensure safe care and treatment.
E. There were inadequate oversight and monitoring of staff training to ensure that staff had the right qualifications, skills, knowledge and experience to provide appropriate care and treatment in a safe way.
F. The governance systems and processes in place within the Trust were not effectively operated and as such were not able to demonstrate effective clinical governance, continuous learning, improvement and changes to practice from reviews of incidents, complaints, mortality and morbidity reviews. This was particularly evident within the Unscheduled Care Division and Planned Care Division.

In addition 6 Compliance Actions were made, as follows;

Type	Date	Health and Social Care Act 2008 Regulation
Compliance Action	19/01/2016	Regulation 9 HSCA (RA) Regulations 2014 Person-centred care
Compliance Action	19/01/2016	Regulation 10 HSCA (RA) Regulations 2014 Dignity and respect
Compliance Action	19/01/2016	Regulation 12 HSCA (RA) Regulations 2014 Safe care and treatment
Compliance Action	19/01/2016	Regulation 15 HSCA (RA) Regulations 2014 Premises and equipment
Compliance Action	19/01/2016	Regulation 17 HSCA (RA) Regulations 2014 Good Governance
Compliance Action	19/01/2016	Regulation 18 HSCA (RA) Regulations 2014 Staffing

Summary of Action taken to address the Warning Notice

The Trust took a number of actions to address the Warning Notice which included the following: -

- Establishment of an action plan with milestone actions
- The establishment of workstreams covering the following each with actions in the short and longer term: -
    - Paediatric ED
    - Mental Health
    - Nursing Practice
    - Education
    - Staffing
    - Emergency Department Capacity and Resilience
- The establishment of a Steering Group which met weekly to oversee the roll out of actions and to test and challenge sustainability
- New clinical leadership
- Additional nursing leadership

The Warning Notice was lifted in September 2016 following a visit by the CQC to the Emergency Department. The CQC was satisfied that the Trust had made significant improvement.

7.2.3 Monitor Investigation into the Trust's compliance with its provider licence - January 2016

On 25 January 2016, the Trust received notification from Monitor of a formal investigation into the Trust's compliance with its licence in response to findings in the CQC Inspection Report and the related Warning Notice in respect of A&E and aspects of planned care.

Monitor's investigation was to consider the following:

1. the adequacy and breadth of the Trust's response and governance to oversee CQC action plan delivery;
2. progress by the Trust in delivering key actions to address the concerns in CQC's December 2015 warning notice;
3. whether the issues resulting in the December 2015 warning notice and the associated 'must do' actions in the CQC Report were identified by the Trust pre-inspection and the Trust can demonstrate it had taken sufficient actions to mitigate key safety risks;
4. Trust engagement of system partners in the development and delivery of its CQC action plan;
5. adequacy of the Trust board's response to related safety risks in A&E more generally (including oversight of SIs, complaints and other key metrics); and
6. Trust progress against its A&E improvement plan to recover 4-hour A&E performance.

Summary of Action taken to date

The Trust commissioned two well led governance reviews looking at Board governance and Divisional Board governance, the outcome of which informed an action plan of improvements. In addition actions were taken to strengthen Divisional governance arrangements, including a focus on improved risk management, reporting and escalation. The recommendations to address the findings of the well led governance reviews have been progressed during the year, with regular oversight reporting to through the Board Committees to the Board.

The investigation by Monitor, now NHS Improvement was not pursued.

7.3 Finance and use of resources

The finance and use of resources theme is based on the scoring of five measures from '1' to '4', where '1' reflects the strongest performance. These scores are then weighted to give an overall score. Given that finance and use of resources is only one of the five themes feeding into the Single Oversight Framework, the segmentation of the Trust disclosed above might not be the same as the overall finance score here.

Area	Metric	2016/17 Q3 score	2016/17 Q4 score
Financial stability	Capital service capacity	4	4
	Liquidity	4	4
Financial efficiency	I&E margin	2	1
Financial controls	Distance from financial plan	2	1
	Agency spend	4	4
Overall scoring		3	3

The overriding rules mean that the Trust can be no more than an overall score of 3 as there is at least one indicator that scores 4. The Trust remains in breach of it provider licence.

7.4 Care Quality Commission Ratings

The Care Quality Commission (CQC) monitors, inspects and regulates health and social care services. The CQC publishes its findings, including ratings to help people choose care. The way the CQC regulates care services involves:

- Registering people that apply to the CQC to provide services.
- Using data, evidence and information throughout their work.
- Using feedback to help reach judgments.
- Inspections carried out by experts.
- Publishing information on judgments. In most cases the CQC also publish a rating to help patients choose care.
- Taking action when the CQC judges that services need to improve or to make sure those responsible for poor care are held accountable for it.

7.4.1 Care Quality Commission (CQC) Inspection – September 2015

In January 2016 the Trust received a report from the CQC following its inspection of Trust services during September and October 2015 which was part of the CQC's planned programme of inspections of healthcare providers. The overall rating was "requires improvement". The Trust established an action plan to drive improvements which were rolled out during 2016/17. Progress was monitored through an Improvement Committee with regular reporting to the CQC and NHS Improvement on milestone actions and sustainability of improvement.

7.4.2 Full Inspection Outcomes September 2015

The ratings for both Acute and Community locations are summarised as follows: -

Our ratings for The Great Western Hospitals Foundation NHS Trust

Core Service	Safe	Effective	Caring	Responsive	Well- led		Overall
Urgent and emergency services	Inadequate	Requires Improvement	Good	Requires Improvement	Requires Improvement		Requires Improvement
Medical Care	Requires Improvement	Requires Improvement	Good	Good	Requires Improvement		Requires Improvement
Surgery	Requires Improvement	Good	Good	Requires Improvement	Requires Improvement		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	Requires Improvement	Requires Improvement		Requires Improvement
End of life care	Good	Good	Good	Good	Good		Good
Outpatients and diagnostic imaging	Requires Improvement	Not Rated	Good	Requires Improvement	Requires Improvement		Requires Improvement
Overall	Requires Improvement	Requires Improvement	Good	Requires Improvement	Requires Improvement		Requires Improvement

Our ratings for Community health services

Core Service	Safe	Effective	Caring	Responsive	Well-led		Overall
Community health services for children, young people and families	Good	Good	Outstanding	Outstanding	Good		Outstanding
Community health services for adults	Good	Good	Good	Good	Good		Good
Community health inpatient services	Good	Good	Good	Good	Good		Good
End of life care	Good	Good	Good	Good	Good		Good
Overall	Good	Good	Good	Good	Good		Good

The CQC undertook a further routine inspection of the Trust in March 2017. The report from that inspection is due in May 2017.
Copies of the full reports for the Trust and each individual location inspected by the CQC are available publicly at the following website link http://www.cqc.org.uk/provider/RN3/reports

8. Statement of Accounting Officer's responsibilities

8.1 Statement of the Chief Executive's responsibilities as the Accounting Officer of Great Western Hospitals 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 NHS Improvement.

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Great Western Hospitals NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Great Western Hospitals 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 Department of Health Group Accounting Manual and in particular to:

- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgments and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health Group Accounting 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 the NHS Foundation Trust Accounting Officer Memorandum.

Signed

Nerissa Vaughan
Chief Executive

Date 30 May 2017

9. Auditor's opinion and certificate

9.1 Independent auditor's report to the Council of Governors of Great Western Hospitals NHS Foundation Trust

KPMG

Independent auditor's report

to the Council of Governors of Great Western Hospitals NHS Foundation Trust only

Opinions and conclusions arising from our audit

1. Our opinion on the financial statements is unmodified

We have audited the financial statements of Great Western Hospitals NHS Foundation Trust for the year ended 31 March 2017 set out on pages 212 to 249. In our opinion:

— the financial statements give a true and fair view of the state of the Group and Trust's affairs as at 31 March 2017 and of the Group and Trust's income and expenditure for the year then ended; and

— the Group and the Trust's financial statements have been properly prepared in accordance with the Department of Health's Group Accounting Manual 2016/17.

Overview	
Materiality: Group financial statements as a whole	£6.4m (2015/16:£6.2m) 1.9% of total income from operations (2015/16: 2%)
Materiality: Trust financial statements as a whole	£6.3m (2015/16:£6.2m) 1.8% of total income from operations (2015/16: 2%)

Risks of material misstatement		vs 2015/16
Recurring risks	Valuation of land and buildings	◄►
	Recognition of NHS and non-NHS income	◄►
Event driven	**New:** PFI Prior Period Adjustment	▲

Key

◄► Risk level unchanged from prior year

▲ New Risk in the year

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, in decreasing order of audit significance, were as follows:

	The risk	Our response
Land and buildings *(£198.7m; 2015/16: £175.3m)* *Refer to page 98 (Audit Committee Report), page 218 (accounting policy) and page 238 (financial disclosures).*	**Valuation of land and buildings:** Land and buildings are initially recognised at cost, but subsequently are recognised at current value in existing use (EUV). For non-specialised property assets in operational use, and, for specialised assets where no market value is readily ascertainable, they are recognised at the depreciated replacement cost (DRC) of a modern equivalent asset that has the same service potential as the existing property. A review is carried out each year to test assets for potential impairment and a full valuation is carried out every five years. There is significant judgment involved in determining the appropriate basis 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. Valuation is completed by an external expert engaged by the Group using construction indices and so accurate records of the current estate are required. Valuations are inherently judgmental, therefore our work focused on whether the valuer's methodology, assumptions and underlying data, are appropriate and correctly applied. The Group had a full valuation undertaken at 1 April 2017 resulting in a £26.6m increase in the value of land and buildings.	Our procedures included: — **Assessment of the external valuer:** We assessed the competence, capability, objectivity and independence of the valuer and the overall methodology of the valuation to identify whether the approach was in line with industry practice and the valuer was appropriately experienced and qualified. We used our own specialist to verify the methodology and assess the conclusions in the final report; — **Agreement of underlying asset records:** We compared the accuracy of the base data provided to the valuer to ensure it agreed to the Trust estate; — **Consideration of valuation assumptions:** We critically assessed the assumptions used in preparing the valuation by considering against BCIS all in tender price index and industry norms; — **Impairment review:** We considered how the Group had assessed the need for an impairment across its asset base either due to loss of value or reduction in future benefits; — **Additions to assets:** For a sample of assets added during the year we agreed that an appropriate valuation basis had been adopted when they became operational and that the Trust would receive future benefits; and — **Consideration of disclosures:** We considered the accuracy of the disclosure of the revaluation and agreed that movement is reflected correctly within the relevant elements of the financial statements.

	The risk	Our response
NHS and non-NHS income *(£341.0m; 2015/16: £310.4m)* *Refer to page 98 (Audit Committee Report), page 217 (accounting policy) and page 229 (financial disclosures).*	**Recognition of NHS and non-NHS income:** Of the Group's reported total income, £260.9m (2015/16, £271.4m) came from commissioners (Clinical Commissioning Groups (CCG) and NHS England). Income from CCGs and NHS England make up 77% of the Group's income. The majority of this income is contracted on an annual basis, however actual achievement is based on completing the planned level of activity and achieving key performance indicators (KPIs). If the Trust does not meet its contracted KPIs then commissioners are able to impose fines, reducing the level of income. In 2016/17, the Group has also been engaged to provide community services to the Wiltshire area as part of a sub-contract agreement with the community provider (£31.0m). In 2016/17, the Group received transformation funding from NHS Improvement. This is received subject to achieving defined financial and operational targets on a quarterly basis. The Group was allocated £8.9m of transformation funding, and also received £2.4m of additional bonus funding. An agreement of balances exercise is undertaken between all NHS bodies to agree the value of transactions during the year and the amounts owed at the year end. 'Mismatch' reports are available setting out discrepancies between the submitted balances from each party in transactions and variances over £250,000 are required to be reported to the National Audit Office to inform the audit of the Department of Health consolidated accounts. The Group reported total income of £39.4m (2015/16: £28.7m) from other activities principally, Private Patient income, Education and Training and Property Rentals. 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.	Our procedures included: — **Contract agreement:** We agreed commissioner income and income received under the subcontract agreement to the signed contracts and selected a sample of the largest balances (comprising 98% of income from patient care activities) to agree that they had been invoiced in line with the contract agreements and payment had been received; — **Income recognition**: We carried out testing of invoices for material income, in the month prior to and following 31 March 2017 to determine whether income w as recognised in the correct accounting period, in accordance with the amounts billed to corresponding parties; — **Agreement of contract variations:** We agreed that the levels of over and under performance reported were consistent with contract variations and challenged the Group's assessment of the level of income where these were not in place by considering our own expectation of the income based on our knowledge of the client and experience of the NHS; — **Agreement of balances:** We assessed the outcome of the agreement of balances exercise with CCGs and other NHS providers and compared the values they are disclosing within their financial statements to the value of income captured in the financial statements. We sought explanations for any variances over £0.25m, and all balances in dispute, and challenged the Group's assessment of the level of income they were entitled to and the receipts that could be collected; — **Transformation funding:** We agreed the transformation funding due at the year end to the confirmation received from NHSI and agreed that this was appropriately recorded within the financial statements; and — **Other income**: We tested material other income balances by agreeing a sample of income transactions through to supporting documentation and bank statements.

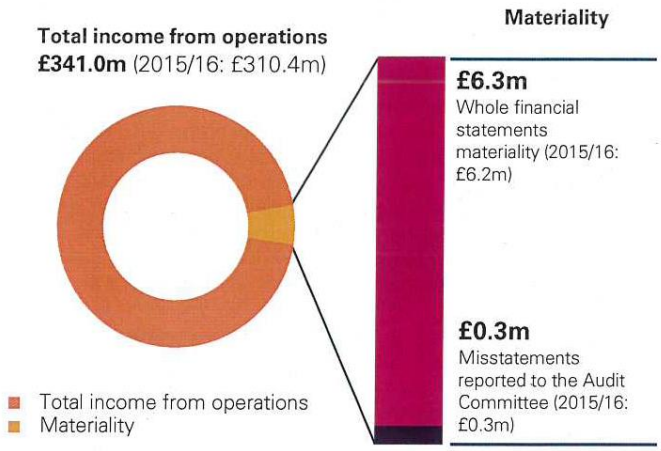
	The risk	Our response
PFI Lifecycle Prepayments, Current and Non Current PFI Lease Liabilities Borrowings (£137.1m; 2015/16: £136.0m) *Refer to page 98 (Audit Committee Report), page 221 (accounting policy) and page 243 (financial disclosures).*	PFI restatement Under the NHS GAM PFI transactions that meet the IFRIC 12 definition of a service concession, are accounted for as 'on-balance sheet by the Group. In accordance with IAS17, the underlying assets are initially recognised at fair value when they come into use together with an equivalent financial liability. The unitary charge payable to the operator is analysed to estimate the elements relating to lifecycle costs and service costs with the balance of property related rentals being allocated between principal repayments and interest charges based on the interest rate implicit in the arrangement. The Group has identified an error in the profiling of lifecycle costs within its PFI accounting model. This error occurred when the Trust first brought the PFI assets and the related liability on balance sheet in 2009/10. The Trust has adjusted the opening balance sheet of the comparative period (1 April 2015) to reflect the cumulative impact of correcting this error to that date and adjusted the prior period comparatives. The material adjustments to the relevant prior period financial statement captions are shown below: — Impact of restatement at 31 March 2016 **Financial Statement Caption** / **Value at 31/3/16** / **Restated value at 31/3/16** / **Impact** PFI Lifecycle / £16.4m / £2.2m / (£14.2m) PFI Lease Liability / (£122.3m) / (£115.3m) / £6.9m I&E Reserve / (£1.5m) / (£8.7m) / (£7.2m) — Impact of restatement at 1 April 2015 **Financial Statement Caption** / **Value at 1/4/15** / **Restated value at 1/4/15** / **Impact** PFI Lifecycle Prepayment / £7.5m / £2.4m / (£5.1m) PFI Lease Liability / (£121.1m) / (£120.2m) / £0.9m I&E Reserve / £8.2m / £4.1m / (£4.1m)	Our procedures included: — **Third Party Confirmation:** We obtained external confirmation from the PFI operator that the correct financial model had been used to calculate the adjustment; — **Agreement of Inputs:** We compared key inputs from the PFI financial model provided by the PFI operator to the Group's revised PFI accounting model, which is used to calculate the relevant accounting entries in the Trust's financial statements; — **Validation of Models:** We critically assessed the calculations and formulae within the revised PFI accounting model to ensure the accuracy of calculations and the consistency of the model throughout the life of the arrangement; — **PFI Model:** We compared the revised PFI model to the previous version and agreed the value of the adjustments required, challenging the Group's assessment of the rationale for the adjustments by considering our own experience of PFI schemes and our knowledge of the application of the PFI in the NHS; and — **Disclosures:** We compared the disclosure of the Prior Period Adjustment against the requirements of the Group Accounting Manual to ensure compliance with relevant accounting standards, including appropriate disclosures in relation to the restatement.

3. Our application of materiality and an overview of the scope of our audit

The materiality for the financial statements of the Group was set at £6.4m (2015/16: £6.2m), determined with reference to a benchmark of actual income from operations (of which it represents approximately 2%).

The materiality for the financial statements of the Trust was set at £6.3m (2015/16: £6.2m), determined with reference to a benchmark of forecast income from operations (of which it represents approximately 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 £0.3m (2015/16: £0.3m), in addition to other identified misstatements that warrant reporting on qualitative grounds.



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

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2016/17; 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

We are required to report to you if, based on the knowledge we acquired during our audit, we have identified 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 financial statements taken as a whole is fair, balanced and understandable; or
- the Audit Committee's commentary on page 98 of the Annual Report does not appropriately address matters communicated by us to the Audit Committee.

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

- the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2016/17, is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements.

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.

6. Other matters on which we report by exception - adequacy of arrangements to secure value for money

Under the Code of Audit Practice we are required to report by exception if we conclude that we are not satisfied that the Trust has put in place proper arrangements to secure value for money in the use of resources for the relevant period.

NHS Improvement (NHSI) considers that the Trust has contravened and is failing to comply with certain conditions of the provider licence in relation to corporate governance and financial management and a failure to use its resources "effectively, efficiently and economically".

The Trust has been considered in breach of the provider licence since 2014/15, when NHSI (then Monitor) imposed enforcement undertakings due to a significant variance in the financial outturn for the year compared to the original plan and based on the findings of an independent review of the Trust's financial governance.

These issues are evidence of weaknesses in proper arrangements for planning finances effectively to support the sustainable delivery of strategic priorities and maintain statutory functions.

As a result of these matters, we are unable to satisfy ourselves that the Trust put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2017.

7. We have completed our audit

We certify that we have completed the audit of the accounts of Great Western Hospitals 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.

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Scope and responsibilities

As described more fully in the Statement of Accounting Officer's Responsibilities on page 112 the accounting officer is responsible for the preparation of financial statements that 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. 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.

The Trust is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. 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. We have undertaken our review in accordance with the Code of Audit Practice, having regard to the specified criterion issued by the Comptroller and Auditor General, 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. 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.

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.

Rees Batley

Rees Batley
for and on behalf of KPMG LLP
Chartered Accountants and Statutory Auditor
66 Queen Square, Bristol, BS1 4BE

30 May 2017

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10. Annual Governance Statement

10.1 Scope of responsibility

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

10.2 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 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 Great Western Hospitals NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Great Western Hospitals NHS Foundation Trust for the year ended 31 March 2017 and up to the date of approval of the annual report and accounts.

10.3 Capacity to handle risk

Leadership is given to the risk management process by the Director of Governance & Assurance. Executive Directors personally review the assurances against strategic risks aligned to strategic objectives on a quarterly basis as part of the Board Assurance Framework. They have oversight of the action taken to address gaps in controls and proactively identify evidence of assurance. All Executive and Non-Executive Directors have been trained on risk management and on their roles and responsibilities for leadership in risk management.

On a monthly basis the Executive Directors through the Executive Committee review the 15+ risks register to ensure risks are being managed and that the top risks for the Trust are reflected. Twice a year Directors receive oversight of 15+ risks at the Board meeting.

Risk Management is introduced into employee culture immediately upon employment. Employee education and training on risk management is carried out commensurate with employee roles. All new employees receive corporate induction, which includes risk management and incident reporting, alongside health and safety, manual handling and infection control training appropriate to their duties. Employees with applicable roles are provided with a one to one hour training session on how to use the risk register and manage risks before access to the electronic register is provided. Refresher training if required is offered on the same one to one basis to existing employees, or group drop in clinics if preferred.

Divisions are provided with a monthly risk register report detailing comparison and movement to the previous month. This has been in place since 2014/15 as additional support in management of risks for managers. However, during 2016/17 external support was engaged from Deloitte who assisted in the development of a new Risk Escalation Framework which was implemented in August 2016. This framework aims to ensure consistent systems and processes for the management of risk across the Trust.

Particular emphasis is given to the identification and management of risk at a local level. Discussions at Divisional meetings are required and at Departmental level meetings to consider risk are encouraged as part of the culture to agree upon the identified score of the risk, the appropriate mitigating actions and whether the risk is valid, or "accepted/tolerated "as business as usual (risks scoring 15 plus are to be accepted by the Board only) or can be closed as appropriate. Discussions at this level and frequency reduce the duplication of risks,

encourage active discussion on what are tangible risks, what can be tolerated at a local level and that the description of the risk demonstrates the consequences should the risk materialise.

10.4 The risk and control framework

10.4.1 Risk Management Strategy

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 in ensuring good business and financial decision making leading to improvements in services and the quality of care provided.

To ensure that risk is identified, evaluated and controlled there are formal structures within the Trust. The Trust has a Risk Management Strategy which is continually reviewed and improved. This sets out how risk is managed within the organisation and the formal reporting processes. During 2016/17 the introduction of a Risk Escalation Framework included refreshed reporting which identifies new risks; risks changed in score from the previous month; overdue actions and overdue risk reviews. Furthermore the refreshed reporting includes an overview of risk themes and risk types which supports the early identification of issues for focus. This encourages management of risks to systems and controls as well as specific risks that emerge. During 2017/18 there will be a focus on embedding use of the new reporting at local level and the analysis of trends and themes over time.

Whilst the Board has overall responsibility for risk management, it has delegated responsibility to the Executive Committee, which scrutinises and challenges risk management, and the Audit, Risk and Assurance Committee which provides assurance that processes for risk management are effective.

The three main elements of our risk management strategy are:

- Risk assessment
- Risk register
- Board Assurance Framework

In 2015/16 the Board introduced a risk tolerance statement aimed at supporting managers in decision making. The statement sets out the Trust's appetite for risk and was refreshed in December 2016. The Risk Tolerance Statement is explained below (section xxx refers).

10.4.2 Risk assessment

All Trust employees are responsible for identifying and managing risk. The Trust uses the National Patient Safety Agency (NPSA) Risk Matrix for Risk Managers to ensure risks are collectively scored objectively against the likelihood and the consequence of the risk materialising.

In addition a robust Incident Management Policy is in place and at corporate induction employees are actively encouraged to utilise the web-based incident reporting system. A healthy incident reporting culture has been maintained for a number of years providing assurance that employees feel able to report incidents and risks.

10.4.3 Risk register

The risk register is a risk management tool whereby identified risks are described, scored, controls identified, mitigating actions planned and a narrative review is recorded. Data in the risk register is extractable into report format to provide an overall picture of risks to the Trust as well as thematic overviews.

The Trust has agreed that the most significant risks to the Trust, being those that score 15 and above (15+) should be reviewed monthly at the Executive Committee, with other risks reviewed through the Divisions. A register containing 15 plus risks is scrutinised and challenged by the Executive Committee (to ensure risks are being managed) and three times a year at the Audit, Risk and Assurance Committee (to ensure processes in place to manage risk are effective). This high-level register is informed both by those risks which score 15 and above in the Board Assurance Framework (top down) and risks identified from within the Divisions (bottom up).

In 2016/17 the Audit, Risk and Assurance Committee reviewed the 15+ risk register and considered that whilst processes were in place for managing risks, there were concerns regarding consistency of the application of processes within Divisions. As a result a number of actions were taken during 2016/17 to further improve management of risks as follows: -

- Monthly risk register training sessions for any members of staff
- Adhoc individual training sessions provided as well as group sessions
- Guides updated widely circulated
- Monthly reporting of Divisional Risks Registers to Divisional Managers
- Review and update of Divisional governance arrangements for risk management
- Divisional risk leads refreshed
- Focussed meeting with Divisional and Departmental managers to scrutinise and challenge risks, controls, actions and reviews
- Electronic risk system reconfigured to update mandatory fields
- Electronic system reconfigured to continually remind handlers of risk actions
- Quarterly workshops held between the Director of Governance & Assurance, risk support staff and Divisional Governance Facilitators to review risk management, discuss barriers to effective risk management at local level and to agree further actions
- Risk support staff aligned to each Division to provide direct advice, guidance and support on risk management
- Refreshed reporting with oversight of types of risks and themes of risks, together with oversight of the effectiveness of risk management within each Division
- Risk Management Workshop of Executive Directors and Senior Managers to consider risk management and how to embed effectiveness
- Transformation Board extended to consider in detail the risks scoring 15+ with an emphasis on challenging controls and actions to address gaps
- Well Led Governance Review commissioned – final report identified that whilst risk management was reasonable, improvements could be made in reporting – all actions relating to risk management have been completed and are reported through the Quality & Governance Committee up to the Board

Risks are scrutinised locally at Divisional meetings and there is a strong emphasis from Executive Directors that managing all risks at Divisional level using the risk management system is essential. The Risk Escalation Framework is gradually becoming embedded with some areas managing their risks more effectively than others. Work is on-going to ensure risks management continues to become embedded. The Trust has in place a log of on-going actions and training which is reported through the Audit, Risk and Assurance Committee. During 2017/18 there will be a focus on timely completion of action and reviews plus improved banking of supporting documentation. The housekeeping of the risk register and use of the system as a management tool requires further improvement. Therefore, work will continue to support the Divisions in ensuring that the risk register is well managed and updated frequently, so that reports received by the Committees are well informed and up to date. A workshop took place in May 2016 when the Executive Committee focused on how to embed and sustain use of the risk register as a risk management tool.

In January 2016 the internal auditors undertook an audit of the Board Assurance Framework which included risk management processes and a “reasonable” assurance opinion was given. The audit found that risk management processes were operating across the Trust although improvements were needed around timeliness of review of overdue risks and associated actions at Divisional level. In Spring 2016, Deloitte was commissioned to undertake a Well Led Governance Review using NHS Improvements Quality Governance Framework. The outcome resulted in a number of actions around risks management, all of which have been implemented. In January 2017, a risk management audit was undertaken and although this included risk management generally, the primary scope of the audit consider the Board Assurance Framework as it was felt to be too soon to consider the embeddedness of new risk escalation processes introduced in August 2016. However, in terms of gaining assurance the newly available analysis of risk management across the Trust enable visibility of areas for improvement. Also in March 2017, the Trust was inspected by the Care Quality Commission, which includes looking at how risks are managed. The report from this inspection is due in May 2017, but initial feedback is encouraging around risk management. In addition a further internal auditor service review of risk management is planned for 2017/18.

10.4.4 Board Assurance Framework

The Trust has in place a Board Assurance Framework which is set by the Executive Committee and approved by the Trust Board annually. The assurance framework sets out: -

- The principal objectives to achieving the Trust's overall goals,
- The principal risks to achieving those objectives,
- The key controls to mitigate against those risks,
- Gaps in controls;
- The assurances on those controls, and
- Any gaps in assurances.

In January 2017 the internal auditors undertook an audit of the Board Assurance Framework (including risk management) and a "substantial" assurance opinion was given without recommendations. The audit found that the Board Assurance Framework (BAF) was embedded and is maintained as a "live" document.

During 2016/17 a refreshed approach was taken to the Board Assurance Framework as follows: -

- Refreshed risks, controls and assurances to reflect the 2020 Vision and the in-year Operational Plan published in January 2017
- Further improved reporting with a focus on what the BAF is telling us
- Additional assurance reviews undertaken (internally meeting with leads)
- Additional assurance reviews identified for inclusion in the Annual Audit Plan
- Refreshed reporting with strategic risks aligned to the Care Quality Commission's Key Lines of Enquiry and NHS Improvement's Well Led Domains
- Introduction of an overarching dashboard for all strategic risks
- Strategic risks aligned to Board Committees with each responsible for seeking assurance for areas within its remit
- New assurance metrics added to the BAF to reflect the Single Oversight Framework, the Care Quality Commissions guidance of Use of Resources and NHS Improvement Well Led Framework.

Risks to strategic objectives are aligned to Board Committees as follows: -

	Strategic Objective	**Board Committee**
1.	To deliver consistently high quality, safe services which deliver desired patient outcomes	Quality & Governance Committee
2.	To improve patient and carer experience for every aspect of care we deliver	Performance, People & Place Committee
3.	To ensure staff are proud to work at the Trust and would recommend the Trust as a place to work or receive treatment	Performance, People & Place Committee
4.	To secure the long term health of the Trust	Finance & Investment Committee
5.	To adopt new approaches and innovation so that we improve services as healthcare changes, whilst continuing to become more efficient	Performance, People & Place Committee
6.	To work in partnership with others so that we provide seamless care for patients	Finance & Investment Committee

10.4.5 Risk appetite

The Board has a risk tolerance statement aimed at supporting managers in decision making. The statement sets out the Trust's appetite for risk and was refreshed in December 2016. A framework was developed which the Board uses to inform its view of risk tolerance. In 2016/17 the Board's appetite for organisational risk increased but the Board's appetite for compliance and legal risk reduced.

10.4.6 Risk Tolerance Statement

The management of risk underpins the achievement of the Trust's objectives. Effective risk management is imperative to provide a safe environment and improve quality of care for patients. Risk management is also significant in the financial and business planning process where robust, sustainable financial health and public accountability in delivering health services is required. Risk management is the responsibility of all staff.

The Trust recognises that its long term sustainability depends upon the delivery of its strategic objectives and its relationships with its patients, the public and strategic partners. The Trust will not accept risks that impact on patient safety and is cautious to avoid risks which adversely impact on the financial position. The Trust has a medium tolerance for reputational impact, although this should be carefully considered and a greater appetite to take considered risks in terms of pursuing innovation and challenge current working practices where positive gains can be anticipated. The Trust has a minimal tolerance to not working within the constraints of the regulatory and legal environment. This is depicted in the chart below.

However, any consideration of risk needs to be in a broad context. Risk taking and decision making based on risk should not be considered in isolation or in "silos". There is often the potential for a greater impact of risks with wider organisational context or in relation to other decisions made.

To assist managers and staff in decisions which may involve or facilitate exposure to risk, the Trust Board has set out below its current attitude to risk.

This may change over time as internal and external circumstances change, but it provides an approved approach to support decision making by managers and staff. Decisions taken which would be contrary to this statement must be referred to the Executive Directors before implementation.

Risk levels Mapped against our objectives / Other	0 **Avoid** Avoidance of risk and uncertainty is a Key Organisational objective	1 **Minimal** (as little as reasonably possible) Preference for ultra-safe delivery options that have a low degree of inherent risk and only for limited reward potential	2 **Cautious** Preference for safe delivery options that have a low degree of inherent risk and may only have limited potential for reward.	3 **Open** Willing to consider all potential delivery options and choose while also providing an acceptable level of reward (and VfM)	4 **Seek** Eager to be innovative and to choose options offering potentially higher business rewards (despite greater inherent risk).	5 **Mature** Confident in setting high levels of risk appetite because controls, forward scanning and responsiveness systems are robust
Risk to Patients - Safety & Quality Outcomes / Patient Experience / Staffing	Avoidance of harm to patients is a key objective. We are not willing to accept any risk to patient safety, outcomes, or experience.	Only prepared to accept the possibility of minimal risk to patient safety, outcome or experience if essential.	Prepared to accept the possibility of some risk to patients. Patient safety is the primary concern but this is balanced against other considerations such as the best interest of the patient.	-	-	-
Organisational Risk - Financial/Value for Money (VfM)	Avoidance of financial loss is a key objective. We are only willing to accept the low cost option as VfM is the primary concern.	Only prepared to accept the possibility of very limited financial loss if essential. VfM is the primary concern.	Prepared to accept possibility of some limited financial loss. VfM still the primary concern but willing to consider other benefits or constraints. Resources generally restricted to existing commitments.	Prepared to invest for return and minimise the possibility of financial loss by managing the risks to a tolerable level. Value and benefits considered (not just cheapest price). Resources allocated in order to capitalise on opportunities.	Investing for the best possible return and accept the possibility of financial loss (with controls may in place). Resources allocated without firm guarantee of return – 'investment capital' type approach.	Consistently focussed on the best possible return for stakeholders. Resources allocated in 'social capital' with confidence that process is a return in itself.
Opportunistic Risk - New Approaches & Innovation & Partnership Working & Stakeholders & IT	Defensive approach to opportunities – aim to maintain or protect, rather than to create or innovate. Priority for tight management controls and oversight with limited devolved decision taking authority. General avoidance of systems/ technology developments.	Innovations always avoided unless essential or commonplace elsewhere. Decision making authority held by senior management. Only essential systems / technology developments to protect current operations.	Tendency to stick to the status quo, innovations in practice avoided unless really necessary. Decision making authority generally held by senior management. Systems / technology developments limited to improvements to protection of current operations.	Innovation supported, with demonstration of commensurate improvements in management control. Systems / technology developments used routinely to enable operational delivery Responsibility for non-critical decisions may be devolved.	Innovation pursued – desire to 'break the mould' and challenge current working practices. New technologies viewed as a key enabler of operational delivery. High levels of devolved authority – management by trust rather than tight control.	Innovation the priority – consistently 'breaking the mould' and challenging current working practices. Investment in new technologies as catalyst for operational delivery. Devolved authority – management by trust rather than tight control is standard practice.
Compliance & Legal Risk - Compliance/ regulatory	Avoid anything which could be challenged, even unsuccessfully.	Want to be very sure we would win any challenge. Similar situations elsewhere have not breached compliances.	Limited tolerance for non compliance. Want to be reasonably sure we would win any challenge.	Challenge would be problematic but we are likely to win it and the gain will outweigh the adverse consequences.	Chances of losing any challenge are real and consequences would be significant.	Consistently pushing back on regulatory burden. Front foot approach informs better regulation.
Reputational Risk - Reputation	No tolerance for any decisions that could lead to scrutiny of, or indeed attention to, the organisation. External interest in the organisation viewed with concern.	Tolerance for risk taking limited to those events where there is no chance of any significant repercussion for the organisation. Senior management distance themselves from chance of exposure to attention.	Tolerance for risk taking limited to those events where there is little chance of any significant repercussion for the organisation should there be a failure. Mitigations in place for any undue interest.	Appetite to take decisions with potential to expose the organisation to additional scrutiny/interest, provided this has been thought through and understood. Prospective management of organisation's reputation.	Willingness to take decisions that are likely to bring scrutiny of the organisation but where potential benefits outweigh the risks. New ideas seen as potentially enhancing reputation of organisation.	Track record and investment in communications has built confidence by public, press and politicians that organisation will take the difficult decisions for the right reasons with benefits outweighing the risks.
APPETITE	**NONE**	**LOW**	**MODERATE**	**HIGH**	**SIGNIFICANT**	

10.4.7 Significant Risks 2016/17

There are a number of risks identified on the Board Assurance Framework and Risk Register. Examples of significant risks identified during 2016/17, together with the actions that have been taken to mitigate them are summarised as follows: -

Risks	Actions to manage and mitigate, including how outcomes will be assessed
Quality and Safety	
Risk of adverse impact on quality and safety due to staffing levels	A number of actions are in place: • Review and improve the Trust temporary staffing offer in order to improve the fill rates via the internal bank • Incentive payments for hard to fill shifts to be reviewed for trust wide process and approval • Robust escalation and authorisation process to fill shifts via agency if the vacancy would impact patient quality and safety • Communication with clinical staff to ensure patient quality and safety is not impacted by risk of an unfilled shift • Outcomes assessed via monthly reporting to relevant committees with objective to improve fill rates
Patient Experience	
Risk of failure to meet 4 hour wait Emergency Department performance standard	• **Patient safety and poor patient experience** - patients are interviewed if long waits occur. Patient Experience feedback is discussed at the clinical governance dept. meetings • **Reduced clinical effectiveness** – patients are at risk of 'decompensating' their medical condition and therefore deteriorating – each patient is assessed as to the risks and mitigation plans are in place. The patients are move to the ward in time of arrival order or clinical need (cardiac monitored bed) • **Congestion of patients in ED impacting on safety** – utilization of the space in majors and minors is assessed and as necessary patients are nursed in both areas whilst waiting for inpatient beds. Maintaining their privacy and dignity is a priority. • **Reputation of the organisation** - both in terms of patient safety and not meeting National Targets. Each day an assessment of the 4hour performance is reviewed to establish trends and any learning
Workforce	
Failure to recruit and retain the right people to deliver high quality patient care and risk of increased agency spend	A number of actions are in place: - • "Fresh Eye" feedback from new employees who have worked at the Trust for 3 months to improve recruitment and induction • Recruitment and Retention Task Force and targeted actions plans for department and staff group who experience high levels of turnover - Performance monitoring is via a Divisional Board and the Executive Committee. • Recruitment Team is developing 12 month central planner for internal and external recruitment events i.e. departmental open days, recruitment job fairs and Open days at University/School/Colleges • Re-launch of the recruitment campaign to improve advertising and marketing • International Recruitment Campaign 2016/2017 and 2017//2018 • Student recruitment (September 2017 intake predicted 71 registered nurses). • Targeted Student Recruitment for Therapists positions.

Risks	Actions to manage and mitigate, including how outcomes will be assessed
	• Skill mix review, to introduce alternative career entry point and pathways, e.g. return to practice, apprentices, Trainee Assistant Practitioner. Outcomes are assessed via monthly reporting to relevant committees with the objective to improve the Trust vacancy position.
Financial	
Risk of cost improvement plans (CIPs) failing to materialise and not being sustainable on a recurrent basis	During 2016/17 CIPs performance was managed through a Transformation Board with identification of opportunities and delivery of progress tightly monitored through Executive led workstreams. If identified CIP opportunities fail to deliver, other ideas are sought to replace them. During 2017/18 the CIP Programme will again be subject to Transformation Board oversight with management and Executive be workstreams with targets to deliver. Targets in 2017/18 are again challenging and work with partner organisations within the Sustainability & Transformation Plan is progressing to deliver cross system cost savings
Partnership Working	
Risk of sustainability of SEQOL and the impact the organisation has on the Trust's ability to deliver services	SEQOL is now in the process of being wound down as an organisation. As of October 2016 the Trust was asked, by Swindon Clinical Commissioning Group (CCG), to take on Swindon Community Health Services in a caretaker capacity. All financial liability for the services remains with the CCG during this caretaker period. The Trust is currently in negotiations with the CCG for the final long term contract. At the forefront of this is to ensure that the services are sustainable, can be delivered within the financial envelope and that any changes do not negatively impact on the Trust as a whole. The Trust anticipates reaching agreement on this contract by early summer 2017. Becoming responsible for these services will allow more integrated working and pathway-focused care which will improve how the Trust operates.

Assurances to strategic risks have been identified during 2016/17. Assurances are sought from a variety of sources including audits, external reviews or peer challenge as well as consideration of a number of key performance indicators (KPIs) and data metrics. When there are gaps in controls, actions are put in place to address these. If there are gaps in assurances, these are considered and efforts made to find assurances either through additional audits or reviews

New risks for 2016/17 have been identified through the operational planning process. Examples of future risks are set out below.

Examples of Future risks

Risks	Actions to manage and mitigate, including how outcomes will be assessed
Financial Risk	
Inability to hold agency costs to capped rates	The Trust is in the process of introducing a Master Vend agreement with ID medical and aims to have 50% of our filled agency shifts at April Cap within 12 months. The Trust is currently achieving 11% at April Cap There is a robust escalation and authorisation process to ensure that high cost agency cover is used / utilised only when cover is critical. There is a monthly review meeting with ID Medical to monitor the improvement and performance of ID Medical. This is reported and monitored via the workforce report to appropriate committees.
Risk that conditions required to achieve Sustainability & Transformation Fund (S&TF) control total are not achieved	The Trust monitors the achievement of S&TF throughout the year reporting the finance element monitoring to the Finance and Investment Committee to ensure that the control total pre S&TF is met. With regard to access parts, these will be reported when not achieved and the forecast will be adjusted accordingly. In 2016/17 where the target was not achieved the Trust appealed and was successful in its appeal and was awarded funding. Any cash risk can be mitigated by utilising a Working Capital Facility.
Non-Financial Risks	
Continued risk of failure to meet 4 hour wait Emergency Department performance standard	• Patient safety and poor patient experience • Reduced clinical effectiveness – patients are at risk of 'decompensating their medical condition and therefore deteriorating • Congestion of patients in ED impacting on safety • Reputation of the organization both in terms of patient safety and not meeting National Targets
Inability to right size capacity as a result of significant population growth in Swindon	As a Trust we are aware of the population growth anticipated for Swindon and that it is likely to be significantly higher here than the national average. Our five year Integrated Business Plan (IBP) details this data and highlights that much of this development will surround the hospital site itself. We are working to integrate community services to make the best use of resources and services we have already, ensuring we maximise our capacity and capability. We are also looking to the future and have a number of projects looking at options around an integrated front door, an enlarged Emergency Department, alternative estate configurations and patient flow options with demand growth in mind. Discussions are ongoing with local commissioners and the local authority as well as at NHS England and NHS Improvement to ensure we continue to plan and implement the right choices together for Swindon.

