as one

NHS
Hertfordshire
Partnership University
NHS Foundation Trust

ANNUAL REPORT 2016–2017

Hertfordshire Partnership University NHS Foundation Trust
Annual Report and Accounts 2016 – 2017

Our Values
Welcoming Kind Positive Respectful Professional

Hertfordshire Partnership University NHS Foundation Trust

Annual Report and Accounts 2016-2017

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

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The artwork used in this report is part of an exciting project which is putting locally produced art on view in our buildings. The project sources, purchases and frames art created by local people in Hertfordshire with a lived experience of mental health and specialist services.

My Story

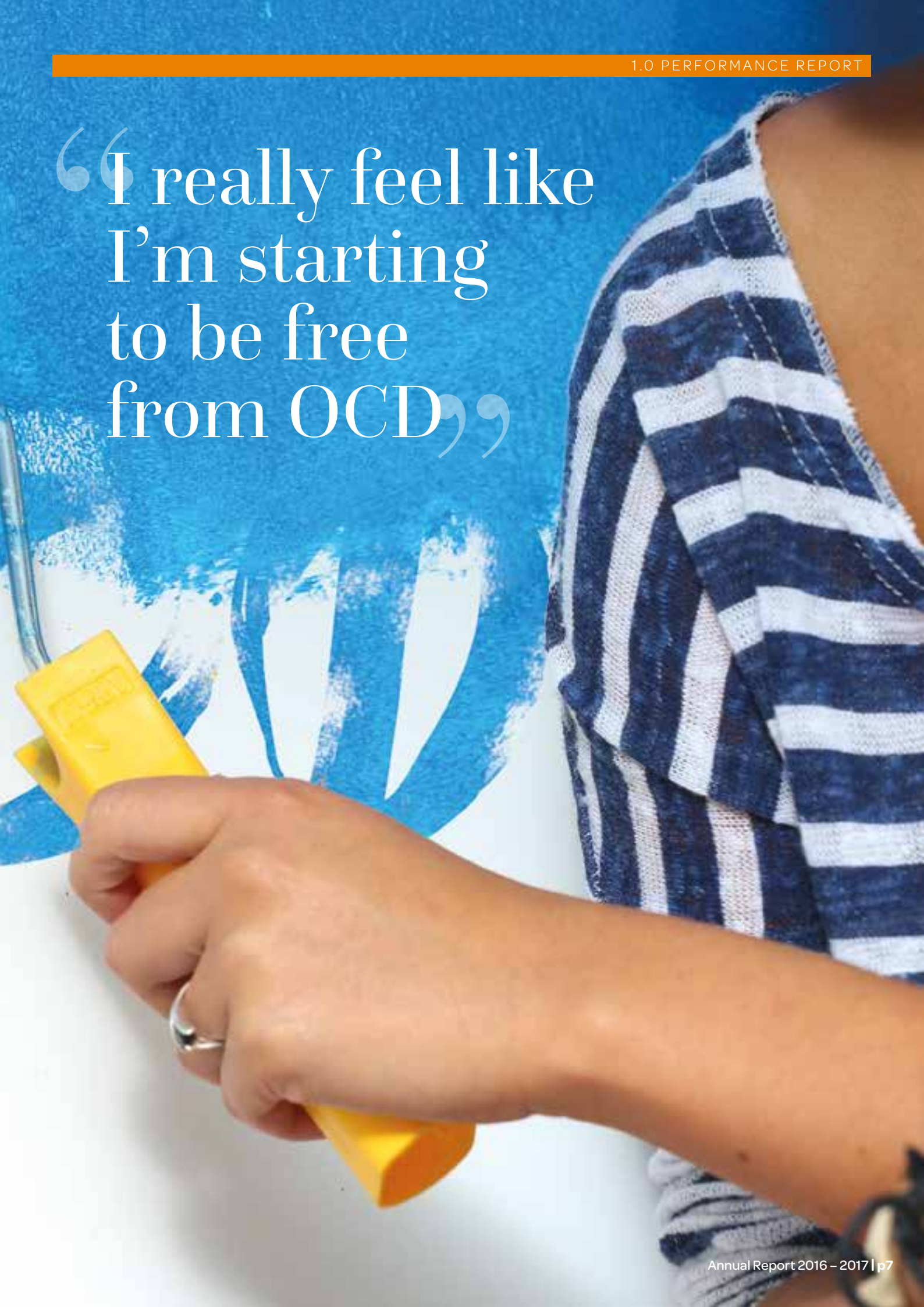
Breaking free from OCD

One of our young service users describes the impact that the Child and Adolescent Mental Health Services (CAMHS service has had on her life...

"I first came into contact with Child and Adolescent Mental Health Services (CAMHS) three years ago and was soon diagnosed with Obsessive Compulsive Disorder (OCD). Being appointed one clinical psychologist in particular was one of the best things that happened to me while at CAMHS. Her sessions were so structured and she knew a lot about OCD and ways to deal with it. She pointed me to some useful websites and a book that really gave me an insight into OCD.

"The psychologist and I started with a behavioural experiment which includes a ladder. On the ladder we wrote things that I do in routines. The least important went at the bottom, the most important at the top. Every week we would pick a part of my routine not to do. I would then make a prediction of how I would feel. Once I had not done that part, I wrote how I felt and what I had learned. Through hard work and dedication I conquered the top of the ladder and eliminated a lot of my routine.

I really feel like I'm starting to be free from OCD. This is partly down to having someone guide me. The psychologist has broken down OCD into little parts to help me understand it. I like to explain it by saying I'm stuck in a white room without doors or windows. This white room is OCD. I never knew how to break free of this room until I was given the tools to do so.


“I really feel like I’m starting to be free from OCD”

Performance overview

1.1.1 Introduction

This report sets out how the Trust has performed over the last year, our aims and aspirations and the progress we have made towards these aims.

Our Trust is a provider of mental health and learning disability services and is committed to providing excellent health and social care for people with mental ill health, with physical ill health and those with learning disabilities.

We have been a NHS Foundation Trust since our authorisation in August 2007 and value the opportunities that this provides to build upon and improve our services. These include:

- A strong involvement with local communities through our members and Council of Governors
- Working closely with our partner organisations, so that we can grow and develop our services specifically to meet the needs of our service users and communities
- Retaining our surpluses to re-invest in local service developments and facilities
- The ability to borrow finance to support our capital investment programme

As with all NHS foundation trusts we are regulated by NHS Improvement under the provisions of the Health and Social Care Act 2012. We provide integrated health and social care across community and inpatient settings, treating and caring for people across Hertfordshire, and within Buckinghamshire, Norfolk and North Essex. The majority of our income is derived from contract arrangements with our commissioners. Our largest contract is with the integrated health and care commissioning team who act on behalf of East & North Herts CCG, Herts Valleys CCG and Hertfordshire County Council. Currently our income is largely paid as a fixed sum amount and does not vary to reflect changes in activity levels or case mix or any variations in clinical outcomes. For 2016/17 this began to change to make the contract payment system more flexible and transparent.

Our vision, mission and Good to Great strategy

During the year we have worked with service users, carers and staff to further develop our vision for the Trust and strategic objectives.

Our vision:

Delivering *great care*, achieving *great outcomes* – together

Our mission:

We help people of all ages live their lives to their full potential by supporting them to keep mentally and physically well

Having improved the quality of Trust services through our recently completed transformation programme the Trust was rated as 'Good' by the Care Quality Commission. We are now focused on moving from **Good to Great.**

2016 saw us launch our Good to Great strategy – to services users, partners and staff. This strategy articulates the way in which we want to deliver the highest quality services and become an outstanding Trust. We are moving progressively towards this vision through a focus on four themes that will continue to underpin our work during 2017-18:

1. **Great Care, Great Outcomes**: Outcomes and experience will be amongst the best nationally
2. **Great People**: Colleagues can and do make decisions to improve care
3. **Great Organisation**: We continuously make measurable improvements in how services are delivered
4. **Great Networks and Partnerships**: Partnerships are in place that support the delivery of joined up care

This means shaping services around the needs of service users, working closely with them to continuously improve the care we deliver.

The work under each of these themes informs and supports our ability to develop and sustain high quality and sustainable services across the local health and social care system.