10.5 Organisation culture

Our Star Values “Service, Teamwork, Ambition, Respect” are at the heart of all we do

The Trust promotes a culture of putting the patient at the forefront of everything it does. Listening to patients is important and patient comments and complaints are considered and investigated to ensure the Trust learns from the feedback received. The Trust also learns from the Family and Friends Test, comment cards and social media.

The Trust has mechanisms in place to promote a culture in which employees are supported to be open with patients when things go wrong. The Trust has a Freedom to Speak Up Policy which encourages employees to come forward with concerns. This Policy has been based on support from National Guidance and feedback from both staff and patients.

10.5.1 If you see something, say something

We are committed to dealing responsibly, openly and professionally with any genuine concerns raised and want staff to feel empowered to raise concerns at the earliest opportunity.

If you see something, please say something!

The Trust takes part in an annual staff survey (Section 5 refers). For 2016/17 areas for improvement around staff were identified and an action plan is being developed to address these. The Trust has a culture of listening to and responding to staff concerns and views. A People Strategy is in place against which there are milestone actions to drive changes.

The Trust has an Incident Management Policy whereby employees are required to report incidents and near misses. This helps the Trust to learn and form plans for improvements when things go wrong.

Reports to the Board and its Committees include a quality impact assessment for all papers, with any areas of concern highlighted and addressed. Quality as well as equality impact assessments are in place for policies and Trust wide procedural documents, thus ensuring that equality and quality considerations are core to the Trust’s overall policy framework and business. In addition, the Board has agreed refreshed milestone actions for objectives around equality and diversity to ensure everyone is treated fairly and equally.

10.6 Information risk

Risks to information, including data confidentiality, integrity and availability, are being managed and controlled. A system of monitoring and reporting on data security risks is established under delegated authority of the Trust Board through the Information Governance Steering Group, which reports into the Board's Performance, People and Place Committee. The Trust has appointed an Executive Director as the Senior Information Risk Owner (SIRO) with responsibility and accountability to the Board for information risk policy.

The Information Risk Policy defines an overall structured approach to the management of information risk, in line with the Risk Management Strategy. A register of Information Assets is maintained. The business ownership of those assets is the responsibility of senior managers within the Trust, supported by staff with responsibility for operational management of the assets. These 'owners' and 'administrators' ensure that the principal risks are identified, assessed and regularly reviewed, and that annual assurance reports are provided on the satisfactory operation and security of the key information assets.

Where assessed as appropriate, risk treatment plans are actioned, additional controls are implemented, and prioritised risks are escalated to the appropriate Risk Register. As Accounting Officer I am committed to ensuring that immediate actions are taken where significant risks have been highlighted.

A range of measures is used to manage and mitigate information risks including: staff training, privacy impact assessments, physical security, data encryption, access controls, penetration testing, audit trail monitoring, departmental checklists and spot checks. In addition, a comprehensive assessment of information security is undertaken annually as part of the NHS Digital Information Governance Toolkit and further assurance is provided from Internal Audit and other reviews.

The effectiveness of these measures is reported to the Information Governance Steering Group. This includes details of any Information Governance Serious Incidents Requiring Investigation (IG SIRIs), the Trust's annual Information Governance Toolkit score, and reports of other information governance incidents, audit reviews and spot checks.

10.7 Data Security

The fundamental controls for cyber security are IT managed and include:

- Access rights linked to user names and passwords and physical access
- Clear segregation of systems and firewalls
- Anti malware software usage and closing of software weakness with up to date patches
- Data backup

There are some secondary supportive element within the ambit of Information Governance which include

- IG training on data confidentiality and security covering secure passwords, changing them and not disclosing them
- Annual refresher training on the above
- Spot checks of practice around the Trust including screens being left on and unmanned

The Trust has a Data Quality Policy and Data Quality Strategy that refers to wider aspects of data safety.

At GWH, maintaining the security of our data is of primary importance to us. To safeguard our data, information and cyber security all of which we treat as interlinked, we take both technical and non-technical measures across 10 critical areas, including:-

1. Information Risk Management Regime
2. Network Security
3. User Education and Awareness
4. Malware Prevention
5. Removable Media Controls
6. Secure Configuration
7. Managing User Privileges

8. Incident Management
9. Monitoring
10. Home and Mobile Working

Our data security approach - a 10-Step Approach - is guided by a framework promoted by the UK National Cyber Security Centre (NCSC) .

At a practical level, access to our data systems is controlled. We set up firewalls, install anti-virus programs, undertake backups, apply file filter, run intrusion detection and regularly update software and implement patches to improve the levels of our data, network and systems security.

In addition, we administer access rights, including user names and passwords and physical access to our data systems and networks, linked to job roles. We have in place mandatory information governance training, including annual refresher training, on data confidentiality and security covering secure passwords, changing them and not disclosing them and the handling of data in general. We undertake spot checks of practice around the organisation, and we encourage an information risk culture that promotes staff speaking out on data security-related matters and reporting incidents and risks so measures can be taken to continuously improve our data security.

10.8 Stakeholder involvement

As a foundation trust our membership is a resource for supporting risk management in the Trust. The membership is represented by Governors. Governors attend formal meetings of the Board of Directors to have an overview of Trust performance and influence decision making by representing the view of members. In particular the Governors hold the Non-Executive Directors to account for the performance of the Board. This is done through a series of working groups, such as the Patient Quality & Operational Performance Working Group and the Finance & Staffing Working Group (Section 6 refers). During 2016/17 the Council of Governors again agreed priority areas for focus and a series of presentations about how the Board manages these is being rolled out. The Non-Executive Directors are engaged in this process.

The Governors contributed to the development of the Trust's strategy via informal discussions with the Chairman and through formal Council of Governors meetings where quality was discussed in particular.

The Trust welcomes the input of wider stakeholders in the development of its Business Strategy. The Chief Executive and the Chairman represent the Trust at a number of stakeholder forums. There is ongoing dialogue with Clinical Commissioning Groups, GPs, local authorities and other trusts, which has included shared thinking on future services focussing on quality of care to patients. To ensure Trust services match the needs and wishes of the local community, there has been shared information and learning with the Clinical Commissioning Groups via workshops. This has further developed through the Sustainability & Transformation Plan (STP) as we work across our footprint of Bath & North East Somerset (BANES), Wiltshire and Swindon. As this joined up approach continues we have also started work to look at the potential of an Accountable Care model for Swindon. This is in the early stages but will develop over the course of 2017 as we work closely with all of the organisations involved in health and care in the borough (includes Shrivenham).

10.9 Quality governance arrangements

Quality, operational performance and financial reports are considered monthly by the Board via an Executive Committee and thereafter Board Committees. In 2016/17 the Board Committee structure was refreshed resulting in three main scrutiny, challenge and support committees namely: -

- Quality & Governance Committee
- Performance, People & Place Committee
- Finance& Investment Committee

This ensures that all Trust business has a direct route to the Board via a committee.

Forward plans are in places for each committee to ensure all areas of business within their remit are considered. The reports on quality, operational performance and finance have been developed during 2016/17 and now each includes an Executive Director summary which highlights the main issues and exceptions. In addition the Chairs of the above Committees produce reports which are presented to the Board in public. These identify key issues and nuances from the Non-Executive Director perspective on business considered. The Committee challenges the issues in detail seeking assurance on behalf of the Board that risks are being mitigated and areas of business are managed effectively.

The Board seeks to ensure the robustness of data through audits. The Informatics Team has been reconfigured and there is improved data reporting now in place.

The Trust uses its Board Assurance Framework and Risk Register as tools to ensure risks are managed, including risks to quality.

In addition during 2016/17 the Trust commissioned an independent review under NHS Improvements Well Led Governance Framework with a focus on quality governance. A number of recommendations were suggested and actions have been rolled out to deliver these, monitored through the Quality and Governance Committee and reported up to the Board.

10.10 Internal Care Quality Commission (CQC) Compliance Assessment arrangements

During 2016/17 the Trust's internal compliance assessment was informed by a range of information, including staff feedback sessions, mini inspections, service review and self-assessments. In addition the Internal Auditors undertook a number of service reviews which inform compliance with the CQC regulations.

Mini visits are spot checks of compliance against the CQC Regulations and Key Lines of Enquiry. The purpose of these is to provide "fresh eyes" on service delivery, to assist service leads in ensuring compliance and to ensure awareness of any improvement requirements.

The mini visits showed that there were areas for improvement across the Trust and led to action to address these. The visit enables any issues to be raised with the appropriate managers ensuring that all risk assessments, patient safety and care quality assurances were in place. Improvements were identified and actions put in place.

The Trust underwent a planned inspection by the Care Quality Commission (CQC) in September and October 2015. The final report was published in January 2016. The report identified 28 actions that the Trust must do and 43 actions that the Trust should do. Additionally, the report identified other areas for improvement that the organisation would like to address. The overall rating was "requires improvement". This is referred to in the Rating Report (Section 7 refers).

Action plans were developed for monitoring compliance against milestone actions to deliver improvement. Monthly exception and escalation reports were produced to monitor key deliverables. This included the scrutiny

of evidence of progress against the action plans to identify and review key issues and risks that may prevent or delay the achievement of the improvement. The action plan was reviewed through an Improvement Committee, with monthly reporting to the Quality & Governance Committee and the Board.

The Trust was re-inspected in March 2017. The report from that inspection is expected in June 2017.

10.11 CQC registration

During 2014/15, the Trust undertook a fundamental review of its registration with the CQC to ensure compliance. This work is on-going with updates to registration made as required. Processes are in place to ensure ongoing refresh and a better understanding of registration requirements have been gained.

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

10.12 Other control measures

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

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

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

10.13 Principal risks to compliance with NHS Foundation Trust Condition 4 of Provider Licence

The Trust has a provider licence and condition 4 relates to the Trust's governance arrangements.

The Trust has processes in place to record and monitor compliance with Monitor's Provider Licence conditions. In April 2015, the Trust was reported as in breach of licence conditions CoS3 (1) (a) and (b) (standards of corporate governance and financial management), FT4 (2) and FT4 (5) (a), (d), (e), (f) and (g) (relating to Foundation Trust governance). Throughout 2015/16 and again throughout 2016/17 the Trust remained in breach of licence conditions. During this time the Trust worked closely with NHS Improvement, the regulator of NHS Trusts who maintained oversight of actions associated with the enforcement undertakings. This support continues.

The main risks to non-compliance with the provider licence are around governance and use of resources.

Condition requirement	Controls	Risk
To have regard to guidance issued by Monitor	The Trust has in place system to ensure it meets the requirement of licence condition G5 (1) in that a register of guidance is maintained with dedicated leads for each and assurance sought that regard is had to the guidance. On the Monitor website there is a dedicated section where all the mandatory guidance for Foundation Trusts is published. The Trust uses this as the basis on its register. The Trust maps this information to its own Register of Guidance on a regular basis (at least annually). The register was last updated in November 2016 Leads have been identified for each and assurance is sought that there has been regard to the guidance.	-
Procedures in place to comply with the licence	The Trust has a schedule which documents each of the licence conditions, the controls in place, the assurances that the controls are robust and if there are any gaps or risks to being able to meet the conditions of the Licence. Where appropriate, risks of being able to comply with the Licence are managed via the Risk Register. An audit in 2014/15 gave a substantial assurance opinion around the processes in place for monitoring compliance. Exceptions are reported to the Quality & Governance Committee. During 2015/16 and throughout 2016/17 the Trust worked to deliver the recommendations of a financial governance review undertaken by Deloitte to deliver improvements in governance and financial sustainability. During this time the Trust worked closely with NHS Improvement and significant improvements have been made with the Trust's financial position exceeding year end outturn predictions.	During 2016/17 the Trust remained in breach of licence conditions CoS3 (1) (a) and (b) (standards of corporate governance and financial management), FT4 (2) and FT4 (5) (a), (d), (e), (f) and (g) (relating to Foundation Trust governance). Risks remain around ability to meet the requirements of these licence conditions and NHS Improvement has not lifted its enforcement undertakings with the Trust. However, due to the significant improvements around financial governance it is hoped that the enforcement undertakings will be lifted early in 2017/18. In addition the Trust is at risk of being in breach of FT4 (7) relating to the ability to ensure the existence and effective operation of systems to ensure that the Trust has in place personnel on the Board, reporting to the Board and within the rest of the organisation who are sufficient in number and appropriately qualified to ensure compliance with the conditions of the licence. This is because the Trust is currently carrying a high number of vacancies and there is a national shortage of nursing and medical staff.

Condition requirement	Controls	Risk
Set out, apply and publish a transparent eligibility and selection criteria	The Trust complies with the Prior Approval Policies (only treat patients if prior approval is received) and the Criteria Based Policies (only treat patients who meet the criteria) established by Wiltshire and Swindon Clinical Commissioning Groups	None - The Trust has regular contract meetings with the commissioner to ensure that the Trust is adhering to their requirements.
At the point where a patient has a choice of providers, the patient should be notified of this and told where information can be found about the options	The Trust will refer a patient back to the care of the GP for onward referral to a different speciality. At this point the patient will have a choice of provider from Choose and Book.	The Trust lacks assurance about how patients are offered choice of providers where a referral back to the GP is not appropriate i.e. for internal referrals or referrals to a tertiary centre.
Shall not cease to provide or materially alter the specification or provision of any Commissioner Requested Service	No services provided are Commissioner Requested Services. However, controls to ensure continuation of services include an Interim Chief Operating Officer and Divisional Management Teams who oversee operational performance. Regular contract meetings are held with Clinical Commissioning Groups to discuss performance with areas of concern highlighted and discussed. Performance Review meetings are held monthly with Divisions where changes to services are considered.	-
Good systems of governance	During 2017/18 the Trust had in place a Board of Directors comprised of Non-Executive (including the Chairman) and Executive Directors, plus Non-Voting Board Directors. The Chief Executive leads on executive arrangements and the Chairman leads the Non-Executive Directors in holding the Executive Directors to account for their performance. The composition of the Board was strengthened during 2016/17 with the appointment of a clinical non-executive director. The Trust has in place a Council of Governors with 22 Governor positions who hold the Non-Executive Directors to account for the performance of the Trust. A programme of areas for focus by the Governors is developed and refreshed each year having regard to key risks, performance areas and finance. The Trust has an internal audit function and an external audit function that both provide assurance to the Trust on an on-going basis about the systems of internal control. An Internal Audit Programme is agreed each year having regard to the	In March 2015 the Trust entered into enforcement undertakings with NHS Improvement for breach of governance conditions. In September 2015 the Trust underwent a Care Quality Commission (CQC) inspection which resulted in the issue of a Warning Notice for breach of regulation. Thereafter the report of the Inspection was published in January 2016 following which Monitor initiated a further investigation of the governance processes and systems in place in the Trust in the light of the CQC warning notice and findings. This investigation was not progressed.

Condition requirement	Controls	Risk
	Trust's Board Assurance Framework and advice from Executive Directors on areas for focus.	During 2016/17 the Trust commissioned an independent Well Led Governance review under NHS improvements Well Led Framework. The independent review was widened to include a review of Divisional governance. The review resulted in recommendations which led to an action plan. The actions have been progressed and are reported through the Quality & Governance Committee to the Board. Significant improvement has been made in risk management (although further embedding of consistent processes is needed) and the Board Assurance Framework.
Shall at all times act in a manner calculated to secure that has access to the Required Resource.	During 2015/16 and into 2016/17 the Trust implemented recommendations from an independent financial governance review to improve financial governance arrangements and improve financial sustainability. In addition, during this time the Trust worked with NHS Improvement to implement improvements with regular performance review meetings. During 2016/17 the Trust had the opportunity to receive additional income from the Sustainability & Transformational Fund (S&TF). The Trust was successful in meeting S&TF criteria and received a one off cash injection of £8.9m for 2016/17. Furthermore, in Autumn 2016 NHS Improvement announced the opportunity to secure further income called Incentive Sustainability & Transformation Money. This was allocated on the basis a pound for pound increase for any Trust who exceeded (performed better than) their control total. This was based on a draft position statement at a point in time which resulted in Great Western Hospital receiving a further £1.3m (on top of the £8.9m). On top off these two payments, a further BONUS Sustainability & Transformation Fund payment was received, meaning a further £1.1m of funding. Overall the three payments combined equalled £11.3m of one off external funding received for 2016/17. There are clear conditions attached to the funding. The Incentive and Bonus money cannot be used to spend on future costs, the full benefit had to be released straight to the bottom line of the income and expenditure statement. It is purely a cash	There is a risk to compliance with this licence condition even though the Trust is making progress to financial recovery. This is because NHS Improvement has not yet lifted the enforcement undertakings. There is a risk around ability to deliver further Cost Improvement Programmes going forward as it is becoming increasingly challenging to identify and implement schemes without investment. Furthermore there are risks to achieving the conditions attached to the Sustainability & Transformational Funding going forward which will continue to be reported through the Trust's Finance and Investment Committee.

Condition requirement	Controls	Risk
	injection which will be used to clear as much historical debt as possible. During 2016/17, the Trust revalued its assets in line with financial regulations. This was a technical adjustment and has no impact on the ongoing financial viability of the Trust. The operational deficit for the Trust improved by £1.0m against a planned deficit of £8.3m. If the Trust had not received the additional money from NHS Improvement then the year end position would have been £7.3m deficit. The Board recognises that although the final overall position is a surplus this is not a sustainable surplus due to the significant one off money the Trust received during the year. The Trust has in place a Finance Team which was restructured during 2015/16 with refreshed monitoring and reporting processes. In addition, the Trust has in place a Project Management Office that focuses on driving the Cost Improvement Programme. Processes are now embedded and continue with a weekly Transformation Board comprised of Executive Directors who challenge the Divisional leads on progress. The Trust has in place a Finance and Investment Committee which meets monthly to scrutinise and challenge financial governance and sustainability with monthly reporting to the Board. A report from the Chair of that Committee is presented to the Board in public each month outlining the key points to discuss.	
Establishment and implementation of: - (a) effective Board and committee structures; (b) clear responsibilities for the Board, for committees and for staff reporting to the Board and those committees; (c) clear reporting lines	(a) The Board has agreed a schedule of powers it reserves for itself *"Powers Reserved to the Board"* and this is refreshed annually. (b) Sitting under the Board are a number of committees, each with areas of responsibility. These committees are comprised of Non-Executive and Executive Directors and they oversee performance by scrutinising and challenging planned action and progress, but also offer support. For example, there is a Finance and Investment Committee which considers in detail the financial performance of the Trust, and a Quality & Governance Committee which considers quality and governance issues, including a high level overview of the governance arrangements for patient quality and safety. During 2016/17 a Performance, People & Place Committee was established to ensure Board	A risk exists relating to gaps in divisional governance. Currently the Divisions are working to improve Divisional meetings and structures. This also encompasses standardisation of documentation. A Quality Governance Framework is being developed to support consistent governance systems.

Condition requirement	Controls	Risk
and accountabilities throughout the organisation	Committee oversight of operational, workforce, communications, estates and IT business of the Trust. The Audit, Risk and Assurance Committee scrutinises and challenges processes in place for management of services and has a strong focus on risk management. There is an Executive Committee chaired by the Chief Executive which oversees operational management of the Trust. The membership of this Committee is comprised of Executive Directors only, with the most senior managers in the organisation in attendance. Key operational management decisions are made and there is oversight of directorate issues through receipt of Directorate Board minutes and exception reporting introduced in 2016/17. The minutes of the Board Committees are submitted to the Board at each meeting and the Chairs of those committees draw to the attention of the Board any issue of concern. In addition the Chairs of the Board Committees submit separate reports to the Board in public, highlighting significant points. The Terms of Reference of the Board Committees are refreshed annually to ensure they are fit for purpose and that all areas of Trust business are reflected. (c) Sitting under the Board Committees are a number of sub-committees and working groups. These have been mapped to ensure reporting lines and accountabilities are in place and that there are mechanisms to ensure issues are escalated to the Board. Minutes / reports of these meetings are presented to the respective Board Committees and any areas of concern are highlighted for discussion. The Trust has in place a high level "*Scheme of Delegation"*, supported by a detailed appendix which sets out the authority delegated to individuals and the remit within which that delegated authority can be exercised. Each year the Scheme is refreshed to ensure it is up to date and fit for purpose and that all areas of Trust business are reflected. The Trust has in place a trust wide policy and procedural documents framework. The policies and procedures give staff direction on how to manage services and functions. The documents are stored and archived using an electronic document management system and are available on the Trust's intranet. A robust approval system is in place with a two stage approach whereby documents are approved from a governance perspective via a Policy Governance Group and thereafter	

Condition requirement	Controls	Risk
	ratified by a specialist group, which ensures that the policy framework under which we expect staff to operate is clear, accessible and up to date. In terms of accountability, the senior managers in the organisation (Executive and Non-Voting Board Directors) have agreed threshold targets and specific measurable objectives linked to their areas of responsibility and aimed at delivering the Trust's Strategy. The appraisal of the senior managers is overseen by the Remuneration Committee each year. Sitting under this is a robust appraisal process for all staff, which is monitored and reported through a monthly workforce report. Performance is scrutinised and challenged through monthly performance review meetings, overseen by Executive Directors. In 2016/17 a Quality Governance Framework was developed to support the standardisation of governance arrangements across the Trust. This will be rolled out during 2017/18.	
Systems must ensure a capable Board; decision making which takes account of quality of care; there is up to date data on quality of care; the Board considers data on quality of care and there is accountability for quality of care.	The Trust has a capable Board. The Non-Executive Directors are appointed by the Council of Governors and they are accountable to Governors for the performance of the Trust. When a vacancy arises consideration is given to the skills needed and also to the balance and composition on the Board in terms of knowledge and experience. The composition is mapped to ensure there is a sufficient spread of expertise to cover all Board areas of responsibility. In 2016/17 reporting to the Board was again refreshed with the introduction of Executive Director summaries for the main reports (finance, operational performance and quality). Furthermore during 2016/17 new reporting was introduced with the Chairs of all Board Committee submitting reports to the Board in public on the issues to highlight from a Non-Executive Director perspective. Each month the Board considers up to date information and data about the quality of care in the form of performance indicators and achievement against targets. In 2016/17 an internal audit review of data quality provided a substantial assurance opinion. The Board recognises that it is accountable for the quality of care. A Quality and Governance Committee has been established to seek assurance on behalf of the Board that quality care is delivered. The Committee obtains assurance that the	-

Condition requirement	Controls	Risk
	necessary governance structures and processes (relating to quality not internal control) are in place for the effective direction and control of the organisation so that it can meet all its objectives including specifically the provision of safe high quality patient care and comply with all relevant legislation, regulations and guidance that may from time to time be in place. Sitting under the Quality & Governance Committee is a Patient Quality Committee (PQC).	
Must ensure that there are enough sufficient qualified people to comply with this licence	The Trust has a capable Board. Please see above. There are difficulties in sustaining sufficient numbers of trained clinical staff. The Trust has a number of controls in place including recruitment plans, training, retention measures and staff support. A monthly workforce report is produced which is overseen by the Performance, People and Place Committee.	There is a risk that the Trust may not meet the requirements of this condition. The Trust has a number of nursing and doctor vacancies and is unable to recruit to the desired levels. This shortage is national. The Trust was unsuccessful in recruiting the numbers of staff expected from an international recruitment campaign. The Trust has launched a further recruitment campaign.
Submission of statement of compliance with provider licence	The Board assures itself of the validity of its corporate governance statement required under its licence condition in that it has in place a compliance schedule which is reviewed and scrutinised by the Quality & Governance Committee. The Trust has identified the controls in place to ensure the licence conditions are met; the reporting mechanisms of those controls and has gathered assurances against each as evidence of compliance. Gaps in controls or assurances are identified and action planned to address any gaps is highlighted and monitored through the Quality & Governance Committee. Leads for each licence condition have been identified. This informs the Board which approves the corporate governance statement confirming compliance with the governance condition and anticipated compliance with this condition going forward, specifying any risks to compliance and any action proposed to take to manage risks as part of NHS Improvement's annual governance submissions.	-

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

In April 2015 Monitor reported that the Trust was failing to comply with a number of the provider licence conditions, in particular, those relating to financial reporting and financial governance, due to a failure to comply with its general duty to exercise its functions effectively, efficiently and economically. As a result, the external auditors qualified the Use of Resources certificate.

The Trust Board responded to this in a pro-active and positive manner, putting in place clear governance and accountability frameworks by adopting a structured approach to enable the right level of assurance to be provided for Trust Board, focusing on the use of resources and the importance of the scale of medium-term cost savings required in the current economic and operating environment. Strengthening and embedding processes and systems has continued throughout 2016/17.

The processes outlined below are well established and ensure the effectiveness of the systems of internal control through:

- Board Committees seeking assurance on behalf of the Board that controls are in place for the management of strategic risks, with relevant extracts of the Board Assurance Framework considered by the respective Committees on a quarterly basis;
- Board of Directors reviewing the Board Assurance Framework at least twice a year, including the risk register and Internal Audit reports on its effectiveness;
- Audit, Risk and Assurance Committee, working with the Board Committees to review the effectiveness of the Trust's systems and processes of internal control;
- review of serious incidents and learning by the Quality & Governance Committee and Internal Audit report on its effectiveness Mar-17;
- review of progress in meeting the Care Quality Commission's (CQC) essential standards by the Quality & Governance Committee informed by the CQC Inspections Report Jan-16;
- Clinical Audits;
- National Patient and Staff Surveys;
- Internal audits of effectiveness of systems of internal control;
- Business Investment Group – check and challenge panel to understand the implications of any investment from a financial, use of resources and impact on patient experience/safety prior to submission to Executive Committee;
- Transformation Board – weekly review of the Cost Improvement Programmes and the Quality Impact Assessments;
- regular reporting to the Board on key performance indicators including finance, operational performance, quality indicators and workforce targets;
- monthly scrutiny and challenge of financial, operational and quality targets by the Finance &, Investment Committee, the Performance, People & Place Committee and the Quality & Governance Committee;
- monthly reporting to the Executive Committee on directorate and Trust performance;
- monthly monitoring and reporting within Directorates which feeds into the Executive Committee and up to the Board; and
- regular reporting to NHS Improvement through performance review meetings and regular dialogue with relationship managers.

Sitting below the Operational Plan are divisional plans and capacity plans which detail specific objectives and milestones to deliver actions. All Divisional plans are reviewed at Divisional Performance Meetings. Value for money is an important component of the internal and external audit plans. These provide assurance to the Trust that the processes in place are effective and efficient in the use of resources. The Trust's Reference Cost Index for 2015/16 is 94 (before adjustment for market forces factor [MFF]), which is one percentage point higher than it was in 2014/15.

Procedures are in place to ensure all strategic decisions are considered at Executive and Board level and there is wider consultation with Governors and stakeholders.

The emphasis of Internal Audit work is around providing assurances on internal controls, risk management and governance systems to the Audit, Risk and Assurance Committee, through to the Board Committees and to the Board.

10.15 Information Governance

NHS Digital has published assessment criteria and reporting guidelines for incidents involving data loss or confidentiality breach. Such events are termed Information Governance Serious Incidents Requiring Investigation (IG SIRIs). The criteria has been revised from time to time, such that more incidents of a minor nature are now reportable. Any comparison with figures published in earlier years is therefore to be treated with considerable care.

Each IG SIRI is graded as either:

(a) Lower severity Level 1 – to be reported statistically in the Annual Report, or

(b) Higher severity Level 2 – to be reported to the Information Commissioner's Office and detailed individually in the Annual Report.

During 2016/17 there were no IG SIRIs at the higher severity Level 2, and so no incidents were required to be reported to the Information Commissioner's Office.

IG SIRIs classified at the lower severity Level 1 are aggregated and reported below in the specified format. During 2016/17 there were a total of 75 such incidents.

Summary of other personal data related incidents in 2015-16 (severity Level 1)		
Category	**Breach type**	**Total**
A	Corruption or inability to recover electronic data	-
B	Disclosed in error	39
C	Lost in transit	-
D	Lost or stolen hardware	-
E	Lost or stolen paperwork	17
F	Non-secure disposal – hardware	-
G	Non-secure disposal – paperwork	4
H	Uploaded to website in error	-
I	Technical security failing (including hacking)	13
J	Unauthorised access/disclosure	2
K	Other	-

Notes:

B Most incidents relate to letters sent to the wrong address, e.g. where a patient has moved but not informed the Trust.

E Most incidents relate to misplaced paperwork which was later recovered and disposed of securely.

G Most incidents relate to paper-based information placed into the wrong waste stream.

I Incidents relate to data sent via ordinary unencrypted email. There were no incidents of systems being hacked or data being intercepted.

J One incident relates to staff issued with incorrect username and password to access an electronic system; the other relates to unauthorised access to patient records.

10.16 Annual Quality Report

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. NHS Improvement (in exercise of the powers conferred on 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. Steps which have been put in place to assure the Board that the Quality Report presents a balanced view and that there are appropriate controls in place to ensure the accuracy of data include the following: -

- The Chief Nurse is the Executive lead for the Quality Account with designated personal leadership for patient safety and quality on behalf of the Trust Board. The Trust approved a refreshed Quality Improvement Strategy in 2013/14 which provides details on roles and responsibilities for quality and safety and defines the key focus for the Annual Quality Accounts. The Board considers progress in delivering the Quality Strategy at least twice a year.

- The Annual Quality Account Report 2016/17 provides a narrative of progress toward achieving the quality improvement indicators agreed by the Executive Committee, the Patient Safety Committee and the Trust Board.

- The Trust has a robust process for scrutinising and revising local policies and monitoring compliance with NICE and other best practice guidelines. Annual audit programmes include the assessment of compliance with best practice guidance at both local and national level. This provides assurances to the Board that the quality of clinical care provided is based on the best clinical practice recognised nationally and that policies are up to date, appropriate and meet our legislative obligations. During 2014/15 there was a fundamental review of the clinical audit programme to ensure a greater focus on priority audits with meaningful outcomes. This review has provided greater clarity for on-going audit work throughout 2016/17

- The Quality Account is compiled following both internal and external consultation to inform the improvement indicators. Data is provided by nominated leads in the Trust. These leads are responsible for scrutinising the data they provide to ensure accuracy. The Chief Nurse is ultimately accountable to Trust Board and its committees for the accuracy of the Quality Account Report.

- The Quality Account is subject to robust challenge at the Governance Committee on both substantive issues and also on data quality. Where variance against targets is identified the leads for individual metrics are held to account by the Governance Committee. Following scrutiny at that committee, the Quality Account is reported to Trust Board which is required to both attest to the accuracy of the data and also ensure that improvements against the targets are maintained.

- Directors' responsibilities for the Quality Account Report are outlined separately in this report.

- The Quality Account Report has been prepared in accordance with Monitor's annual reporting guidance as well as the standards to support data quality for the preparation of the Quality Report. No material weaknesses in the control framework associated with Quality Accounts have been identified.

- The Trust has a Data Quality Group responsible for reviewing the way data is captured and recorded to ensure its accuracy and robustness. Internal and external data audits are undertaken focusing on data quality and associated process and procedures and the Data Quality Group reviews internal and external data quality dashboards. This Group feeds into an Information Governance Group which overviews information governance across the Trust.

- During the year the Trust had concerns around the accuracy of data of the percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of reporting period (RTT). To address this work carried out around RTT has changed and overall the Board is confident in the RTT data for patients on an incomplete pathway. In recognition of the work required we have expanded our RTT validation function including a new Head of Access post to monitor and support the clinical Divisions in managing pathways and patients ensuring constitutional targets and patient expectations are met. We have continued the joint collaboration via the RTT Steering Group with our Clinical Commissioning Groups. This has led to an improved performance for the Trust which in the first half of the year the national target of 92% was achieved.

10.17 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 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 and the Audit, Risk and Assurance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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

Process		**Role and Conclusions**
Board	-	The Board leads the organisation throughout the year with regular reporting on finance, operational and quality performance. It receives minutes of Committees, with concerns and issues escalated by the Committee Chairs either verbally when the minutes are presented or through the Chair's reports to the Board in public. The Board has a forward plan which supports ensuring that the Board considers progress on Trust business in a planned way, such as bi-annual updates on strategies which underpin the Trust's Vision and quarterly updated on other matters such as risk and regulatory matters. In April 2017 the Board held a workshop to reflect on how the new Board Committees were working and to consider if Board meetings and Board Committees could be more effective ensuring a balance of focus on quality, performance, finance, workforce and strategy. As part of this review the Directors considered the levels of challenge versus support and the balance between reassurance and assurance. The Board also considered the balance of business considered by the Board to ensure that there is adequate time spent on finance versus quality and strategy discussions. In 2017/18 bi-monthly Board workshop sessions will be held to focus on strategy formulation to address the need for transformation in order to make best use of resources and meet the activity pressures going forward. In 2016 the Trust commissioned a well led governance review which included a focus on divisional governance and how issues are fed to and from the Board within the organisation. Actions arising from the review have been progressed during the year.
Audit, Risk and Assurance Committee	-	The Committee provides scrutiny of internal controls, including the review and challenge of the Board Assurance Framework and Risk.
Internal audits	-	Internal audits are carried out which look at the effectiveness of systems of internal control. Audit findings are presented to the Audit, Risk and Assurance Committee and the Board through the Audit, Risk and Assurance Committee minutes. A programme of internal audits is agreed each year having regard to the key risks to achieving the Trust's strategic objectives. The Board Assurance Framework informs the Audit Plan. A new process was introduced in 2016/17 whereby the findings of internal audit reviews are presented to the relevant Board Committees for oversight and monitoring of any actions as necessary to ensure that the Committees seek assurance on behalf of the Board that any risks relating to matters within the remit of the Committee are being mitigated.

Clinical audits - Clinical Audit is a key component of clinical governance and it aims to promote patient safety, patient experience and to improve effectiveness of care provided to patients. The Trust is compliant with the Trust Clinical Audit plan. The NICE lead is responsible for actively disseminating and monitoring NICE compliance. Progress with the clinical audit programme is reported to a Patient Quality Committee each month and highlights are included in the Quality Report considered by the Board each month.

Other Committees - As set out above the Board refreshed the Committee Structure during 2016/17. All Board Committees have a clear timetable of meetings and during 2016/17 forward plans were introduced to ensure that the Committee seeks assurance on behalf of the Board that all areas of business within their remit are being managed effectively.

Terms of reference for each Board Committee are refreshed each year to ensure ongoing effectiveness and to ensure that an appropriate level of delegation and reference back to the Board is in place. In October 2016 the Board reviewed the Board Committee structure resulting in the establishment of three main Committees to scrutinise and challenge Trust performance ensure a route to the Board of all Trust business. Notably, a Performance, People and Place Committee was created to oversee operational performance, workforce matters and other business such as estates and IT. New Terms of Reference for Board Committees were approved to ensure that the Trust's system of internal control reflects the current needs of the organisation and to ensure that appropriate reporting and decision making mechanisms remain in place and fit for purpose.

During 2016/17 reports from Chairs on the meetings of the Committee was rolled out for all Board Committees. These are reported to the Board each month on the public part of the agenda and provide a Non-Executive Director perspective of the issues discussed, including key areas for focus, challenges and risks. These reports are in addition to any other reports which would normally be reported to the Board (such as the Finance Report or the Quality Report) and in addition to the minutes of the Committee meetings. Furthermore, reports to Committees and the Board were strengthened by the inclusion of Executive Director summaries.

Board Assurance Framework / Risk Management - The Board Assurance Framework (BAF) provides a structure and process that enables the Trust to focus on those risks which might compromise the achievement of the Trust strategic objectives and to identify and record the controls in place to mitigate any risk identified. The Audit, Risk and Assurance Committee scrutinises the BAF at least three times per year to confirm to the Board that the systems and processes in place for the management of risks are effective.

During 2016/17 there was a fundamental refresh of the BAF which included alignment of strategic risks to priorities and strategic objectives mapped against the Care Quality Commission's (CQC) Key Lines of Enquiry and NHS Improvements quality domains under their Well Led Framework. The refresh included a fundamental review of the sources of assurances with metrics added which reflect the Single Oversight Framework, the latest NHS Improvement guidance on Use of Resources and the latest CQC Well Led guidance. A formal programme of reporting was introduced whereby the Board Committees seek assurance on behalf of the Board on a quarterly basis that processes and systems are in place to mitigate risks. The Committees considers the sources of assurance and risks within their remit and provide a risk rating on the strategic risks. The BAF informs the Committees' forward plan. The BAF enables oversight of trends, showing whether metrics are improving or deteriorating on a quarterly basis. The BAF has been instrumental in "predicting" future risks, notably around financial performance, recruitment and retention and equipment.

In March 2017 an internal audit review of the Board Assurance Framework and risk management processes provided "substantial" assurance without recommendations. The audit found that the BAF was embedded in the governance structure of the Trust and is maintained as a "live" document.

In 2016/17 the Trust commissioned an independent well led governance review which resulted in a number of recommendations relating to risk. Whilst it was considered that

overall risk management was reasonable, improvements could be made around reporting. During 2016/17 the Trust worked with Deloitte to develop a Risk Escalation Framework which is supported by improved electronic reporting. Risk dashboards are produced monthly which are considered through the Divisional meetings. The refreshed reporting includes analysis of risks by theme and oversight of the consistency of risk management across the Trust. During 2017/18 risk management processes will be embedded further.

The Board has established its appetite for risk and each year this is refreshed. A Risk Tolerance Statement is agreed which is used to inform decision making.

Care Quality Commission (CQC) standards / CQC Inspection Report - The Trust monitors compliance with CQC standards through mini visits across the Trust. Areas for improvement are identified and led by the areas inspected. The Trust's CQC Compliance Manager works with leads to help them better understand the requirements of the Regulations and the key lines of enquiry which form part of the CQC assessment framework.

The CQC undertook a formal inspection in September 2015 with a report received in January 2016. . The outcome was that the Trust was issued with a Warning Notice and was required to make improvements in a number of areas. An action plan was been developed to address the areas for attention identified through the warning notice and inspection report and progress of delivering milestone actions and sustaining improvement was monitored through an Improvement Committee and the Quality and Governance Committee which met monthly. Monthly reports were made to the Board on progress.

The CQC lifted the warning notice in October 2016 following an inspection of the Emergency Department in September 2016.

In March 2017, the CQC undertook a further inspection of the Trust. Initial feedback indicates that the Trust has made improvement in a number of areas. The report from the CQC is expected in May 2017.

Reporting to NHS Improvement - Throughout 2016/17 the Trust has had regular performance review meeting with NHS Improvement primarily focused on delivering improvements to financial governance and performance but to also discuss roll out of improvement to address the findings in the Care Quality Commission Inspection Report dated Jan-16 and to discuss operational performance.

Well Led Governance Review

During 2016/17 the Trust commissioned two independent well led governance reviews (Board level and Divisional Board level), which included self-assessment, focussing on **Strategy and planning; capability and culture; process and structures and measurement.**

The findings from the reviews resulted in an action plan which has been rolled out with quarterly reporting on progress to the Board.

PFI Accounting Change

At the end of 2015/16 the Trust identified an inconsistency in the accounting model for GWH PFI that is used for accounting for the GWH PFI scheme when recognised on Balance Sheet in 2009/10.

The accounting model had used lifecycle spend based on the PFI contractor's project plan and not the lifecycle that was in the Financial Model that forms part of the PFI agreement and is the basis for the Unitary Charge calculation. During 2016/17 the Trust received confirmation from the PFI Special Purpose Company THC, the correct lifecycle values were agreed and the Accounting Model updated accordingly. The accounting change has no impact on cash; it changes the values that form part of the unitary charge. The impact on the balance sheet has been to reduce the Lifecycle prepayment debtor by (£14.2m), increase the Lease Liability by £7m and reduce Retained Earnings by £7.2m.

The Trust will continue to review all risks and where necessary will take appropriate actions to either reduce or eliminate these. Actions taken will be monitored through the appropriate Committees of the Board, and where necessary the Chair of the Committee will escalate concerns to Board.