The vision is underpinned by nine objectives across the four themes of the 'Good to Great' strategy:

Great Care, Great Outcomes

1. We will deliver safe services and improve the experience of acute and community mental health services
2. We will develop and deliver clear joined-up pathways of care
3. We will improve the wellbeing and physical health of service users as part of working towards closing the mortality and morbidity equality gap

Great People

4. We will increase staff engagement, involvement and empowerment through working towards a culture of collective leadership
5. We will increase workforce stability and reduce reliance on temporary staffing

Great Organisation

6. We will get the basics right by providing staff and teams with better access to the right tools and information to do their jobs effectively and efficiently
7. We will support and empower staff to improve how we work and become more productive in delivering great care

Great Networks and Partnerships

8. We will build strong relationships and partnerships with commissioners and other providers
9. We will lead on the delivery of joined up care in Hertfordshire

In meeting our objectives we are focussed on providing services which make a positive difference to the lives of service users and their carers, underpinned by the principles of choice, independence and equality. Our partnership arrangements with the local authority provide an excellent opportunity to develop a recovery-orientated approach based on a holistic assessment of both health and social care needs.

This performance report covers the year ending 31 March 2017.

1.1.2 Performance overview from the Chair and Chief Executive

The last year has been a very successful one for the Trust. We have continued to make improvements, to innovate and to deliver high quality services to increasing numbers of people against a backdrop of political and financial pressures. It was the year, too, in which we developed our Good to Great strategy, which articulates the way in which we want to become an outstanding trust, shaping the services around the needs of service users and working closely with them to continuously improve the care we deliver.

These improvements have included transforming our older people's services to give our service users, their families and staff a much better environment in our dementia units at Lambourn Grove and Logandene. We worked with parents and young people to expand our eating disorders service for young people – which led to us winning a HSJ Award for Compassionate Care. The annual national community mental health survey confirmed that our community services are performing to the high standards set by the Care Quality Commission (CQC).

In September 2016, we welcomed service users and staff from the Buckinghamshire Learning Disability Service which we see as recognition of the quality of our learning disability services. They have embraced our values and quickly become part of the HPFT family.

Our staff continue to inspire us with the strength of their commitment. They are the bedrock of the services we provide and their continued focus on putting our service users and their families at the heart of our services enables us to deliver safe, great quality care. Recruitment and retention continue to be an area of concern for the NHS both nationally and locally and we know that we want to attract and retain the very best staff. This has been an area of significant focus for the Board, ensuring the staff experience at work is the best it can be. For the second year running we were ranked as national leaders for staff motivation in the NHS Annual Staff Survey and our staff have told us that they are proud to recommend the Trust as a place to work and to receive care. This is a fantastic endorsement of the care that they deliver.

There are areas where our performance has come under pressure during the year, reflecting in part the continuing increase in demand for services and we have been able to respond by introducing new and innovative services such as Street Triage. There are areas however where we recognise we need to do more to ensure we deliver consistently high quality care if we are to achieve our aspirations for Great Care, Great Outcomes. For example we have seen an increase in delayed transfers of care and in some of our access and waiting times. Whilst growth in demand is a factor we also need to ensure all our processes and ways of working are as modern and effective as possible in order to continue to provide high quality services every time.

We are grateful for the work of all our Board members (executive and non-executive) in continuing to deliver the strong and responsive leadership needed. We would also like to thank our governors, too, who continue to play a very important role in linking with communities, helping ensure that the needs of service users and communities are always at the heart of our work.

The very effective partnerships and relationships that we have built are key to tackling the challenges that face us. We have continued to play a full part in the local health and social care economies by promoting greater integration between mental and physical health and social care, including:

- Local authorities and commissioners. We work closely with our local commissioners. Our largest contract involves working with East and North Herts CCG, Herts Valleys CCG and Hertfordshire County Council to deliver integrated health and social care services.
- Leading the development of 'A Healthier Future', the Sustainability and Transformation Plan for Herts and West Essex.
- Being a university trust, with close links to the University of Hertfordshire. This provides excellent learning and development opportunities for staff, as well as strengthening clinical research.
- Forming our strategic alliance with Hertfordshire Community NHS Trust (HCT). This enables us to work together more closely to improve the services we provide by managing people's mental and physical health together.

Our Good to Great strategy has provided a new energy and focus for the years ahead. There will undoubtedly be challenges ahead in 2017/18 but we believe we have the people, relationships and skills to continue to deliver great care and great outcomes and are always very thankful for the work our staff do on a daily basis which makes a real difference to the lives of those we care for and for their families..

Chris Lawrence, Chair
Dated: 26 May 2017

Tom Cahill, Chief Executive
Dated: 26 May 2017

1.1.3 Key issues and risks that could affect delivery of our objectives

We have identified the key risks and issues to achieving our goals set out within this strategy. The annual governance statement on page 72 identifies the framework for managing these major risks. These form a core element of our quality improvement plans for 2017/18 (as set out in the quality report) and are summarised below:

Risk	Description	Mitigation
Clinical governance systems within the CAMHS service	Systems are not robust enough to sustain high quality services with pressures around recruitment of qualified staff leading and an increasing level of demand and acuity.	Increase management and clinical support Support with increased oversight of waiting times and care co-ordination Close monitoring of high risk cases
Workforce recruitment and retention	Inadequate staffing levels or inappropriate mix of permanent and agency staff impacting on the quality of patient care	Detailed recruitment planning with focused recruitment drives Recruitment incentives Mitigating action for cohort of potential retirees
Ability to achieve financial targets	Insufficient resources to manage demand and maintain quality and ensure long term financial sustainability	Strengthen expenditure controls Robust processes to ensure efficiency Independent quality impact assessment assurance Clinically led support to identify efficiency opportunities Positive relationship with commissioners

Artwork supplied by the HPFT Art Collection

1.1.4 Going concern disclosure

The accounts have been prepared on the basis that the Trust continues to operate as a 'going concern', reflecting the on-going nature of our activities. After making enquiries, the directors have a reasonable expectation that we have adequate resources to continue for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

1.1.5 Summary of performance matters (other than those set out earlier)

Our financial performance was above plan in the year reflecting income levels that were higher than planned. As a result of this we secured £6.7m sustainability and transformation funding through NHS Improvement which is available to support the future capital investment programme.

Performance analysis

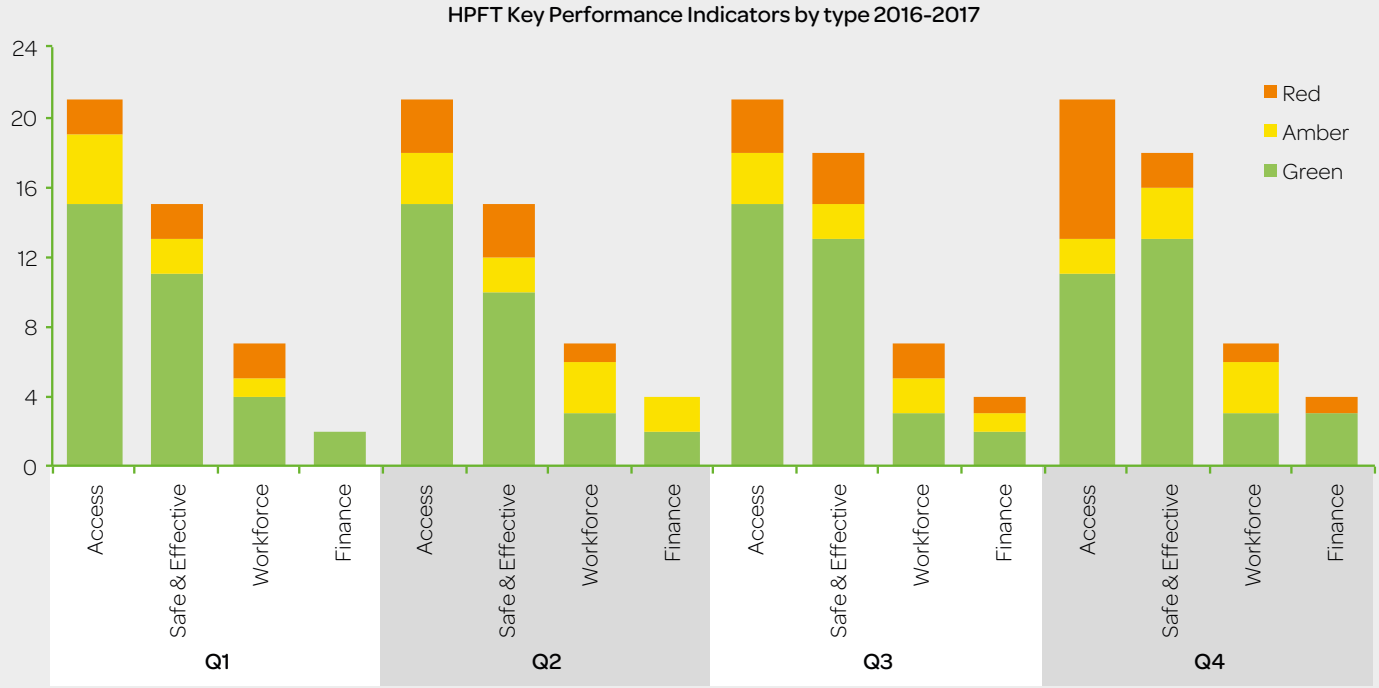
1.2.1 How we measure performance (including details of KPIs and performance against KPIs)

During the course of the year the Board receives monthly reports on Trust performance. These reports regularly cover the following areas (some on a quarterly basis):

- Regulatory and statutory requirements
- The Trust's Annual Plan
- A series of key performance measures agreed by the Board relating to areas of operational significance. These focus on the service quality measures of access, safety and effectiveness, key workforce indicators and financial metrics. The trend in performance is reported to the Board across these areas and 'deep dives' in relation to specific issues undertaken by the Board and its sub-committees.

Performance indicators set by our commissioners against key contractual targets

The trend comparator information for 2016/17 is summarised below:



1.2.2 Detailed analysis of our development and performance (including reference to KPIs and the financial statements)

Regulatory performance

During the year there was a significant change in the reporting of regulatory performance with the introduction of the Single Oversight Framework, which replaced the previous NHS Improvement (NHSI) indicator set. The Single Oversight Framework is designed to help NHS providers attain, and maintain, Care Quality Commission ratings of 'Good' or 'Outstanding'. The framework does not give a performance assessment in its own right but seeks to identify NHS providers' potential support needs across five themes:

- quality of care
- finance and use of resources
- operational performance
- strategic change
- leadership and improvement capability

The framework applied from 1 October 2016, replaced the Monitor 'Risk assessment framework' and the NHS Trust Development Authority 'Accountability framework' therefore providing a uniform approach across all provider trusts. This made a number of changes to the previous framework and therefore the following comments separate the two reporting periods;

Period to 30 September 2016

- All NHSI's targets have been reported as met in the two quarterly monitoring returns and declaration submitted to NHSI.
- Access to healthcare for people with learning disabilities is fully compliant with five of the six areas and partially compliant for the sixth indicator which relates to information made available to the public. Plans are in place to fully meet the final indicator as it will be addressed within a wider review of our website.

Period from 1 October 2016 to 31 March 2017

This relates to the period where the new Single Oversight Framework applied. For the period to December there were seven measureable indicators of which we met. For the quarterly period to 31 March 31 there were ten measures of which we met eight. Further detail is provided below on the measures that were not fully met:

Period	Measure	Comment
Q3	Patients requiring acute care who received a gatekeeping assessment by a crisis resolution and home treatment team in line with best practice standards- 95% or above	This was reported at 88% in Q3. Operational managers have taken action to ensure that all relevant teams are aware of the correct procedures and this is being reinforced on an ongoing basis. Q4 was 95%
Q3	Complete and valid submissions of priority metrics in the monthly mental health services data set submissions to NHS Digital- 85% or above	This was reported as 56%. The recent definition change has impacted significantly on the reported percentage (falling from circa 75%) an action plan is in place to address this progressively during the next quarters.
Q4	Complete and valid submissions of priority metrics in the monthly mental health services data set submissions to NHS Digital 85% or above	This was reported as 63% see above for actions planned
Q4	Ensure that cardio-metabolic assessment and treatment for people with psychosis is delivered routinely in community mental health services (people on care programme approach) 65% or above	Awaiting data from the Royal College of Psychiatrists

The performance framework

The performance framework, sets out our key performance measures, focussing on three broad areas: access, safety and effectiveness and resources.

Our performance against the framework had shown a strong improvement last year and it is very pleasing that in a number of areas we have maintained performance or shown further improvement. A summary of our is shown below in the context of the following operational highlights which provide the backdrop to the service provided.

Increase in demand for our services

Throughout the year we have seen continuing growth in demand for our services, resulting in an increase in the corresponding activity carried out within our services. This is illustrated within the key headlines below which reflect the growing level of need across all elements of our children, adults and older adult services.;

- New referrals increased by 11.5% overall in the year to 26,243 with the largest increase within adult services which saw a 15% increase.
- The level of face to face contacts has risen to 339,000 which is close to 1,000 a day. The largest increases have been within our Child and Adolescent Mental Health (CAMHS) service where there is a 26% increase and within specialist Learning Disabilities with an increase of more than 10,000 contacts over the year.
- Inpatient admissions have increased by 14% against last year at a time when the number of beds has reduced overall by 22 beds. This reflects our focus on ensuring that we manage bed capacity well to minimise the need to commission bed placements outside of Hertfordshire.
- The number of individuals detained by the police on Section 136 has also continued to grow, however the introduction of a new street triage service in the last year has been enormously valuable in better meeting need.

As with the NHS as a whole, we are responding to an increase both in public expectations as well as more people accessing our services.in part this is driven by an aging population with increasing needs as well as challenges and pressures within our communities that are leading people to seek help for their mental health needs.

Despite these pressures 88% of people using our services would recommend them to their friends and family. This is testament to the quality, professionalism and commitment of our staff ensuring that people with mental health needs or a learning disability are getting the care and support that they need.

We also remain one of the only trusts in the UK to offer genuine alternatives to inpatient admission from acute day treatment, round the clock crisis and home treatment and access to host families. This combination of factors means that we continue to be able to invest in community care and support in line with our service users and their carer' preferences to help promote their independence.

Workforce

As with other NHS organisations we face continuing challenges in recruiting and retaining staff. In the year, 555 new employees started work with the Trust and over the same period we had 447 staff leaving so there was a net increase of 108. Overall our vacancy rate reduced from 17% to 11.99% in the year as a whole which was a very positive achievement.

New services

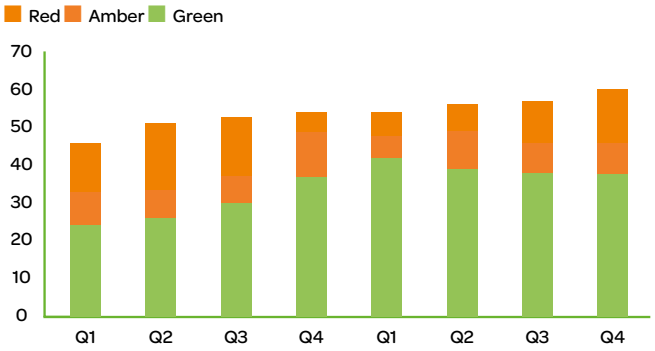
This year saw the the successful integration of Buckinghamshire learning disabilities community services and inpatient provision which transferred to us on 1 on Septembert .

We have expanded our Improved Access to Psychological Therapies (IAPT) service within Hertfordshire for people who need psychological support because they are living with physical health long term conditions or who have psychological causes of their pain or other symptoms.

We know that this makes a difference to people's lives because the recovery rate among people who access our Hertfordshire IAPT services is above than the national average.

The performance summarised below shows the end of the year position at 65% (70% last year) of key performance indicators being rated Green. The major change from last year has centred on demand and capacity challenges within our Single Point of Access (SPA) which has led to a significantincrease in demand within our community teams. in the short term, this has impacted upon several of our access targets whilst we take steps to remedy the performance of our community teams and that of SPA.

HPFT trustwide performance 2015/16 and 2016/17

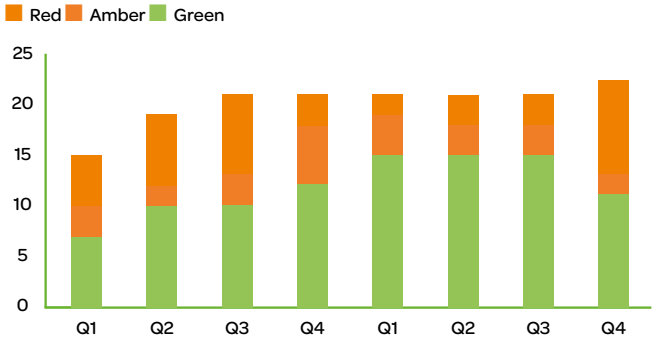


Brief comments upon the three broad areas of performance

Access:

The key areas of pressure have been within CAMHS and adult services. The primary cause has been high demand and capacity challenges within SPA which directly affects each operational team's ability to meet its access performance trajectories particularly within the second half of the year.Our priority therefore has been to address this delay through a comprehensive action plan, established with our commissioners and primary care partners, with key actions centring on staff recruitment, telephone response times and referral management alongside primary care partners. These actions have led to a continuing improvement in performance throughout the final quarter and into the new year.