10.18 Conclusion

I have not identified any material weaknesses in our systems for internal control as part of my review. My review confirms that Great Western Hospitals NHS Foundation Trust has generally sound systems on internal control that supports the achievement of its policies, aims and objectives.

Signed

Nerissa Vaughan
Chief executive

30 May 2017

11. Quality Report

11.1 Our Commitment to Quality

I am pleased to present our Quality Account for 2016/17.

This report provides the public with a clear account of our work over the past 12 months to improve the quality of care we provide to patients and shares our priorities for the year ahead.

It is clear that to provide safe and high quality care to a rapidly growing and ageing local population we need to think differently, plan differently and do things differently. That is what this year has been all about. It is also clear that adapting to meet the changing needs of patients must remain our focus for the next few years.

The addition of community healthcare to our services in Swindon has given us great opportunities for better collaboration and to provide more joined up care between services in hospital and at home.

We have already learnt a huge amount from our community colleagues and over the next year we will be looking for more opportunities to standardise best practice across our hospital and community services.

We are now also in a better position to improve the care we provide for patients in their own homes, especially those with long term conditions, such as diabetes, arthritis and hypertension. This means helping patients to better manage their conditions, stay well and out of hospital.

Although we must transform our services, our priorities must remain the same - to provide safe, high quality and effective care.

Our ambitious goal, to save an extra 500 lives by 2020, is here to stay. This means we are focused on saving more patients from life threatening conditions, compared to what would be expected according to national survival rates.

To do this we must deliver the very best care to each patient, by using nationally recognised best practice, standardising care and supporting a culture where we learn from our mistakes.

We continue to focus on our Sign up to Safety Priorities, among other quality improvement work, to achieve our 500 lives goal. These priorities are conditions where lives can be saved or the condition can be prevented through good care. They include sepsis, deteriorating patients, acute kidney injury, falls and pressure ulcer prevention. You can read about our progress throughout the report.

Our most important achievements for 2016/17 include our life saving work on sepsis, with nearly 90 per cent of patients making a full recovery from this potentially fatal condition
The introduction of a specialist Acute Sepsis and Kidney Injury Team, who are building on our expertise in sepsis to tackle acute kidney injury, which accounts for one in five of emergency medical admissions.

I am also proud to report the lowest incidence of pressure ulcers in the south west, with the number of patients experiencing this painful condition falling by 30 per cent in the last year.

We are now looking to cutting edge technologies to improve the outcomes and quality of life for our patients.

The latest 3D printing technology was recently used to help a patient with a rare hip deformity walk without pain, we successfully implanted the UK's first four lead pacemaker in November and we are using state-of the-art simulation technology to provide staff with innovative true to life training.

As you read through this report you will find many more examples of how we are making improvements to the safety and quality of care we provide to our patients.

Despite leading the way in many areas of quality improvement, we are not without our challenges and this report also provides an honest account of the difficulties we face.

The sheer volume of patients needing our care, delays in discharging patients, a tight financial position and staff shortages, are challenges we face every day. But they do not stop us from providing compassionate care. This is thanks to the commitment of our 4,500 caring, professional and highly skilled staff.

As we work towards a more unified healthcare system in Swindon, I am particularly proud of the strong partnerships we already have. They bring a wealth of specialist care to our patients and I'm keen to further expand this collaborative approach.

They include our end of life care service provided by Prospect Hospice, our Macmillan nurses, helping older patients settle back home with the Royal Voluntary Service's Home from Hospital Service and brightening the days of younger patients with Pets As Therapy, among many others.

Looking forward, our work with Oxford University Hospitals NHS Foundation Trust to bring radiotherapy to Swindon is progressing well and the new facility is expected to be available from 2019, making a difference to hundreds of local families.

I hope your enjoy reading about our work and our plans to further enhance the experience of our patients in 2017/18.

Signed

Nerissa Vaughan
Chief executive

30 May 2017

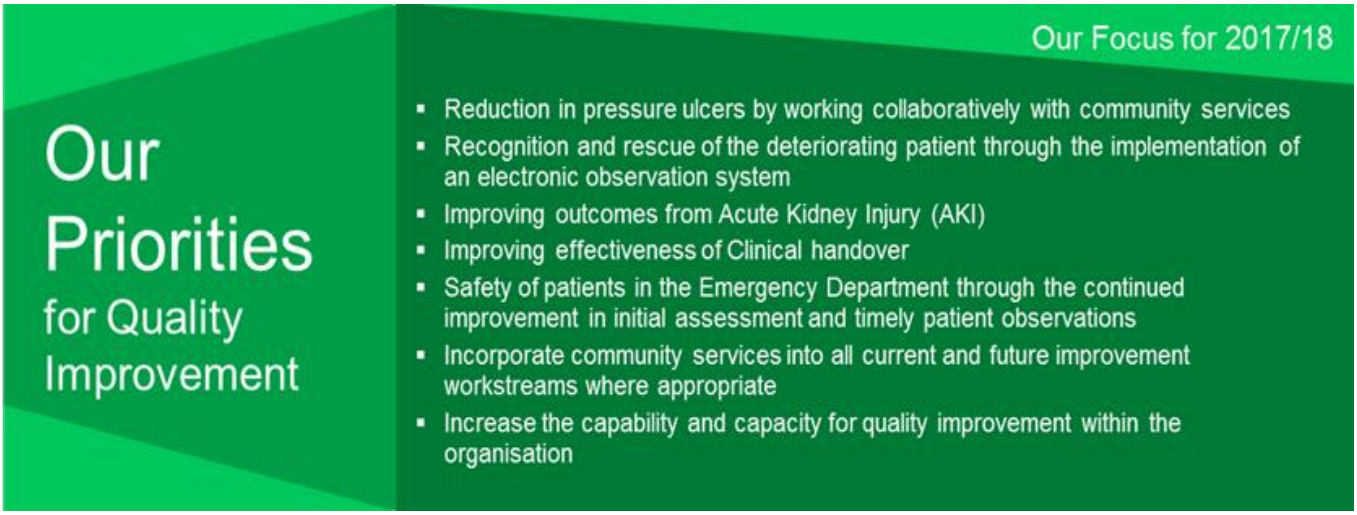
Priorities for improvement and statements of assurance

11.2 Review of Quality Performance 2015/16

This section reflects on the priorities for improvement we will set for 2017/2018 and progress made since the publication of 2016/17 quality report.

11.2.1 Our Priorities for 201718

Our 2017/18 priorities are informed by both national and local priorities including the Sign up to Safety Campaign, learning from incidents, projects supported by the Academic Health Science Networks. These priorities are also agreed through our quality contracts with our local Clinical Commissioning Groups, taking into consideration the data available on the quality of care relevant to all of our health services we provide. These priorities have been shared with agreement sought from the Trust Governors as patient/public representatives, Local Healthwatch organisations and other key external stakeholders.



11.3 Saving 500 Lives and Quality Improvement

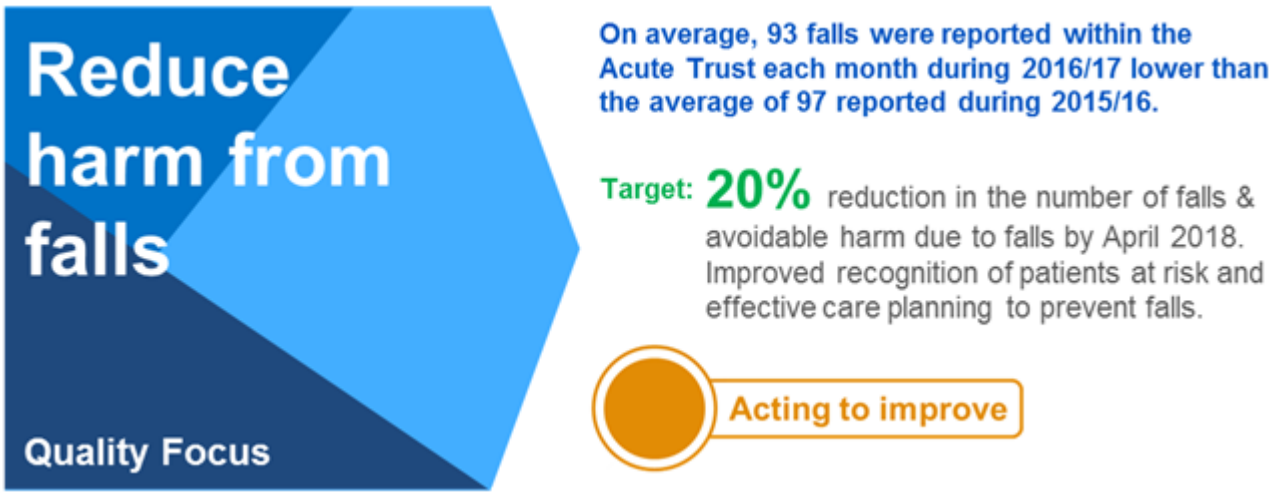
11.3.1 Sign up to Safety

The Trust continues to deliver its ambition to save an extra 500 lives over 5 years, we have continued to progress our safety improvement plans through projects to improve quality and safety. As part of this over-arching campaign the Trust has continued in its commitment to the national Sign Up To Safety programme. During 2016/17 this covered the following key areas of focus, a combination of national aspirations and our own specific improvement areas:

- Reducing falls
- Reducing pressure ulcers
- Management of sepsis
- Recognition of the deteriorating patient
- Acute Kidney Injury (AKI)

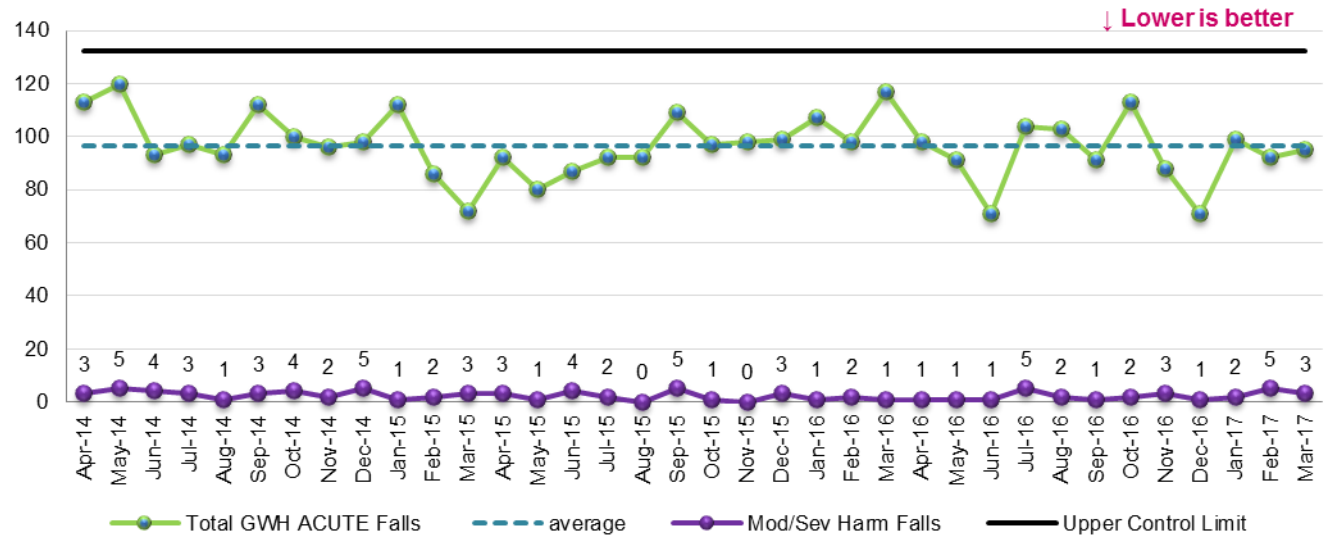
11.3.2 Reducing falls

Falls are one of the leading causes of harm in hospitals. They can lead to injury, loss of confidence, independence, and prolonged hospital stays.



During 2016/17 we have seen a 4% reduction in the number of falls on the previous year 2015/16.

Total falls across the Acute Trust



The chart above shows the total number of falls reported by the Trust each month and the number of falls resulting in moderate or severe harm from falls.

What improvements have we achieved?

In 2016/17 we reported 27 falls as moderate or severe harm, an average of 2 a month, sustaining the same number reported throughout 2015/16.

Drivers for improvement

- Revision of the falls assessment document in line with Royal College of Physicians recommendations, included in the Trust-wide roll out of the updated Nursing Documentation.
- Junior Doctors receive simulation training on falls during induction.
-
- Piloting of non-slip Anti-Embolism socks on Trauma Unit.
- Front-door Physiotherapy Team are identifying and managing the re-admission of multiple fallers.
- All Ward Managers attending the monthly Falls Operational Group to share learning and change ideas from their areas.
- Joint working with Swindon CCG and Bone Health Collaborative
- Revised Post Falls SWARM completed within 24 hours of the fall taking place.

Further Improvements identified and our priorities for 2017/18:

- Implement Digital Reminiscence Therapy (Interactive multimedia to stimulate personalised memories) equipment for use across acute high use wards where falls are frequently reported
- Review and update Falls Avoidance and Safety Rails Policy
- Review national falls audit from Royal College of Physicians and adopt recommendations
- Recruitment of a Falls Specialist Nurse
- Ward based simulation training to improve post falls care
- Falls prevention measures form part of Ward Assessment and Accreditation Framework

11.3.3 Reducing avoidable pressure ulcers

Pressure ulcers typically affect patients with health conditions that make it difficult to move, in particular patients sitting for long periods of time or confined to lying in bed.

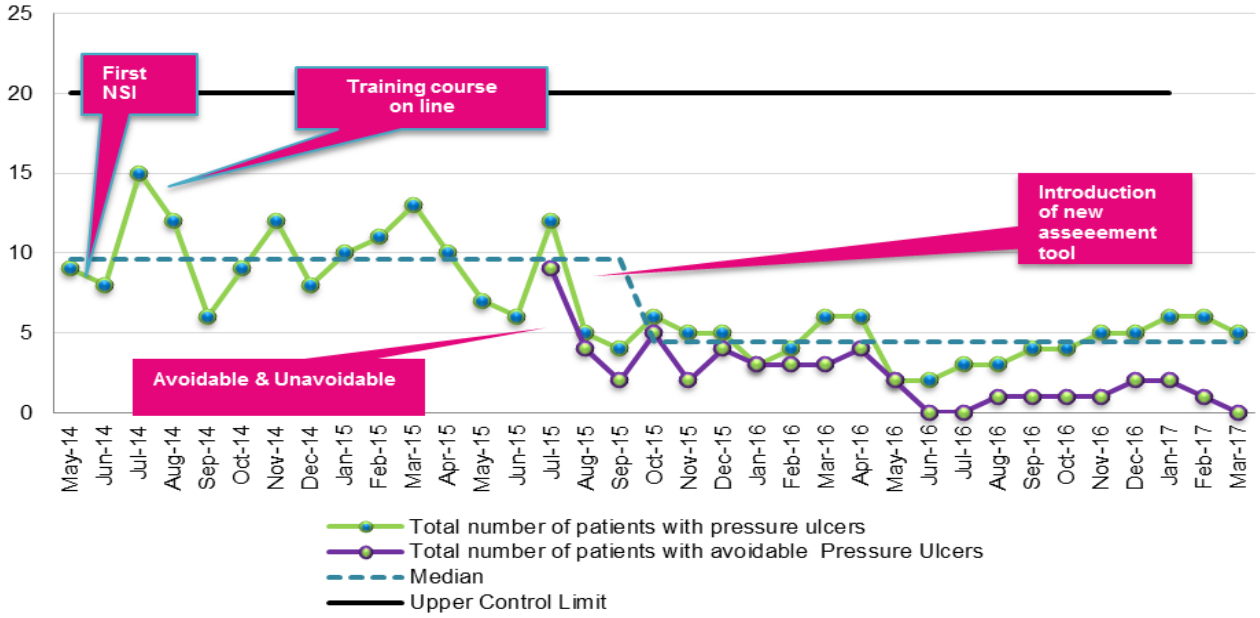
The development of a pressure ulcer can have a negative impact on our patient's quality of life by causing pain, emotional distress and loss of independence. They also increase the risk of infection and prolong hospital stays. In the most serious of cases pressure ulcers increase a patient's risk of death.

Many pressure ulcers can be prevented through effective risk assessment and care planning for our patients, and ensuring our patients are kept mobile, changing positions wherever possible.

We have reduced the average number of patients with pressure ulcers from 3.8 to 1.25 per month. We have achieved our target, in 2016/17 we reported an average of 4.25 pressure ulcers per month

Target: **<5 per month** sustained to April 2018. Improved risk assessment, care of patients at risk & effective care planning.

Total number pressure ulcers (category II, III, IV for all acute inpatients)

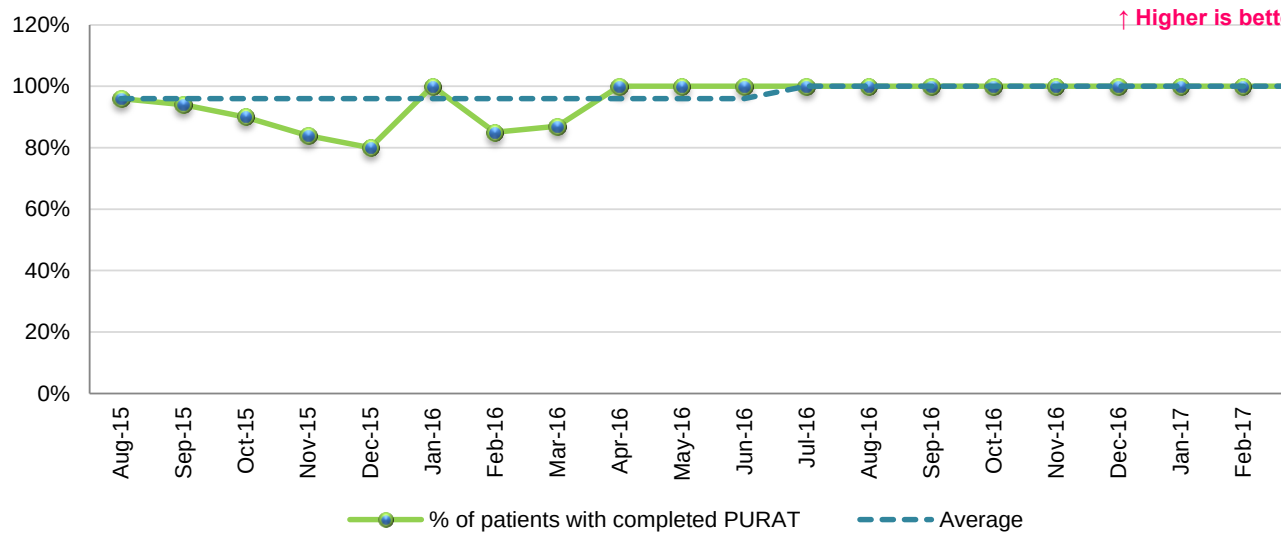


The chart above demonstrates the total number of avoidable and unavoidable category II, III and IV Pressure Ulcers in acute inpatients.

During 2016/17 we exceeded our target to reduce the number of avoidable pressure ulcers to less than 5 per month. We reported an average of 4 unavoidable and 1 avoidable pressure ulcers in acute inpatients per month'.

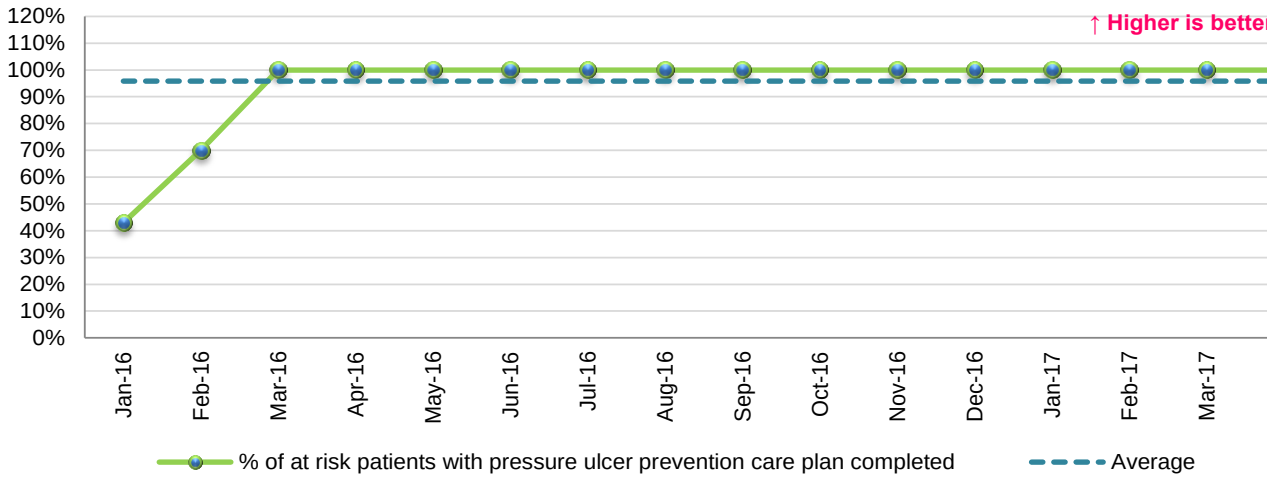
We have achieved this through a number of interventions:-

Percentage of acute patients with a completed Pressure Ulcer Risk Assessment Tool (PURAT)



The graph above shows the percentage of patients with a completed Pressure Ulcer Risk Assessment Tool (PURAT). Since April 2016 100% of inpatients in a sample of 20 patients records reviewed per month have had a completed PURAT. This data is taken from our monthly audits of the 4 hot spot wards where pressure ulcers are most frequently reported.

Percentage of at risk acute inpatients with a pressure ulcer prevention core care plan completed



The graph above shows the percentage of at risk inpatients that have had a pressure ulcer prevention core care plan completed. Since March 2016, 100% of acute at risk inpatients in a sample of 20 patients records reviewed per month have had a pressure ulcer prevention core care plan in place. This data is taken from our monthly audits of the 4 hot spot wards.

What improvements have we achieved?

- Tissue Viability Nurses (TVNs) conduct monthly audits for Hot Spot Wards. These audits include:
  - Percentage of patients that have a PURAT completed within 2 hours of admission to the ward.
  - Percentage of patients with a Pressure Ulcer Prevention Core Care Plan completed
  - Percentage of patients with the correct pressure relieving mattress
  - Percentage of patients that have a Wound Assessment and Management Care Plan completed
  - Percentage of patients with the frequency of repositioning documented on the Pressure Ulcer Prevention Core Care Plan
  - Percentage of patients who have the Intentional Rounding Tool (an assessment tool to determine a patients level of risk of pressure ulcer development) in place
- TVN's investigate wounds and pressure ulcers incidents. For each category II pressure ulcer and above, the TVN's work with the relevant ward manager to review the patient journey.
- Annual wound audit
- TVN's reviewed and updated Hot Spot Wards in January 2017

Further improvements identified and priorities for 2017/18

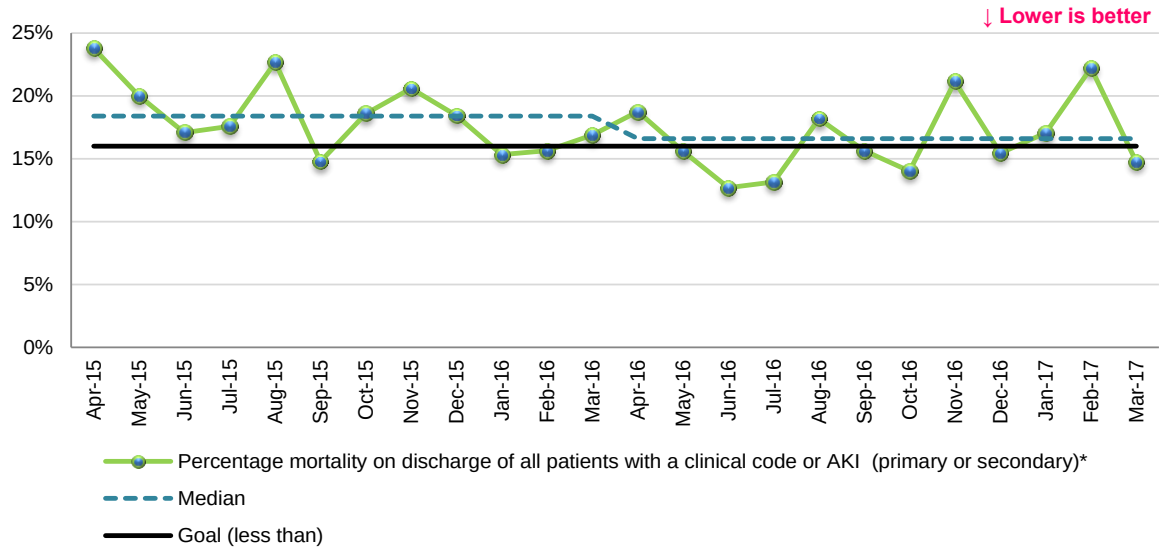
- Joint working with acute and community TVN's to develop wound management course for community services
- Review of the discharge documentation and the referral process from acute care to community and GP practice nursing teams.
- Teaching on the prevention of heel ulcers, i.e. Educational slides on pressure ulcer care to be trialled on one ward before rolling out Trust wide.
- Pressure Ulcer Working Group to be established with TVN's from both the Community and Acute services.

11.3.4 Acute Kidney Injury (AKI)

Acute Kidney Injury (AKI) is a sudden deterioration in kidney function that affects up to 20% of patients (1 in 5) admitted to hospital. It can range from minor loss of kidney function to complete kidney failure, and in the most serious cases can lead to death.

With early detection and the right care at the right time, both the risk of death and long term damage to the kidneys is greatly reduced. As a common and potentially life threatening condition, we are passionate about proactively improving care and saving lives.

Crude mortality on discharge: patients with a clinical code of AKI (primary or secondary)



The chart above shows the crude mortality on discharge with patients who have a clinical code of AKI (Primary or secondary). In 2016/17 we reported an average of16.6% of patients who had crude mortality on discharge that had a clinical code of AKI. This is a significant improvement on 2015/16 where we reported an average of 18.4%.

What improvements have we achieved?

- Developed online AKI training modules for nursing and medical teams to equip clinical staff with the knowledge and skills to improve recognition and treatment of AKI.
- Implemented the AKI Kidney 5 Care Bundle, Sepsis, Hypovolaemia, Obstruction, Urine Analysis, Toxins (SHOUT). Patients flagged with AKI receive five standard elements of care proven to be effective in managing AKI.
- Ward pharmacists carry out medicine reviews of all patients flagged with AKI to determine the most appropriate medication to manage their AKI and aid recovery.
- Funded by Brighter Futures, a new Acute Sepsis and Kidney Injury (ASK) Team was recruited and launched in October 2016. Made up of five specialist nurses the ASK team are responsible for ensuring all patients with acute kidney injury are treated using the same set of clinical interventions which are based on international best practice. The team also work with staff across the organisation and healthcare partners such as GPs to raise awareness of the signs and symptoms.

Further improvements identified and priorities for 2017/18

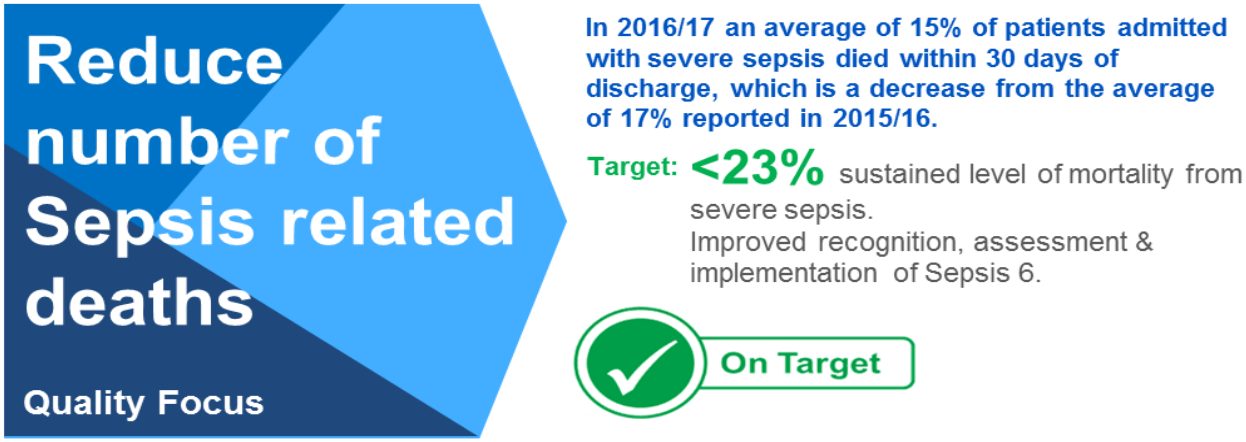
- Supported by the ASK team continue to improve on the use of the AKI care bundle
- We will develop care pathways with GPs and community healthcare providers to improve prevention of AKI of our patients before coming into hospital and support appropriate care to aid their recovery once home.

11.3.5 Sepsis

Sepsis is a common and life threatening condition caused by the body's own response to infection. Sepsis occurs when severe infection in the body triggers widespread inflammation, swelling and organ failure.

Each year in the UK, it is estimated that more than 100,000 people are admitted to hospital with sepsis and around 44,000 people will die as a result of the condition.

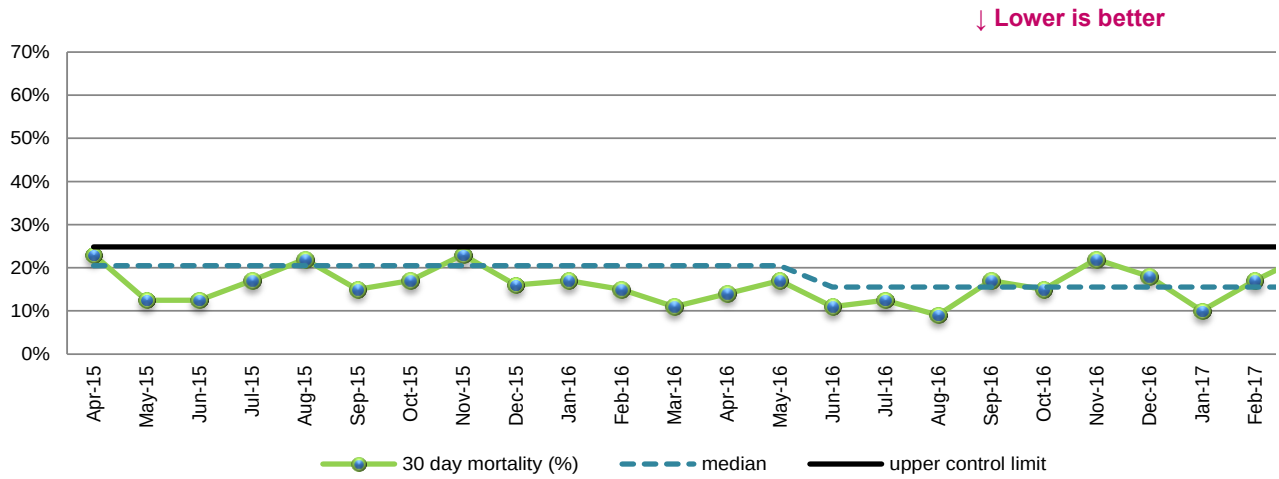
Effective delivery of the Sepsis Care Bundle (Sepsis 6 UK Sepsis Trust) increases patients' chance of survival by up to 30%. Overall national mortality rate for patients admitted with severe sepsis is 35%. (UK Sepsis Trust 2014)



In 2014/2015 we reported an average of 25% patients admitted with severe sepsis that die within 30 days of discharge. We used this first year of data collection to set our annual mortality target to less than 23% sustained level of mortality from severe sepsis until 2018.

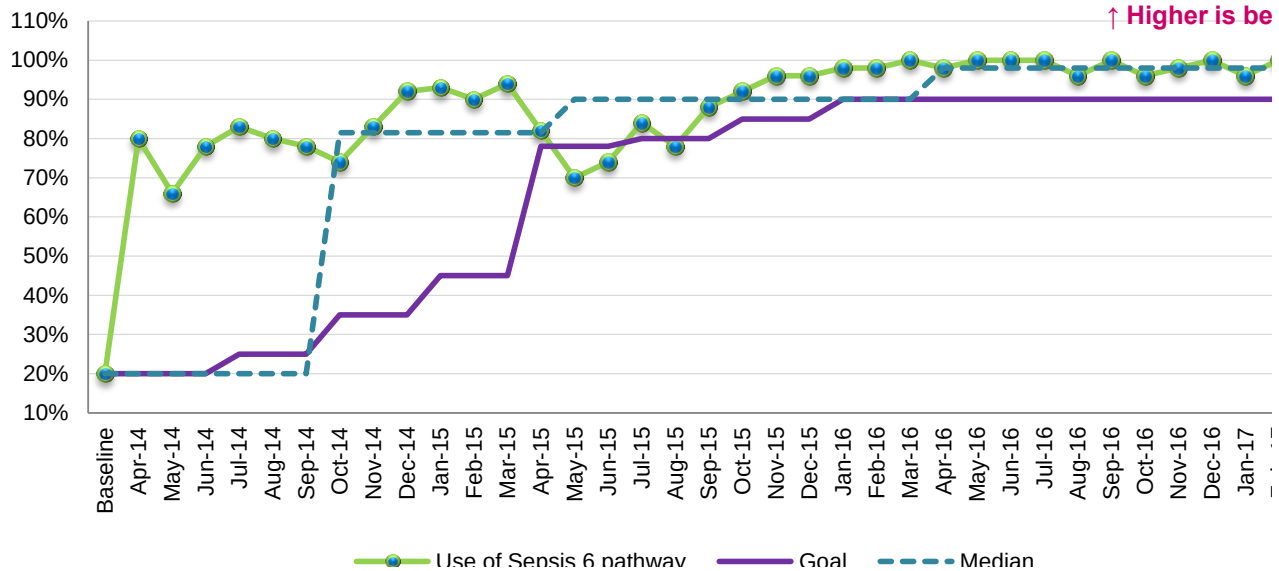
Throughout 2016/17 we reported an average of 15% of patients admitted with severe sepsis die within 30 days of discharge, a decrease on the previous year and remaining below our 23% target.

30 Day Mortality



The chart above shows 30 day crude mortality from severe sepsis and the sustained improvements achieved since April 2015 through to February 2017.

Percentage of patients who have documented evidence of the use of the sepsis six pathway



What improvements have we achieved?

- ASK Specialist Nurses Team have now been fully recruited.
- Producing a quarterly ASK Team Newsletter which is circulated Trust-wide.
- Focussed teaching around Sepsis Management and Sepsis Tools is on-going and currently more than 90% of clinical staff across 4 wards have been trained.
- Our sepsis campaign has had significant success in the early identification and response to this life threatening condition. This has brought both local and national recognition with our Sepsis Team winning a national Patient Safety Award in December 2015.
- We have continued to monitor and improve usage of our standardised Sepsis screening tool and Sepsis 6 Care Bundle for all emergency admissions to the acute hospital.
- Sepsis education programme to all new junior doctors.
- Audit of all patients in our Surgical Assessment Unit (SAU) receiving Sepsis Screening.
- Extended sepsis screening to surgical patients having an emergency laparotomy.

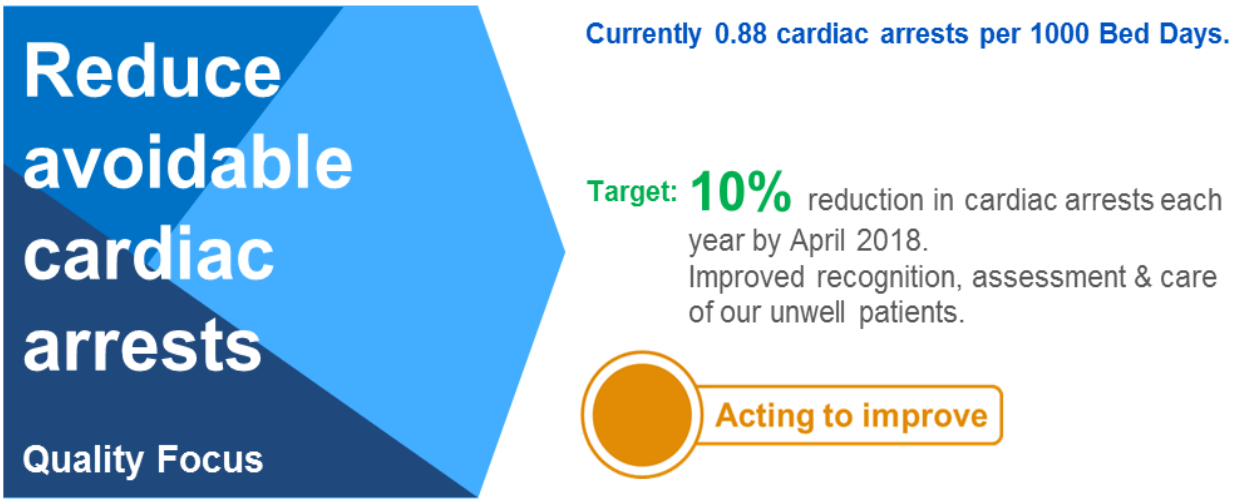
Further improvements identified and priorities for 2017/18

- Incorporate patient and public involvement into our monthly Sepsis Working Group
- Continue to provide ward-based simulation training on the management of Sepsis and use of Sepsis 6 Care Bundle
- Perform trial of antibiotic review at 72 hours stickers on an acute inpatient ward, we will review this before we expand the use to other inpatient wards.
- Increase compliance with the Sepsis 6 Care Bundle to continue to improve early recognition and management of severe sepsis and septic shock.
- We will develop care pathways with GPs and our community services to improve prevention of sepsis of patients before coming into hospital and appropriate care to aid recovery once home
- Trial the use of antibiotic grab bags to acute areas to reduce the time taken to administer antibiotics

11.3.6 Recognition and rescue of the deteriorating patient

Recognition and appropriate timely management of the deteriorating patient has been recognised nationally as an area of concern. Numerous reports since the 1990s have identified patients are physiologically deteriorating, however that deterioration is not recognised appropriately or acted on as required, resulting in potential harm to the patient. In the worst case scenario this can result in the patient having an avoidable cardiac arrest.

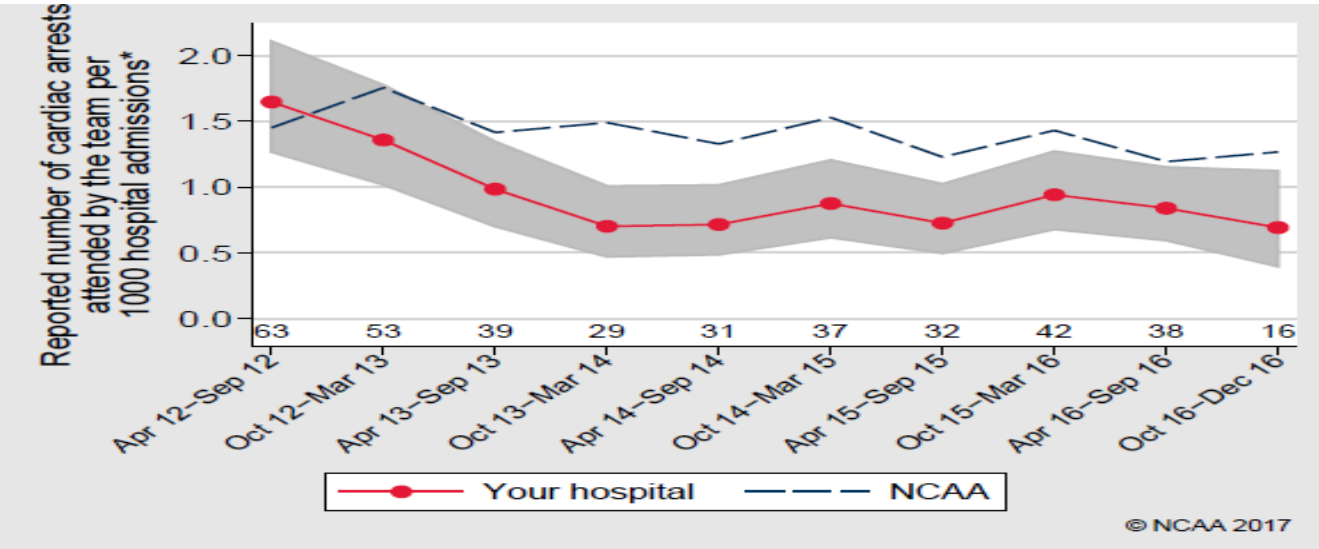
Our improvement work aims to identify the range of contributory factors underpinning this aspect of patient care and implement changes in practice to improve patient outcomes.