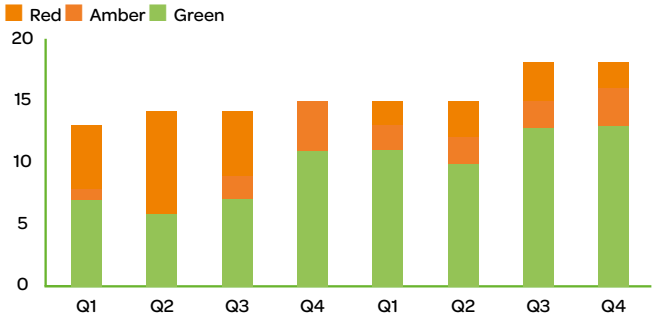
Access indicators – performance 2015/16 and 2016/17



Safety and effectiveness of our services:

There has generally been a strong level of performance throughout the year with a good improvement in the final quarter to achieve key targets. We addressed particular areas of concern in 2015/16 resulting in improved performance on risk assessments as well as across the IAPT recovery targets. The main area of concern has been the level of delayed discharges from inpatient services which moved above the 7.5% threshold during the final quarter. This was due to significant pressure on beds along with a number of acute and complex individual cases and difficulty in identifying appropriate move on options.

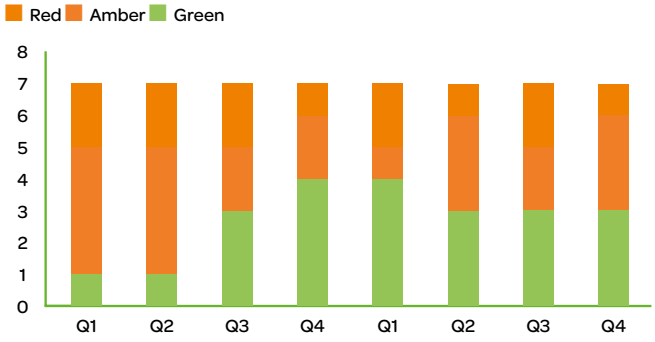
Safe and effective indicators 2015/16 and 2016/17



Resources:

Workforce indicators have improved with a number of excellent highlights within the NHS National Staff Survey. However, as indicated by the key risks for the organisation highlighted in the annual governance statement, we need to continue to focus on recruitment and retention. This is discussed further within the workforce section

Workforce performance 2015/16 and 2016/17



The full year financial position is a surplus which is above plan. This is reflected in an NHSI Use of Resource rating of 1, which is the highest.

Analysis of financial performance

Financial overview

This section provides a commentary on our financial performance in the year. It has been another successful year with particular highlights being:

1. Achieving a £2.6m surplus (before asset impairments, sustainability and transformation funding and a VAT settlement) with the Trust continuing to "live within its means" at a time when the NHS is facing significant financial challenges.
2. The continuing financial support of our commissioners in the delivery of "the parity of esteem" ambition between physical and mental health which is set out in the Five Year Forward View.
3. The continuing capital investment programme through which we provide the high quality accessible infrastructure required to support our clinical teams.
4. For 2016/17 a £1.8 billion sustainability and transformation fund (STF) has been made available to NHS providers linked to the achievement of financial control total and performance targets. The main principles of the fund are:
   - To support the provision of emergency services and address the financial and operational challenges of providers in connection to the provision of those services
   - To support the objectives set out in the planning guidance, including the requirement that during 2016/17 the NHS trust and foundation trust sector must, in aggregate, return to financial balance
   - To support the provider sector's overall sustainability by incentivising greater efficiency savings in future without rewarding past poor- or under-performance compared to plan

We have been awarded a total of £6.7m which comprised of:

- £1.3m in relation to us achieving our control total
- £4.3m in relation to us achieving in excess of our control total
- £1.1m in relation to a bonus amount awarded.

This funding will help us continue to invest in capital programmes as above and where possible to support the wider sustainability & transformation plan for the local health and social care economy.

As a NHS foundation trust it is important that over a sustained period we achieve financial surpluses both to maintain our resilience and to provide the cash to continue to invest in the infrastructure to support high quality services.. In addition our Trust faced significant cost pressures particularly in areas of agency pay costs, and commissioning bed placements, and we worked tirelessly with other organisations to manage these costs effectively. This also led to coordinated actions being taken by NHS Improvement and the other regulators (particularly in relation to agency costs) to address significant cost escalation.

Despite these pressures, as set out in the financial statements we have achieved a surplus position whilst continuing to deliver high quality services to increasing numbers of service users. This is a testament to the hard work and dedication of our staff who have responded fully to the challenges they have faced during the year.

Summary of key results from the financial statements

Headline information on the key results from the financial statements is set out in the table below and explained in further detail later in this section.

	2016/17 £m	2015/16 £m
Income (excluding STF)	218.1	205.9
Expenditure-pay costs	(137.9)	(132.6)
Expenditure-non- pay costs (excluding impairments, VAT settlement)	(77.6)	(73.3)
Surplus for the year (excluding STF, impairments, VAT settlement)	2.6	nil
Sustainability and transformation funding (STF)	6.7	nil
Settlement of historic VAT claims	1.6	nil
Impairment charged to expenses in the SOCI	(2.0)	(3.3)
Surplus/(loss) for the year	8.9	(3.3)

	2016/17 £m	2015/16 £m
Capital spend (net of proceeds)	6.0	(4.2)
Loan finance liability from foundation trust financing facility	(17.9)	(18.4)
Cash flow from operations	18.3	9.0
Closing cash position	43.6	35.7

Income

	2016/17		2015/16	
	£m	%	£m	%
Income from activities	211.8	94.2	197.5	95.9
Other Income	13.0	5.8	8.4	4.1

Our income is earned largely from contracts with NHS commissioners for activities relating to the provision of health and social care services. We have six main contracts several of which are commissioned jointly. These vary in length between one and three years. Our contracts are largely on a block contract basis where the income is fixed. However there are some services

where income is linked to activity or outcomes. In 2016/17 we secured additional funding for our services in Hertfordshire as commissioners increased their investment in mental health services. The learning disability services in Buckinghamshire also transferred to us during 2016/17.

In the financial year 2016/17 we generated income totalling £224.8m. This was an increase of 9.2% on the previous year. The majority relates to income from activities, principally from the contract we have through the integrated health and care Commissioning team acting on behalf of the clinical commissioning groups of Herts Valleys CCG and East & North Herts CCG and Hertfordshire County Council. This accounts for about 76% of our total income. The other main contracts are with NHS England (covering a number of specialist mental health and learning disability services) and NHS West Essex CCG (relating to learning disability services in North Essex). The contract with each of our commissioners sets out a number of requirements that we must comply with including a range of performance targets. We meet with our commissioners regularly to review our performance against these targets and also to discuss areas of future need.

In accordance with the National Commissioning for Quality and Innovation (CQUIN) payment framework we agree each year a schedule of CQUIN goals with each commissioner. The CQUIN payment framework enables commissioners to reward excellence, by linking a proportion of a provider income to the achievement of local quality improvement goals. In relation to our contract with the integrated health and care commissioning team we estimate that we will achieve about 95% of the CQUIN target . For most other contracts we estimate 100% as being achieved.

Other income includes regular sources of income such as national funding to support the training of medical staff as well as items such as the non-recurrent funding provided to support workforce development. In addition for 2016/17 it contains the total £6.7m STF funding as mentioned in point 4 of the financial overview above.

Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from providing goods and services for the health service in England must be greater than its income from the provision of goods and services for any other purposes. We have met this requirement.

Expenditure

In common with other Trusts, our most significant area of spending is on pay costs. The total pay costs reported for the year is £137.9m and represents 65.3% of total operating expenses. The comparative figures for 2015/16 are £132.6m and 64.7%

As a partnership trust with delegated secondary commissioning responsibilities and operating from over 50 sites in Hertfordshire, Norfolk, North Essex, and Buckinghamshire there are other significant costs to manage. Further detail of expenditure for the financial year can be found under note 5 (page 201) of the financial statements.

Surplus

The financial statements show a surplus for the period of £8.9m compared to a deficit of (£3.3m) last year. This is calculated by taking the income earned in the period and deducting the related expenditure. However this calculation includes:

- £6.7m of sustainability and transformation funding
- £1.6m relating to a historic VAT settlement following successful negotiation with HMRC
- Non-cash accounting items (£2.0m) relating to property impairments which is not considered by the Trust to be part of its normal activities.

Adjusting for this would give a surplus for the year of £2.6m which is ahead of the previous year's break even position after similar adjustments for items outside normal activities. This primarily reflects the challenges in securing and recruiting staff and the benefit of reviewing property valuations and associated revenue costs.

Cash flow from operations

Managing our cash balances is a critical aspect of our performance particularly as we continue with our major capital investment programme (see below.) Additionally the use of resources rating applied by NHS Improvement as part of its regulatory single oversight framework includes measures of our liquidity and our ability to meet our debt obligations. Both these measures are similarly determined by the implementation of effective treasury management policies.