What improvements have we achieved?

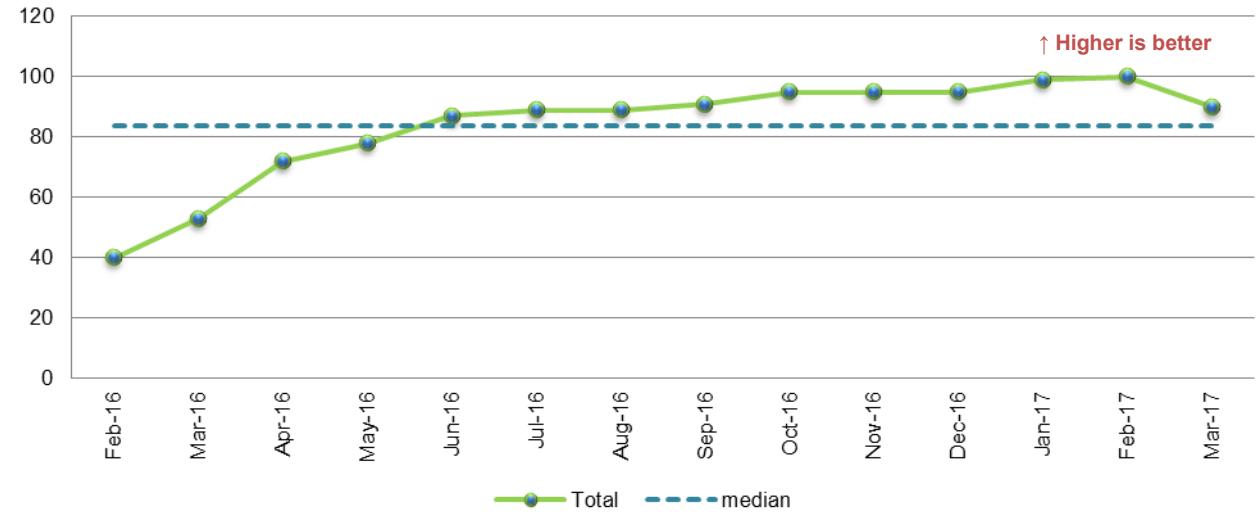
- Fully implemented and embedded the standardised National Early Warning Score (NEWS) tracker and trigger tool Trust-wide to help determine and prioritise patients' level of illness
- ABCDE (Recognition and management of the deteriorating patient) video produced and published
- Introduction of a mandatory on line training tracker module on National Early Warning Score (NEWS) in September 2016, so far have achieved 70% clinical staff who are required to complete this.
- NEWS ward champions identified and trained
- Programme of ward-based simulation training focusing on enhancing skills and knowledge in use of NEWS.
- 24/7 Critical Care Outreach Team launched and trained in January 2017.
- Revised the Deteriorating Patient Policy and Observation Policy

Rate of Cardiac Arrests per 1000 hospital admissions



The chart above shows our cardiac arrests per 1000 hospital admissions in comparison to National Cardiac Arrest Audit (NCAA). Whilst we continue to work to reduce the number of cardiac arrests, the chart demonstrates that the Trust's cardiac arrest numbers are fewer than the number that is reported nationally through the NCAA.

Percentage of Observations with NEWS Score Calculated Correctly



The chart above shows the percentage of patients Trust wide with a NEWS Score calculated correctly. We have achieved a median of 84% and above from September 2016.

Further improvements identified and priorities for 2017/18

- The Trust has commenced a project to introduce an electronic observation system for monitoring patients' vital signs/observations.
- Resuscitation team to analyse each cardiac arrest and determine whether the arrest was avoidable or unavoidable.
- Further ward-based simulation training to include training on use of arrest trolleys
- Improved fluid balance monitoring
- Improved application of Treatment Escalation Plans, for patients where cardiopulmonary resuscitation is considered inappropriate.

11.3.7 Quality Improvement Capability and Capacity

Quality improvement methodology is being used for both Sign up to Safety and Trust wide safety projects. Service improvement skills are beginning to develop within the organisation; we are actively sign posting staff to external providers such as the Academic Health Science Networks for formal QI training.

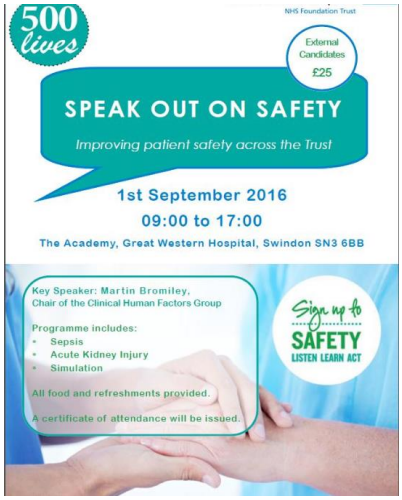
Many more staff are doing online training and are developing QI skills and expertise through involvement in projects at local and regional level. Six members of staff successfully completed the Improvement Coach training and Quality Improvement Leadership provided by the West of England and Oxford AHSN's respectively.

Four members of staff have completed the Innovating in Healthcare Settings MSC module run by Buckinghamshire University in September 2016.Quality Improvement toolkits have been developed and are available on the Trust Intranet

We are working collaboratively with Oxford Brookes University and the Deanery where health professionals in training are now undertaking service improvement projects whilst on placement within the organisation. We are continuing to develop and implement a coordinated process to ensure that whilst students achieve their objective the organisation benefits from the projects completed. Capturing the change ideas and not losing improvements that can be taken forward.

Further improvements identified for 2017/18

- Develop a five year plan for organisational QI capability and capacity.



11.3.8 Celebrating Success

In September 2016 we held our first Speak out on Safety Event. This was a full day event where Martin Bromley, Chair of the Clinical Human Factors Group was a guest key speaker.

The event also covered key quality improvement work streams under our Sign up to safety campaign including Sepsis, Acute kidney Injury and simulation.

Over 75 members of staff and external stakeholders attended the event where staff shared their success stories, safety pledges and the amazing work that they are doing every day.

11.4 Other Quality Indicators

11.4.1 Continue to reduce our numbers of healthcare associated infections

Clostridium difficile

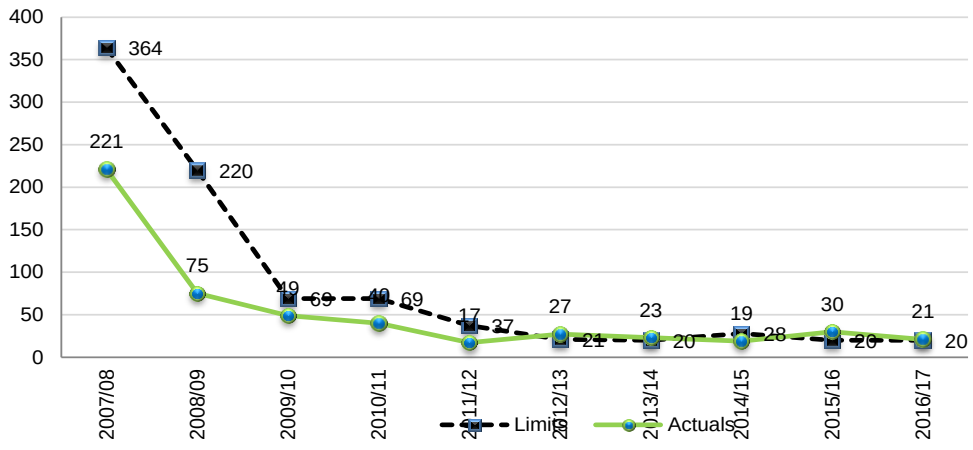
The Great Western Hospitals NHS Foundation Trust considers that this data is as described because as with MRSA, in England it's mandatory for Trusts to report all cases of *Clostridium difficile (Cdiff)* to Public Health England.

The nationally mandated goal for 2016/2017 was to report no more than twenty cases of *C.diff*. We have reported twenty one cases, nine less than 2015/2016. Each case has been investigated in conjunction with our Commissioners. Of the twenty one cases, one has been deemed unavoidable with care improvements recommended and nine cases remain pending an investigation outcome.

We have taken the following actions to improve patient safety throughout 2016/2017 including improvements as a result of learning from our investigations and so the quality of its services with the following local initiatives:

- Continuous monitoring of antibiotic prescribing through audit which includes adherence to antibiotic guidelines, recording the duration of the course and indication for their use. The importance of this is to ensure extended courses of antibiotics do not occur as this increases a patients risk to developing C.*diff*.
- Conducting a root cause analysis on each case to identify areas of improvement and sharing the lessons learnt with staff concerned.
- A multi-disciplinary team reviews each inpatient on a *C.diff* ward round weekly to ensure appropriate management.
- Working with 'front door' services for prompt actions when patients attend with unexplained diarrhoea on admission.
- Ensuring our patients are 'isolated' within 2 hours of unexplained diarrhoea being reported
- We have fully implemented our cleaning strategy and the environmental cleaning standards group triangulates housekeeping audits, matron inspections and ward audits, friends and family feedback and managerial audits. This ensures consistency of cleanliness throughout the Trust.
- The assurance framework for cleaning to meet national requirements established with our business partner, Carillion, has ensured that cleaning is delivered at the correct frequency and level for each area. Audit scores are discussed at the environmental cleaning standards group.
- The importance of standard infection control precautions has been reinforced through link worker meetings and IP&C nurse feedback whilst in clinical areas.

Number of *clostridium difficile* cases 2016/2017



The graph above shows the number of reported *clostridium difficile* cases in 2016/17.

Our priorities for 2017/18

We plan to continue monitoring and reducing risk factors for Clostridium *difficile*. This includes promoting antibiotic stewardship, rapid isolation and sampling needs to continue with ward/department ownership of local cleaning standards, including patient care equipment all of which is specifically aimed at preventing avoidable cases of clostridium *difficile*.

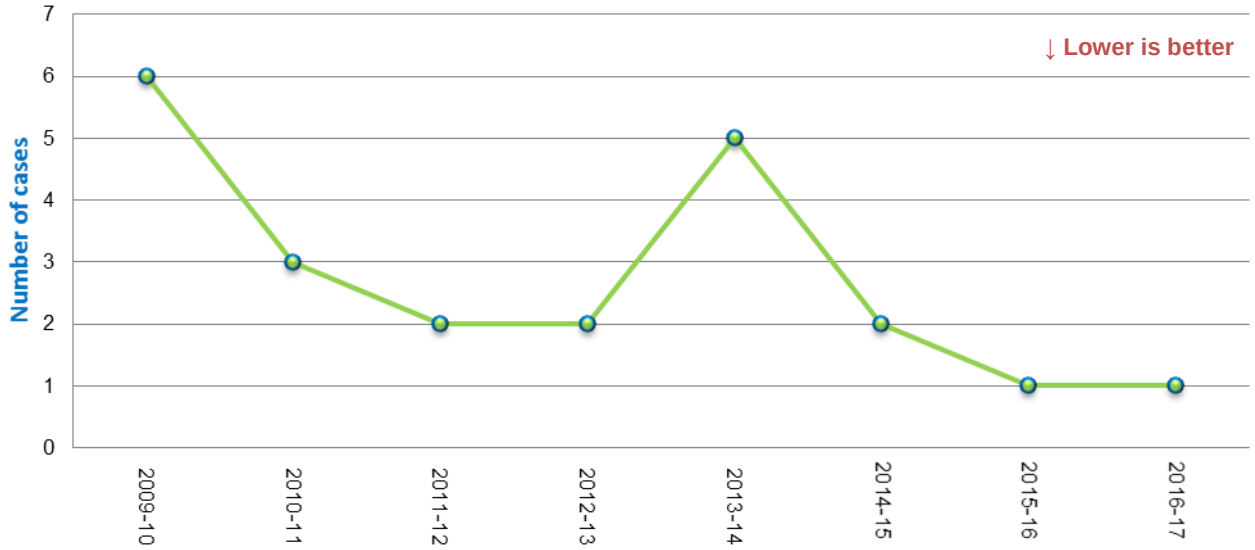
Methicillin Resistant Staphylococcus Aureus (MRSA)

During 2016/2017 we reported one case of MRSA (acute site attributable) against a national target of zero cases. This was a case where a patient was admitted due to community acquired pneumonia, their admission screen was negative to MRSA colonisation however went on to develop an MRSA bacteraemia.

In addition to the standard practice of screening all emergency and specific categories of elective patients for MRSA, isolating and decolonising patients with positive results, the Trust has taken the following actions to improve patient safety:

- Blood culture contamination rates are reviewed monthly and individual staff practice and competency reassessed when appropriate.
- Management plans for patients with a new positive MRSA result or a history of MRSA.
- Clear focus on preventing any cross contamination between patients and families and investigating cases where necessary.
- Working with our Occupational Health and Wellbeing team to support staff working in high risk areas
- The Sepsis programme continues to provide early diagnosis and management of patients suffering from blood stream infections.

Acute Cases of Trust Apportioned MRSA Bacteraemia



The graph above shows the number of cases of Trust apportioned MRSA bacteraemia to Great Western Hospitals NHS Foundation Trust up until 2016/17.

Our priorities for 2017/18

The focus for 2017/18 will be on reducing the numbers of blood culture contamination rates which is recommended to be below 3%. In 2016/17 our rates ranged from 2.4% to 4.5%. We will evaluate the effectiveness of a multidisciplinary approach using Plan, Do, Study, Act (PDSA) aimed at reducing blood culture contamination rates in Emergency Department and across the Trust.

11.5 Patient Safety

11.5.1 Never Events

The Great Western Hospitals NHS Foundation Trust considers that this data is as described because it is required that all NHS Trusts report all Never Events to NHS Improvement, National Learning and Reporting System (NRLS) and local commissioners in line with the Never Events Policy and Framework.

Never Events are serious incidents that are wholly preventable. There is guidance or safety recommendations that provide strong systemic protective barriers available at a national level and should be implemented by all healthcare providers.

Each Never Event type has the potential to cause serious patient harm or death. However, serious harm or death does not have to be the outcome for an incident to be categorised as a Never Event.

We have reported one never event between April 2016 to March 2017 which is a decrease of two never events reported during the same period in 2015/2016. The following never event was reported in April 2016

- Wrong site surgery – reported in April 2016

The incident has been reported and investigated and managed through the Trusts Incident Management and Clinical Governance structures. An action plan was developed, with implementation monitored by our Patient Quality Committee. A final report for the incident was also shared with our Commissioners, the CQC and Monitor.

The Great Western Hospitals NHS Foundation Trust has taken the following actions to improve the number of Never Events reported and the quality of its services, the actions specifically relate to the wrong site surgery never event reported in April 2016

- Upgraded all imaging computers to enable clinicians to view MedVIEW in all locations
- An Multi-Disciplinary standard operating procedure describing referral process
- Generic tumour specific email account to ensure appropriate management of onward urgent referrals to guarantee they are acted upon on in a timely manner.

11.5.2 Continually learn - Reduce Incidents and Associated Harm

Serious incident reporting

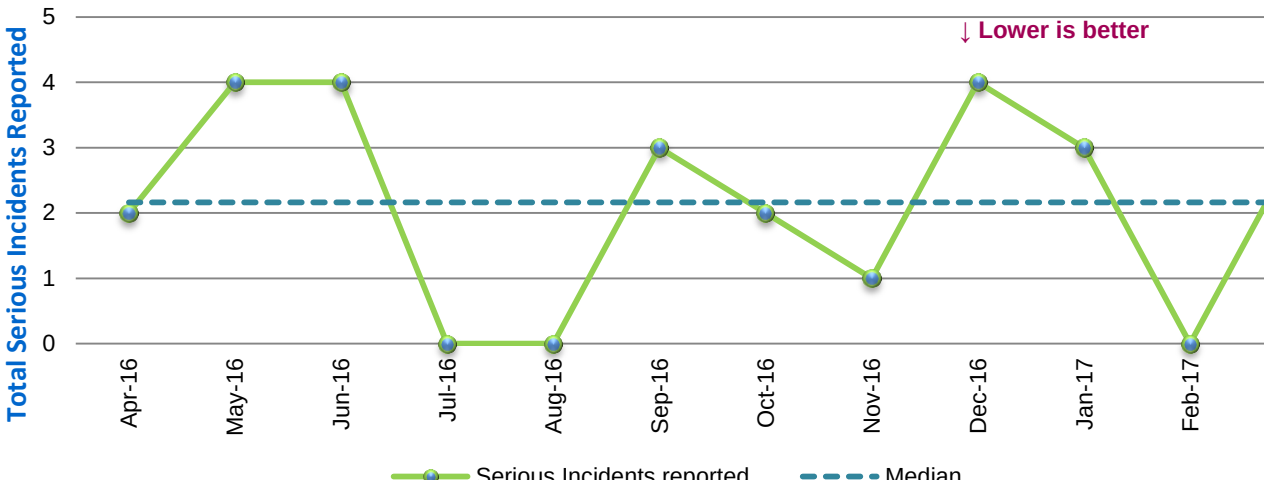
The Great Western Hospitals NHS Foundation Trust considers that this data is as described because it is required that all NHS Trusts report all serious incidents their local commissioners and the NRLS in line with the Serious Incident Framework.

A total number of 26 serious incidents were reported and investigated during the period April 2016 to March 2017. This is a reduction of 9 serious incidents reported on the previous year.

- All patient safety incidents that were reported within the Trust were submitted to the National Reporting and Learning System. Our reporting performance is evaluated against other medium acute Trusts within the cluster group biannually following the publication of the NRLS Organisational reports.

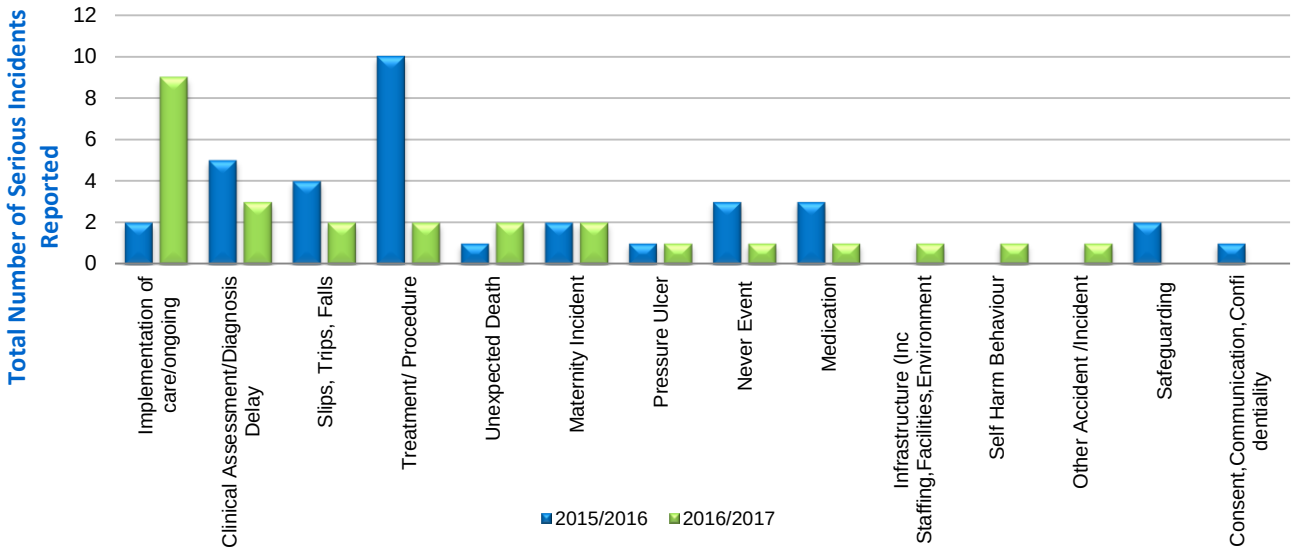
- All Serious Incidents were reported to our Clinical Commissioning Groups and to the Strategic Executive Information System (STEIS) system.

Serious incidents reported 2016//17



The graph above shows the number of serious incidents reported in 2016/2017.

Serious incidents reported by type in 2015/2016 and 2016/2017.



The graph above shows the Trust's serious incidents reported by in 2016/17 compared to 2015/2016 broken down by category.

The most frequently reported types of serious incident are:-

- Implementation of Care and treatment and Procedure, which includes recognition and rescue of the deteriorating patient
- Problems with clinical assessment, which includes delays in diagnosis, interpretation and response to diagnostic procedures and tests

The increased number of incidents involving recognition and recue of the deteriorating patient is due in part to improved reporting. The Trust-wide campaign to improve the use of National Early Warning Score (NEWs) has raised awareness of the deteriorating patient. During 2016/17 we reviewed serious incidents and incidents that had contributing factors involving recognition and management of the deteriorating patient to identify commonalities which directly informed the Deteriorating Patient Quality Improvement project.

We disseminated learning from incidents involving clinical assessment, diagnosis, and treatment to all speciality groups and Clinical Governance Leads where assessment and relevance of recommendations from all incidents have been shared to ensure that appropriate actions were taken to improve similar processes in their own departments.

The Great Western Hospitals NHS Foundation Trust intends to take the following actions to improve the number of serious incidents reported and the quality of its services, by

- Continue to theme incidents to identify key trends that could influence change which will be shared through all quality improvement work streams to inform work stream initiatives.

- We will continue to share recommendations and learning from serious incidents Trust-wide which inform improvements to systems and processes within specialities.

Incident reporting and benchmarking

The Great Western Hospitals NHS Foundation Trust considers that this data is as described because it is required that all NHS Trusts report all patient safety incidents to the National Reporting and Learning System (NRLS).

The Trust uploads all reported patient safety incident forms to the (NRLS) on a daily basis. The number of incidents we have reported in the last 5 years are as follows:

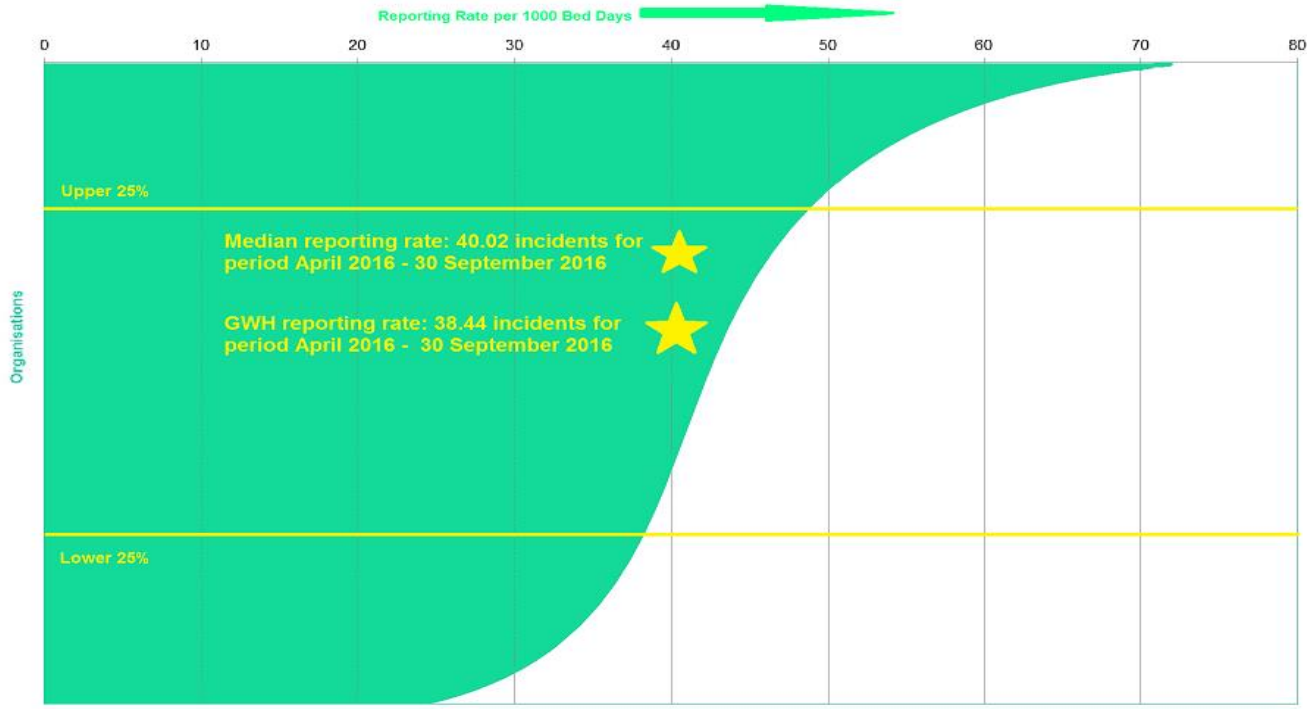
Reporting Year	Non clinical incidents / Health and Safety	Patient Safety Incidents reported to NRLS	Total
2011/2012	2493	6513	9006
2012/2013	2405	6928	9333
2013/2014	3596	6967	10563
2014/2015	4164	6678	10842
2015/2016	4801	6274	11075
2016/2017	4457	8373	12830

How do we compare with other organisations?

NHS England National Reporting and Learning System (NRLS) release an Organisational Patient Safety Incident report twice a year providing organisational and comparative incident data. The report from NRLS containing incident data from 1st April 2016 to 30th Sept 2016 was published on 31st March 2017.

Comparative reporting rate per 1000 bed days for 136 acute (non-specialist) organisations

1st April 2016 – 30th September 2016



The Trust reported 3657 incidents between 1st April 2016 to 30th September 2016 with a rate of 38.44 per 1000 bed days. The median reporting rate for this cluster is 40.02 incidents per 1000 bed days.

The Trusts reporting rate has increased from the previous reporting period 1st October 2015 to 31th March 2016 when 28.52 incidents per 1000 bed days were reported and we were located within the lower 25% of reporters. During 2016/17 we foccussed acivity on improving our reporting culture with rebranding our incident reporting fron IR1's to Safety Incident Forms. We reviewed feedback mechanisims ensuring learning is shared with individual reproters and Trust-wide.

We also devloped a safety video involving a range of staff across the Trust on the benefits and importance of reporting safety incidents and obtaining feedback to aid learning with individual reporters and trust-wide.

The Great Western Hospitals NHS Foundation Trust intends to take the following actions to improve the reporting of all safety incidents and the quality of its services, by

- Delivering incident awareness road shows throughout the year Trust-wide, to promote the benefits of incident reporting which can have positive impacts on improving patient safety.
- To continue to review and embed all types of feedback mechanisms which aids the sharing of learning from all incidents to individual reporters as well as teams and trust-wide.
- Safety incident video's about individual investigations to aid shared learning and promote awareness Trust-wide.

11.5.3 Duty of Candour

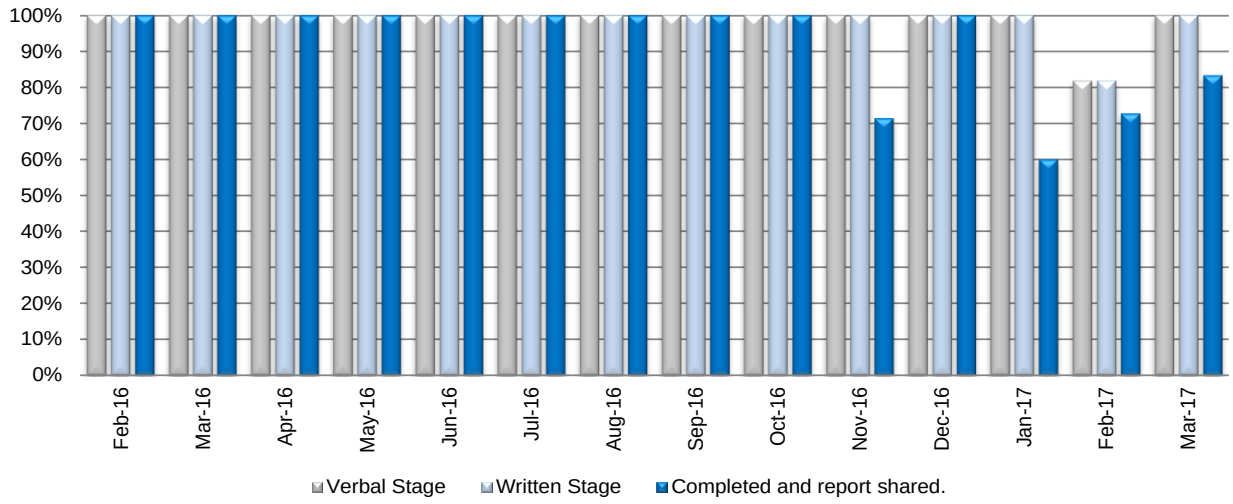
Duty of Candour is a legal duty which came into force in April 2015. As a trust we are legally obliged to inform and apologise to our patients if there have been mistakes in their care that have led to significant harm. Duty of Candour aims to help our patients receive accurate, truthful information and providing reasonable support and an apology when things go wrong. Errors occur at the best hospitals and clinics - despite the best efforts of talented and dedicated professionals.

Duty of candour means 'being open' as soon as possible after an incident:

- Informing the patient or their family that an incident has occurred
- Acknowledging, apologising and explaining the incident – and confirming this in writing
- Providing information
- Providing reasonable support
- Inform the patient in writing of the original notification and the results of any further enquiries.
- Saying sorry is not an admission of liability and is the right thing to do.

How are we implementing Duty of Candour?

Compliance with each stage of Duty of Candour



The graph above shows the compliance at each of the three stages of Duty of Candour. Some cases are still currently under investigation and will be shared with the patient, family or relatives upon completion.

To continue to improve on Duty of Candour and the support we provide to our patients, their family and relatives following errors, the following improvements have been put in place:-

- Revised Duty of Candour (Being Open Policy)
- Duty of Candour E-Learning training tracker released in June 2016, all new employees are required to complete the training after induction. The Trust's compliance is currently recorded as 88.88%.
- The Trust's incident reporting system allows us to record Duty of Candour against individual incidents
- Template letters embedded into the incident reporting system to support managers.
- Data extraction facility within the Trust's incident reporting system, which enables us to record and monitor compliance with all significant harm cases. This facility helps to identify any areas of non-compliance.
- The Duty of Candour leads and division are then supported to complete the required elements
- Duty of Candour compliance is monitored at divisional level and within the Patient Safety and Clinical Risk Team with any exceptions reported to divisional boards and our Patient Quality Committee.

Priorities for 2017/18

- Four one day Root Cause Analysis training sessions including Duty of Candour training.

11.5.4 Venous Thromboembolism (VTE) risk assessment and hospital acquired thrombosis events

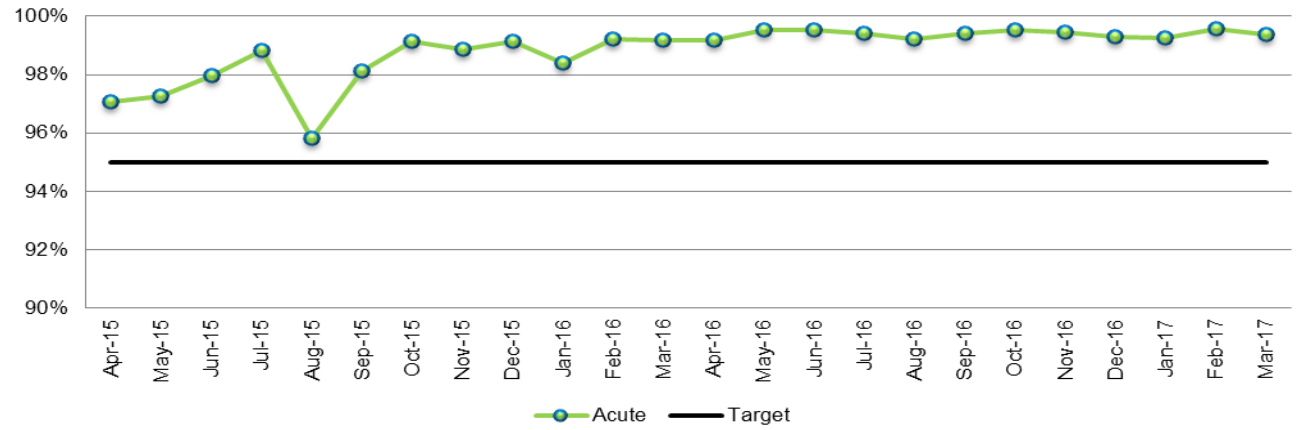
The Great Western Hospitals NHS Foundation Trust considers that this data is as described because data is collated in a variety of ways including the electronic prescribing system and compared to the total number of admissions during any given month. For clinical areas that do not use the electronic system, manual collation is used and validated by the lead for VTE and the informatics team. This validation is undertaken bi-monthly and information disseminated to all clinical areas so that any performance requiring review is highlighted.

All adult patients who are admitted to our trust should undergo a risk assessment to determine their risk of developing a VTE related episode (For example a blood clot such as deep vein thrombosis (DVT) or pulmonary embolus (PE)).

The national target is set at 95%, which means that at least 95% of patients admitted to hospital should be risk assessed on admission.

A weekly bulletin has been implemented which enables clinical teams to have more up-to-date information to look closely at the performance of individual areas and support them in achieving the target. We can now easily access data via our electronic prescribing system which is in place on the majority of the wards at our acute site. The system allows us to produce reports that can identify which patients have had a risk assessment and what time this was undertaken.

VTE risk assessment performance April 2015 – March 2017



The graph above shows the Trust's VTE Risk Assessment performance, we have consistently achieved above 99% for 12 months.

Appropriate prevention and hospital acquired thrombosis events

The Great Western Hospitals NHS Foundation Trust intends to take the following actions to maintain this score and so the quality of its services, by continuing to ensure that the processes in place that help us to achieve our target are maintained and provide high quality care for our patients in preventing blood clots whilst they are hospitalised.

- Once patients have had a risk assessment we want to ensure that they receive the appropriate preventative treatment. We monitor this using a national audit tool called the "safety thermometer". This looks at all patients in the hospital on one day each month and checks for a number of patients on each ward that have a VTE risk assessment and how many patients receive the appropriate preventative treatment. We currently give appropriate preventative treatment to 90-95% of patients.

- For all hospital acquired thrombosis events we carry out a root cause analysis first to make sure that a risk assessment has been carried out and also if the patient received the treatment they should have. If part or either of these points have not been done then a more detailed root cause analysis is carried out to determine why and to make sure that we learn from the findings to help prevent the same thing happening again.

- Some cases are unavoidable and these are documented which allows us to look at certain specialities where we need to consider providing more preventative treatment for longer.

11.5.5 Effective Care

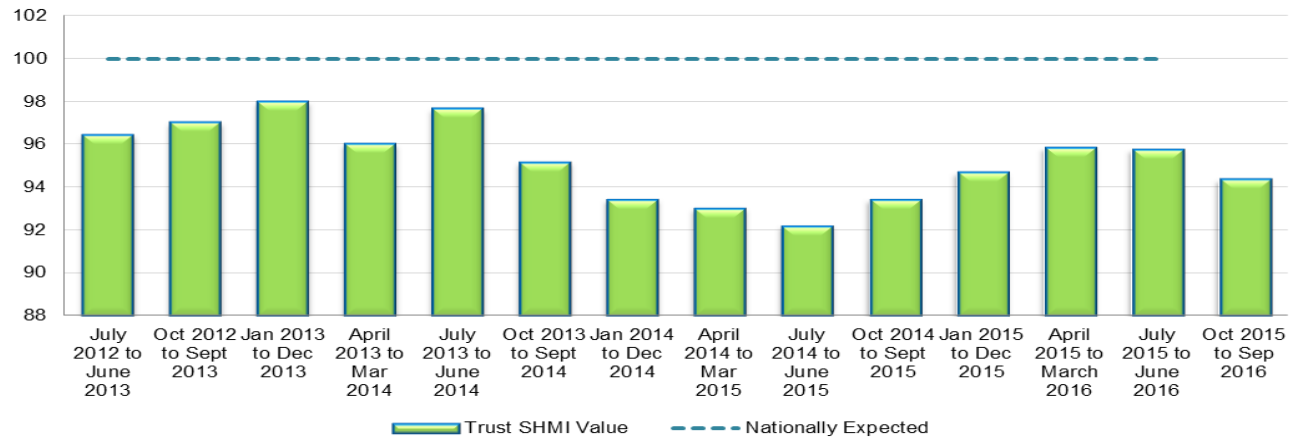
Summary Hospital Mortality Indicator (SHMI)

The Summary Hospital-level Mortality Indicator (SHMI) reports on mortality at Trust level across the NHS in England. This indicator is produced and published quarterly as an experimental official statistic by the Health and Social Care Information Centre (HSCIC).

The SHMI is the ratio between the actual number of patients who die following treatment at the Trust and the number that would be expected to die on the basis of average England figures, given the characteristics of the patients treated there.

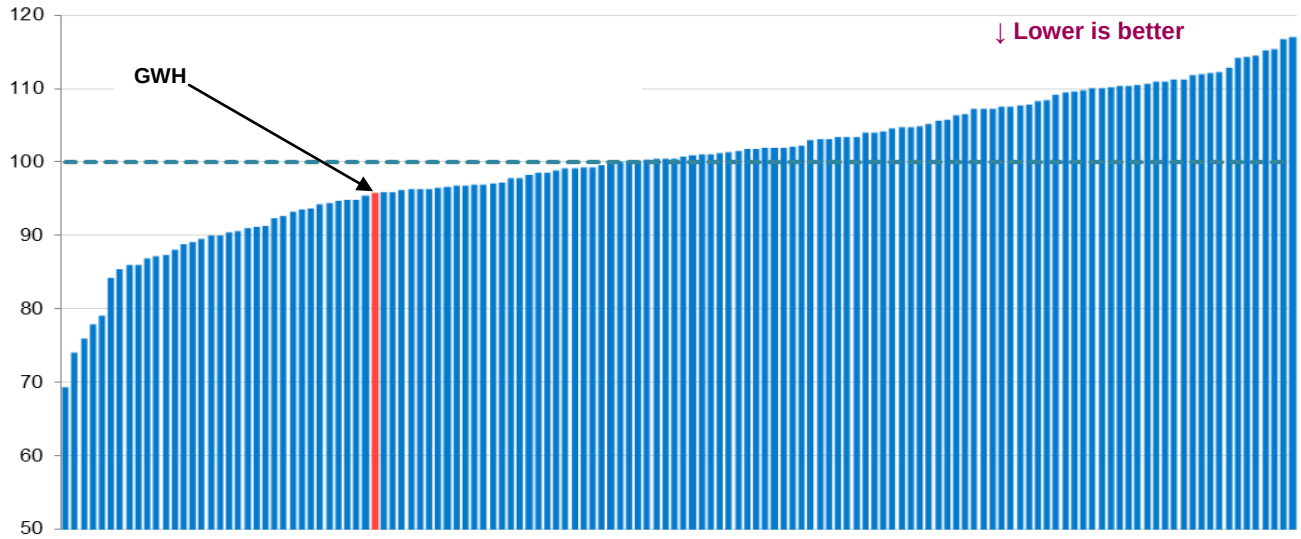
The Trust's SHMI for the rolling 12 month period of October 2015 to September 2016 is 94.34, giving the Trust a 'Better Than Expected' rating. The SHMI for this period is lower (better) than the nationally expected value of 100, and is similar to the previous 12 month period (April 2015 to March 2016). This is showing a similar trend to the HSMR figures.

Summary Hospital Mortality Indicator (SHMI) GWH



NB the SHMI is always at least 6 -9 months in arrears

National SHMI October 2015 to September 2016



The chart above shows how the Trust's SHMI compares nationally and demonstrates the Trust was positioned within the lower (better) half overall between October 2015 and September 2016. The red line depicts GWH, and the green horizontal line is the nationally expected norm.

The Great Western Hospitals NHS Foundation Trust considers that this data is as described for the following reasons:

- The data is reviewed on a monthly basis by the Trust Mortality Group and the Patient Quality Committee
- The data is included in the Trust quality and performance dashboards which are reviewed by the Trust Executive Committee and Board as well as relevant CCG Committees
- It is a key indicator of the quality of care we provide
- This indicator is produced and publicised by the HSCI

Hospital Standardised Mortality Rate (HSMR)

The Hospital Standardised Mortality Rate (HSMR) is an external validated method of calculating and comparing mortality rates. This information is analysed and presented to all Trusts through Dr Foster; an independent benchmarking organisation specialising in healthcare analysis including mortality rates. HSMR is measured by a Relative Risk (RR) score, which is a ratio derived from the number of deaths in specific groups of patients divided by the risk-adjusted expected number of deaths and then multiplied by 100.