The statement of cash flows is set out on page 189 of the financial statements. It shows that we continued to proactively manage our cash balances and working capital and ended the year with a strong cash position of £43.6m, an increase in the year of £7.9m. We have an approved 25 year term loan facility of £32m to support our continuing investment programme and a short term loan of £6.9m. Repayments of £0.5m were made in accordance with the loan terms, and the current loan amount is £17.9m. No further drawdown was required in 2016/17 and no further drawdown against this facility will be required. Any future requirements would require agreement of a new facility.

Capital programme

In 2016/17 we continued our investment programme investing in various service developments focussed on service improvement and environmental quality. There were also two asset disposals where we sold buildings which were no longer required to generate additional funding for future investments.

Financial risk rating

We have achieved a use of resource metric rating of 1 at 31 March 2017 (the highest possible) reflecting our strong financial position. Detailed and comparative data and an explanation of the regulatory rating framework are set out later in this report (Regulatory ratings).

Artwork supplied by the HPFT Art Collection

Forward look

2017/18 will undoubtedly be another challenging year as the Trust continues to manage the continuing financial constraints which apply across the whole health economy. Our contract income (which as described above is our principal source of funding) has been agreed which will include a national tariff efficiency requirement of 2%. There is an allowance of 2.1% for uplifts to cover annual pay awards, the general inflation requirement plus the significant increase in employer national insurance. We are pleased that there has been some additional investment provided in Hertfordshire and this will support us in responding to the continuing growth in the need for our services.

Our strong financial position will help us to deliver improved high quality services and improving waiting times whilst making significant efficiency and productivity savings.

Other financial information

Financial investments

We do not have any investments in subsidiaries or joint ventures or significant exposure to interest rate or exchange rate risks and therefore do not hold any complicated financial instruments to hedge against such risks.

Financial statements and accounting policies

The full set of financial statements and details of the accounting policies applied, are set out within this report. These have been prepared in accordance with International financial reporting standards (IFRS) and HM Treasury's FReM to the extent that they are meaningful and appropriate to NHS foundation trusts. This is as directed by NHS Improvement, and the Department of Health Group Accounting Manual (DH GAM), in order to show a true and fair view of our financial activities during the period.

The financial statements are presented as follows:

Statement of comprehensive income (SOCI)	page 186
Statement of financial position	page 187
Statement of changes in taxpayers' equity	page 188
Statement of cash flows	page 189

The Board is required to review its accounting policies annually, which we have done. There are no changes to our accounting policies as a result of that review.

External audit opinion

The annual accounts were reviewed by our independent external auditors, Deloitte LLP, who issued an unqualified opinion. So far as the directors are aware, there is no relevant audit information of which the auditors are unaware. The directors have taken all the steps they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Deloitte LLP has been approved as the Trust's external auditors by the Council of Governors through to 2017/18. The audit is conducted in accordance with international standards on auditing (UK and Ireland) as adopted by the UK Auditing Practices Board (APB), the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Audit Code for NHS Foundation Trusts issued by NHS Improvement.

Related parties

During the year none of the board members, governors or members of the key management staff or parties related to them, has undertaken any material transactions with the Trust. Details of other related party disclosures are set out in the financial statements under note 25 on page 221.

Charitable funds

As an NHS Foundation Trust we make no political or charitable donations. However, we benefit from the receipt of charitable funds arising from donations and fund raising activities and are extremely grateful to fundraisers and members of the public for this continued support. The Trust Board acts as Trustees ensuring appropriate stewardship for these funds which are used for buying equipment or services according to the purpose of the funds. Where funds are for 'general purpose', these are used more widely for the benefit of service users and staff. Further financial information on our charitable funds for the financial year 2016/17 is available on request from the Executive Director of Finance. There is no charge for providing this information.

Our charitable funds fall within the definition of a subsidiary. We have chosen not to consolidate the charitable funds into these financial statements as the amounts of the charitable funds are not material and would not provide additional value to our financial statements.

1.2.3 Information about environmental matters

Governance and leadership

We continues to work towards delivering our sustainable development management plan (SDMP), focussing on:

1. The environmental impact of the health and care system and the potential health benefits of minimising this impact.
2. How the healthcare system needs to adapt and react to climate change including preparing for and responding to extreme events.
3. How the NHS public health and social care system maximises every opportunity to improve economic, social and environmental sustainability.

Sustainability is led at Board level by the Executive Director of Finance, but is fully recognised as a corporate issue, underpinning sustainable, high quality services.

Good corporate citizen assessment

We use the self-assessment tool developed by the NHS England sustainable development unit to benchmark progress on sustainable development. The 'Good corporate citizen' tool provides a set of criteria for trusts to gauge their performance against in the following categories:

- Travel
- Procurement
- Facilities management
- Workforce
- Community engagement
- Buildings
- Adaptation
- Models of care

Whilst we have made a steady improvement since last year rising by 3% to an overall score of 89%, previous years have seen more significant strides. This reflects our significant focus on our transformation programme, physical environments and buildings and on energy and utilities reductions to improve carbon reduction performance. During 2017/18 our SDMP will be refreshed to support delivery of our 'Good to Great' strategy. This will include reinvigorating our engagement work across the organisation and with stakeholders beyond energy management and carbon reduction to support our wider sustainability programme.

Resource impact

Our use of electricity and gas continues to fall. We have seen significant improvement in our gas utilisation due to improving and replacing heating systems. We are seeing the benefit of the innovative design solutions implemented at Kingfisher Court which has significantly reduced energy consumption compared to the previous facilities. Throughout our 'Modernising our estate' programme we aim to deliver the best possible outcome against BREEAM criteria and this features within major investment planning.

Our water usage has been adversely affected by significant leaks at our Little Plumstead site in Norfolk, on the nearby construction site.

	2016/17 (kWh)	2015/16 (kWh)	Variance (kWh)	% change	2016/17 (£)	2015/16 (£)	Variance (£)	% change
Electricity	5,597,970	5,663,683	-65,713	-1.2%	624,391	619,783	4,608	0.7%
Gas	11,787,479	14,510,711	-2,723,232	-18.8%	366,843	470,633	-103,790	-22.1%
Water	100,776	82,048	18,728	22.8%	209,837	164,709	45,129	27.4%

Buildings

We continue to reduce our estate as part of our ongoing modernisation and rationalisation programme, with a 12% reduction in the number of sites since 2014.

Travel and transport

The number of miles covered by our transport department has increased from 972,961 in 2015/16 to 994,349 for 2016/17 (2%) but due to our use of more efficient vehicles, our fuel consumption has reduced by 3% across the same period.

We choose our vehicle fleet using the most efficient vehicles on the market and we have recently trialled two new electric vehicles. All vehicles have a tracking facility and all drivers have hand held devices where their next work detail is sent to them depending on location thus ensuring each journey is efficiently carried out.

To support our 'Good to Great' strategy we began an agile working pilot in our south east Hertfordshire locality during 2016/17. This is exploring the use of innovative technology and changes to working practices to enable staff to spend less time travelling and more time on direct service user care. We will be evaluating this work in early 2017/18 and have included this as part of delivering our annual plan priorities.

Procurement

Our SDMP sets out sustainable procurement as a key criteria in reducing our carbon footprint (procurement contributes 60% of the NHS footprint) and this is reflected in our procurement strategy. There are two key targets within this strategy:

- Contribute towards reducing our 2007 baseline carbon footprint by 10%
- All suppliers with spend greater than £25k agreeing to our sustainable procurement policy

We achieved the first objective by 2015 and by implementing an e-procurement system our procurement team have ensured progress towards supply chain compliance. In addition we include sustainability as a criteria within tender exercises. This work has been strengthened through our membership of Hertfordshire Procurement which has developed a complimentary sustainable procurement policy where we work collectively to change supplier behaviour. The procurement strategy is due for review during 2017/18 and we will be revisiting our sustainable procurement targets as a consequence.

Sustainable care models

We are working with our partners to further reduce our physical footprint but more importantly to improve service delivery through locality based community 'hubs' where services can be integrated across mental health and physical healthcare. During 2017/18 we will open our new facility in Hemel Hempstead in partnership with Hertfordshire Community NHS Trust.

Emergency planning and business continuity issues

We have updated our major incident and business continuity plan which is published on our website. The plan was robustly tested during the year through a serious IT infrastructure failure and more locally across various sites when there have been instances of boiler breakdowns.

We have again completed the NHS core standards self-assessment and are compliant with the core standards issued by NHS England for emergency planning, response and recovery and as such we feel assurance of resilience and readiness should we encounter any business interruption.

We are committed to working with NHS England and the local health resilience partnership on all aspects of major incidents and business continuity planning. We are a partner of the memorandum of understanding with Hertfordshire health and social care organisations and the local councils.

1.2.4 Information about social, community and human rights issues

The Equality and Diversity team – based within the wider Inclusion and Engagement team – assists with mainstreaming the Equality and Diversity agenda. The Inclusion and Engagement team comprises:

- Equality and human rights
- Service user and carer involvement
- Carer work
- Peer-led work
- Advocacy
- Service experience (service satisfaction including the friends and family test)
- Spiritual care and chaplaincy

Summary of activities through the year

- Further implementing our organisational values
- Launchoffing our new bullying and harassment pledge
- Further development of LGBTQ training for CAMHS
- Reviewing mandatory staff training programme for equalities
- Full EDS2 re-grading with local stakeholders in 2016
- Delivery of our 10th Annual Recovery Conference
- Launch of our new diversity role models programme
- Further implementing our contractual obligations re: EDS2 and the Workforce Race Equality Standard.
- Reviewing and redeveloping support for staff networks, including introducing executive sponsors
- Development of new policy on: supporting gender identity within frontline services.

Our work around equality and diversity centres around ensuring we comply with the public sector equality duty and are delivering best practice as a lead for equality and diversity. This includes:

Overview of activity to eliminate unlawful discrimination

Our organisational values – We have continued to embed our values throughout the organisation. As of 31 December 2016, 82% of our staff have been trained in the Trust values as well as all new starters who now receive values training as part of their induction. We require that all staff annually receive a values-based appraisal to ensure that they reflect on their behaviours, identifying areas for improvement in themselves and others. The past year saw the launch of our values-based recruitment process to ensure a robust and fair process for all that ensures recruitment of the very best staff. It is also a requirement that all interview panels include at least one question at interview that explicitly relates to candidates'understanding of equality and diversity.

Anti-bullying and harassment pledge – We continue to work hard to transform the experiences of our staff. In October 2016 launched our new anti-bullying and harassment pledge. A joint message from the Chief Executive and Unison Staffside chair endorsed to staff the importance of our bullying and harassment policy and our new bullying and harassment helpline, to support and encourage staff to raise concerns and report incidences of bullying and harassment. Comments from front line staff since establishing the pledge:

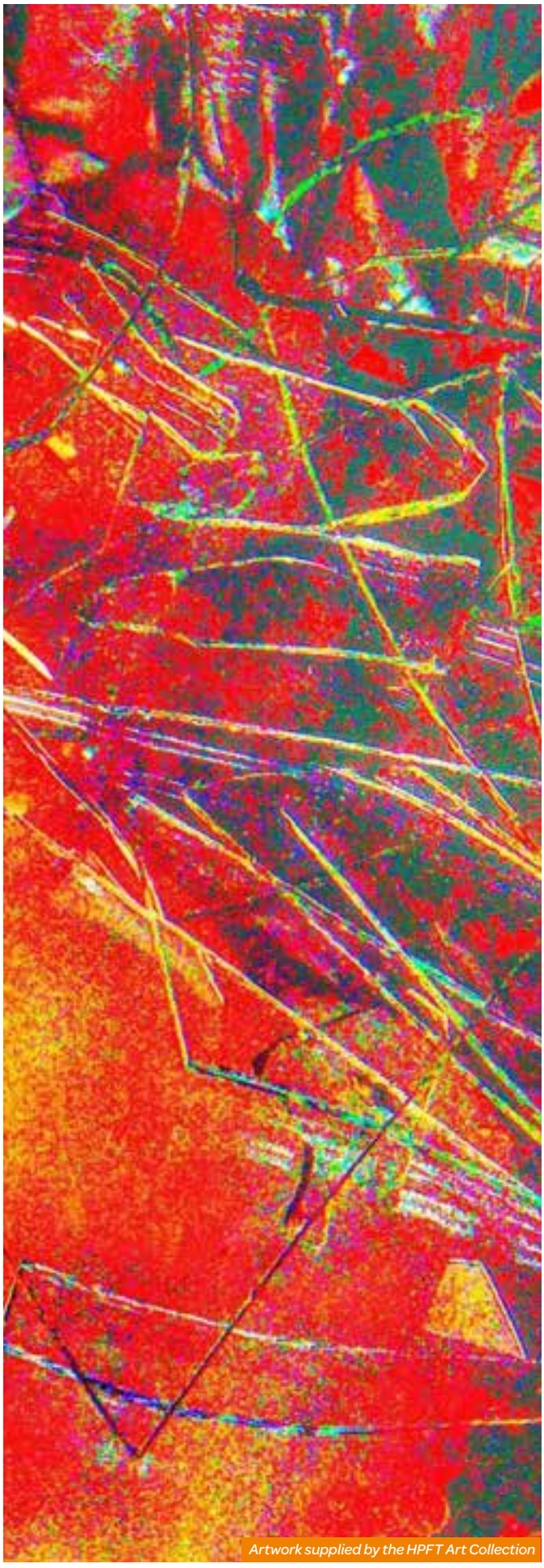
- *"To speak up when facing bullying and abuse. Don't give up, having the perseverance to carry on."*
- *"Believe in yourself. Be persistent and consistent. Your attitude affects other people and we should always respect others. Speak up".*
- *"I am professionally accountable for my actions. I will challenge inequality, bullying and harassment as a front line manager."*

NHS Workforce Race Equality Standard (WRES) – We have reviewed many of our employment processes in light of the Workforce Race Equality Standard (WRES) to identify and address the inequalities within the Trust. Our WRES data can be found on our public website including a statement from the CEO reinforcing our commitment to WRES implementation.[1]

Our 2016 data showed a significant improvement in narrowing the gap between black and ethnic minority BME and non-BME staff in relation to those subject to formal disciplinary processes. However, more targeted work is needed to narrow the gap in relation to staff appointed following shortlisting. This has been a priority throughout 2016/17.

In October 2016 we hosted our second annual workforce conference with Unison focused on 'Good to Great: Valuing Diversity' which focused on how we can improve our approach to race equality in the workforce.

[1] http://www.hpft.nhs.uk/about-us/equality-and-diversity/wres/



Artwork supplied by the HPFT Art Collection

The WRES management group is responsible for oversight of this work programme including a range of staff, BME network representatives and, most recently this year, one of the Trust governors who joined the group in early 2017.

New policy development – Since the implementation of our equality, inclusion and human rights policy for operational services (reported in previous year) we have focussed on ensuring that we are working in the best interests of protected groups. This last year we developed a new policy on supporting gender identity within frontline services supporting staff in ensuring fair and equal treatment for people of all gender identities and clarifying important information in supporting the health of people who have undergone, are undergoing or intend to undergo gender reassignment.

New equality lens for quality improvement – as a part of reviewing our approach to equality impact assessment, we have begin using a new equality lens to look at the quality of decision making, new project development, and staff changes that will be more progressive in enabling us to show due regard to all protected groups. The new lens will be completed in early 2017 and launched in the spring.

Overview of activity about advancing equality of opportunity

Diversity role models – We launched our diversity role models programme in February 2016. This programme engages staff who are BME, LGB, women, carers or have a disability in being role models and support contacts for people from similar backgrounds. It is adding another layer of support for staff and we hope it will help identify some of the informal issues that may not be reported through formal processes. So far role models have supported staff with a range of needs and 2017 will see the strengthening of this role to help identify gaps and training needs to care for our workforce.

Diversity champions – We are a member of the Stonewall Diversity Champions programme and are passionate about focusing on the needs of LGBT staff, service users and carers. In relation to this, throughout 2016 the Trust was listed as one of the Stonewall top 100 employers in England for LGBT staff. We did not achieve a top 100 placement for the 2017 index (launched January 2017) however we remain in the top 10 best performing organisations across the East of England. Over the next year we will continue to invest time in focusing on LGBT needs across our frontline services.

10th Annual Recovery Conference – Our 10th conference focused on parity of esteem; primarily on ensuring that people with long term mental health problems are not disadvantaged when compared with people with physical health needs. Additionally it supported and reinforced that the Trust is becoming more integrated regarding our place across the health economy in providing high quality mental health and wellbeing support for people across our services and workplaces. A record 30% of the audience were people with a lived experience of either using HPFT services or as an unpaid carer.

Staff networks – We have redeveloped our staff networks during 2016. We now have six staff networks supporting staff from a

"Be the change you want to see in the world"

New Leaf Wellbeing College – From July 2016 we have been working to deliver the college which is based on the recovery college model in place across much of the country. The college focuses on providing opportunities for people with mental and physical health conditions to receive support through adult education in contrast with therapeutic services often provided within mainstream healthcare settings. The college uses a universal approach, open to all, and has a policy of differentiation for ensuring that people from all backgrounds and groups can participate as fully as possible in the opportunities provided.

range of backgrounds.[2] The newest of these launched this year as a support network for staff who have a mental health issue. This particular network, in its short life, has already shown the importance and effectiveness of providing safe forums where staff are able to speak freely about concerns and troubleshoot solutions together. An additional development for all staff networks this year has been identifying Executive Team sponsors for each network to ensure that key issues and ideas are being heard directly by the senior management team.