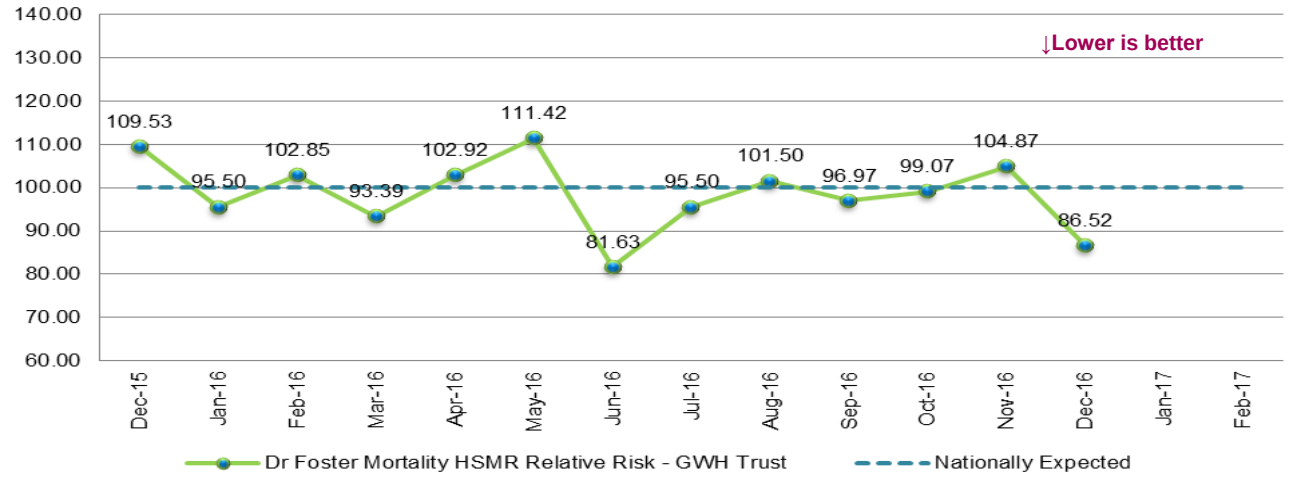
A local RR figure of 100 indicates that the mortality rate is exactly as expected; whilst a local figure of less than 100 indicates a mortality rate lower (better) than expected. The Care Quality Commission (CQC) uses HSMR values to monitor performance of hospitals and identify areas of practice where improvements in care may be needed.

In 2014 the Trust set a target to reduce our mortality rates measured by HSMR (Hospital Standardised Mortality ratio) and to be one of the Trusts with the lowest HSMR value. We remain on our schedule to deliver this improvement. Our continued work has resulted in a lower number of deaths and we have one of the lowest HSMR values in Southern England.

The Great Western Hospitals NHS Foundation Trust considers that this data is as described for the following reasons:

- The data is sourced from Dr Foster and is widely used in the NHS
- The data is refreshed on a monthly basis
- The data is reviewed on a monthly basis by the Trust Mortality Group and the Patient Quality Committee
- The data is included in the Trust quality and performance dashboards which are reviewed by the Trust
-
- Executive Committee and Board as well as relevant CCG Committees
- It is a key indicator of the quality of care we provide

Trust HSMR Trend December 2015 December 2016

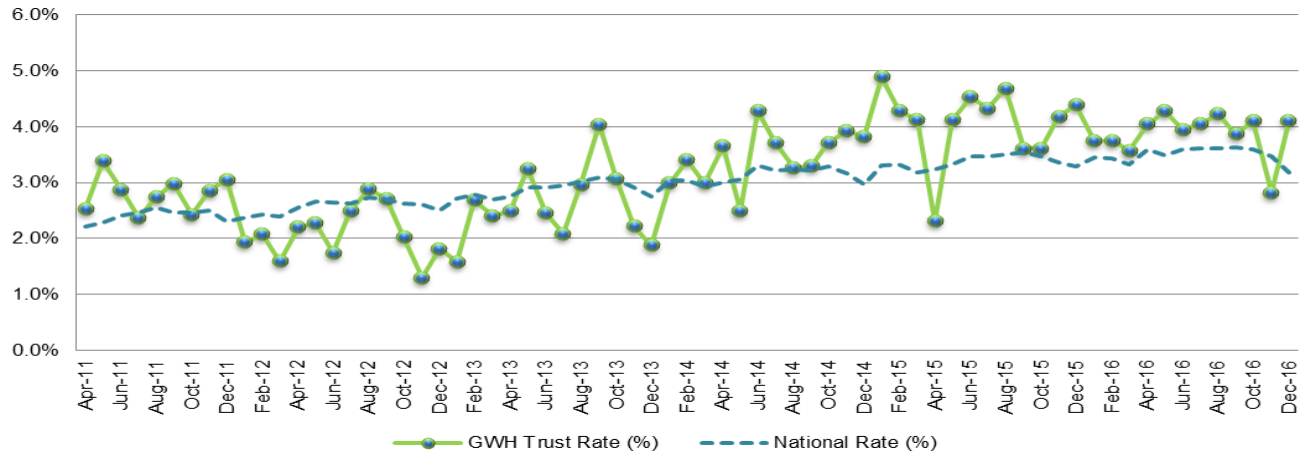


The graph above shows the year on year HSMR following rebasing. This shows a general improvement over time.

Palliative Care – Coding Levels

Palliative care is the holistic care of a patient who has been diagnosed with a life limiting illness with the goal of maintaining a good quality of life until death. By definition patients receiving palliative care have a higher risk of in-hospital death than that of non-palliative patients. Trusts which provide specialist palliative care services have a higher proportion of patients admitted purely for palliative care rather than treatment compared to Trusts without specialist services. To account for this, the Hospital Standardised Mortality Ratio (HSMR) adjusts for patients who have received specialised palliative care when calculating the expected risk of death of a patient.

Percentage palliative care Coded Spells (HSMR Basket Only) to December 2016



The charts above shows the levels of Palliative Care coding against the national average since April 2011. The GWH Trust rate is expected to follow the national rate.

For the period December 2012 through to the end of 2013 the level of Palliative Care coding was generally below the national rate, but since early 2014 there has been a marked improvement in the levels of coding and the Trust is now above the national average.

The Great Western Hospitals NHS Foundation Trust intends to take the following actions to continue to improve the effectiveness of care and so the quality of its services by:

Priorities for 2017/18

- Our Trust Mortality Group will continue to review a range of Dr Foster mortality indicators each month and investigate Dr Foster mortality alerts as well as agreeing any other investigations or initiatives prompted by the data and trends.
- The Trust will introduce the new National process of standardised mortality reviews which was launched in April 2017. This will include the development of a local policy for mortality review and quarterly reporting to the Trust Board from October 2017
- We will continue to develop our work on sepsis and acute kidney injury which is estimated to save approximately 100 lives per quarter. We will also introduce electronic recording of vital signs to improve recognition of deteriorating patients and escalation of treatment. This type of system has improved mortality rates by up to 10% in other hospitals. The aim of this work is to improve care in ways that reduce HSMR and SHMI values and to help deliver our ambition to save an additional 500 lives by 2019.

11.5.6 Patient Reported Outcome Measures (PROMS)

The Great Western Hospitals NHS Foundation Trust considers that this data is as described for the following reasons:

The Trust takes part in PROMS which measures health gain in patients undergoing hip replacement, knee replacement, varicose vein and groin hernia surgery in England. This data and information is gathered via responses to questionnaires before and after surgery to assess their condition following surgery and whether it has improved. An independent company analyses the questionnaires and reports the results to NHS Digital; this data is then benchmarked against other Trusts.

Our provisional PROMS report shows that there has been an overall improvement on the scores for 2016/17 in particular hip and knee replacement surgery.

It is a recognised challenge within the Trust to report on contemporary data; this is due to the verification process for PROMS data, which results in finalised data being reported 12 months in arrears.

The Great Western Hospitals NHS Foundation Trust intends to take the following actions to improve the scores and so the quality of its services by:

- Reviewing other formats and processes for recording and measuring patient outcomes to support on-going improvements.

11.5.7 Referral to Treatment 18 weeks (RTT)

During 2016/17 the Trust's performance for waiting times for planned surgery has continued to be a focus and has built on the significant work undertaken during 2015/16. The Referral to Treatment national standard for patients waiting for treatment is that at least 92% of patients should have been waiting for 18 weeks or less from referral to definitive treatment; this takes into account that some patients will have complex treatments or choose to wait longer.

The Great Western Hospitals NHS Foundation Trust considers that this data is as described because RTT performance has significantly increased and the 92% target has been achieved for seven out of twelve months during 2016/17.

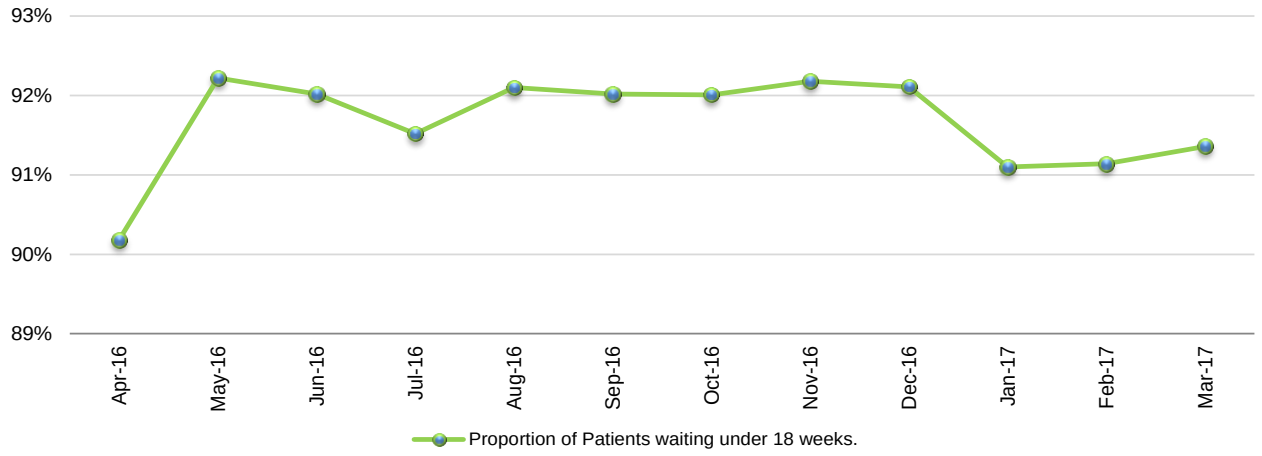
From April 2016 around 90% of patients were waiting less than 18 weeks. Throughout the year there has been a sustained effort to improve this position. This has included undertaking increased clinic and operating activity in a range of specialties where waiting times were longer than required. This activity has included some patients being treated by other providers.

The Great Western Hospitals NHS Foundation Trust intends to take the following actions to improve this performance and so the quality of its services by;

- Increased collaborative working between the operational and informatics teams, with new monthly validation processes introduced to ensure robust and accurate data reporting.
- An updated Elective Access Policy has been released and is continuing to be embedded with the teams to ensure standardised booking and choice processes are followed throughout the Trust.

Although performance reduced to just above 91% in January 2017 as a result of pressures related to escalation, the Trust is anticipating that the 92% position will be recovered and the sustainable achievement of the 92% standard will continue during 2017/18.

RTT Performance waiting time for patients still waiting (incomplete pathways)



11.5.8 A&E: maximum waiting time of 4 hours from arrival to admission/transfer/discharge

The Great Western Hospitals NHS Foundation Trust considers that this data is as described because for the period 2016/17 Accident and Emergency Department achieved 75.9%, of patients having a maximum of 4 hours wait. The target was also not achieved as a Trust at 83.5% or as a Trust including the Urgent Care Centre (UCC) at 86.6%

The Trust has adopted nationally recognised approaches to improve the flow of patients through the hospital, which should help to improve performance against the 4 hour Accident and Emergency Department target. Health and Social Care services across Swindon and Wiltshire are under great pressure and this is recognised by health regulators NHS Improvement.

The Trust has proposed the levels of achievement it expects to deliver in 2017/2018 and a trajectory has been submitted to NHS Improvement but this has not yet been confirmed.

- **Q1 – 85.7%**
- **Q2 – 88.3%**
- **Q3 – 80.0%**
- **Q4 – 78.3%**

The Great Western Hospitals NHS Foundation Trust intends to take the following actions to improve this performance and so the quality of its services by delivery of the GWH 4 Hour Acute Service Remedial Action Plan (RAP) incorporating recommendations made by the Care Quality Commission with actions being assigned to the following project areas;

- Effective patient streaming using all front door departments to ensure patients are seen by the appropriate teams on arrival to the organisation
- Better back door discharge processes to ensure patients are clinically optimised for discharge as soon as possible with better support both internally and externally to support that discharge

Through the 4 hour RAP and investment into resources to improve front door services of the organisation we anticipate to be able to sustain an acceptable 4 hour position throughout 2017/18 as well as reducing times of extreme escalation for the Accident and Emergency Department and the Trust as a whole.

11.5.9 Review of patients readmitted to hospital within 30 days of discharge

The Great Western Hospitals NHS Foundation Trust considers that this data is as described because in previous years we have carried out annual audits on patient readmissions within 30 days of being discharged in order to identify if anything could have been done to better prevent patients being re-admitted, especially if their readmission is related to their previous condition.

The Trust has not undertaken an annual audit in 2016/17. However we have continued to audit readmissions via a monthly dashboard. The current readmission data for 2016/17 suggests that the Trust position in relation to readmission remains relatively static when compared to the previous year.

Previous audits have suggested that certain specialities have a higher readmission rate than others in particular endocrinology and cardiology. However, this data and that of all specialities has yet to be compared to national averages which could provide better comparison of the Trust's position. Therefore, the annual audit is due to be reinstated with revised methodology in 2017/18.

The revised annual audit methodology will allow for a more rigorous quality improvement project and focused actions on specific cohorts of high risk patients.

Monthly 28 day readmission by age group

Outline: These figures are based on the crude emergency re-admissions within 28 days of the original date of discharge. These figures are considered to be crude as they take no account of the original discharge specialty (or condition, diagnoses & procedures) nor the reason (or specialty & diagnoses) for re-admission. The age is calculated from the date of the original discharge

Month of Original Discharge	Total Spells			Readmission Within 28 Days			Readmissions Percentage Within 28 Days		
	0-15yrs	16yrs+	Total	0-15yrs	16yrs+	Total	0-15yrs	16yrs+	Total
Apr 16	971	5536	6507	90	497	587	9.3%	9.0%	9.0%
May 16	951	5779	6730	84	560	644	8.8%	9.7%	9.6%
Jun 16	982	5903	6885	94	590	684	9.6%	10.0%	9.9%
Jul 16	900	5840	6740	66	571	637	7.3%	9.8%	9.5%
Aug 16	830	5878	6708	76	563	639	9.2%	9.6%	9.5%
Sep 16	936	5881	6817	86	592	678	9.2%	10.1%	9.9%
Oct 16	1074	5986	7060	110	545	655	10.2%	9.1%	9.3%
Nov 16	1081	6025	7106	108	585	693	10.0%	9.7%	9.8%
Dec 16	962	5612	6574	77	530	607	8.0%	9.4%	9.2%
Jan 17	953	5794	6747	115	585	700	12.1%	10.1%	10.4%
Feb 17	897	5260	6157	75	484	559	8.4%	9.2%	9.1%
Mar 17	949	6125	7074	85	583	668	9.0%	9.5%	9.4%
2016/17	**11486**	**69619**	**81105**	**1066**	**6685**	**7751**	**9.3%**	**9.6%**	**9.6%**

Monthly 30 day readmission by age group

Outline: These figures are based on the crude emergency re-admissions within 30 days of the original date of discharge. These figures are considered to be crude as they take no account of the original discharge specialty (or condition, diagnoses & procedures) nor the reason (or specialty & diagnoses) for re-admission. The age is calculated from the date of the original discharge

Month of Original Discharge	Total Spells			Readmission Within 30 Days			Readmissions Percentage Within 30 Days		
	0-15yrs	16yrs+	Total	0-15yrs	16yrs+	Total	0-15yrs	16yrs+	Total
Apr 16	971	5536	6507	91	502	593	9.4%	9.1%	9.1%
May 16	951	5779	6730	89	570	659	9.4%	9.9%	9.8%
Jun 16	982	5903	6885	94	607	701	9.6%	10.3%	10.2%
Jul 16	900	5840	6740	67	583	650	7.4%	10.0%	9.6%
Aug 16	830	5878	6708	77	572	649	9.3%	9.7%	9.7%
Sep 16	936	5881	6817	88	602	690	9.4%	10.2%	10.1%
Oct 16	1074	5986	7060	111	558	669	10.3%	9.3%	9.5%
Nov 16	1081	6025	7106	112	594	706	10.4%	9.9%	9.9%
Dec 16	962	5612	6574	80	541	621	8.3%	9.6%	9.4%
Jan 17	953	5794	6747	115	596	711	12.1%	10.3%	10.5%
Feb 17	897	5260	6157	75	492	567	8.4%	9.4%	9.2%
Mar 17	949	6125	7074	86	591	677	9.1%	9.6%	9.6%
2016/17	**11486**	**69619**	**81105**	**1085**	**6808**	**7893**	**9.4%**	**9.8%**	**9.7%**

11.5.10 Medicines Safety

Inappropriate Omitted Medication

When patients are admitted to our wards an electronic prescription is provided to cover the majority of the patient's requirements. This includes both medicines for the acute episode of treatment and those which they would take routinely, prior to their admission. During the patient's stay these medicines will be administered as appropriate for the patient's immediate condition. This means that not all medicines which are prescribed will be administered. The omitted dose audit looks at the number of doses that have been omitted, to check if a reason for the omission has been provided and the actions taken to mitigate the issue. Critical medicines are those medicines with a higher risk of causing harm if omitted and in these circumstances the doctor should always be informed.

Missed Dose Audit April 2017

The National Patient Safety Agency (NPSA) rapid response report on omitted and delayed medicines in hospitals guides organisations to identify a list of critical medicines where timeliness of administration is crucial. It is intended as an aid to support a local list and is not intended as a replacement. The NPSA also provides a series of actions which may help Trusts to reduce the number of omitted doses.

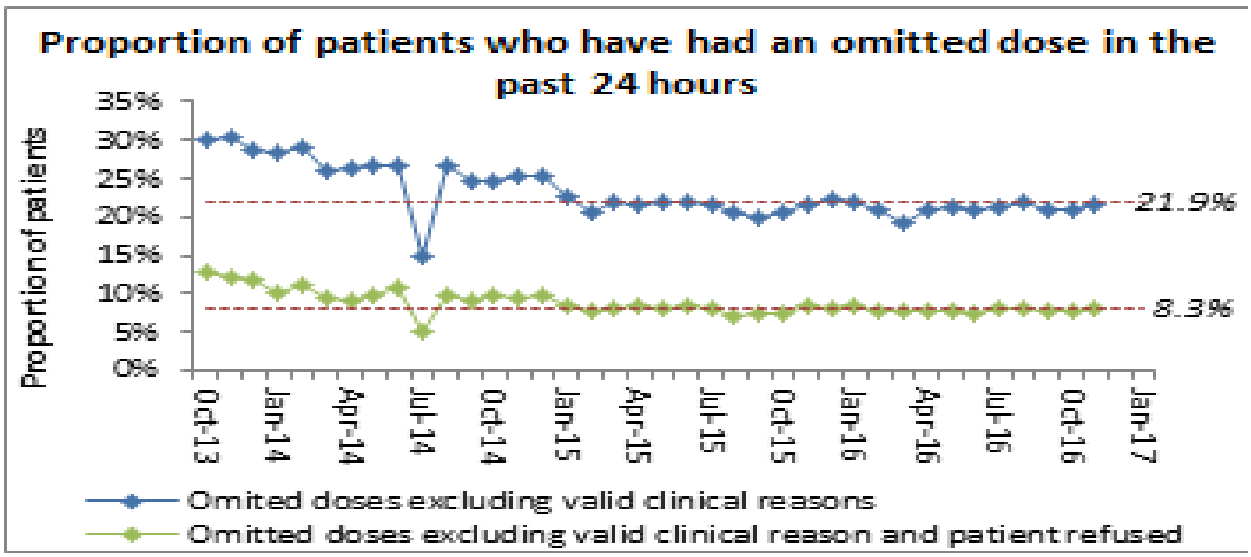
The chart below shows the number of medication administrations that have been prescribed for patients on the ward for a single day as captured on the electronic prescribing system (EPMA) . The third column gives the number of medicine doses which have been omitted for a 24hr period and the fourth column the percentage of which were for critical medicines.

Ward	Total number of administrations	Number of inappropriately omitted doses	Number of inappropriately omitted doses of critical medicines	Percentage of inappropriately omitted doses (%)	Percentage of inappropriately omitted doses of critical medicines (%)
Aldbourne	445	2	0	0.45	0.00
Ampney	491	4	2	0.81	0.41
Beech	363	7	3	1.93	0.83
Cardiology	228	3	2	1.32	0.88
Dove	201	7	5	3.48	2.49
Falcon	473	2	0	0.42	0.00
Jupiter	2226	9	4	0.40	0.18
LAMU	746	14	8	1.88	1.07
Meldon	643	10	6	1.56	0.93
Mercury	1146	5	2	0.44	0.17
Neptune	738	2	2	0.27	0.27
Saturn	682	10	2	1.47	0.29
SAU	334	0	0	0	0.00
Shalbourne	251	12	3	4.78	1.20
Teal	906	4	2	0.44	0.22
Trauma	1310	11	0	0.84	0
Woodpecker	583	30	4	5.15	0.69
Trust Wide	11766	132	45	**1.12%**	0.38%

These results compare favourably with the National Data given in the graph below from the NPSA medicines Safety Thermometer **1.12%** versus 8.3% nationally.

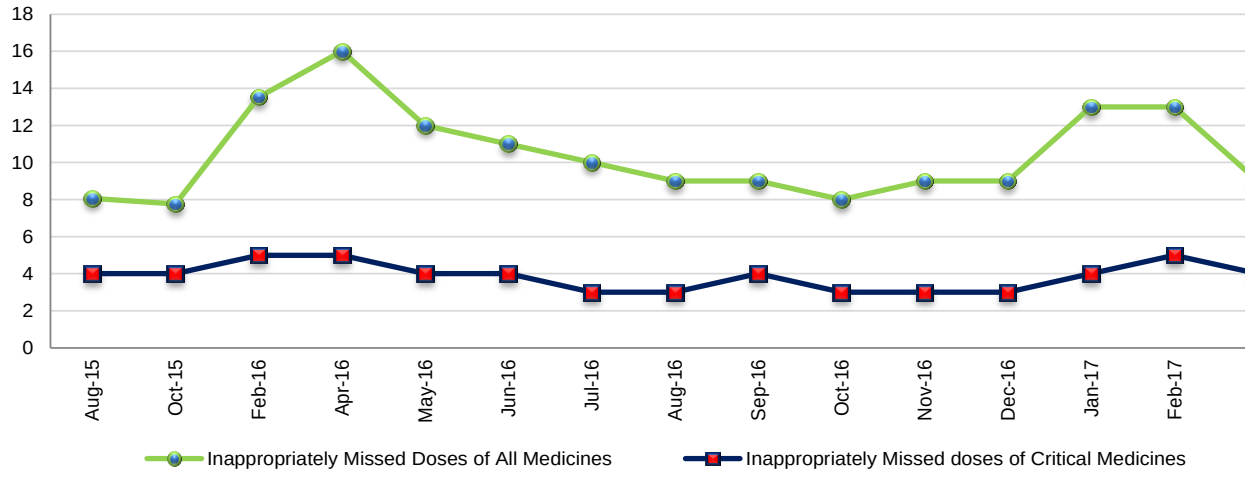
The National Data is provided below on the medication Safety Thermometer Dashboard.

Medications Safety Thermometer Dashboard



The graph above shows national data from the NPSA Medicines Safety Thermometer

Average Number of Inappropriatley Missed Doses per ward (24hr Snap Shot)



The chart above shows the average number of Inappropriately Missed Doses per Ward (24 snap shot)
Activities that are highlighting and reducing missed doses include

- Prompt feedback from the audit to the ward manager providing the name on the patient, medicine and nurse administering medication during the session. This has encouraged immediate training and support on appropriate actions to reduce omitted doses
- Provision of a missed dose action card attached to the medicine trolley keys to aid the appropriate action and support the reduction in missed doses.

Missed dose toolkit on intranet to aid administration and support nurse training

A series of tools have been shared through the Specialist Pharmacy Service Patient Safety Sub-committee from NHS Improvement and we work through these to identify those that would be appropriate to test within GWH

11.5.11 Improving patient experience & reducing complaints

The Friends and Family Test is commissioned nationally by NHS England. All providers of NHS-funded services are required to offer the Friends and Family Test (FFT) to all patients that have been cared for or have used a GWH service at the point of discharge from hospital.

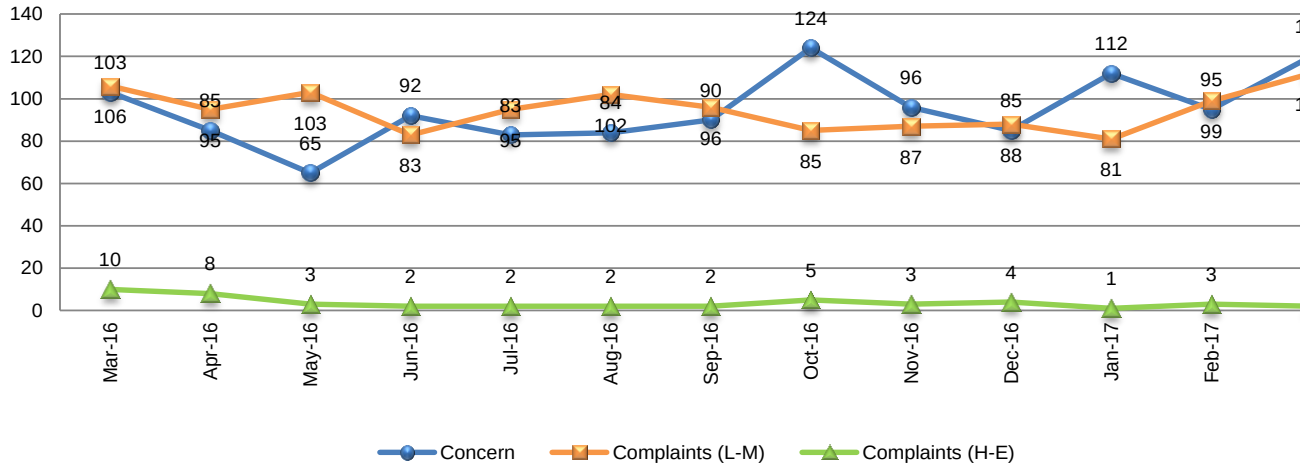
Throughout 2016/2017 95%-97% of patients responding would recommend our services to their Friends and Family if they required hospital treatment. Fewer patients are given the opportunity to provide feedback via FFT than we would like. During 2017/2018 we plan to make improvements by offering alternative methods, i.e. text messaging and feedback kiosks

We have improved our communication and services provided to patients where English is not their first language, we have enhanced our services provided to the deaf community ensuring that information and interpreters are available to assist.

We have reviewed our Patient Information Leaflets ensuring that the information provided is easy to understand and also is also available in various languages at request. We have achieved this by having a patient focused reading group to ensure that information is accessible and up to date at all times.

We aim to resolve any concerns and complaints satisfactorily and in a timely manner. Every effort is made for any worries or fears to be resolved through the concerns process within 48 working hours by the PALS team.

Complaints received in 2016/17



The graph above gives a comparison on concerns/complaints received over a 12 month period towards the end of 2015/16 and 2016/17.

Changes throughout 2016/2017 included:

- New approaches ensure that learning takes place and changes are made as an overall outcome to complaints raised.

11.5.12 National Inpatient Survey

Following the National Inpatients Survey 2015 results, published in 2016, the Trust agreed priorities for focussed improvement including

- Communication,
- Discharge Planning,
- Hospital, Care, Overall

Clinical Divisions developed plans to drive improvements in these areas. The subsequent National Inpatient Survey 2016 showed improvements were achieved in some areas.

Results of the Picker Inpatient Survey 2016 against the Trust Priorities agreed from the 2015 Picker Inpatient results and presentation are set out below.

Lower scores are better

Communication		**2015**	**2016**	**Status**
Q34	Staff contradict each other	38%	32%	Improved
Q38	Could not always find staff member to discuss concerns with	67%	68%	Worse
Q37	Not enough (or too much) information given on condition or treatment	23%	22%	Improved
Q39	Not always enough emotional support from hospital staff	50%	44%	Improved
Q35	Wanted to be more involved in decisions	48%	49%	Worse
Q36	Did not always have confidence in the decisions made	32%	28%	Improved
Q51	Anaesthetist / other member of staff did not fully explain how would put to sleep or control pain	19%	12%	Improved
Q52	Results not explained in clear way	37%	30%	Improved
Q25	Doctors: did not always get clear answers to questions	39%	31%	Improved
Q27	Doctors: talked in front of patients as if they were not there	27%	25%	Improved
Q28	Nurses: did not always get clear answers to questions	37%	37%	Same
Q75	Not asked to give views on quality of care	77%	75%	Improved
Q76	Did not receive any information explaining how to complain	65%	68%	Worse

Lower scores are better

Discharge Planning		**2015**	**2016**	**Status**
Q53	Did not feel involved in decisions about discharge from hospital	50%	44%	Improved
Q55	Discharge was delayed	48%	45%	Improved
Q61	Not given any written/printed information about what they should or should not do after leaving hospital	41%	40%	Improved
Q62	Not fully told purpose of medications	35%	29%	Improved
Q63	Not fully told side-effects of medications	70%	65%	Improved
Q64	Not told how to take medication clearly	34%	26%	Improved
Q65	Not given completely clear written/printed information about medicines	34%	29%	Improved
Q66	Not fully told of danger signals to look for	65%	64%	Improved
Q68	Family not given enough information to help	57%	54%	Improved
Q69	Not told who to contact if worried	25%	25%	Same

Lower scores are better

Hospital, Care, Overall		**2015**	**2016**	**Status**
Q23	Not offered a choice of food.	27%	28%	Worse
Q38	Could not always find staff member to discuss concerns with.	67%	68%	Worse
Q75	Not asked to give views on quality of care	77%	75%	Improved
Q76	Did not receive any information explaining how to complain.	65%	68%	Worse

The 2016 survey results have highlighted the many positive aspects of the patient experience:-

Q38, Q75 and Q76 are duplicate questions appearing in Communication and Hospital, Care & overall.

- Overall: 83% rated care 7+ out of 10.
- Overall: treated with respect and dignity 80%.
- Doctors: always had confidence and trust 80%.
- Hospital: room or ward was very/fairly clean 97%.
- Hospital: toilets and bathrooms were very/fairly clean 92%.
- Care: always enough privacy when being examined or treated 90%.

Our Priorities 2017/18

- A Quality Improvement project to commence to reduce the number of patients complaints and incidents in relation to handover of care between clinicians
- Analyse our National Inpatient Survey results for 2016 in the same format, and develop additional Trust Continue to be a voice for patients and be a valuable service to resolve concerns locally avoiding escalation through the complaints handling process.
- There has been on-going work during 2016/2017 to lay the foundations for the Patient Experience strategy. This will be presented to the board by September 2017 This will include a work programme that can be embedded within an agreed timeframe and will have sought engagement with patients, carers, front line staff, and stakeholders.

11.5.13 Staff Survey 2016/17

We recognise that our staff are our greatest asset. Every single person who works for us plays an invaluable role in providing the high quality care and excellent service that we strive for. We know that when our staff have positive experiences at work, our patients also have positive experiences and, therefore, we are keen to hear from our staff about what it is like to work for us and what we can do to make things better.

The NHS Staff Survey is an important source of information about what it is like to work in the health service in England. The survey involves 316 NHS organisations from across the country and achieves over 423,000 responses. The NHS Staff Survey is understood to be the largest workforce survey anywhere in the world and offers unparalleled insight into staff experiences. As one of the 316 participating NHS organisations, in October 2016 the Trust randomly selected 1250 employees to complete the 2016/17 NHS Staff Survey, this is an increased sample size from last year (850 in 2015).

603 of those employees selected, returned a questionnaire giving the Trust a 49% response rate which is an improvement from last year (43% in 2015) and above the national average for combined acute and community Trusts in England.

National and Regional comparisons

National

The latest NHS Staff Survey results demonstrate a positive improvement in terms of staff experience and engagement despite the numerous challenges currently facing the NHS and its workforce.

Nationally, staff engagement has improved continuously over the last five years and this year has also seen an improvement in the overall willingness of staff to recommend the NHS as a place to work or be cared for.

Despite the extreme pressures that the NHS is under, nearly three quarters of the Trust staff remain enthusiastic about their job, the majority of frontline staff (80%) report that they are able to do their job to a standard they are personally pleased with and 90% of staff stated that their job makes a difference for patients. Generally staff reported feeling that managers are invested in their health and wellbeing with a significant proportion of staff stating that their immediate manager takes an interest in their health and wellbeing (67%).

The majority of our staff feel that their organisation takes positive action on the health and wellbeing of staff (90%). In addition to this, the percentage of staff witnessing potentially harmful incidents is at its lowest in five years and the percentage of staff able to report those concerns is at its highest in six years.

As is to be expected in such pressured working environments, the survey does highlight some areas of staff concern, with only 52% of staff feeling satisfied with the opportunities for flexible working and 11.9% of staff reporting that they have experienced discrimination at work. Whilst progress has been made, levels of bullying and harassment still remain unacceptably high nationally. The Trust's results a similar picture with 53% of staff feeling satisfied with the opportunities for flexible working and 9% have experienced discrimination at work.

Regional

Whilst the Trust's response rates remain one of the highest in the region, the Trust's overall position has declined slightly compared with last year. This year the Trust is ranked **12th when benchmarking performance against organisations from across the South West.** Last year the Trust was ranked 10th, Oxford University Hospitals NHS Trust and Torbay and South Devon Healthcare NHS Trust have both improved their performance this year and moved ahead of the Trust.

When compared against local Trust's, the organisation's performance has declined by one place this year and is ranked 3rd.

The results from this year's Staff Survey provide some very encouraging findings regarding the experiences of staff, however it also highlights some areas that are experiencing challenges and some that need improvement. Whilst this year's results have not significantly changed from last year, there has been continued progress overall since 2014. The six areas where the Trust has seen a difference in results since 2014 are illustrated in the table below. All have been positive improvements with the exception of % appraised in the last 12 months.

Key area	2016 score	2015 score	2014 score	Change since 2014
% Appraised in last 12 months	84	86	91	-7
Staff confidence and security in reporting unsafe clinical practice	3.75	3.79	3.58	0.18
Staff recommendation of the organisation as a place to work or receive treatment	3.71	3.73	3.55	0.16
Staff motivation at work	4.01	4.09	3.88	0.14
% able to contribute towards improvements at work	74	77	67	6
Staff satisfaction with level of responsibility and involvement	3.95	3.97	3.83	0.12

This year, the Trust performed above average in 12 of the 32 key findings of the survey results, average in 14 and worse than average in only 6 areas. Whilst we are pleased that there have been improvements this year, there is further work to do in areas such as staffing levels and the number of staff experiencing harassment, bullying or abuse at work from patients or service users.

Overall, staff engagement at GWH continues to be high with the Trust scoring above the national average for staff motivation. This is measured by the fact that the majority of staff felt they could contribute to improvements at work, would recommend the Trust as a place to work or receive treatment and feel motivated at work.

Whilst the Trust's staff engagement score has reduced slightly this year (previously 3.88 in 2015), this result remains above the national average for acute and community Trust's and is higher than the results of 10 other Trusts in the South West region.

Although the results show an improvement in the number of staff who have experienced harassment, bullying or abuse from patients, relatives or the public in the last 12 months, this is still higher than the average score in similar organisations. To ensure our staff are protected at work, our 'Never OK' campaign was launched in October 2016 and will continue this year to reassure our staff that we take this very seriously

During a very busy year at the Trust, which has placed additional pressures on our staff, everyone has gone above and beyond what is expected of them to ensure the best possible experience for our patients.

To ensure our patients receive the highest quality of care, we must ensure that the health and wellbeing of our staff is a priority. Despite this additional pressure on the system, during 2016 fewer staff reported experiencing stress due to work and fewer staff have felt pressured to come to work when they are unwell. In addition to this, fewer staff are working extra hours and staff satisfaction with opportunities for flexible working has improved

Summary of staff survey results

Table - Response Rate

2015		2016		Trust Improvement / Deterioration
Trust	National Average	Trust	National Average	6% improvement
43%	41%	49%	44%	

Table – Summary of Performance

Those areas where the Trust has performed highly in comparison to the National results can be seen in the table below as well as those areas where further improvement is required.

Top Five Ranking Scores	2016		2015	
	Trust	National	Trust	National
Staff motivation at work *(the higher the score the better)*	4.01	3.94	4.09	3.92
% of staff feeling unwell due to work related stress in the last 12 months *(the lower the score the better)*	33%	36%	36%	36%
% of staff reporting errors, near misses or incidents witnessed in the last month *(the higher the score the better)*	93%	91%	92%	90%
% of staff / colleagues reporting most recent experience of harassment, bullying or abuse *(the higher the score the better)*	48%	45%	34%	38%
Staff confidence and security in reporting unsafe clinical practice *(the higher the score the better)*	3.75	3.68	3.79	3.64

Bottom Five Ranking Scores	2016		2015	
	Trust	National	Trust	National
Staff satisfaction with resourcing and support *(the higher the score the better)*	3.22	3.28	3.20	3.30
% of staff experiencing harassment, bullying or abuse from patients, relatives or the public in the last 12 months *(the lower the score the better)*	30%	26%	35%	27%
Staff satisfaction with the quality of work and care they are able to deliver *(the higher the score the better)*	3.88	3.92	3.91	3.94
Effective team working *(the higher the score the better)*	3.74	3.78	3.83	3.77
% of staff witnessing potentially harmful errors, near misses or incidents in the last month *(the lower the score the better)*	30%	29%	25%	29%

Our priorities for 2017/18

- We will be analysing Staff Survey results at sub specialty level and feedback will be presented to the relevant committees. Each committee will discuss their specific set of results and agree an appropriate action plan in response to the feedback from the specific professional group to implement improvements.
- Each Committee will undertake a quarterly review of the actions and improvements and the impact that they have had. Quarterly progress reports will also be submitted to the Executive Committee and the Performance, People and Place Committee.

11.6 Statements of Assurance

This section provides nationally requested content to provide information to our public which will be common across all Quality Accounts.

11.6.1 Information on the Review of Services

During the reporting period of 2016/2017 the Great Western Hospitals NHS Foundation Trust provided and / or sub-contracted 7 relevant health services.

The Great Western Hospitals NHS Foundation Trust has reviewed all the data available on the quality of care in 100% of the relevant health services.

The income generated by the relevant health services reviewed in 2016/2017 represents 98% of the total income generated from the provision of relevant health services by the Great Western Hospitals NHS Foundation Trust for 2016/2017.

11.6.2 Participation in Clinical Audits

During 2016/17, 42 national clinical audits and 6 national confidential enquiries were conducted which covered relevant health services provided by the Trust. The Trust participated in **100%** of the national clinical audits and 100% of the national confidential enquiries of which it was eligible to participate in.