Overview of activity to foster good relations

International Day against Homophobia, Biphobia & Transphobia (IDAHOBIT) – We hosted our annual workshop in May 2016. The theme chosen this year was 'Mental health and wellbeing' and attracted a range of professionals from HPFT and the third sector. A highlight of the day included delegates participating in setting out Trust objectives for LGBTQ* people, hearing about the public health issues that persists for LGBT people and a moving account from someone about their journey through gender reassignment and the impact of other people's prejudice in relation to their wellbeing.

Carers Week Conference & Carers Rights Evening – We hosted our annual conference for Carers Week in June 2016 as well as 'An evening for carers' in November 2016 for Carers Rights Day. The event was extremely popular with carers and professionals. For carers there was an opportunity to hear speakers followed by the chance to try a range of alternative therapies. Important points from the day included carers' ongoing need to be engaged fully in the Trust and ensuring they are supported with their own wellbeing. This was underpinned by the presentation of a new pathway for carers which began implementation in late 2016.

'Valuing diversity: Good to Great' conference – In October 2016, the Trust partnered with staffside unions to host our second annual conference focused on improving the Trust position and staff experiences in relation to the Workforce Race Equality Standard. The day included some powerful speakers and testimonies from staff about their experiences.

"Set no limit on my potential and in moving forward. Don't let negativity and being judged by my ethnicity make me feel less of a person. Be proud of who I am. It is Ok to be different. The sky is the limit, reach for the stars"

[2] IMPACT (BME), Outlook (LGBT), Women's Network, Disability Network, Carers Network, MH Network

Statistics

We are required under the Public Sector Equality Duty (PSED) to collect and publish diversity data for staff and those affected by our policies and processes. In addition we are required to publish one or more equality objectives spanning a four year period. This has been done against our annual objectives for the NHS Equality Delivery System 2.

All PSED compliance reporting is published through the equality and diversity section of our website at http://www.hpft.nhs.uk/about-us/equality-and-diversity/our-performance/ (where a full breakdown of statistics can be found).

Goal	Outcome	June 2016
1. Better health outcomes	1.1 Services are commissioned, procured, designed and delivered to meet the health needs of local communities.	
	1.2 Individual patients' health needs are assessed, and resulting services provided, in appropriate and effective ways	
	1.3 Transitions from one service to another, for people on care pathways, are made smoothly with everyone well informed.	
	1.4 When people use NHS services their safety is prioritised and they are free from mistakes, mistreatment and abuse.	
	1.5 Screening, vaccination and other health promotion services reach and benefit all local communities.	Not graded
2. Improved patient access and experience	2.1 Patients, carers and communities can readily access services, and should not be denied access on unreasonable grounds	
	2.2 People are informed and supported to be as involved as they wish to be in decisions about their care.	
	2.3 People report positive experiences of the NHS.	
	2.4 People's complaints about services are handled respectfully and efficiently.	
3. Empowered, engaged and well-supported staff	3.1 Fair NHS recruitment and selection processes lead to a more representative workforce at all levels.	
	3.2 The NHS is committed to equal pay for work of equal value and expects employers to use equal pay audits to help fulfil their legal obligations.	Not graded
	3.3 Training and development opportunities are taken up and positively evaluated by all staff.	
	3.4 When at work, staff are free from abuse, harassment, bullying and violence from any source.	
	3.5 Flexible working options are made available to all staff, consistent with the needs of the service, and the way that people lead their lives.	
	3.6 Staff report positive experiences of their membership of the workforce.	
4. Inclusive leadership	4.1 Boards and senior leaders conduct and plan their business so that equality is advanced, and good relations fostered, within their organisations and beyond.	
	4.2 Papers that come before the Board and other major Committees identify equality-related impacts including risks, and say how these risks are to be managed.	
	4.3 Middle managers and other line managers support their staff to work in culturally competent ways within a work environment free from discrimination.	

Equality Delivery System 2

We published our most recent grading of the NHS Equality Delivery System 2 (EDS2) in June 2016 with a review due in summer 2017 along with a review of our equality & diversity strategy. A key difference this year saw the grading process split into service provision outcomes (external stakeholders involved) and workforce outcome (internal staff stakeholders involved). This enabled a more thorough and robust scrutiny of the evidence presented given the expertise of stakeholders in those respective areas.

The outcomes, which were reviewed by our stakeholders in January 2016, are reflected in the table on the left. These grades relate to performance throughout 2015. The grading colours for the EDS2 relate to:

- Red – underdeveloped
- Amber – developing
- Green – achieving
- Purple – excelling

The Mental Health Act 1983 (MHA)

We deliver a range of learning and development activities in respect of Mental Health Act (MHA); Mental Capacity Act and Deprivation of Liberty Standards for all staff. Training is delivered through classroom sessions, applied training and e-learning, available to all staff depending on their responsibilities within the Act. Members of staff also have the opportunity to learn more about the interface between the Mental Health Act and the Mental Capacity Act. .

We continue to reinforce the new code which came into force on 1 April 2015 to provide stronger protection for service users and to clarify roles, rights and responsibilities. This includes: involving the service user and, where appropriate, their families and carers in discussions about the service user's care at every stage. Our training programme ensures that staff are aware of the new code and how they must carry out their roles and responsibilities under the Mental Health Act 1983, to ensure that all service users receive high quality and safe care.

The Human Rights Act 1988

The Human Rights Act is integrated into our day to day operations and implemented through many policies and procedures. It is essential that all staff and service users are aware of the specific requirements of the Act and its application in a human rights based approach to health care. The principles of human rights where practicable, are integrated within our induction programme, with the requirement to respect human rights also addressed by the Trust's Workforce and Organisational Development Directorate.

For any further information about any of our work relating to equality and diversity, please contact equality@hpft.nhs.uk

Modern Slavery Act reporting

The Modern Slavery and Human Trafficking Act 2015

We are committed to maintaining and improving systems, processes and policies to avoid complicity in human rights violation. We realise that slavery and human trafficking can occur in many forms, such as forced labour, domestic servitude, sex trafficking and workplace abuse.

Our policies and governance and legal arrangements are robust, ensuring that proper checks and due diligence take place in our employment procedures to ensure compliance with this legislation.

1.2.5 Important events since the end of the financial year affecting the Trust

There have not been any important events since the end of the financial year that need to be included in this report.

Accounting Officer's Approval

T J Cahill

Tom Cahill, Chief Executive

26 May 2017

Date:

My Story

I enjoy meeting new people and making a difference

Verity Masters , talks about her experiences of being a Governor

Verity Masters has used HPFT's CAMHS services over a number of years. As her recovery progressed Verity initially joined the Youth Council before applying to become a Trust Governor.

"I am here to represent young people in the constituency. We've come from a different generation and I think it's a very different world, with social media, peer pressure and everything, so it's important to get the input of young people. Decisions at HPFT have to be made with them in mind. We helped with the redesign of Forest House, the inpatient unit for young people, for example. I also got involved in discussions about the new Hemel hub and spoke about what would be good for young people. I worked with HCT (Hertfordshire Community Trust) and PALMS (Positive behaviour, Autism, Learning disability and Mental Health Service). They care for people with autism and learning difficulties – and it was really interesting working with them and choosing colours and art.

"Being a governor is a different sort of empowerment than therapy and work. As a governor you really learn to appreciate what you are given. You don't realise the amount of time, money, work, effort and everything that goes into someone's care.

"I enjoy helping other people, making changes and seeing the improvement. I had a bad experience in A&E but when I went back a year later it had changed for the better. Being a governor I was able to see that they'd gone through a transformation and it had actually worked. I love being a governor, it's my kind of thing."

Directors' report

2.1.1 The Trust Board

The Trust is managed by full-time executive and part-time non-executive directors who collectively make up our unitary Board of Directors. The Board considers all the non-executive directors to be independent in accordance with the Code of Governance. A representative from Hertfordshire County Council receives all Board papers and is invited to attend key Board meetings to support partnership arrangements. The NHS Foundation Trust Code of Governance specifies that non-executive directors, including the Chairman, should be re-appointed at intervals of no more than three years, following formal performance evaluation. Any term beyond six years should be subject to rigorous review and take into account the need for progressively refreshing the Board. Non-executive director appointments are made with support of an external recruitment company through open competition.

Executive directors are appointed through open competition in accordance with our recruitment and selection policies and procedures. The period of notice for executives is six months

Board members

Chris Lawrence Chair, Trust Chair and Chair of the Council of Governors

A former partner of PricewaterhouseCoopers, Chris has had a career of 35 years in international merchant banking and professional services. Having studied Spanish and Portuguese, he spent much of his life working internationally. He specialised in international mergers and acquisitions and was part of the leadership team that managed the merger of Price Waterhouse and Coopers and Lybrand.