No	National Clinical Audit and Clinical Outcome Review Programmes	Work stream	Relevant	Participation	% Data Submission
1	Acute Coronary Syndrome or Acute Myocardial Infarction (MINAP)		Yes	Yes	Still in Progress
2	Adult Asthma		Yes	Yes	100%
3	Adult Cardiac Surgery		No	NA	NA
4	Asthma - paediatric and adult (care in emergency departments)		Yes	Yes	100%
5	Bowel Cancer (NBOCAP)		Yes	Yes	100%
6	Cardiac Rhythm Management (CRM)		Yes	Yes	Still in Progress
7	Case Mix Programme (CMP)		Yes	Yes	100%
8	**Child Health Clinical Outcome Review Programme**	Chronic Neurodisability	Yes	Yes	100%
		Young People's Mental Health	Yes	Yes	100%
9	Chronic Kidney Disease in primary care		No	NA	NA
10	**Congenital Heart Disease (CHD)**	Paediatric	No	NA	NA
		Adult	No	NA	NA
11	Coronary Angioplasty/National Audit of Percutaneous Coronary Interventions (PCI)		Yes	Yes	Still in Progress
12	Diabetes (Paediatric) (NPDA)		Yes	Yes	100%

No	National Clinical Audit and Clinical Outcome Review Programmes	Work stream	Relevant	Participation	% Data Submission
13	Elective Surgery (National PROMs Programme)		Yes	Yes	Still in Progress
14	Endocrine and Thyroid National Audit		Yes	Yes	Still in Progress
15	**Falls and Fragility Fractures Audit programme (FFFAP)**	Fracture Liaison Service Database	No	NA	Na
		Inpatient Falls	No National Audit this year		
		National Hip Fracture Database	Yes	Yes	100%
16	Head and Neck Cancer Audit		Yes	Yes	Still in Progress
17	Inflammatory Bowel Disease (IBD) programme	National Clinical Audit of Biological Therapies (adult and paediatric)	Yes	Yes	100%
18	Learning Disability Mortality Review Programme (LeDeR)		Yes	Yes	100%
19	Major Trauma Audit		Yes	Yes	100%
20	**Maternal, New-born and Infant Clinical Outcome Review Programme**	Perinatal Mortality Surveillance	Yes	Yes	Still in Progress
		Perinatal mortality and morbidity confidential enquiries (term intrapartum related neonatal deaths)	Yes	Yes	Still in Progress
		Maternal morbidity and mortality confidential enquiries (cardiac (plus cardiac morbidity) early pregnancy deaths and pre-eclampsia)	Yes	Yes	Still in Progress
		Maternal mortality surveillance	Yes	Yes	Still in Progress
21	**Medical and Surgical Clinical Outcome Review Programme**	Physical and mental health care of mental health patients in acute hospitals	Yes	Yes	Still in Progress
		Non-invasive ventilation	Yes	Yes	Still in Progress
22	Mental Health Clinical Outcome Review Programme	Suicide by children and young people in England(CYP)	No	NA	NA
		Suicide, Homicide & Sudden Unexplained Death	No	NA	NA
		The management and risk of patients with personality disorder prior to suicide and homicide	No	NA	NA
23	National Audit of Dementia	Care in general hospitals	Yes	Yes	100%
24	National Audit of Pulmonary Hypertension	National outcomes and tertiary care	No	NA	NA
25	National Cardiac Arrest Audit (NCAA)		Yes	Yes	100%
26	**National Chronic Obstructive Pulmonary Disease (COPD) Audit programme**	Pulmonary rehabilitation	No	NA	NA
		Secondary Care	Yes	Yes	Still in Progress
		1. Primary Care (Wales)	No	NA	NA
		2. Primary Care (England)	No	NA	NA

No	National Clinical Audit and Clinical Outcome Review Programmes	Work stream	Relevant	Participation	% Data Submission
27	**National Comparative Audit of Blood Transfusion programme**	Use of blood in Haematology	Yes	Yes	100%
		Audit of Patient Blood Management in Scheduled Surgery	Yes	Yes	100%
		Audit of the use of blood in Lower GI bleeding	Yes	Yes	100%
28	**National Diabetes Audit - Adults**	National Foot Care Audit	Yes	Yes	Still in Progress
		National Inpatient Audit	Yes	Yes	100%
		National Pregnancy in Diabetes Audit	Yes	Yes	100%
		National Diabetes Transition	Yes	Yes	100%
		National Core	Yes	Yes	100%
29	National Emergency Laparotomy Audit (NELA)		Yes	Yes	Still in Progress
30	National Heart Failure Audit		Yes	Yes	Still in Progress
31	**National Joint Registry (NJR)**	Knee replacement	Yes	Yes	100%
		Hip replacement	Yes	Yes	100%
32	National Lung Cancer Audit (NLCA)	Lung Cancer Consultant Outcomes Publication	Yes	Yes	100%
33	Neurosurgical National Audit Programme		No	NA	NA
34	National Ophthalmology Audit	Adult Cataract surgery	Yes	Yes	Still in Progress
35	National Prostate Cancer Audit		Yes	Yes	Still in Progress
36	National Vascular Registry		No	NA	NA
37	National Neonatal Audit Programme - Neonatal Intensive and Special Care (NNAP)		Yes	Yes	100%
28	Nephrectomy audit		Yes	Yes	100%
39	Oesophago-gastric Cancer (NAOGC)		Yes	Yes	100%
40	Paediatric Intensive Care (PICA Net)		No	NA	NA
41	Paediatric Pneumonia		Yes	Yes	Still in Progress
42	Percutaneous Nephrolithotomy (PCNL)		No	NA	NA
43	Prescribing Observatory for Mental Health (POMH-UK)	Prescribing antipsychotics for people with dementia	No	NA	NA
		Monitoring of patients prescribed lithium	No	NA	NA
		Rapid tranquilisation	No	NA	NA
44	Radical Prostatectomy Audit		No	NA	NA
45	Renal Replacement Therapy (Renal Registry)		No	NA	NA
46	**Rheumatoid and Early Inflammatory Arthritis**	Clinician/Patient Follow-up	No National Audit this year		
		Clinician/Patient Baseline	No National Audit this year		
47	Sentinel Stroke National Audit programme (SSNAP)		Yes	Yes	Still in Progress
48	Severe Sepsis and Septic Shock (care in emergency departments)		Yes	Yes	100%
49	Specialist rehabilitation for patients with complex needs following major surgery	Specialist rehabilitation level 1 and 2	No	NA	NA

No	National Clinical Audit and Clinical Outcome Review Programmes	Work stream	Relevant	Participation	% Data Submission
50	Stress Urinary Incontinence Audit		Yes	Yes	Still in Progress
51	**UK Cystic Fibrosis Registry**	Paediatric	No	NA	NA
		Adult	No	NA	NA

The reports of 44 national clinical audits were reviewed by the provider in 2016/17. As a result of these audits the following actions are planned to improve the quality of healthcare provided –

- Plan to improve and formalise the system for consent for those patients who undergo a hip replacement for fractured neck of femur.
- The Resuscitation Team are working closely with the sign up to safety campaign which aims to reduce cardiac arrests by 10% per year for the next 3 years.
- Provision of psychological support offered to patients by Paediatric Diabetes
- 'Ready Steady Go' process for children transitioning to adult care currently used for transition clinics.
- A review of consultant job planning to ensure no elective activity is listed for those individuals on call.
- All patients over the age of 70 to be reviewed within 3 days following laparotomy operation.
- Quality Improvement involving Respiratory Medicine and Radiology to improve the pathway for patients with suspected community acquired pneumonia; this will focus on key areas including time between admission and receiving a chest x-ray and antibiotic management
- A new WHO style checklist will be introduced in the Emergency Department which will include 7 different criteria to reduce risks to patient when undergoing procedural sedation.
- Improve compliance with oxygen prescribing by introducing prompts for prescribers within the electronic prescribing software.

The reports of 152 local clinical audits were reviewed by the provider in 2016/17 and Great Western Hospital NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided –

- Review and define arrangements for medical oversight of patients admitted under the podiatric surgeons; identify clear lines of responsibility for their medical care in the event the patient's medical condition deteriorates.
- Review and revise current Abbey Pain Assessment guidelines for in-patients with dementia.
- To establish an action group involving the Trust's Dementia Strategy Group and Pain Management Team.
- Develop a formal local guideline for peri-operative management of patients with a fracture neck of femur to standardise practice.
- To improve the management of patients with Chronic Obstructive Pulmonary Disease (COPD), including the design of an admission care bundle proforma in the acute medical unit to be incorporated into medical clerking. Oxygen will be pre-printed on the admission documents with target saturations to ensure it is prescribed.
- Continue to embed personal care plans for the dying.
- Patients will be seen in clinic to be assessed for suitability and consideration of Fluocinolone Acetonide intravitreal implant as an alternative treatment for eyes with chronic Diabetic Macular Oedema (DMO) which did not respond to the standard treatment.

11.6.3 Research & Development (R & D)

The number of patients receiving relevant health services provided or sub-contracted by Great Western Hospitals NHS Foundation Trust in 2016/2017, that were recruited during that period to participate in research approved by a research ethics committee was 1024 to end March 2017 which evidences growth in year that exceeded our targets.

We now have 97 actively recruiting Department of Health endorsed (portfolio) research projects. We also participate in a number of studies which are more difficult to recruit to given the complex nature of the inclusion and exclusion criteria. We believe it is important to have these studies open in order to give our patients the opportunity of participating in such studies should they be eligible. We run observational studies together with interventional studies.

Our reputation in the Commercial sector continues to grow and we are now not only a top recruiter in the UK for more than one of our studies, as a Participating Site we were also the first to recruit to both a Respiratory and Cardiology Trial in the UK.

We continue with our efforts to ensure we recruit the agreed number of patients in the timescales given.

Research continues to grow throughout the Trust, across a wider range of specialities. This in turn gives our patients more opportunities to participate and access to new and innovative treatment pathways.

With funding received from the Department of Health through our Local Clinical Research Network (LCRN), R&I have and will continue to provide strong research support throughout the Trust.

11.6.4 Goals agreed with commissioners

Use of the CQUIN payment framework

A proportion of Great Western Hospitals Foundation Trust's income in 2016-17 was conditional on achieving quality improvement and innovation goals agreed between Swindon Clinical Commissioning Group and Wiltshire Clinical Commissioning Group and any person or body they entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework.

Further details of the agreed goals for 2016-17 and for the following 12-month period are available electronically by request

Financial Summary of CQUIN (£m)									
	Plan	Actual	%	Plan	Actual	%	Plan	Actual	%
	2014-2015			2015-2016			2016-2017		
Total CQUIN	£5,722	£4,505	78.72%	£6,007	£4,507	75%	£4,845	£3,973	82%

11.6.5 Care Quality Commission Registration

A quarterly review of our CQC registration is undertaken across the acute and community sites to ensure that our CQC registration is adequate for the regulated activities undertaken across the sites.

The Great Western Hospitals NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is “registered” without conditions.

By law all Trusts must be registered with the CQC under section 10 of the Health and Social Care Act 2008 - to show they are meeting essential quality standards. NHS Trusts have to be registered for each of the regulated activities they provide at each location from which they provide them. The Trust is registered for all of its regulated activities, without conditions. Without this registration, we would not be allowed to see and treat patients.

The Great Western Hospitals NHS Foundation Trust registration was updated in October 2016 to add the following service - GWH NHS Foundation Trust Swindon Adult Community Services

Periodic/Special Reviews 2016/17
The Care Quality Commission (CQC) issued enforcement action against The Great Western Hospital NHS Foundation Trust during 2015/2016. A warning notice was issued in respect of some aspects of regulated activity requiring significant improvement within a defined timeframe.

In summary:
In December 2015 the CQC issued the Great Western Hospitals Foundation NHS Trust with a warning notice and required the Trust to make significant improvements. The Trust submitted a comprehensive improvement plan.

In April 2016 the CQC carried out an inspection to check progress against the concerns raised in the warning notice. They found that significant progress had been made but the requirements of the warning notice were not fully met.

In October 2016 the CQC conducted a second follow up inspection and found that further and sufficient progress had been made to meet the requirements of the warning notice. In response to the CQC Must do-should do actions, a monthly Improvement Committee was formed, to prioritise, manage and monitor the progress of the Improvement Plan, The Improvement Committee facilitated and supported the implementation approaches to test changes, and to seek assurance improvements are embedded.

What improvements have we implemented?

- Invested in training
- Introduced electronic white boards
- Introduced a new safety check list in the Emergency Department
- Improved initial nurse assessments in the Emergency Department
- Invested in a specialist mental health nursing team in the Emergency Department Observation Unit

The Trust took part in a formal CQC Inspection during March 2017 .The table below identifies the Compliance Actions identified form our December 2015 inspection.

Type	Date	Health and Social Care Act 2008 Regulation
Compliance Action	19/01/2016	Regulation 9 HSCA (RA) Regulations 2014 Person-centred care
Compliance Action	19/01/2016	Regulation 10 HSCA (RA) Regulations 2014 Dignity and respect
Compliance Action	19/01/2016	Regulation 12 HSCA (RA) Regulations 2014 Safe care and treatment
Compliance Action	19/01/2016	Regulation 15 HSCA (RA) Regulations 2014 Premises and equipment
Compliance Action	19/01/2016	Regulation 17 HSCA (RA) Regulations 2014 Good Governance
Compliance Action	19/01/2016	Regulation 18 HSCA (RA) Regulations 2014 Staffing

Planned Inspection Update

The Care Quality Commission (CQC) inspected The Great Western Hospitals Foundation Trust as part of its routine inspection programme. The inspection was carried out between, 21 March – 7 April 2017 with the Trust awaiting the final report.

Initial verbal feedback from the CQC recognised there had been significant changes and improvements since their last inspection, the verbal feedback also raised some further areas for improvement which the Clinical Divisions have commenced working on.

Our Ratings for the Great Western Hospital from 2015/2016

	Safe	Effective	Caring	Responsive	Well-led	Overall
Urgent and emergency services	Inadequate	Requires Improvement	Good	Requires Improvement	Requires Improvement	Requires Improvement
Medical Care	Requires Improvement	Requires Improvement	Good	Good	Requires Improvement	Requires Improvement
Surgery	Requires Improvement	Good	Good	Requires Improvement	Requires Improvement	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	Requires Improvement	Requires Improvement	Requires Improvement
End of life care	Good	Good	Good	Good	Good	Good
Outpatients and diagnostic imaging	Requires Improvement	Not Rated	Good	Requires Improvement	Requires Improvement	Requires Improvement
Overall	Requires Improvement	Requires Improvement	Good	Requires Improvement	Requires Improvement	Requires Improvement

Copies of the full reports for the Trust and each individual location inspected by the CQC are available publicly online here: http://www.cqc.org.uk/provider/RN3/reports.

11.6.6 Hospital Episode Statistics

The Great Western Hospitals NHS Foundation Trust submitted records during 1st April 2016 to March 2017 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics which are included in the latest published data.

The percentage of records in the published data which included the patient's valid NHS number was:

99.7% for admitted patient care
99.9% for outpatient care and
98.9% for accident and emergency care.

The percentage of records in the published data which included the patient's valid General Medical Practice Code was:

100% for admitted patient care;
100% for out-patient care; and
99.8% for accident and emergency care

11.6.7 Information Governance Tool Kit Attainment Levels

Information is a key asset, both in terms of the clinical management of individual patients and the management of services and resources throughout the Trust. It is therefore of utmost importance that appropriate policies, procedures and management accountability provide a robust governance framework for the efficient management of information.

There is corporate leadership of information governance, the Director of Finance having overall responsibility. The Information Governance Steering Group oversees information governance issues, with responsibilities delegated from the Performance, People & Place Committee on behalf of the Trust Board.

The Information Governance Management Framework is documented within the Information Governance Strategy and Policy. The four key principles are openness, information quality assurance, information security assurance, and legal compliance.

Confidentiality, security, and data quality play an important role in the safeguarding of information within the Trust. This includes organisational and staff information as well as patient information. The Trust has agreements with healthcare organisations and other agencies for the sharing of patient information in a controlled and lawful manner, which ensures the patients' and public interests are upheld. It is essential for the delivery of the highest quality health care that accurate, timely and relevant information is recorded and maintained. As such it is the responsibility of all staff to promote data quality and confidentiality.

The Trust's Information Governance Steering Group undertakes an Information Governance Work Programme covering the full range of information governance elements, and ensures that appropriate policies and management arrangements are in place. The Data Quality Steering Group, which reports to the Information Governance Steering Group, provides a quarterly data quality and completeness report, including the results of data accuracy tests. The Data Quality Steering Group also undertakes a Data Quality Work Programme, which includes data quality reporting, training and awareness, clinical coding, and policies and procedures.

These corporate and operational arrangements ensure that information governance and data quality are prioritised at all levels of the Trust.

Each year the Trust completes a comprehensive self-assessment of its information governance arrangements by means of the NHS Digital Information Governance Toolkit. These assessments and the information governance measures themselves are regularly validated through independent internal audit. The main Toolkit headings are:

- Information Governance Management
- Confidentiality and Data Protection Assurance
- Information Security Assurance
- Clinical Information Assurance – Health Records and Information Quality
- Secondary Use Assurance
- Corporate Information Assurance – Records Management and Freedom of Information.

The Trust's Information Governance Assessment Report overall score for 2016/2017 was 77% and was graded 'Satisfactory' ('green'), with a satisfactory rating in every heading of the Information Governance Toolkit.

11.6.8 Clinical Coding Error Rate

Great Western Hospitals NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during the reporting period of 2016/17 by the Audit Commission.

11.6.9 Data Quality

Data quality is essential for the effective delivery of patient care. For improvements to patient care we must have robust and accurate data available.

Great Western NHS Foundation Trust will be taking the following actions to improve data quality

- Review of the Trust's data quality policy
- Development of a Trust data quality strategy
- Developed a data quality report that focuses on monitoring the national DQ measures and identify actions from areas below national averages
- A role has been assigned responsibility for monitoring data quality within the Trust
- Review of terms of reference for the Trusts Data Quality group

Great Western NHS Foundation Trust will continue to monitor and work to improve data quality by using the above mentioned data quality report, with the aim to work with services /staff to educate and improve data quality, which in turn improves patients records thus patient care.

11.6.10 Reporting against Core Indicators

		2013/ 2014	2014/ 2015	2015/ 2016	**2016/ 2017**	National Average	What does this mean	Trusts with the highest and lowest score	Source of measure	Definition
1 - Reducing Healthcare Associated Infections	**MRSA Bed Days as well** *provisional as at 02/05/14	5	2	2	1	0.96 *	Zero is aspirational	Low-0; High-11	IP&C	National definition
	C.Diff	23	19* *combined previously acute/ community split	30 Trust-wide	21	N/A	Zero is aspirational	Low-0; High-121	IP&C	National definition
	C.Diff 100,000 bed days*	12.5*	9.60	14.7	11.1	15.01	Lower is better	Regionally Low:8.71 High: 28.02	PHE	National Definition
2 - Patient Falls in Hospital resulting in severe harm		23	16	13	12	Not available	Lower is better	--	Incident form	NPSA
3 – Reducing Healthcare Acquired Pressure Ulcers		28 Category III & Category IV	51 Category I & Category IV	8 Category III 6 Category IV	1 Category III	4% incidence	Lower is better	--	Incident form	National Definition (from Hospital database)
4 – Percentage of VTE Risk Assessments completed		95.5 %	97.1%	98.3%	99.4%	90%	Higher number better	Low - 91.3; High - 100	EPMA and manually for those areas not using the electronic prescribing system	National Definition (from Hospital database)
5 – Percentage of patients who receive appropriate VTE Prophylaxis		95%	91.6%	95.2	97.4%	N/A	Higher number better	--	One day each month whole ward audit for one surgical ward and one medical ward	National Definition (from Hospital database)
6 – Never Events that occurred in the Trust		4	2	3	1	NHS England 2014-15 Average 2.16	Zero tolerance	Highest - 9 Low - 0	IR1's	NPSA

		2013/ 2014	2014/ 2015	2015/ 2016	**2016/ 2017**	National Average	What does this mean	Trusts with the highest and lowest score	Source of measure	Definition
Hospital-level mortality indicator (SHMI)	**(SHMI)**	96.00	92.99	95.83	94.34 (Oct 15 to Sep 16 – most recent data availabl e)	-	Lower than 100 is good	-	National NHS Informati on Centre	National NHS Information Centre
7 – Mortality Rate (HSMR)	**HSMR**	97.3	90.3	89.0	97.97 (Apr 16 – Dec 16 provisio nal figure)	100	Lower than 100 is good	Low -74.2; High -128.8	Dr Foster	National NHS Information Centre
8 – Early Management of deteriorating patients - % compliance with Early Warning Score	**Early Warning Score (Adults)**	95% April – Dec 9 month s	90%	85% April – Dec 9 month s	Average 96%	Not available	Higher number is better	--	Audit	Audit criteria (10 patients per ward per month)
	Paediatri c Early Warning Score (Children)	87.75%	92.25% Average yearly complianc e	85% April - Sept 6 months	Average 86%	N/A	Higher number is better	--	Audit	Audit criteria (5 patients per month)
11 – Were you involved as much as you wanted to be in decisions about your care and treatment?		53.2%	51.4%	51.8%	51.1%	54.8%	Higher is better	Low: 6.1 High: 9.2 GWH: 7.1	Picker Survey	National definition
12 – Did you find someone on the hospital staff to talk to about your worries and fears?		37.1%	28.6%	33.0%	32%	38.4%	Higher is better	Low: 4.3 High: 8.2 GWH: 4.9	Picker Survey	National definition
13 – Were you given enough privacy when discussing your conditions or treatment?		70.8%	74.2%	72.6%	75.6%	72.7%	Higher is better	Low: 7.5 High: 9.4 GWH: 8.5	Picker Survey	National definition
14 – Did a member of staff tell you about medication side effects to watch for when you went home?		33.7%	32.1%	29.8%	35.3%	40%	Higher is better	Low: 3.7 High: 7.6 GWH: 4.3	Picker Survey	National definition
15 – Did hospital staff tell you who to contact if you were worried about your condition or treatment after you left hospital?		67.2%	66.2%	68.0%	65.6%	69.8%	Higher is better	Low: 6.4 High: 9.7 GWH: 7.6	Picker Survey	National definition
18– Patient Reported Outcome Measures	**Varicose Vein surgery**	100%	90.9%	100% HSCIC Provisional data	100% HSCIC Provisio nal data	80%	Higher is better	Not available (more than one Contractor for this service)	DoH/ HSCIC	National Definition
	Groin Hernia surgery	100%	57.6%	42.9% HSCIC Provisional data	54.5% HSCIC Provisio nal data	80%	Higher is better		DoH/ HSCIC	National Definition
	Hip Replacement surgery (Oxford Hip Score)	98.5%	61.5%	93.9% HSCIC Provisional data	91.9% HSCIC Provisio nal data	80%	Higher is better		DoH/ HSCIC	National Definition
	Knee Replacement Surgery (Oxford Knee Score)	97%	94.4%	97% HSCIC Provisional data	95.3% HSCIC Provisio nal data	80%	Higher is better		DoH/ HSCIC	National Definition
17 – Readmissions – 30 days	7.9%	9.4%	9.7	9.7% (Apr 16 to Feb 17)	Local target (7.1%)	Lower is better	--		Nationa l Definiti on	

		2013/ 2014	2014/ 2015	2015/ 2016	**2016/ 2017**	National Average	What does this mean	Trusts with the highest and lowest score	Source of measure	Definition
18 – Readmissions – 28 days		7.7%	9.2%	9.6	9.8% (Apr 16 to Sep 16)	SW Region 6.9%	Lower is better	Low: 5.12; High:10.91	Dr Foster	Dr Foster
18 – Re-admissions 28 days **Ages 0-15** **Ages 16+**		9% 7.5%	8.5% 9.2%	9.02 10.02	9.5% 0-15 & 9.9% 16+ (Apr 16 to Sep 16)	Dr Foster	Lower is better	0-15 yrs: Low: 0.8; High: 15.8 16+ yrs: Low: 5.0; High: 11.1	Dr Foster	Dr Foster
19 -The percentage of patient deaths with palliative care coded at either diagnosis or speciality level for the Trust for the reporting period		26.0 %	26.5 %	31.7 % Oct 14-Sept 15 Most recent data available	31.1% (Oct 15 to Sep 16, most recent data available)	25.3%		Low:0; High: 49.4	HSCIC	National Definition
"If a friend or relative needed treatment, I would be happy with the standard of care provided by this organisation"		58%	70%	68%	68%	69.8%	Higher is better	-	NHS Staff survey	National Definition
20 - The number and where available, rate of patient safety incidents and the number and percentage of such patient safety incidents that resulted in severe harm or death	**Number of Incidents per 100 Bed Days**	4.55	4.98	5.9	6.7	--	Lower is better	--	Informatics & Clinical Risk	-
	Number of Patient Safety Incidents per 100 Bed Days	3.00	3.07	3.3	4.4	--	Lower is better	--	Informatics & Clinical Risk	-
	Number of Incidents resulting in Severe Harm or Death per 100 Bed Days	0.03	0.04	0.01	0.01	--	Lower is better	--	Informatics & Clinical Risk	-
	Percentage of Combined Severe Harm and Death	0.56 %	0.80 %	0.55%	0.26%	--	Lower is better	--	Informatics & Clinical Risk	-

*The above [c.*diff*] rates have been calculated on the Trust's actual bed days. This will of course be different to the rates calculated by the HPA (now Public Health England) over previous years, as their calculations are estimated figures based on the previous year's bed numbers. We do not have these figures to base our calculations on. The HPA rates are provided on a quarterly basis and they do not produce an annual rate per Trust.

11.7 Other information

This section provides information about other services we provide, through a range of selected quality measures. These measures have been selected to reflect the organisation and shows data relevant to specific services as well as what our patients and public tell us matters most to them.

11.7.1 Performance against key national priorities

An overview of performance in 2016/17 against the key national priorities from the Single Oversight Framework. Performance against the relevant indicators and performance thresholds are provided.

Indicator	2013/ 2014 Trust	2014/ 2015 Trust	2015/ 2016 Trust	2015/2016 Target	**2016/ 2017 Target**	**2016/ 2017 Trust**	Achieved/ Not Met
Maximum time of 18 weeks from point of referral to treatment in aggregate, patients on incomplete pathways	94.8%	90.5%	88.9%	92.0%	92.0%	91.1%	Not Met
Maximum time of 18 weeks from point of referral to treatment in aggregate, admitted patients	94.9%	88.6%	82.5%	90%	90%	61.6%	Not Met
Maximum time of 18 weeks from point of referral to treatment in aggregate, non-admitted patients	96.3%	95.6%	89.2%	95%	95%	89%	Not Met
A&E: maximum waiting time of 4 hours from arrival to admission/transfer/discharge - 95%	94.1%	91.9%	91.1%	95.0%	95.0%	86.6%	Not Met
Cancer 31 day wait for second or subsequent treatment – surgery - 94%	98.4%	99%	94.%	94%	94%	100%	Achieved
Cancer 31 day wait for second or subsequent treatment - anti cancer drug treatments – 98%	100%	98%	99.7%	98%	98%	99.6%	Achieved
Cancer 62 Day Waits for first treatment from urgent GP referral for suspected cancer – 85%	89.0%	88.4	87.70%	85.00%	85%	86.5%	Achieved
Cancer 62 Day Waits for first treatment from NHS cancer screening service referral - 90%	98.9%	98.4	98.10%	90.00%	90%	96.7%	Achieved
Cancer 31 day wait from diagnosis to first treatment	98.8%	98.6	98.00%	96.00%	96%	97.1%	Achieved
Cancer 2 week wait from referral to date first seen, all urgent referrals (cancer suspected) – 93%	94.7%	94.0	94.30%	93.00%	93%	88.4%	Not Met
Cancer 2 week wait from referral to date first seen, symptomatic breast patients (cancer not initially suspected) – 93%	95.6%	96.8	95.50%	93.00%	93%	91.8%	Not Met

11.8 Statements

11.8.1 Statement from the Council of Governors dated 12th May 2017

The Governors are of the opinion that the Quality Account is a realistic representation of the Trust's performance as presented to the governors over the past year. The Governors have acknowledged that unfortunately the Trust did not achieve some targets, notably 86.6% of persons attending A & E were seen within 4 hours against the target of 95%. This is a decrease against the 91.1% attained in the previous year however Governors consider these figures to be consistent with those of the majority of other Trusts and are reflective of the pressures brought about by increased attendance.

The Governors are aware that the Trust is continuing to take action to address this issue and the consequential effects on other performance indicators nonetheless we are also aware that several proposed actions are dependent on partner organisations delivering on their commitments. Within the Quality Report the Trust has reported a number of achievements such as the continual reduction in the occurrence of avoidable pressure ulcers a reduction in Sepsis related deaths and a below average mortality rate. These achievements combine to help achieve an improving experience for our service users and are noted by the Governors.

The Governors have also had opportunity to undertake safety and quality visits across the hospital which enabled Governors to meet and talk directly to staff and patients in the clinical areas, gaining an insight in how the Governor role can support the business of the Trust. The visits have provided the Governors with direct oversight of patient care and improvements made throughout the year, plus added to the knowledge and understanding of Governors around patient experience and quality and staff and patient feedback. A programme of further visits has been set up for 2017/18.

The Governors have established a Patient Quality and Operational Performance Working Group where detailed presentations and reports are made and Governors have the opportunity to consider in detail specific issues and areas of improvement.

The Governors are looking forward to working with staff to build on the good work within the Quality Accounts and have identified areas for focus around Safeguarding, food hygiene, winter pressures preparation, e-rostering and management of overseas patients.

Margaret White
Lead Governor on behalf of the Council of Governors

11.8.2 Statement from Swindon Clinical Commission Group dated 16th May 2017

Swindon Clinical Commissioning Group (CCG) has reviewed the Great Western Hospital NHS Foundation Trust (GWHFT) Quality Accounts for 2016/2017. In so far as we have been able to check the factual details, our view is that the Quality Account is materially accurate in line with information presented to the CCG via contractual monitoring and quality visits, and is presented in the format required by the NHS England 2016/2017 presentation guidance.

Swindon CCG welcomes the quality priorities outlined by GWHFT for 2017/18 which look to build on the success of the 'Sign up to Safety' quality improvement work streams established during 2016/17. The Trust quality improvement work streams have reduced the number of inpatient falls to below the national average and has sustained a reduction in the number of hospital category III and IV pressure ulcers. As identified within the quality account, problems with identification and escalation of a deteriorating patient is a key theme identified in the Trust's serious incident reporting. Swindon CCG welcomes a continued focus on this area, including the role out of e-observations aimed at improving safety, together with a review of clinical handover.

During 2016/17, The Trust has experienced increasing demand on the Emergency Department (ED) which has resulted in the Trust not achieving the 4-hour treatment target. This includes some patients spending longer than 12 hours within the department which can impact both patient experience and safety. In response to this, the commissioners requested the Trust developed an ED quality dashboard to provide assurance of safety within the department, which is also aligned to the CQC inspection recommendations. Swindon CCG is actively supporting the Trust to implement both local and national programmes of work.

Swindon CCG recognise that the Trust has experienced difficulties in achieving the 18-week referral to treatment target, resulting in some patients having to wait longer for their elective treatment. This is a national challenge across NHS organisations and is regularly monitored by the CCG who work closely with the Trust to understand the impact on both patient safety and experience resulting from increased wait time.

The Trust has made good progress in reducing hospital acquired infections over recent years, however, the Trust reported a breach in the numbers of *Clostridium difficile* infections reported (21 against a target of 20) and Methicillin Resistant Staphylococcus Aureus blood stream infections (MRSA, 1 against a target of 0) targets during 2016/17. It is recognised that The Trusts' infection prevention and control (IP&C) annual plan for 17/18 will support a continued focus on further reducing these infections within the hospital setting. Moving forward, the CCG is also committed to working with the Trust to achieve a reduction in reported gram negative bloodstream infections.

We recognise the on-going work by the Trust to monitor and improve patient experience and noted areas of improvement over the year from the results of the PICKER survey. It is also positive to note that 95%-97% of patients would recommend to the Trust to friends and family. We look forward to receiving the Trust's Patient Experience Strategy during 2017/18. Swindon CCG would encourage the Trust to report on complaint themes and trends, including associated learning in future quality accounts and look to strengthen the Friends and Family Test response rate.

We note the national and local clinical audits that have been completed in year. Swindon CCG will seek assurance of completion of the planned actions to implement the learning from clinical audit and improve the quality of healthcare, including Ready, Steady, Go for children in transition, implementation of the recommendations from the UK Parkinson's Audit and implementation of the WHO style checklist in the ED.

Swindon CCG note the CQUIN payment framework. The 2016/17 CQUIN's have focused on key clinical pathways including Children in Transition, Frailty, Diabetes and COPD. In future Quality Accounts, Swindon CCCG would request that the Trust reflect on the improved quality outcomes achieved as a result of CQUIN.

Swindon CCG is pleased to see the results of the NHS Staff Survey, which demonstrates a positive improvement in terms of staff experience and engagement despite the numerous challenges currently facing the NHS and its workforce. The survey has identified some significant areas of improvement over the year, including the level of confidence that staff have in reporting unsafe practice, the effectiveness of communication from senior managers and job satisfaction. However, areas for further improvement have been correctly identified with a focus on bullying and harassment through the 'Never OK' campaign. The Trust has also actively engaged in a CQUIN during 2016/17 to focus on improving staff health and wellbeing.

Swindon CCG is committed to ensuring continued collaborative working with Great Western Hospitals NHS Foundation Trust to achieve identified goals going forward and support the provision of high quality care across the whole health and social care system.

Gill May Executive Nurse, NHS Swindon CCG

11.8.3 Statement from Healthwatch, Swindon and Healthwatch Wiltshire dated 15th May 2017

This statement is provided on behalf of Healthwatch Wiltshire and Healthwatch Swindon. The role of Healthwatch is to promote the voice of patients and the wider public in respect to health and social care services and we welcome the opportunity to comment. Local Healthwatch have continued to meet regularly with the Trust over the past year and remain committed to continuing this relationship and working with the Trust over the coming year. We are happy to see the priorities for the year have been drawn from local learning and national concerns, and that patient/public Governor representatives have been involved.

We are pleased to see that the number of Never Events are decreasing over time and that full investigations are leading to changes in practice within the hospital. Likewise, we welcome the reduction in the number of serious incidents, alongside the increase in the use of the patient safety incident reporting, to ensure that incidents and near misses are used as learning opportunities.

The Trust has put in place additional developments to improve their compliance with Duty of Candour and to ensure that patients and relatives are fully supported following errors. We note that there were some dips in compliance over the winter period and will be monitoring the situation going forward to ensure that system improvements have a positive impact on compliance over the coming year.

The Trust has continued to miss its target for a maximum wait of 4 hours in the Accident and Emergency Department. Whilst we are appreciative of system wide pressures that exist, we remain concerned that current initiatives do not appear to be achieving the aim of reducing this wait time. We note that a remedial action plan is in place and we welcome this development.

However, we would like to know what measures are being taken to ensure the wellbeing of the patients, their relatives and friends who are waiting longer than 4 hours in the department. As local Healthwatch we are committed to ensuring that local people can speak out about their experiences of receiving care.
We would therefore encourage local people to speak to us about their experience of using the A&E department and offer support to the Trust in their continued engagement with patients.

It is reassuring to see that of those patients who have completed the Friends and Family test, many would recommend the services of the Trust to others. We are pleased to see that the Trust is committed to increasing accessibility of services for those with English as an additional language and members of the Deaf community.
We appreciate the use of the National Inpatient Survey data in setting improvement priorities for the coming year. We also welcome the work towards a patient experience and engagement strategy and would be happy to work with the Trust to support this. We encourage the proposed incorporation of patient and public involvement into the Sepsis Working Group, and offer our assistance with this.

The staff survey has shown some positive results and it is reassuring that staff report that feel able to report concerns, are motivated and feel able to contribute to improvements at work and that the majority would recommend the Trust as a place to work or receive treatment. However, it is concerning to see that the levels of bullying and harassment remain higher than national levels.

Healthwatch Swindon congratulate the trust on winning the community health contract in Swindon and look forward to seeing joined up services and opportunities for patient and resident feedback shaping future service provision.

The Trust continues to face challenges as a result of the required actions put in place by the Care Quality Commission and NHS Improvement following the CQC's initial inspection of the Trust in September/October 2015 as well as subsequent follow-up inspections in 2016/17. We very much hope that the work being done impacts positively to reduce the pressures on staff and hence improve the experience of care for patients. We will be closely monitoring the progress of the Trust and will continue to raise concerns should we feel that the quality of care is being compromised.

Healthwatch Wiltshire and Healthwatch Swindon look 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.

Dr. Sara Nelson
Head of Research and Insight

healthwatch Swindon
healthwatch Wiltshire

11.8.4 Statement from Wiltshire Clinical Commissioning Group dated 19th May 2017

Wiltshire Clinical Commissioning Group (CCG) has reviewed the Great Western Hospital NHS Foundation Trust (GWH) Quality Accounts for 2016-17. In doing so, the CCG reviewed the Account in light of key intelligence indicators and the assurances sought and given in the monthly Clinical Quality Review Meetings attended by GWH and Commissioners. This evidence is triangulated with information and is further informed through Quality Assurance visits to GWH, which encompass clinician to clinician feedback and reviews. Wiltshire CCG endorses the Trusts identified quality priorities for 2017-18.

It is the view of the CCG that the Quality Account reflects the Trusts' on-going commitment to quality improvement and addressing key issues in a focused way. The Account summarises the achievements against the 2016-17 Trust quality priorities and identifies the 2017-18 priorities. The Trust priorities for 2016-17 have outlined achievement in the Sign Up To Safety Quality Improvement workstreams which has been evidenced through a reduction in the number of category III and IV pressure ulcers, and a reduction in the number of inpatient falls.

The Trust has reported twenty one (21) cases of C.*difficile* in 2016-17 which has exceeded their trajectory of twenty (20), however, following investigation, only one (1) of the cases has been identified as avoidable, with a further nine (9) cases pending investigation outcome. The CCG welcomes the continued focus on the monitoring and reducing the risk factors of C.*difficile* including the promotion of antibiotic stewardship. The CCG is committed to working with the Trust to reduce rates of Gram Negative Blood Stream Infections. Building on the 2016-17 Sepsis workstream, which was supported through CQUIN funding, the CCG anticipates that further improvement will be made through the embedding of early identification and treatment of Sepsis. This will continue as national CQUIN scheme in 2017-18.

The CCG welcomes the Trusts' continued focus on the recognition and rescue of the deteriorating patient in 2017-18, and the further embedding of the standardised National Early Warning Score (NEWS) through the roll out the e-observation system and a focus on improving clinical handover.

Wiltshire CCG acknowledges that the Trust has experienced increasing demand on the Emergency Department (ED) which has resulted in the 4 hour target not consistently being achieved and some patients spending longer than 12 hours on a trolley before a decision has been made to admit. The Commissioners have requested that the Trust develop an ED quality dashboard to provide assurance of safety within the department, which is also aligned to the CQC Inspection recommendations. The CCG will continue to work with the Trust to support improvements.

One of the Trusts' priorities in 2016-17, 'improving patient experience and reducing complaints' has shown results from the national Friends and Family Test that 95-97% of patients would recommend the Trust services.

The CCG welcome the development of the patient experience and engagement strategy in 2017-18, and look forward to receiving this in September 2017. It is positive to see that the Trust is keen to receive and respond to staff feedback. In particular, the 'Never OK' campaign will focus on addressing the findings within the national staff survey regarding bullying and harassment.

Wiltshire CCG is committed to ensuring collaborative working with Great Western Hospital NHS Foundation Trust to achieve continuous improvement for patients in both their experience of care and outcomes.

Yours sincerely

Tracey Cox
Interim Accountable Officer, NHS Wiltshire Clinical Commissioning Group

11.8.5 Statement from Swindon Health Overview & Scrutiny Committee dated 19th May 2017

We welcome the opportunity to comment on the quality account for Great Western Hospital. Adult and Children's services have been working closely with Great Western Hospital staff in offering care and support to patients.

There are many older people who have benefited from our joint working in improving the discharge of patients into adult social care. We welcome the actions the Trust has taken to improve the health and care of patients, particularly the reduction in serious incidents, incidents of Clostridium difficult (Cdiff) and MRSA

It is positive that nearly all patients would recommend the hospital to family and friends. In future we would welcome a section in the quality accounts that focus on how Great Western Hospital safeguards patients, both children and adults alike and the joint work with adult services as part of the Local Safeguarding Adult Board and Local Safeguarding Childrens Board.

The hospital is a member of the Local Safeguarding Children's Board. It would have been helpful if mention could be made about the work GWH have done to address the findings of local and serious case reviews. Also mention of the specific needs of children as patients.

We congratulate Great western Hospital as the new provider of some community health services in Swindon. We believe this is a unique opportunity to work together on prevention and early intervention as well as improved support to adult and children living in the community'

Cllr Claire Ellis and Cllr Gary Sumner
Chair of Adults services and Chair of Children Services

11.8.6 Statement from Wiltshire Health Overview & Scrutiny Committee dated 23rd May 2017

The Health Select Committee has been given the opportunity to review the draft Quality Account for Great Western Hospital Trust 2016/17. The response below provides a record of the Committee's work relating to GWH during 2016-17:

On 27th September 2016 Health Select Committee considered:

- The CQC inspection report of the Trust, following the inspection undertaken in September 2015, the result of which was a grading of 'Requires Improvement'

- The Trust's improvement plan for addressing issues identified by the CQC.

Wiltshire CCG's Director of Quality attended to provide an overview of the report's findings.

In the course of the presentation and discussion, the issues highlighted included: that some areas require improvement; that good multi-disciplinary working had been identified; that a good culture existed for reporting serious incidents; the culture of good, caring, compassionate staff; that occupancy rates were running high and impacting on safety and effectiveness; the warning notice in relation to A&E; that some staffing levels were of concern; that some safeguarding training needed improvement; that some concerns over the way that risk registers linked together, and how can share issues be addressed properly; that Trust was re-inspected in April to address warning notice issues; that the action plan was acknowledged as being comprehensive but that improvements needed to be quicker.

The Committee resolved to ask GWH to come to its next meeting and provide further detail on its improvement programme:

On 15th November, GWH's Director of Nursing attended the Committee and provided a presentation on progress with the action plan devised following the inspection report. Specific issues discussed included how workforce issues were being addressed and which areas were progressing well and which required more focused attention.

Following a proposal from the Chair, the meeting resolved:

To note the information provided on GWH's improvement programme following their CQC inspection report published in August 2016.

Henry Powell
Senior Scrutiny Officer, Performance Risk and Scrutiny

11.9 2016/17 Statements of Directors' Responsibilities in Respect of 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.

NHS Improvement 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 2016/17 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 2016 to 30 May 2017**.
- Papers relating to quality reported to the board over the period **April 2016 to 30 May 2017.**
- Feedback from Swindon commissioners dated: **16th May 2017**
- Feedback from Wiltshire Commissioners dated: **19th May 2017**
- Feedback from governors dated: **12th May 2017**
- Feedback from local Healthwatch organisations dated: **15th May 2017**
- Feedback from Swindon Overview and Scrutiny Committee dated: **19th May 2017**
- Feedback from Wiltshire Overview and Scrutiny Committee dated: **23rd May 2017**
- The trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, reported to Board monthly.
- The [latest] national patient survey **26th October 2016**
- The [latest] national staff survey **10th October 2016**
- The Head of Internal Audit's annual opinion over the trust's control environment dated: **24 April 2017.**
- CQC inspection report dated **January 2016.**

The Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered 2016/2017.

The performance information reported in the Quality Report is reliable and accurate

There are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice

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

By order of the Board

Chairman:  Date 30 May 2017

Chief Executive:  Date 30 May 2017

11.10 Independent Auditor's Report to the Council of Governors of Great Western Hospitals NHS Foundation Trust on the Annual Quality Report

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF GREAT WESTERN HOSPITALS NHS FOUNDATION TRUST ON THE QUALITY REPORT

We have been engaged by the Council of Governors of Great Western Hospitals NHS Foundation Trust to perform an independent assurance engagement in respect of Great Western Hospitals NHS Foundation Trust's Quality Report for the year ended 31 March 2017 (the 'Quality Report') and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2017 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 or discharge;

We refer to these national priority indicators collectively as the 'indicators'.

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 NHS Improvement.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in the *Detailed requirements for quality reports for foundation trusts 2016/17* ('the Guidance'); and
- the indicators 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 *Detailed Requirements for external assurance for quality reports for foundation trusts 2016/17.*

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 2016 to May 2017;
- papers relating to quality reported to the board over the period April 2016 to May 2017;
- feedback from commissioners, dated 16 May 2017;
- feedback from governors, dated 12 May 2017;
- feedback from local Healthwatch organisations, dated 15 May 2017;
- feedback from Overview and Scrutiny Committee, dated 19 May 2017;
- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009;
- the latest national patient survey, dated February 2017;

- the latest national staff survey, dated April 2017;
- Care Quality Commission Inspection, dated December 2015; and
- the 2016/17 Head of Internal Audit's annual opinion over the trust's control environment.

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 Great Western Hospitals 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 2017, 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 Great Western Hospitals 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.

Limitations

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* and supporting guidance.

The scope of our assurance work has not included governance over quality or the non-mandated indicator, which was determined locally by Great Western Hospitals NHS Foundation Trust.

Basis for qualified conclusion on the percentage of incomplete pathways indicator

Our sample testing for the percentage of incomplete pathways within 18 weeks for patients on incomplete pathways for the year ended 31 March 2017 identified nine issues within a sample of 25 pathways. These related to four cases where the pathway had been stopped incorrectly, three cases where clock start dates could not be reconciled to supporting evidence, one duplicated pathway and one patient that should not have been on an incomplete pathway.

Conclusion

Based on the results of our procedures, except for the effects of the matters described in the 'Basis for qualified conclusion on the percentage of incomplete pathways indicator' section above, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2017:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual;
- the Quality Report is not consistent in all material respects with the sources specified in the Guidance; and
- the indicators in the Quality Report subject to limited assurance have not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.

KPMG LLP

KPMG LLP
Chartered Accountants
66 Queen Square
Bristol
BS1 4BE

30 May 2017

OTHER REPORTING

12. Voluntary Disclosures

12.1 Equality reporting

Details of Equality reporting are included in the Quality Accounts (section11 refers)

12.2 Slavery and Human Trafficking Statement 2017/2018

This statement is made pursuant to Section 54, Part 6 of the Modern Slavery Act 2015 and sets out the steps the Trust has taken to ensure that slavery and human trafficking is not taking place in our supply chains or in any part of our business.

12.2.1 Supply Chain Overview

The breadth, depth and interconnectedness of the NHS supply chain make it challenging to effectively manage business and sustainability issues. Respecting human rights and environmental issues in the supply chain is ultimately our suppliers' responsibility.

12.2.2 Supply chain due diligence processes

We ask our suppliers to make a self-declaration when supplying goods that they have taken measures within their organisation in relation to modern slavery and human trafficking.

12.2.3 Policies

The Trust has a number of policies relevant to exploitation and human trafficking and has joint guidance for services run in partnership with other providers, such as our Wiltshire Health and Care LLP and Swindon Community Services. Our Safeguarding Adults at Risk and Child Protection policy have sections and guidance on trafficking and our HR processes have robust pre-employment checks and assurance processes.

12.2.4 Area of our business where there is a risk of slavery and human trafficking

The majority of our healthcare provision is through direct contact with clinical staff. Our HR processes and professional registration requirements provide the checks to ensure that our workforce is compliant. Areas of greater risk would include supply chains of certain products and equipment. When procuring suppliers we ask for evidence of measures taken in line with slavery and human trafficking.

12.2.5 The effectiveness of our approach

We currently monitor each clinical area against the requirement to train staff in all aspects of safeguarding training appropriate to the clinical environment, with most of our clinical area achieving 100% compliance.

12.2.6 Training

All clinical staff received safeguarding training appropriate to their role, which includes training about slavery and human trafficking. Our safeguarding team receive specialist training and act as a resource to the workforce on slavery and human trafficking concerns.

13. Glossary of Terms

Abbreviation	Definition
A&E	Accident & Emergency
AHSN	Academic Health Science Network
AKI	Acute Kidney Injury
ANTT	Aseptic non-touch technique
ACO	Accountable Care Organisation
AO	Accounting Officer
BARS	Blood Audit and Release System
C.diff	Clostridium Difficile - Bacteria naturally present in the gut
Carillion	The company that owns and runs the fabric of the site
CAUTIs	Catheter Associated Urinary Tract Infections
CCG	Clinical Commissioning Groups
CETV	Cash Equivalent Transfer Value
CLRN	Comprehensive Local Research Network
CNST	Clinical Negligence Scheme for Trusts
CO^2e	Carbon Dioxide Equivalent (standard unit for measuring carbon footprint)
COPD	Chronic Obstructive Pulmonary Disease
CQC	Care Quality Commission
CQUIN	Commissioning for Quality and Innovation Payment
Crescendo	An NHS IT system
CUSUM	Cumulative Sum Control Chart
D&O	Diagnostics & Outpatients
DNA – CPR	Do Not Attempt – Cardiopulmonary Resuscitation
DNAR	Do Not Attempt Resuscitation
DTOC	Delayed Transfer of Care
DOC	Duty of Candour
DVT	Deep Vein Thrombosis
E&D	Equality & Diversity
ED	Emergency Department
EDD	Estimated Date of Discharge
EDS	Equality Delivery System
EPF	Employee Partnership Forum
EPMA	Electronic Prescribing and Medicines Administration
FFT	Friends and Family Test
GWH	Great Western Hospitals NHS Foundation Trust
HAT	Hospital Acquired Thrombosis
HCAI	Healthcare Associated Infections

Abbreviation	Definition
HDU	High Dependency Unit
HMIP	Her Majesty's Inspector of Prisons
HPA	Health Protection Agency – now NHS England
HSCA	Health & Social Care Act
HSCIC	Health & Social Care Information Centre
HSMR	Hospital Standardised Mortality Rates
ICHD	Integrated Community Health Division
IP&C	Infection, Prevention & Control
JACIE	Joint Accreditation Committee
KLOE	Key Lines of Enquiry
LAMU	Linnet Acute Medical Unit
LCRN	Local Clinical Research Network
LQAF	Library Quality Assurance Framework
LSCB	Local Safeguarding Children's Board
MCQOC	Matrons Care Quality Operational Group
MFF	Market Factor Forces
MHRA	Medicines and Healthcare products Regulatory Agency (MHRA)
MIU	Minor Injuries Unit
Monitor	The NHS Foundations Trust's Regulator now part of NHS Improvement
MRSA or MRSAB	Methicillin-Resistant Staphylococcus Aureus Bacteraemia - a common skin bacterium that is resistant to a range of antibiotics
MUST	Malnutrition Universal Screening Tool
NEWS	National Early Warning System
NHS	National Health Service
NPSA	National Patient Safety Agency
NBM	Nil by mouth
NED	Non-Executive Director
NEWS	National Early Warning System
NHS	National Health Service
NHSG	Nutrition & Hydration Steering Group
NHSI	NHS Improvement
NHSLA	National Health Service Litigation Authority
NICE	National Institute for Clinical Excellence
NPSA	National Patient Safety Agency
NRLSA	National Reporting & Learning System Agency
PALS	Patient Advice & Liaison Service (Now Customer Services)
PAW	Princess Anne Wing (Maternity Department in the Royal United Hospital)
PbR	Payment by Results
PCR	Polymerase chain reaction (a method of analysing a short sequence of DNA or RNA)

Abbreviation	Definition
PDSA	Plan, Do, Study, Act
PE	Pulmonary Embolism
PEAT	Patient Environment Action Teams
PLACE	Patient Led Assessment of the Care Environment
POPPI	Projecting Older People Population Information
PROMS	Patient Recorded Outcome Measures
PSQC/PSC	Patient Safety & Quality Committee – now the Patient Safety Committee
PUs	Pressure Ulcers
PURAT	Pressure Ulcer Risk Assessment Tool
QI	Quality Improvement
RAP	Remedial Action Plan
R&D	Research & Development
RCA	Root Cause Analysis
RCM	Regulatory Control Manager
RCOG	Royal College of Gynaecologists
REACT	Rapid Effective Assistance for Children
RR	Relative Risk
RTT	Referral to Treatment
SAFE	Stratification and Avoidance of Falls in the Environment
SAFER	Patient Flow Bundle
SBAR	Situation, Background, Assessment, Recommendation
SEQOL	Social Enterprise Quality of Life (an NHS organisation)
SHMI	Summary Hospital Level Mortality Indicator
SHOUT	Sepsis, Hypovolemia, Obstruction, Urine Analysis, Toxins
SMART	Smart, Measureable, Attainable,, Realistic, Timely
SOPs	Standard Operating Procedures
SOS	Swindon Outreach Scoring System
SSKIN	Surface Skin Keep Moving Incontinence Nutrition
SSNAP	Sentinel Stroke National Audit Programme
STEIS	Strategic Executive Information System
SWICC	South West Intermediate Care Centre
S&TP	Sustainability & Transformation Plan
TEP	Treatment Escalation Plan
TV	Tissue Viability
TVNC	Tissue Viability Nurse Consultant
TVSNs	Tissue Viability Specialist Nurses
UTI	Urinary Tract Infection
VAP	Ventilated Acquired Pneumonia

Abbreviation	Definition
VTE	Venous Thromboembolism
WCH	Wiltshire Community Health (New joint venture 2016 to provide community services)
WCHS	Wiltshire Community Health Service
WHO	World Health Authority
WRES	Workforce Race Equality Standard

14. Foreword to the Accounts

14.1 Foreword to the accounts for the year ending 31 March 2017

These accounts for the period ended 31 March 2017 have been prepared by Great Western Hospitals NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 of the National Service Act 2006 in the form that Monitor, the Independent Regulator of NHS Foundation Trusts, with the approval of the Treasury, has directed.

Signed

Nerissa Vaughan
Chief Executive

30 May 2017

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2017

		Group		Trust	
			Restated		Restated
		Year end	Year Ended	**Year end**	Year Ended
		31 March	31 March	**31 March**	31 March
		2017	2016	**2017**	2016
	Notes	**£000**	£000	**£000**	£000
Operating Income from continued operations	3 - 4	**341,025**	310,382	**339,924**	309,706
Operating Expenses of continued operations	5	**(306,385)**	(306,410)	**(306,105)**	(306,117)
Operating surplus/(deficit) from continued operations		**34,640**	3,972	**33,819**	3,589
Finance Costs					
Finance income	10	**62**	75	**26**	32
Finance expense - financial liabilities	11	**(15,143)**	(15,744)	**(15,143)**	(15,744)
Finance expense - unwinding of discount on provisions		**(3)**	(20)	**(3)**	(20)
Public Dividend Capital Dividends payable		**(953)**	(644)	**(953)**	(644)
Net finance costs		**(16,037)**	(16,333)	**(16,073)**	(16,376)
Movement in fair value of investments	15	**290**	(39)	**0**	0
SURPLUS/(DEFICIT) FOR THE YEAR		**18,893**	(12,400)	**17,746**	(12,787)
Other Comprehensive Income					
Will not be classified to income and expenditure					
Impairments		**(2,282)**	0	**(2,282)**	0
Revaluations		**12,851**	0	**12,851**	0
Total comprehensive income for the year		**29,462**	**(12,400)**	**28,315**	**(12,787)**

All Activity from Continuing Operations

Note: Restatement

The Accounts for 2015/16 have been restated following a change in PFI Accounting Model which relates back to when the PFI assets were taken on Balance Sheet in 2009/10. This is explained in more detail in note 24.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2017

		Group			Trust		
			Restated	Restated		Restated	Restated
		31 March 2017	31 March 2016	1 April 2015	**31 March 2017**	31 March 2016	1 April 2015
	Notes	**£000**	£000	£000	**£000**	£000	£000
Non-Current Assets							
Intangible assets	12	**2,721**	2,033	2,389	**2,721**	2,033	2,389
Property, Plant and Equipment	13	**221,894**	201,857	204,040	**221,894**	201,857	204,040
Other investments	15	**1,112**	822	861	**0**	0	0
Total non-current assets		**225,727**	204,712	207,290	**224,615**	203,890	206,429
Current Assets							
Inventories	16	**5,363**	5,779	6,316	**5,363**	5,779	6,316
Trade and other receivables	17	**30,613**	25,204	23,415	**30,613**	25,223	23,472
Cash and cash equivalents	19	**7,273**	2,300	2,261	**5,854**	1,715	2,064
Total current assets		**43,249**	33,283	31,992	**41,830**	32,717	31,852
Current Liabilities							
Trade and Other Payables	20	**(41,291)**	(42,005)	(35,133)	**(41,291)**	(42,001)	(35,129)
Borrowings	23.1-23.3	**(12,104)**	(5,401)	(10,410)	**(12,104)**	(5,401)	(10,410)
Provisions	25	**(149)**	(153)	(153)	**(149)**	(153)	(153)
Tax Payable	22	**(2,286)**	(1,596)	(1,613)	**(2,286)**	(1,596)	(1,613)
Other liabilities	21	**(2,710)**	(1,953)	(2,302)	**(2,710)**	(1,953)	(2,302)
Total current liabilities		**(58,540)**	(51,108)	(49,611)	**(58,540)**	(51,104)	(49,607)
Total assets less current liabilities		**210,436**	186,887	189,671	**207,905**	185,503	188,674
Non-Current Liabilities							
Borrowings	23.1-23.3	**(124,948)**	(130,605)	(121,444)	**(124,948)**	(130,605)	(121,444)
Provisions	25	**(1,403)**	(1,546)	(1,486)	**(1,403)**	(1,546)	(1,486)
Other Liabilities	21	**(1,246)**	(1,360)	(1,474)	**(1,246)**	(1,360)	(1,474)
Total non-current liabilities		**(127,597)**	(133,511)	(124,404)	**(127,597)**	(133,511)	(124,404)
Total assets employed		**82,839**	53,376	65,267	**80,308**	51,992	64,270
Financed by Taxpayers' Equity							
Public dividend capital		**30,895**	30,895	30,386	**30,895**	30,895	30,386
Revaluation reserve		**40,397**	29,828	29,828	**40,397**	29,828	29,828
Income and expenditure reserve		**9,016**	(8,731)	4,056	**9,016**	(8,731)	4,056
Charitable fund reserves		**2,531**	1,384	997	**0**	0	0
Total taxpayers' equity		**82,839**	53,376	65,267	**80,308**	51,992	64,270

The Annual Accounts were approved by the Board of Directors on 30th May 2017 and signed on its behalf by:

Nerissa Vaughan
Chief Executive

Date.... 8.6.17

The notes on pages 217 to 249 form part of the financial statements

Great Western Hospitals NHS Foundation Trust
Accounts for the year ended 31 March 2017

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

Group and Trust	NHS Charitable funds reserve	Public Dividend Capital	Revaluation Reserve - Tangible assets	Income and Expenditure Reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' Equity at I April 2015 Restated	**997**	**30,386**	**29,828**	**4,057**	**65,268**
Surplus/(deficit) for the year	563	0	0	(12,963)	(12,400)
Public Dividend Capital received	0	509	0	0	509
Other reserve movements - charitable funds consolidation adjustment	(176)	0	0	176	0
Taxpayers' Equity at 31 March 2016 Restated	**1,384**	**30,895**	**29,828**	**(8,730)**	**53,377**
Surplus/(deficit) for the year	**1,319**	**0**	**0**	**17,574**	18,893
Public Dividend Capital received	**0**	**1,558**	**0**	**0**	1,558
Public Dividend Capital repaid	**0**	**(1,558)**	**0**	**0**	(1,558)
Impairments	**0**	**0**	**(2,282)**	**0**	(2,282)
Revaluations - property, plant and equipment	**0**	**0**	**12,851**	**0**	12,851
Other reserve movements - charitable funds consolidation adjustment	**(172)**	**0**	**0**	**172**	0
Taxpayers' Equity at 31 March 2017	**2,531**	**30,895**	**40,397**	**9,016**	**82,839**

Information on reserves

NHS charitable funds reserves
This balance represents the ring-fenced funds held by the NHS charitable funds consolidated within these accounts. NHS Charity is separately identifiable above. These reserves are classified as restricted or unrestricted.

Public dividend capital
Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS trust. Additional PDC may also be issued to NHS foundation trusts by the Department of Health. A charge, reflecting the cost of capital utilised by the NHS foundation trust, is payable to the Department of Health as the public dividend capital dividend.

Revaluation reserve
Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Income and expenditure reserve
The balance of this reserve is the accumulated surpluses and deficits of the NHS foundation trust.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2017

		Group		Trust	
			Restated		Restated
		Year Ended 31 March 2017	Year Ended 31 March 2016	**Year Ended 31 March 2017**	Year Ended 31 March 2016
	Notes	**£000**	£000	**£000**	£000
Cash flows from operating activities					
Operating surplus from continuing operations		**34,640**	3,972	**33,819**	3,589
Depreciation and amortisation		**7,741**	8,082	**7,741**	8,082
Impairments		**(13,705)**	0	**(13,705)**	0
Loss on disposal		**0**	2	**0**	2
Decrease in inventories		**416**	537	**416**	537
Increase in trade and other receivables		**(3,790)**	(1,900)	**(3,790)**	(1,900)
Increase/(Decrease) in trade and other payables		**(509)**	6,384	**(509)**	6,384
Increase/(Decrease) in other liabilities		**643**	(463)	**643**	(463)
NHS charitable funds - net adjustments for working capital movement		**13**	(36)	**13**	(36)
Increase/(Decrease) in provisions		**(150)**	40	**(150)**	40
Net Cash Generated from Operations		**25,299**	16,618	**24,478**	16,235
Cash flows from investing activities					
Interest received		**26**	75	**26**	32
Purchase of Intangible assets		**(1,012)**	(183)	**(1,012)**	(183)
Purchase of Property, Plant and Equipment		**(4,602)**	(4,891)	**(4,602)**	(4,891)
Net cash used in investing activities		**(5,588)**	(4,999)	**(5,588)**	(5,042)
Cash flows from financing activities					
Public Dividend Capital received		**1,558**	509	**1,558**	509
Public Dividend Capital repaid		**(1,558)**	0	**(1,558)**	0
Public dividend capital received (PDC adjustment for modified absorption transfers of payables/receivables)		**0**	0	**0**	0
Loans received from the Department of Health		**6,450**	11,900	**6,450**	11,900
Loans repaid to Department of Health		**(633)**	(2,055)	**(633)**	(2,055)
Capital element of Finance Leases		**(76)**	(108)	**(76)**	(108)
Capital element of Private Finance Initiative Obligations		**(4,692)**	(5,109)	**(4,692)**	(5,109)
Interest paid		**(324)**	(138)	**(324)**	(138)
Interest element of Finance Leases		**(13)**	(20)	**(13)**	(20)
Interest element of Private Finance Initiative Obligations		**(14,806)**	(15,549)	**(14,806)**	(15,549)
PDC dividends paid		**(680)**	(522)	**(680)**	(522)
Cash flows from other financing activities		**35**	(487)	**22**	(449)
Net cash used in financing activities		**(14,739)**	(11,579)	**(14,752)**	(11,541)
Decrease in cash and cash equivalents		**4,972**	40	**4,139**	(349)
Cash and cash equivalents at 1 April 2016		**2,300**	2,261	**1,715**	2,064
Cash and cash equivalents at 31 March 2017	19	**7,273**	2,300	**5,854**	1,715

ACCOUNTING POLICIES

1 Basis of Preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, is responsible for issuing an accounts direction to NHS foundation trusts under the NHS Act 2006. NHS Improvement has directed that the financial statements of NHS foundation trusts shall meet the accounting requirements of the Department of Health Group Accounting Manual (DH GAM) which shall be agreed with the Secretary of State. Consequently, the following financial statements have been prepared in accordance with the DH GAM 2016/17 issued by the Department of Health. 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.

On 20 April 2015, following a review by Monitor, the Trust was found to be in breach of the following conditions of its licence: CoS3(1)(a) and (b), FT4(2) and FT4 (5)(a), (d), (e), (f) and (g) relating to the financial sustainability, performance and governance of the Trust. Notwithstanding this breach and reporting a surplus of £4,041k including Sustainability & Transformation Funding for the year ending 31st March 2017, the accounts have been prepared on a going concern basis. The Trust's Annual Plan forecasts a surplus of £1.8m for the year ending 31 March 2018 following receipt of £6.8m from Sustainability and Transformation Fund. This will enable the Trust to maintain a minimum monthly cash balance of at least £1.7m and this is also set out in the Trust's 2017/18 Annual Plan.

The NHS Improvement NHS Foundation Trust Annual Reporting Manual 2016/17 states that financial statements should be prepared on a going concern basis unless management either intends to apply to the Secretary of State for the dissolution of the NHS FT without the transfer of the services to another entity, or has no realistic alternative but to do so.

After making enquiries and considering the uncertainties described above, the Directors have a reasonable expectation that the Trust will secure adequate resources to continue in operational existence for the foreseeable future and continue to adopt the going concern basis in preparing the Annual Report and Accounts.

1.1 Accounting Convention

These accounts have been prepared under the historical cost convention, on a going concern basis modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

1.1.1 Consolidation

Great Western Hospitals NHS Foundation Trust Charitable Fund
The NHS Foundation Trust is the corporate trustee to Great Western Hospitals NHS Foundation Trust Charitable Fund. The Foundation Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the Foundation Trust has the power to govern the financial and operating policies of the charitable fund so as to obtain benefit from its activities for itself, its patients or its staff.

Prior to 2013/14 the FT ARM permitted the NHS Foundation Trust not to consolidate the charitable fund. From 2013/14, the Foundation Trust has consolidated the charitable fund and has applied this as a change in accounting policy.

The charitable fund's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (FRS 102 Charities SORP). On consolidation, necessary adjustments are made to the charity's assets, liabilities and transactions to:

recognise and measure them in accordance with the Foundation Trust's accounting policies; and

eliminate intra-group transactions, balances, gains and losses.

The key accounting policy for the Charity is in relation to investments. The Corporate Trustee has determined the investment policy to, in so far is reasonable, avoid undue risk to the real value of the capital and income of the portfolio, after allowing for inflation so the investments are held at fair value. The investment policy, also requires that all monies not required to fund working capital should be invested to maximise income and growth.

1.1.2 Subsidiaries

Subsidiary entities are those over which the Trust has the power to exercise control or a dominant influence so as to gain economic or other benefits. 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 minority interests are included as a separate item in the Statement of Financial Position.

Until 31st March 2013, NHS Charitable Funds considered to be subsidiaries were excluded from consolidation in accordance with the accounting direction issued by Monitor.

1.1.3 Joint Ventures

Joint ventures are arrangements in which the Trust has joint control with one or more other parties, and where it has the rights to the net assets of the arrangement. Joint ventures are accounted for using the equity method. The Trust entered a Joint Venture Arrangement, Wiltshire Health & Care LLP, with Royal United Hospital Bath NHS FT and Salisbury NHS FT on 1st July 2016. All profits or losses are shared equally between the three Trusts. No initial consideration was paid for the share of the investment.

1.2 Income

Income in respect of services provided is recognised when, and to the extent that, performance occurs, and is measured at the fair value of the consideration receivable. The main source of income for the Trust is contracts with commissioners in respect of healthcare services.
Income relating to patient care spells that are part-completed at the year end are apportioned across the financial years on the basis of length of stay at the end of the reporting period compared to expected total length of stay.

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.

Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred.

ACCOUNTING POLICIES (continued)

1.3 Expenditure on Employee Benefits

1.3.1 Short term Employee Benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from the employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that the employees are permitted to carry forward leave into the following period.

1.3.2 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 direction of the Secretary of State, in England and Wales. It is not possible for the Trust to identify its share of the underlying scheme liabilities. Therefore the scheme is accounted for as a defined contribution scheme.

Employers pension cost contributions are charged to the 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.

Local Government Superannuation Scheme

Some employees are members of the Local Government Superannuation Scheme which is a defined benefit pension scheme. The scheme assets and liabilities attributable to these employees can be identified and are recognised in the Trust accounts. The assets are measured at fair value, and the liabilities at the present value of future obligations.

National Employment Savings Trust (NEST)

As part of the governments pension reform the Trust commenced auto-enrolment in July 2013. Staff not eligible to join the NHS pension scheme are automatically enrolled in NEST.

The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The expected gain during the year from scheme assets is recognised within finance income. The interest cost during the year arising from the unwinding of the discount on the scheme liabilities is recognised in the income and expenditure reserve and reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

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1.4 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

1.5 Property, plant and equipment

1.5.1 Recognition

Property, plant and equipment is capitalised where:

- they are held for use in delivering services or for administrative purposes.
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust.
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- individually have a cost of at least £5,000; or
    - form a group of assets which individually have a cost of more than £250, collectively have a cost of at least £5,000, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
    - form part of the initial equipping and setting-up cost of a new building or refurbishment of a 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.

ACCOUNTING POLICIES (continued)

1.5.2 Measurement

Valuation

All property, plant and equipment are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. All assets are measured subsequently at fair value.

Land and Property assets are valued every 5 years with a 3 yearly interim valuation also carried out. Annual impairment reviews are carried out in other years. The 3 and 5 yearly interim revaluations are carried out by a professionally qualified valuer in accordance with the Royal Chartered Institute 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 revaluation was carried out on 1 April 2016. For GWH assets this was a full revaluation. A desktop revaluation was carried out for Wiltshire Community Estates as they are pending transfer to NHS Property Services.

Equipment assets values are reviewed annually internally to determine the remaining life based on past and forecasted consumption of the economic useful life of the asset.

Property used for the Trust's services or for administrative purposes are stated in the Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the Trust and the cost of the item can be determined reliably.

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 de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

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.

Property, plant and equipment which has been classified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

Leasehold properties are depreciated over the primary lease term.

Equipment is capitalised at current cost and depreciated evenly over the estimated lives of the asset.

	Years
Plant and Machinery	5 to 15
Furniture and Fittings	5 to 10
Information Technology	5 to 12
Transport Equipment	6

ACCOUNTING POLICIES (continued)

Revaluation Gains and Losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has been 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'.

Impairments

In accordance with the DH GAM, impairments that are due to a loss of economic benefit 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 charges to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment arising from a loss 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 revaluation 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 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 in within 12 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.

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. Assets are de-recognised when all material sale contract conditions have been met.

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 de-recognised when scrapping or demolition occurs.

ACCOUNTING POLICIES (continued)

1.6 Donated, government grant and other grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is 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 property, plant and equipment.

1.7 Private Finance Initiative (PFI) Transactions

PFI Transactions that 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 IAS17, the underlying assets are recognised as property, plant and equipment at their fair value together with an equivalent financial liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets as appropriate.

The annual contractual payments are apportioned between the repayment of the liability, a finance cost and the charges for services.

The service charge is recognised in operating expenses and the finance cost is charged to the Statement of Comprehensive Income.

1.7.1 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.

1.8 Intangible assets

1.8.1 Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably.

Internally generated intangible assets
Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use
- the Trust intends to complete the asset and sell or use it
- the Trust has the ability to sell or use the asset
- how the intangible asset will generate probable future economic or service delivery benefits, eg, the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset
- adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset and
- the Trust can measure reliably the expenses attributable to the asset during development.

ACCOUNTING POLICIES (continued)

1.8.2 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 the hardware e.g. application software is capitalised as an intangible asset.

1.8.3 Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at fair value. Revaluation gains and losses and impairments are treated in the same manner as for Property, Plant and Equipment.

Intangible assets held for sale are measured at the lower of their carrying amount or 'fair value less costs to sell'.

1.8.4 Valuation and economic useful lives

The valuation basis is described in note 1.5 to the accounts. There is no active market for the Trust's intangible assets and there is no revaluation reserve.

PFI Intangible Assets are depreciated over the life of the PFI Contract.
Economic useful lives of intangible assets are finite and amortisation is charged on a straight line basis:

	Minimum useful life Years	Maximum useful life Years
Software	5	5
Licences and trademarks	5	12

1.9 Inventories

Inventories are valued at the lower of cost and net realisable value. Pharmacy stocks are valued at average cost, other inventories are valued on a first-in first-out basis. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks. Work-in-progress comprises goods and services in intermediate stages of production.

ACCOUNTING POLICIES (continued)

1.10 Financial instruments and financial liabilities

1.10.1 Recognition

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs i.e. when receipt or delivery of the goods or services is made.

All other financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

1.10.2 Classification

Financial assets are classified as fair value through income and expenditure, loans and receivables. Financial liabilities are classified as fair value through income and expenditure, or as other financial liabilities.

1.10.3 Financial assets and financial liabilities at 'fair value through the income and expenditure'

Financial assets and financial liabilities at 'fair value through the income and expenditure' are financial assets or financial liabilities held for trading. A financial asset or financial liability is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets and liabilities in this category are classified as current assets and current liabilities.

These financial assets and financial liabilities are recognised initially at fair value, with transaction costs expensed in the income and expenditure account. Subsequent movements in the fair value are recognised as gains and losses in the Statement of Comprehensive Income.

1.10.4 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets. The Trust's loans and receivables comprise current investments, cash and cash equivalents, NHS debtors, accrued income and other debtors.

Loans and receivables are recognised initially at fair value, net of transactions costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial assets or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

1.10.5 Other financial liabilities

All other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to Finance Costs. Interest on financial liabilities taken out to finance property, plant and equipment or to intangible assets is not capitalised as part of the cost of those assets.

1.10.6 Determination of Fair Value

For Financial assets and financial liabilities carried at fair value, the carrying amounts are determined from current market prices.

ACCOUNTING POLICIES (continued)

1.10.7 Impairment of financial assets

At the Statement of Financial Position date, the Trust assesses whether any financial assets, other than those held at 'fair value through income and expenditure' 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.

1.10.8 Accounting for derivative financial instruments

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 income and expenditure. They are held at fair value, with any subsequent movement recognised as gains or losses in the Statement of Comprehensive Income.

1.11 Leases

1.11.1 Finance Leases

Where substantially all of the risks and rewards of ownership of a lease asset are borne by the NHS Foundation Trust the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present minimum value of the lease payments, discounted using the interest rate implicit in the lease.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for as an item of property, plant and equipment.

The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability is de-recognised when the liability is discharged, cancelled or expires.

1.11.2 Operating Leases

Other leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

1.11.3 Lease of Land and Buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

ACCOUNTING POLICIES (continued)

1.12 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 discount rates published and mandated by HM Treasury.

1.12.1 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 in note 24 on page 30 but is not recognised in the Trust's accounts.

1.12.2 Non-Clinical Risk Pooling

The NHS Foundation 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 when the liability arises.

1.13 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 26 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 26, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

1.14 Public Dividend Capital

Public Dividend Capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS Trust. 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 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), and (ii) average daily cash balances with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding any cash balances held in GBS accounts that relates 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 of the audit of the accounts.

ACCOUNTING POLICIES (continued)

1.15 Value Added Tax

Most of the activities of the NHS Foundation Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.16 Corporation Tax

The NHS Foundation Trust does not have a corporation tax liability for the year 2016/17 (2015/16 £nil). Tax may be payable on activities as described below:

- the activity is not related to the provision of core healthcare as defined under Section 14(1) of the HSCA. Private healthcare falls under this legislation and is, therefore, not taxable.
- 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.
- the activity must have annual profits of over £50,000.

1.17 Foreign exchange

The functional and presentational currencies of the NHS Foundation Trust is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of the transaction. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March. Resulting exchange gains and losses for either of these are recognised in the Statement of Comprehensive Income in the period in which they arise.

1.18 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS Foundation Trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's FReM.

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 the NHS Foundation Trust not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

However, the note on losses and special payments is compiled directly from the losses and compensations register which reports amounts on an accruals basis with the exception of provisions for future losses.

1.20 Transfers of functions from other NHS bodies

For functions that have been transferred to the NHS Foundation Trust from another NHS body, the assets and liabilities transferred are recognised in the accounts as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net gain corresponding to the net assets transferred is recognised within income, but not within operating activities.

For property plant and equipment assets and intangible assets, the Cost and Accumulated Depreciation / Amortisation balances from the transferring entity's accounts are preserved on recognition in the Trust's accounts. Where the transferring body recognised revaluation reserve balances attributable to the assets, the Trust makes a transfer from its income and expenditure reserve to its revaluation reserve to maintain transparency within public sector accounts.

ACCOUNTING POLICIES (continued)

1.21 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 the evaluation is to consider whether there may be a significant risk of causing a 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 £199m, 2015/16 (£175m): 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.

Income for an inpatient stay can start to be recognised from the day of admission, but cannot be precisely calculated until after the patient is discharged. For patients occupying a bed at the 2016/17 financial year end, the estimated value of partially completed spells is £1,329k (2015/16 £1,338k). An estimate relating to maternity pathway income has also been included within deferred income in 2016/17. The value of this estimate is £1,567k (2015/16 £1,508k).

Untaken annual leave: salary costs include an estimate for the annual leave earned but not taken by employees at 31 March 2017, to the extent that staff are permitted to carry up to 5 days leave forward to the next financial year. For 2016/17 this was £454k (2015/16 £464k).

Provisions: Assumptions around the timing of the cash flows relating to provisions are based upon information from the NHS Pensions Agency and expert opinion within the Trust and from external advisers regarding when legal issues may be settled.

1.25 New Accounting Standards

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:

Effective in future years	**Effective Date**	
IFRS 9 Financial instruments	2017/18	Not yet adopted by FReM
IFRS 14 Regulatory Deferral Accounts	2016/17	Not applicable to DH Group
IFRS 15 Revenue from contracts with customers	2017/18	Not yet adopted by FReM
IFRS 16 Leases	2019/20	Not yet adopted by FReM

The Trust has considered the above new standards, interpretations and amendments to published standards that are not yet effective and concluded that as they are not within the FReM they are not relevant to the Trust.

The Trust has not early adopted any new accounting standards, amendments or interpretations.

2. Segmental Analysis
Group

The Trust's Board has determined that the Trust operates in three material segments which is Great Western Hospitals (GWH), Swindon Community Services and the NHS Charity. From 1/7/16 the contract for Wiltshire Community Services has been delivered by Wilthsire Health & Care LLP with services provided to the LLP by GWH. GWH took on the provision of Adult Community Health Services in Swindon from SEQOL on a caretaker basis from 1/10/16.

2016-17 To 30/6/17 From 1/10/16

Operating Income	**GWH £'000**	**WCHS £'000**	**Swindon Community Services**	**Charity £'000**	**Total £'000**
NHS Clinical Income	274,886	10,378	10,992	0	296,256
Private Patients	3,077	0	0	0	3,077
Other Non Mandatory/Non Protected Revenue	4,513	3	0	0	4,516
Research & Development Income	597	0	0	0	597
Education and Training Income	9,677	6	56	0	9,739
Misc Other Operating Income	24,846	534	187	1,273	26,840
Total Income	**317,596**	**10,921**	**11,235**	**1,273**	**341,025**

2015-16

Operating Income	**GWH £'000**	**WCHS £'000**	**Swindon Community Services £'000**	**Charity £'000**	**Total £'000**
NHS Clinical Income	223,254	54,857	0	0	278,111
Private Patients	2,496	0	0	0	2,496
Other Non Mandatory/Non Protected Revenue	3,307	88	0	0	3,395
Research & Development Income	844	0	0	0	844
Education and Training Income	9,878	81	0	0	9,959
Misc Other Operating Income	8,019	6,707	0	852	15,578
Total Income	**247,798**	**61,733**	**0**	**852**	**310,382**

NHS Charity is separately identifiable above.

From 1st July 2016 the contract for Wiltshire Community Services has been held by a Joint Venture Wiltshire Health & Care LLP (WH&C LLP). GWH are subcontracted by WH&C LLP to provide these services and the income asociated with this is included with GWH totals in the table above.

2.1 Swindon Community Services
Following a tender exercise in 2016 GWH were named preferred bidder for running Adult Community Health Services in Swindon. The contract was due to commence in February 2017, however following the winding down of the existing provider SEQOL in September 2016, Swindon CCG asked GWH to taken on Swindon Community Services from SEQOL in a caretaker role until February 2017. In January 2017 GWH Trust Board agreed to take the services on depending on final contract negotiations.

Swindon Community Services	**Cost of Service from 1/10/16 £'000**
Contract Income	10,992
Other Income	244
Total Income	**11,235**
Pay	(8,560)
Non Pay	(2,675)
Total Expenditure	**(11,235)**
Net	**0**

No Opening Balances were transferred from SEQOL. There were no assets or liabilities transferred to GWH.

3. Income
Group and Trust

3.1 Income from Activities (by source)

	Year Ended 31 March 2017	Year Ended 31 March 2016
	£000	£000
NHS Foundation Trusts	**1,259**	281
NHS Trusts	**69**	71
CCGs and NHS England	**260,929**	271,427
NHS Other	**31,020**	0
Local Authorities	**2,968**	6,509
Private Patients	**3,251**	2,495
Non-NHS: Overseas patients (non-reciprocal)	**324**	116
NHS Injury Cost Recovery scheme	**1,457**	740
Non NHS Other	**370**	0
Total Income from Activities	**301,647**	281,639

NHS Injury Cost Recovery scheme income is shown gross and is subject to a provision for doubtful debts of 22.94% (2015/16 21.99%) to reflect expected rates of collection.

3.2 Income from Activities (by nature)

	Year Ended 31 March 2017	Year Ended 31 March 2016
	£000	£000
Elective income	**40,924**	39,519
Non elective income	**77,571**	73,659
Outpatient income	**46,391**	45,478
A & E income	**10,436**	9,928
Other NHS clinical income	**96,359**	56,735
Community contract income	**26,715**	53,825
Private patient income	**3,251**	2,495
Total Income from Activities	**301,647**	281,639

3.3 Commissioner Requested Services

The table below shows the split of Commissioner Requested Services (CRS).

	Year Ended 31 March 2017	Year Ended 31 March 2016
	£000	£000
Income from services designated (or grandfathered) as CRS	**265,320**	278,288
Income from services not designated as CRS	**36,327**	3,351
Total Income from Activities	**301,647**	281,639

4. Other Operating Income	**Year ended**	Year ended
Group	**31 March**	31 March
	2017	2016
	£000	£000
Research and Development	**597**	844
Education and Training	**9,739**	9,960
Charitable and other contributions to expenditure	**10**	53
Sustainability and Transformation Funding	**11,379**	0
Non-patient care services to other bodies	**33**	180
Staff recharges	**335**	738
Other Income	**16,012**	16,116
NHS Charitable Funds: Incoming resources excluding investment income	**1,273**	852
Total Other Operating Income	**39,378**	28,743

4.1 Other Income includes		
Car Parking (Staff & Patients)	**1,828**	1,744
IT recharges	**67**	70
Pharmacy sales	**214**	290
Clinical Excellence Awards	**271**	313
Catering	**71**	90
Property Rentals	**2,285**	2,689
Payroll & Procurement Services	**63**	55
Occupational Health Service	**186**	193
Dietetics	**280**	60
Ultrasound Photo Sales	**61**	63
Transport services	**450**	309
Staff accommodation	**190**	128
Domestic services	**126**	123
Pathology	**16**	93
Cancer Drug Fund	**1,940**	1,817
Other	**7,964**	8,080
Total Other Income	**16,012**	16,117

NHS Charity Income is separately identifiable above.

4.2 Overseas visitors (relating to patients charged directly by the NHS Foundation Trust)

	2016/17	2015/16
	£000	£000
Income recognised this year	**324**	116
Cash payments received in-year	**145**	61
Amounts added to provision for impairment of receivables	**139**	71
Amounts written off in-year	**47**	5

5. Operating Expenses **Group**	**Year Ended 31 March 2017** **£000**	Year Ended 31 March 2016 £000
Services from NHS Foundation Trusts	**2,069**	1,165
Services from NHS Trusts	**98**	161
Services from CCGs and NHS England	**1**	0
Services from other NHS bodies	**0**	0
Purchase of healthcare from non NHS bodies	**278**	1,199
Employee Expenses - Executive Directors	**1,125**	1,063
Employee Expenses - Non-Executive Directors	**140**	136
Employee Expenses - Staff	**203,213**	191,915
Drug Costs	**27,458**	26,009
Supplies and services - clinical	**30,641**	29,742
Supplies and services - general	**2,611**	2,754
Consultancy services	**1,823**	409
Establishment	**5,140**	4,661
Research and development	**637**	700
Transport	**1,397**	333
Premises - business rates payable to local authorities	**1,921**	1,831
Premises - other	**6,469**	8,720
Increase / (decrease) in bad debt provision	**133**	767
Increase in other provisions	**81**	234
Rentals Under operating Leases	**707**	329
Depreciation on property, plant and equipment	**7,248**	7,543
Amortisation on intangible assets	**493**	539
Net Impairment of Property, Plant & Equipment	**(13,705)**	0
Loss on sale of asset	**0**	2
Fees Payable to External Auditor		
Statutory Audit Services	**68**	63
Other Auditor Remuneration		
(a) Auditing of Accounts of any Associates	**3**	3
(b) Audit Related Assurance Services	**13**	13
(c)Taxation Compliance Services	**0**	0
(d) All Taxation Advisory Services not falling in (c) above	**6**	0
Internal audit services	**97**	90
Clinical negligence	**4,821**	4,116
Patient travel	**270**	310
Car parking and security	**3**	55
Insurance	**212**	261
Hospitality	**25**	19
Legal Fees	**372**	480
Training courses and conferences	**1,459**	804
Other Services	**18,764**	19,674
Losses, ex gratia & special payments	**17**	20
NHS Charitable Funds - other resources expended	**277**	290
	306,385	306,410

Staff Exit Packages
The Trust has agreed 6 staff exit package, total of £237k in 2016/17 (31 March 2016: £99k).

Supplies and Services
Supplies and Services Costs have increased in 2016/17 reflecting additional costs associated with provision of Swindon Community Services.

Employee Expenses - Staff
Employee Expenses - Staff have increased due to Trust taking on Swindon Community Services and associated Staff from 1st October 2016.

Net Impairment of Property, Plant & Equipment
Net Impairment of Property, Plant & Equipment relates to reversal of impairment on GWH assets following revaluation on 1st April 2016.

Other Services
Other Services - includes cleaning, catering, portering, housekeeping and estates services.

Limitation on Auditor's Liability
The Board of Governors has appointed KPMG LLP as external auditors. The engagement letter signed on 14 April 2015 states that the liability of KPMG, its members, partners and staff (whether in contract, negligence or otherwise) shall in no circumstance exceed £1m in the aggregate in respect of all services (£1m in 2015/16).

6. Operating leases - as Lessee

This note discloses costs and commitments incurred in operating lease arrangements where Great Western Hospitals NHS FT is the lessee.

Group and Trust	**Year Ended 31 March 2017**	Year Ended 31 March 2016
	£000	£000
Minimum lease payments	**707**	329
	707	329

Total future minimum lease payments	**Year Ended 31 March 2017**	Year Ended 31 March 2016
Payable:	**£000**	£000
Not later than one year	**693**	212
Between one and five years	**1,805**	418
After 5 years	**13**	0
Total	**2,511**	630

7. Employee costs and numbers

Group and Trust

7.1 Employee Expenses	Year Ended 31 March 2017 Total £000	Year Ended 31 March 2016 Total £000
Salaries and wages	**155,118**	152,661
Social security costs	**14,780**	11,573
Employer's contributions to NHS pensions	**18,969**	18,798
Temporary staff (including agency)	**16,068**	10,646
Total staff costs	**204,935**	193,678

7.2 Retirements due to ill-health

Group and Trust

During the year to 31 March 2017 there were 2 early retirements from the Trust agreed on the grounds of ill-health (31 March 2016 - 6 early retirements). The estimated additional pension liabilities of these ill-health retirements will be £115k (31 March 2016 - £181,437). The cost of these ill-health retirements will be borne by the NHS Pensions Agency.

8. Pension Costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2017, is based on valuation data as 31 March 2016, updated to 31 March 2017 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account their recent demographic experience), and to recommend contribution rates payable by employees and employers. The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

The next actuarial valuation is to be carried out as at 31 March 2016. This will set the employer contribution rate payable from April 2019 and will consider the cost of the Scheme relative to the employer cost cap. There are provisions in the Public Service Pension Act 2013 to adjust member benefits or contribution rates if the cost of the Scheme changes by more than 2% of pay. Subject to this 'employer cost cap' assessment, any required revisions to member benefits or contribution rates will be determined by the Secretary of State for Health after consultation with the relevant stakeholders.

9. Better Payment Practice Code
Group and Trust

9.1 Better Payment Practice Code

	Year Ended 31 March 2017		Year ended 31 March 2016	
	Number	**£000**	Number	£000
Total trade bills paid in the year	**69,245**	**174,487**	59,971	143,838
Total trade bills paid within target	**17,039**	**99,490**	17,542	79,308
Percentage of trade bills paid within target	**24.61%**	**57.02%**	29.25%	55.14%
Total NHS bills paid in the year	**1,674**	**12,692**	2,072	15,394
Total NHS bills paid within target	**790**	**4,846**	820	3,825
Percentage of NHS bills paid within target	**47.19%**	**38.18%**	39.58%	24.85%

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

The deterioration of the Better Payment Practice Code measures is as a result of an increase in creditors due for payment as a result of in year cash management.

9.2 The Late Payment of Commercial Debts (Interest) Act 1998

The Trust was charged £2,627 in the year for late payment of commercial debts (31 March 2016 £5,330).

10. Finance Income
Finance income represents interest received on assets and investments in the period.

Group and Trust	**Year Ended 31 March 2017**	Year Ended 31 March 2016
	£000	£000
Interest on bank accounts	**26**	32
NHS Charitable Funds: Investment Income	**36**	43
	62	75

11. Finance Expense
Finance expenditure represents interest and other charges involved in the borrowing of money.

Group and Trust	**Year Ended 31 March 2017**	Restated Year Ended 31 March 2016
	£000	£000
Working Capital Facility Fee	**0**	22
Other Interest	**42**	0
Interest on loans from DoH	**279**	148
Interest on late payment of commercial debt	**3**	5
Interest on obligations under Finance leases	**13**	20
Interest on obligations under PFI	**14,806**	15,549
	15,143	15,744

12. Intangible Assets
Group and Trust
12.1 2016/17:

	Computer software - purchased	Licences and trademarks	Intangible assets under construction	Total
	£000	£000	£000	£000
Gross cost at 1 April 2016	2,274	2,818	0	5,092
Additions purchased	181	0	831	1,012
Reclassifications	169	0	0	169
Gross cost at 31 March 2017	**2,624**	**2,818**	**831**	**6,273**
Amortisation at 1 April 2016	1,485	1,574	0	3,059
Provided during the year	273	220	0	493
Amortisation at 31 March 2017	**1,758**	**1,794**	**0**	**3,552**
Net book value				
Purchased	866	1,024	831	2,721
Total at 31 March 2017	**866**	**1,024**	**831**	**2,721**

12.2 2015/16:

	Computer software - purchased	Licences and trademarks	Intangible assets under construction	Total
	£000	£000	£000	£000
Gross cost at 1 April 2015	2,091	1,450	1,368	4,909
Additions purchased	183	0	0	183
Reclassifications	0	1,368	(1,368)	0
Gross cost at 31 March 2016	**2,274**	**2,818**	**0**	**5,092**
Amortisation at 1 April 2015	1,165	1,355	0	2,520
Provided during the year	320	219	0	539
Amortisation at 31 March 2016	**1,485**	**1,574**	**0**	**3,059**
Net book value				
Purchased	789	1,244	0	2,033
Total at 31 March 2016	**789**	**1,244**	**0**	**2,033**

13. Property, plant and equipment

Group and Trust

13.1 2016/17:	**Land**	**Buildings excluding dwellings**	**Dwellings**	**Assets under construction**	**Plant and Machinery**	**Transport Equipment**	**Information Technology**	**Furniture & fittings**	**Total**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Gross cost at 1 April 2016	35,962	166,278	5,622	7,887	39,637	58	21,864	3,316	280,624
Additions Purchased	0	1,198	0	829	834	0	319	0	3,180
Reclassification	0	620	0	(4,221)	814	0	2,617	1	(169)
Impairment	0	(141)	0	(2,193)	0	0	0	(1)	(2,335)
Revaluation	3,698	(7,339)	(2,282)	0	0	0	0	0	(5,923)
Disposals/derecognition	0	0	0	0	0	0	0	0	0
Gross cost at 31 March 2017	**39,660**	**160,616**	**3,340**	**2,302**	**41,285**	**58**	**24,800**	**3,316**	**275,377**
Depreciation at 1 April 2016	0	31,551	979	0	30,390	58	12,680	3,109	78,767
Provided during the year	0	4,821	80	0	1,550	0	706	91	7,248
Impairment	0	(16,040)	0	0	0	0	0	0	(16,040)
Revaluation	0	(15,513)	(979)	0	0	0	0	0	(16,492)
Disposals/derecognition	0	0 0	0	0	0	0	0	0	0
Depreciation at 31 March 2017	**0**	**4,819**	**80**	**0**	**31,940**	**58**	**13,386**	**3,200**	**53,483**
Net book value									
- Purchased at 31 March 2017	39,660	152,407	3,260	2,302	9,329	0	11,414	116	218,488
- Donated at 31 March 2017	0	3,390	0	0	16	0	0	0	3,406
Total at 31 March 2017	**39,660**	**155,797**	**3,260**	**2,302**	**9,345**	**0**	**11,414**	**116**	**221,894**
Asset Financing									
Net book value									
- Owned	39,660	25,802	140	2,302	9,345	0	11,414	116	88,779
- Finance Leased	0	129,995	3,120	0	0	0	0	0	133,115
Total at 31 March 2017	**39,660**	**155,797**	**3,260**	**2,302**	**9,345**	**0**	**11,414**	**116**	**221,894**

Note
Impairment of Assets under Construction upon capitalisation charged to Statement of Comprehensive Income in year

13. Property, plant and equipment

Group and Trust

13.2 Prior year 2015/16:	**Land**	**Buildings excluding dwellings**	**Dwellings**	**Assets under construction**	**Plant and Machinery**	**Transport Equipment**	**Information Technology**	**Furniture & fittings**	**Total**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Gross cost at 1 April 2015	35,962	164,116	5,492	8,418	36,897	58	21,031	3,301	275,275
Additions Purchased	0	2,292	0	(531)	2,753	0	833	15	5,362
Reclassification	0	(130)	130	0	0	0	0	0	0
Disposals/derecognition	0	0	0	0	(13)	0	0	0	(13)
Gross cost at 31 March 2016	**35,962**	**166,278**	**5,622**	**7,887**	**39,637**	**58**	**21,864**	**3,316**	**280,624**
Depreciation at 1 April 2015	0	26,914	856	0	28,660	58	11,774	2,974	71,235
Provided during the year	0	4,637	123	0	1,741	0	906	135	7,543
Disposals/derecognition	0	0	0	0	(11)	0	0	0	(11)
Depreciation at 31 March 2016	**0**	**31,551**	**979**	**0**	**30,390**	**58**	**12,680**	**3,109**	**78,767**
Net book value									
- Purchased at 31 March 2016	35,962	134,727	4,643	7,887	9,247	0	9,184	207	201,857
- Donated at 31 March 2016	0	0	0	0	0	0	0	0	0
Total at 31 March 2016	**35,962**	**134,727**	**4,643**	**7,887**	**9,247**	**0**	**9,184**	**207**	**201,857**
Asset Financing									
Net book value									
- Owned	35,962	21,377	130	7,887	9,247	0	9,184	207	83,994
- Finance Leased	0	113,350	4,513	0	0	0	0	0	117,863
Total at 31 March 2016	**35,962**	**134,727**	**4,643**	**7,887**	**9,247**	**0**	**9,184**	**207**	**201,857**

13. Property, plant and equipment (cont.)

13.3 Revaluation

The Trust has revalued land, buildings and dwellings as at 1st April 2016 in accordance with Note 1.5.2. This has resulted in a increase in the value of land and buildings, and a reduction in the value of dwellings. The overall impact is an increase in land and buildings of £28,890k and a reduction in value of dwellings of £2,282k which is charged to Operating Expenses to cover the reversal of impairment charged in prior years associated with the relevant properties (£15,898k) with the remaining balance charged to Revaluation Reserve (£10,710k). All other assets are valued at depreciated replacement cost with no indexation in year due to the current economic climate.

13.4. Non-current assets held for sale

The Trust has no non-current assets held for sale (31 March 2016: £nil).

14. Capital commitments

There are no commitments under capital expenditure contracts at the end of the period (31 March 2016: £nil), not otherwise included in these financial statements.

15. Investments

	Group		Trust	
	Year Ended 31 March 2017	Year Ended 31 March 2016	**Year Ended 31 March 2017**	**Year Ended 31 March 2016**
	£000	£000	**£000**	**£000**
Financial Assets designated as fair value through profit & loss	1,112	822	**0**	**0**
	1,112	822	**0**	**0**

All Investments are non-current.

16. Inventories

Group and Trust

	31 March 2017	31 March 2016
	£000	£000
Materials	**5,363**	5,779
	5,363	5,779

Inventories carried at fair value less costs to sell where such value is lower than cost are nil (31 March 2016 - £nil).

17. Trade and other receivables

Group

(All Receivables are Current)	**31 March 2017 £000**	Restated 31 March 2016 £000	Restated 1 April 2015 £000
Trade receivables due from NHS bodies	**4,994**	9,501	7,288
Other receivables due from related parties	**799**	3,465	3,399
Provision for impaired receivables	**(2,136)**	(2,003)	(1,236)
Prepayments (non-PFI)	**1,143**	3,572	3,443
Lifecycle prepayment	**3,960**	2,231	2,410
Accrued Income	**10,094**	2,611	2,780
Other receivables	**11,759**	5,717	5,110
NHS Charitable Funds: Other receivables	**0**	19	8
PDC dividend receivable	**0**	91	213
Total current trade and other receivables	**30,613**	25,204	23,415

NHS Charity is separately identifiable above.

18.1 Provision for impairment of receivables

Group and Trust

	31 March 2017 £000	31 March 2016 £000
Balance at 1 April	**2,003**	1,236
Increase in provision	**133**	767
Amounts utilised	**0**	0
Unused amounts reversed	**0**	0
Balance at 31 March	**2,136**	2,003

18.2 Analysis of Impaired Receivables

	31 March 2017 £'000	31 March 2016 £'000
Ageing of impaired receivables		
0-30 days	**61**	12
30-60 days	**82**	21
60-90 days	**59**	15
90-180 days	**126**	308
over 180 days	**1808**	1647
	2,136	2,003

	31 March 2017 £'000	31 March 2016 £'000
Ageing of non-impaired receivables past their due date		
0-30 days	**4,962**	1,943
30-60 days	**1,291**	1,822
60-90 days	**394**	419
90-180 days	**370**	996
over 180 days	**1,990**	4,902
	9,007	10,082

19. Cash and cash equivalents	**Group**		**Trust**	
	31 March 2017	31 March 2016	**31 March 2017**	31 March 2016
	£000	£000	**£000**	£000
Balance at 1 April	**2,300**	2,261	**1,715**	2,064
Net change in year	**4,973**	39	**4,139**	(349)
Balance at 31 March	**7,273**	2,300	**5,854**	1,715
Made up of				
Cash with Government Banking Service	**7,249**	2,290	**5,830**	1,705
Commercial banks and cash in hand	**24**	10	**24**	10
Cash and cash equivalents as in statement of financial position	**7,273**	2,300	**5,854**	1,715
Cash and cash equivalents as in statement of cash flows	**7,273**	2,300	**5,854**	1,715

20. Trade and other payables

Group	**Current**	
	31 March 2017	31 March 2016
	£000	£000
NHS payables	**2,605**	1,531
Trade payables - capital	**2,807**	2,500
Other trade payables	**19,527**	23,263
Other payables	**6,202**	4,439
Accruals	**9,968**	10,268
PDC Dividend Accrual	**182**	0
NHS Charitable Funds: Trade and other payables	**0**	4
	41,291	42,005

Other payables include outstanding pension contributions of £2,465,788. (31 March 2016: £2,555,025).

NHS Charity is separately identifiable

21. Other liabilities	**Current**		**Non-current**	
Group and Trust	**31 March 2017**	31 March 2016	**31 March 2017**	31 March 2016
	£000	£000	**£000**	£000
Deferred income	**2,710**	1,953	**1,246**	1,360
	2,710	1,953	**1,246**	1,360

22. Tax Payable

Tax payable of £2,285,404 (31 March 2016: £1,595,703) consists of employment taxation only (Pay As You Earn), owed to Her Majesty's Revenue and Customs at the period end.

23. Borrowings
Group and Trust

23.1 PFI lease obligations

Amounts payable under PFI on SoFP obligations:	**31 March 2017 £000**	Restated 31 March 2016 £000	Restated 1 April 2015 £000
Gross PFI liabilities	**200,201**	215,293	231,816
Of which liabilities are due			
Within one year	**14,275**	14,950	15,813
Between one and five years	**60,153**	57,947	57,750
After five years	**125,773**	142,396	158,254
Less future finance charges	**(83,889)**	(94,290)	(105,705)
	116,312	121,003	126,112
Net PFI liabilities			
Of which liabilities are due			
Within one year	**4,420**	4,692	5,109
Between one and five years	**29,678**	20,865	19,002
After five years	**82,214**	95,446	102,000
	116,312	121,003	126,112
Included in:			
Current borrowings	**4,420**	4,692	5,109
Non-current borrowings	**111,892**	116,311	121,003
	116,312	121,003	126,112

23.2 Finance lease obligations

Amounts payable under Finance lease obligations:	**31 March 2017 £000**	31 March 2016 £000
Gross Finance lease liabilities	**84**	84
Of which liabilities are due		
Within one year	**84**	89
Between one and five years	**0**	89
After five years	**0**	0
Less future finance charges	**(7)**	(20)
	77	158
Net Finance lease liabilities		
Of which liabilities are due		
Within one year	**77**	76
Between one and five years	**0**	82
After five years	**0**	0
	77	158
Included in:		
Current borrowings	77	76
Non-current borrowings	0	82
	77	158

23.3 Loan obligations

Amounts payable under Loan obligations

Net Loan liabilities	**31 March 2017 £000**	31 March 2016 £000
Of which liabilities are due		
Within one year	**7,607**	633
Between one and five years	**9,527**	9,527
After five years	**3,528**	4,685
	20,662	14,845

Loan Type	**Date drawn down**	**Amount Borrowed £'000**	**Balance at 31/3/16 £'000**	**Repaid £'000**	**Outstanding at 31/3/17 £'000**	**Interest Rate %**	**Repayable over Years**
	19/01/15	5,000					
Working Capital Loan	18/05/15	2,500					
	20/07/15	1,400				1.53	10
		8,900	**8,900**	**(523)**	**8,377**		
	18/05/15	500					
Capital Loan	20/07/15	600				1.53	10
		1,100	**1,045**	**(110)**	**935**		
	01/10/16	2,000					
Working Capital Facility	18/03/17	4,450				3.5	Expires 18/7/20
		6,450	**0**	**0**	**6,450**		
	11/01/16	3,900					
Distressed Funding	14/03/16	1,000				1.5	2
		4,900	**4,900**	**0**	**4,900**		
Total Loans Outstanding					**20,662**		

23.4 Charges to expenditure

The total charged in the year to expenditure in respect of the service element of On-Statement of Financial Position PFI contracts was £12,315,263 (£12,147,000 2015/16)

The Trust is committed to the following annual charges	**31 March 2017**	Restated 31 March 2016
PFI commitments in respect of service element:	**£000**	£000
Not later than one year	**12,192**	12,224
Later than one year, not later than five years	**51,892**	52,028
Later than five years	**115,712**	149,480
Total	**179,796**	213,732
PFI commitments present value in respect of service element:		
Not later than one year	**35,266**	34,707
Later than one year, not later than five years	**149,306**	147,726
Later than five years	**322,962**	368,250
Total	**507,534**	550,683

The estimated annual payments in future years are expected to be materially different from those which the Trust is committed to make during the next year as the service payment is increased annually in accordance with the increase in the Retail Price Index (RPI).

23.5 Amounts paid to PFI Operators

The table below shows all payments made to PFI service operators in year

	31 March 2017	Restated 31 March 2016
Unitary payment payable to PFI Provider	**£000**	£000
Interest charge	**10,337**	10,797
Repayment of finance lease liability	**4,691**	5,109
Service element	**12,315**	12,147
Capital lifecycle maintenance	**2,575**	1,064
Contingent rent	**4,469**	4,752
Total paid to PFI Provider	**34,387**	33,869

24. Prior Period Adjustment PFI Accounting Change

The PFI came on Balance Sheet in 2009/10 following the NHS adoption of International Financial Reporting Standards (IFRS). The Trust used a DH accounting model to calculate the accounting entries required. Early 2016/17 the Trust identified an error in the accounting model for GWH PFI. The accounting model had used lifecycle spend based on the PFI contractors project plan and not the lifecycle that was in the Financial Model that foms part of the PFI agreement and is the basis for the Unitary Charge calculation. During 2016/17 the Trust received confirmation from the PFI Special Purpose Company, The Hospital Company, (THC), the correct lifecycle values were agreed and the Accounting Model updated accordingly. The accounting change has no impact on cash, it changes the values that form part of the unitary charge. The impact on the SOCI and SOFP are shown below

The first table below shows the impact on the Unitary Charge. The values in the table are cumulative from the date the hoispital opened in December 2002 which is when the Unitary Charge was first payable. The table shows that the overall impact of the chnage is nil, however the change does impact on SOCI and SOFP as the elements of charge have changed.

Impact on Unitary Charge	**Pre-Restatement Values as at 31/3/16 £'000**	**Restated Values 2015/16 £'000**	**Impact of Restatement £'000**
Charged to SOCI			
PFI Interest	10,158	10,271	113
Contingent Rental	1,623	4,552	2,929
Total Charged to SOCI	11,781	14,823	3,042
Charged to SOFP			
Repayment of Lease Liability	10,198	1,064	(9,134)
Lifecycle	(1,230)	4,862	6,092
Total Charged to SOFP	8,968	5,926	(3,042)
Overall Total	**20,749**	**20,749**	**0**

Impact on SOCI	**Pre-Restatement Values as at 31/3/16 £'000**	**Restated Values 2015/16 £'000**	**Impact of Restatement £'000**
Finance expense - financial liabilities	(12,701)	(15,743)	(3,042)
(Deficit for the Year)	**(9,744)**	**(12,787)**	**(3,042)**

Impact on SOFP	**Pre-Restatement Values as at 1/4/15 £'000**	**Restated Values as at 1/4/15 £'000**	**Impact of Restatement 1/4/15 £'000**	**Pre-Restatement Values as at 31/3/16 £'000**	**Restated Values as at 31/3/16 £'000**	**Impact of Restatement 31/3/16 £'000**
Total non-current assets	**206,429**	206,429	0	203,890	203,890	0
Current Assets						
PFI Lifecycle	7,464	2,410	(5,054)	16,419	2,231	(14,188)
Other Current Assets	29,442	29,442	0	30,486	30,486	0
Total Current Assets	**36,906**	**31,852**	**(5,054)**	**46,905**	**32,717**	**(14,188)**
Current Liabilities						
Current PFI Lease Liability	1,230	(4,862)	(6,092)	(5,463)	(4,417)	1,046
Other Current Liabilities	(44,745)	(44,745)	0	(46,687)	(46,687)	0
Total Current Liabilities	**(43,515)**	**(49,607)**	**(6,092)**	**(52,150)**	**(51,104)**	**1,046**
Non Current Liabilities						
Non Current PFI Lease Liability	(122,306)	(115,320)	6,986	(116,843)	(110,904)	5,939
Other Non Current Liabilities	(9,084)	(9,084)	0	(22,607)	(22,607)	0
Total Non Current Liabilities	**(131,390)**	**(124,404)**	**6,986**	**(139,450)**	**(133,511)**	**5,939**
Total assets employed	**68,430**	**64,270**	**(4,160)**	**59,195**	**51,992**	**(7,203)**
Funded by Taxpayers Equity						
Income and expenditure reserve	8,216	4,056	(4,160)	(1,528)	(8,731)	(7,203)
Other Reserves	60,214	60,214	0	60,723	60,723	0
Total Taxpayer's Equity	**68,430**	**64,270**	**(4,160)**	**59,195**	**51,992**	**(7,203)**

25. Provisions

Group and Trust	Current		Non current	
	31 March 2017	31 March 2016	**31 March 2017**	31 March 2016
	£000	£000	**£000**	£000
Pensions relating to other staff	**112**	125	**721**	802
Legal claims	**0**	0	**192**	273
Other	**37**	28	**491**	472
	149	153	**1,404**	1,547

	Pensions	**Legal claims**	**Other**	**Total**
	£000	**£000**	**£000**	**£000**
At 1 April 2016	926	273	500	**1,699**
Arising during the year	0	0	5	**5**
Change in discount rate	19	0	62	**81**
Used during the year	(115)	(81)	(40)	**(236)**
Unwinding of discount	2	0	1	**3**
At 31 March 2017	**832**	**192**	**528**	**1,552**
Expected timing of cash flows:				
Within one year	112	0	37	**149**
Between one and five years	344	192	88	**624**
After five years	377	(0)	403	**779**
	833	192	528	**1,552**

The provision under 'legal claims' relates to Employment Cases including outstanding Employment Tribunal Claims £192,000 (31 March 2016: £273,000). The provisions under 'other' includes Injury Benefit Provision £484,462 (31 March 2016: £462,000).

Provisions within the annual accounts of the NHS Litigation Authority at 31 March 2017 include £114,903,635 in respect of clinical negligence liabilities of the Trust (31 March 2016 - £114,936,532).

The Trust has not made a provision under the Carbon Emissions Scheme as the Trust is not required to be registered in 2016/17 as the properties managed by the Trust are below the threshold. This is not anticipated to change in 2017/18.

26. Joint Venture

Wiltshire Health and Care

During 2016-17 the Trust became a one third partner in Wiltshire Health and Care LLP. The other equal partners being Royal United Hospitals Bath NHS Foundation Trust and Salisbury NHS Foundation Trust. Wiltshire Health and Care is focused solely on delivering improved community services in Wiltshire, which GWH had previously been contracted to deliver, and enabling people to live independent and fulfilling lives for as long as possible. From 1 July 2016, Wiltshire Health and Care has contracted with GWH for the provision of these services.

GWH has not invested any capital sum in this partnership.

During the first period of trading, Wiltshire Health and Care LLP reported a break even position resulting in a net asset value of nil. Consequently, there was no share of any profits or assets to be reported in the Trust's accounts.

27. Events after the reporting period

Following the transfer of Wiltshire Community Services to Wiltshire Health & Care LLP, the Trust will transfer the Wiltshire Community Assets to NHS Property Services. The date of transfer is expected to be 1st July 2017 although all assets may not transfer till 31/3/18, with the non PFI assets transferring first.

The Assets are as follows	**Net Book Value**	**Revaluation**
Category	**£'000**	**£'000**
Land	14,960	4,821
Buildings (incl dwellings)	22,883	10,636
Total	**37,843**	**15,457**

Effect on Financial Statements	**£'000**
Statement of Financial Position	
Non Current Assets	37,843
Current Lease Liability	(144)
Non Current Lease Liability	(4,136)
Increase in Total Assets Employed	**33,563**
Revaluation Reserve	15,457
Income & Expenditure Reserve	18,106
Increase in Total Taxpayers Equity	**33,563**

In the 2017-18 financial statements the transaction will be accounted for using the absorption accounting requirements outlined in the DH GAM.

28. Contingencies

Group and Trust

There are no contingent assets and liabilities for the period ended 31 March 2017

29. Related party transactions

Group and Trust

Great Western Hospitals NHS Foundation Trust is a body incorporated by the issue of a licence of authorisation from NHS I.

The Trust is under the common control of the Board of Directors. During the year none of the Board Members or members of the key management staff or parties related to them has undertaken any material transactions with the Great Western Hospitals NHS Foundation Trust.

The Department of Health is regarded as a related party. During 2016/17 the Trust has had a significant number of material transactions with other entities for which the Department is regarded as the Parent Department. These entities are listed below.

	Receivables	**Payables**	**Revenue**	**Expenditure**
	£000	**£000**	**£000**	**£000**
NHS England	5,705	312	47,683	9
Swindon CCG	3,138	1,296	137,482	11
Wiltshire CCG	362	349	67,674	108
Wiltshire Health and Care LLP	799	0	30,925	0
Newbury and District CCG	170	10	7,094	0
Gloucestershire CCG	61	0	9,094	0
Royal United Hospital Bath NHS FT	480	323	2,328	670
Oxfordshire CCG	26	4	3,594	0
Health Education	0	84	9,651	18
NHS Litigation Authority	0	0	0	4,975
NHS Pension Scheme	0	2,466	0	18,969
Total	**10,741**	**4,844**	**315,525**	**24,760**

The Trust has also received revenue payments from a number of charitable funds, certain of the Trustees for which are also members of the Trust Board. The audited accounts of these Funds held on Trust are not included in this annual report and accounts and will be audited and published at a later date. A copy of these will be available on the Trust's internet site.

30. Private Finance Initiative contracts

Group and Trust

30.1 PFI schemes on-Statement of Financial Position

The Trust has 3 PFI schemes which are deemed to be on-Statement of Financial Position at the period end. These are the Main Hospital and Brunel Treatment Centre and Downsview Residences (treated as one agreement), Savernake Hospital and the agreement in place with Systems C.

Great Western Hospital

The contract commenced on 5 October 1999 for a period of 30 years until 4 October 2029. In terms of the contract the operator company was obliged to build the Great Western Hospital, which was completed in November 2002, for subsequent occupation and use by the Trust. The Trust pays the operator company a quarterly availability fee for the occupation of the hospital and a quarterly service fee for the services provided by the operator such as portering and catering. In October 2003 the Trust entered into a variation of the original agreement for the construction of the Brunel Treatment Centre which is an extension to the original hospital. The construction of the Treatment Centre has resulted in increased availability and service charges, however the main terms of the contract including the termination date remain unchanged. Subsequently, in September 2006, the Trust entered into a refinancing agreement which resulted in a reduction in the annual availability payment again with no change to the contract term. The amount of the availability payment is determined annually and increased based on a combination of the annual increase in the Retail Price Index (RPI) and a fixed percentage increase of 2.5%. The operator is obliged to maintain the buildings and replace lifecycle elements of the buildings where necessary. At the end of the contract term the hospital buildings revert back to the Trust for Nil consideration. The nature of the contract meets the criteria for treatment as a service concession under IFRIC 12. Accordingly the hospital buildings are treated as an asset under property, plant and equipment with the resultant liability being treated as a finance lease under IAS 17.

Downsview Residences

The contract commenced on 5 October 1999 for a period of 30 years until 4 October 2029. In terms of the contract the operator company was obliged to build the Downsview staff residences on the Hospital site for the provision of housing to hospital staff. At commencement of the contract the Trust made a capital contribution of £649k towards the construction cost of the building. The residences are managed by the operator company who rent the accommodation units to, primarily, Trust staff. The Trust does not pay the operator company an availability fee. Instead a monthly service fee is paid for the servicing of the units which is based on usage. The operator is responsible for maintaining the buildings over the contract term. At the end of the contract term the accommodation buildings revert back to the Trust for Nil consideration. The nature of the contract meets the criteria for treatment as a service concession under IFRIC 12. Accordingly the residences are recognised as an asset under property, plant and equipment. The cost of the building less the capital contribution has been accounted for as deferred income and is released to income equally over the entire contract term.

System C

The Trust has a PFI contract in respect of the Integrated Clinical Information System which meets the criteria for recognition as a service concession agreement as envisaged under IFRIC 12 and has, accordingly, been treated as on statement of financial position. The contract was dated 27 May 2002 with an effective date of 13 November 2001. The contract was for 12 years and was due to expire on 12 November 2013. The contract has been extended to November 2020 and has been varied to include a system refresh and removal of network and telephony elements. The contract is for the supply of computer hardware and software together with the provision of ongoing support and system management services. The revised contract commenced in May 2014.

Savernake Hospital

Savernake Hospital was transferred to the Trust from 1st April 2013 as part of the transfer of Community assets following the closure of PCTs. As part of the transfer the Trust took over the PFI contract that was entered into by Wiltshire PCT. The contract commenced on 21 November 2003 for a period of 30 years until 2034. The Trust pays the operator company a monthly fee that covers both the availability for the occupation of the hospital and a service fee that covers the services provided by the operator such as portering and catering.

The operator is responsible for maintaining the buildings over the contract term. At the end of the contract term the accommodation buildings revert back to the Trust for Nil consideration. The nature of the contract meets the criteria for treatment as a service concession under IFRIC 12. Accordingly the residences are recognised as an asset under property, plant and equipment. The cost of the building less the capital contribution has been accounted for as deferred income and is released to income equally over the entire contract term.

31 Financial instruments and related disclosures

Group and Trust

The key risks that the Trust has identified relating to its financial instruments are as follows:-

31.1 Financial risk

The continuing service provider relationship that the Trust has with Clinical Commissioning Groups (CCGs), and the way they are financed has not exposed the Trust to the degree of financial risk faced by business entities. The change to CCGs and NHS England has not increased the risk to the Trust. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the Board of Directors. Trust treasury activity is subject to review by the Finance & Investment Committee.

31.2 Currency risk

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and Sterling based. The Trust has no overseas operations. The Trust, therefore, has low exposure to currency rate fluctuations.

31.3 Credit risk

The majority of the Trust's income comes from contracts with other public sector bodies, resulting in a low exposure to credit risk. The maximum exposures as at 31 March 2017 are in receivables from customers, as disclosed in note 17 to the accounts. The Trust mitigates its exposure to credit risk through regular review of debtor balances and by calculating a bad debt provision at the period end.

The following shows the age of such financial assets that are past due and for which no provision for bad or doubtful debts has been raised:

	31 March 2017	31 March 2016
	£000	£000
By up to three months	**394**	417
By three to six months	**370**	1,022
By more than six months	**1,990**	4,897
	2,754	6,336

The Trust has not raised bad or doubtful debt provisions against these amounts as they are considered to be recoverable based on previous trading history.

31.4 Liquidity risk

The NHS Trust's net operating costs are incurred under annual service agreements with local CCGs, which are financed from resources voted annually by Parliament. The Trust also largely finances its capital expenditure from funds obtained within its prudential borrowing limit. The Trust is not, therefore, exposed to significant liquidity risks.

31.5 Value of Financial Instruments

All the financial assets and all the financial liabilities of the Trust are measured at fair value on recognition and subsequently at amortised cost.

The following table is a comparison by category of the Trust's financial assets and financial liabilities at 31 March 2017 and 31 March 2016.

	31 March 2017 £000	31 March 2016 £000
Current financial assets		
Cash and cash equivalents	**5,854**	1,715
NHS Charitable funds: financial assets		0
Loans and receivables:		
Trade and receivables	**15,382**	14,987
	21,236	16,702
Non-current financial assets		
Loans and receivables:		
Total financial assets	**21,236**	16,702
Current financial liabilities		
Financial liabilities measured at amortised cost:		
Obligations under PFI	**4,420**	4,692
Obligations under Finance Leases	**77**	76
Trade and other payables	**37,960**	40,205
	42,457	44,973
Non-current financial liabilities		
Financial liabilities measured at amortised cost:		
Obligations under PFI	**111,892**	116,311
Obligations under Finance Leases	**0**	82
	111,892	116,393
Total financial liabilities	**154,349**	161,366
Net financial assets	**(133,113)**	(144,664)

The following table shows the financial assets and financial liabilities that fall within the scope of IAS 39 to the relevant on-Statement of Financial Position amounts. Cash and cash equivalents and finance lease liabilities fall wholly within the scope of IAS 39.

	Current		**Non-current**	
	31 March 2017 £000	31 March 2016 £000	**31 March 2017 £000**	31 March 2016 £000
Trade and other receivables:	**445**	1,822	**0**	0
Prepayments	**5,103**	5,803	**0**	0
	5,548	7,625	**0**	0
Trade and other payables:				
Taxes payable	**3,252**	3,337	**0**	0
	3,252	3,337	**0**	0
Provisions:				
Provisions under legislation	**149**	153	**1,403**	1,546
	149	153	**1,403**	1,546

The provisions under legislation are for personal injury pensions £484,462 (31 March 2016: £479,493) and early retirement pensions £830,592 (31 March 2016: £1,037,240). These liabilities are not contracted, but are defined by legislation and are owed to the NHS Pensions Agency.

32. Third Party Assets

Group and Trust

The Trust held £0k cash at bank and in hand at 31 March 2017 (31 March 2016: £0) 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.

33. Losses and Special Payments

Group and Trust

	31 March 2017		31 March 2016	
	No.	**£000**	No.	£000
Losses				
Cash losses	**2**	**3**	5	3
Bad debts and claims abandoned	**863**	**238**	60	23
Total Losses	**865**	**241**	65	26
Special Payments				
Compensation payments	**3**	**7**	6	3
Ex gratia payments	**49**	**27**	14	9
Special Severance Payments	**1**	**20**	0	0
Total Special Payments	**53**	**54**	20	12
Total Losses and Special Payments	**918**	**295**	85	38

There were no clinical negligence, fraud, personal injury, compensation under legal obligation or fruitless payment cases where the net payment or loss for the individual case exceeded £100,000. (2015/16 - nil cases).

Losses and special payments are compiled directly from the losses and compensations register which reports amounts on an accruals basis with the exception of provisions for future losses.

34. Pooled Budget - Integrated Community Equipment Service

Great Western Hospitals NHS Foundation Trust and NHS Swindon have entered into a pooled budget arrangement, hosted by Swindon Borough Council. Payments are made to the Council by the Swindon Community Equipment Service.

Group and Trust

	31 March 2017	31 March 2016
Income:	**£000**	£000
Swindon Borough Council	**490**	463
Paediatrics	**0**	38
NHS Swindon	**345**	305
Great Western Hospitals NHS Foundation Trust	**92**	92
Total Income	**927**	898
Expenditure	**1,155**	1,076
Total (Deficit)	**(228)**	(178)

The above disclosure is based on month 12 management accounts provided by Swindon Borough Council, but have not yet provided a Pooled Budget Memorandum account.
It should be noted that these figures are un-audited.

Share of Surplus (Deficit):		
Swindon Borough Council	**(104)**	(101)
Swindon CCG	**(98)**	(57)
Great Western Hospitals NHS Foundation Trust	**(26)**	(20)
Total (Deficit)	**(228)**	(178)

35. Charitable fund balances

	31 March 2017	31 March 2016
	£000	£000
Restricted funds	**2,427**	1,143
Unrestricted funds	**104**	241
	2,531	1,384

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', nurses' 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.

Great Western Hospitals
NHS Foundation Trust

Annual Report and Accounts 2016/17