He also spent three years in the 1990s as CEO of the London Philharmonic Orchestra.

Qualifications: BA (Hons) Leeds University

Tom Cahill – Chief Executive

As the Chief Executive, Tom is the accounting officer for the Trust and carries full responsibility for the Trust's strategic direction, performance, planning, business management and development. He also leads the Executive Team. Tom has overseen a number of major transformation programmes that have seen the development of new models of care, new facilities and the Trust culture. Under his leadership, HPFT has been rated as 'good' by the CQC.

Tom also leads the Sustainability Transformation Plan (STP) for Hertfordshire and West Essex.

Tom has been recognised for his leadership and has been named in the HSJ Top 50 Chief Executives in 2014 and 2016.

Qualifications: Diploma in Company Direction – Institute of Directors 2012 | Masters in Business Administration (MBA) 1999 | Diploma in Management Studies (DMS) 1996 | Registered Mental Health Nurse (RMN) 1987

Jinjer Kandola – Deputy CEO and Executive Director of Workforce & Organisational Development

As Deputy CEO, Jinjer plays a key role in overseeing the direction and development of the Trust.

Jinjer is also responsible for the management and development of the Trust's workforce and organisational development strategies. This includes recruiting the very best staff and developing their skills. She also oversees Communications and Marketing. Jinjer works closely with the Executive Team, staff and our union representatives to develop the workforce so that our people can deliver the change needed to ensure that the Trust goes from Good to Great.

Qualifications: MSc in Human Resource Leadership, Manchester University | Qualified Member of Chartered Institute of Personnel and Development (MCIPD)

Iain Eaves – Executive Director, Strategy & Improvement (left the Trust 10 April 2017)

Iain was responsible for strategy development, business planning and development, performance, information management and technology, continuous improvement and innovation.

Qualifications: BA (Hons) Natural Sciences | D.Phil. Medical Genetics | Certificate in Company Direction – Institute of Directors 2012

Dr Oliver Shanley – Director of Quality and Safety and Deputy Chief Executive Officer (Dr Shanley left the Trust 4 December 2016)

Oliver has worked in Mental Health Services since 1987, qualifying as a Mental Health Nurse in 1990. He has worked clinically in a variety of mental health settings, predominately in forensic services.

He has worked at Executive Nurse level since 2003. Oliver is involved at a national and regional level in a number of areas including both safe staffing and safer systems work.

Oliver was responsible for a diverse range of areas in HPFT including clinical and corporate risk and patient safety, compliance and governance, infection control and safeguarding. In addition, Oliver was Board level lead to all clinical disciplines with the exception of medical staff and is the Executive Nurse. Oliver attained a Doctorate at Kings College London in 2012 and was appointed a Visiting Professor at the University of Hertfordshire in 2014.

In 2015 Oliver was cited by the Nursing Times as one the most inspirational Nurse leaders. In the 2016 New Year's Honours List Oliver was awarded an OBE for services to Mental Health and Learning Disabilities Nursing.

Qualifications: RMN, MSC Mental Health (Kings College) | Doctorate, Healthcare (Kings College)

Dr Jane Padmore – Executive Director of Quality and Safety (Executive Nurse) and Director for Infection Prevention and Control (DIPC)

Jane is responsible for a diverse range of areas in HPFT including clinical and corporate risk and patient safety, compliance and governance, infection control and safeguarding. In addition, Jane is Board level lead to all clinical disciplines with the exception of medical staff and is the Executive Nurse. She is also the Caldicott Guardian for the Trust. Jane is involved at a national and regional level in a number of areas including safe staffing.

Qualifications: Kings College London Doctorate in Healthcare, 2013 | MSc Mental Health Studies, 2005 | University of Surrey BSc (Hons) Specialist Practice in Community Health (Mental Health), 1997 | Registered mental health nurse, 1994

Jess Lievesley – Director Delivery and Service User Experience

Jess is responsible for service delivery, customer experience and complaints. Jess spent a short period as the Director of Integration for the Trust before taking up his current role.

Qualifications: BSc (Hons) Specialist Nursing Practice | RN (MH) Dip HE

Karen Taylor – Executive Director Integration & Partnerships, Lead Director for CAMHS

Karen leads HPFT's approach to developing integrated care around people's needs, looking specifically at how we can improve our service users' physical health. Karen also leads on how we can improve the health and wellbeing of the wider population through integrating mental health into physical health teams and services. She leads the Trust's Physical Health Strategy and public health responsibilities, as well as the development of new models of integrated care across primary and community services working with the wider health and social care system.

Karen is the Director for Child and Adolescent Mental Health Services (CAMHS) for the Trust, providing strategic operational leadership.

Qualifications: BSc (Hons) Psychology and Sociology | Diploma in Management

Dr Kaushik Mukhopadhaya – Executive Director Quality and Medical Leadership and Consultant Psychiatrist

Kaushik is responsible for medical leadership in the Trust, research and development, clinical effectiveness, pharmacy and medicines management. Kaushik is a dual trained specialist and works in the field of psychiatry of older adults.

Qualifications: BSc (Hons) MBBS MRC Psych

Keith Loveman – Executive Director of Finance

Keith is responsible for financial performance, contracting and procurement, capital projects, estates and facilities.

Qualifications: IoD Certificate in Company Direction | Chartered Institute of Public Finance and Accountancy | BSc (Hons) Sports Science

Sue Darker – Herts County Council Assistant Director for Learning Disabilities, Mental Health and Asperger's

As Operations Director in Health and Community Services, Sue's portfolio includes all community learning disability teams and the social care team for people with Asperger's and high functioning autism. Sue also has oversight of the new 0 – 25 Together service for disabled children and young adults.

Her role provides the link between HPFT and the County Council and she attends and contributes to many of the Trust's management board forums. Sue is the County Council's lead officer for safeguarding vulnerable adults, and is the statutory representative of the Herts Safeguarding Adults Board.

Qualifications: Registered Nurse in Learning Disabilities (RNLD) | Kings Fund Athena Programme in Executive Leadership

Audley Charles – Interim Company Secretary

In attendance at Board (non-voting) Audley is responsible for the corporate function so that the Trust complies with its legal and regulatory framework. He also ensures that the Council of Governors, Board and its committees are properly constituted and advises the Board and Council of Governors on governance and regulatory issues.

Qualifications: BA (Hons) History | BD (Hons) Philosophy & Theology | MBA- Business and Management Academic research in management and governance

Catherine Dugmore – Non-Executive Director/Chair of the Audit Committee

Catherine trained with PwC specialising in financial services clients as multinationals were setting up in South Africa. When she relocated to the UK in 2002 she decided to pursue a full time career as a non-executive director. For a decade she was associated with Action for Children, becoming Chair of the Audit Committee and Vice Chair of the organisation. Since 2014 she has chaired Victim Support and is building the organisation's external profile.

She has also been Chair of the Audit Committee and Vice Chair of North Middlesex University Hospital NHS Trust.

Qualifications: Association of Chartered Accountancy

Loyola Weeks – Non-Executive Director

Loyola has been a Clinical and Executive Nurse for over 30 years as a provider and commissioner working across Commissioners and providers with Community and Learning Disability services. She is also a coach and mentor for aspiring directors and reviewer for local and national audits with health and social care.

Professional and national bodies: Nursing and Midwifery Council | Clinical Advisor and Service Development Advisor to CCGs | Peer reviewer for NHS complaints

Qualifications: BSc Hons | RGN RHV SCM DPSN | NCAS trained Case Investigator

Manjeet Gill – Non-Executive Director

Manjeet has worked at Chief Executive and Non-Executive Director level in the public, private and voluntary sector. She currently is Chief Executive at West Lindsey District Council, developing a business model for an Entrepreneurial Council. She is also a member of the LGG Chief Executive Group looking at new models for service delivery and market development.

Manjeet is an advisor on the third sector and has served as a Non-Executive Director and Trustee on charities and social enterprises such as the Social Investment Business and Victim Support. Manjeet has extensive experience of economic development, regeneration and neighbourhood management with qualifications in Social Economy, Masters in Business Administration and certificates in Company Direction. She is a member of the Institute of Directors and Society of Local Authority Chief Executives.

Qualifications: Masters in Business Administration | Practitioner NLP and Certified Coach | Diploma Health and Safety | Diploma Environmental Health

Michelle Maynard – Human Resources Senior Executive

With over 25 years' experience in a range of industry sectors.

Michelle specialises in talent management, leadership development and organisational and culture change. She has studied psychotherapy and has an interest in mental health issues.

Membership of professional bodies: Member of CIPD

Qualifications: MSc Human Resource Management | Ashridge Accredited Executive Coach

Sarah Betteley – Non-Executive Director/Senior Independent Director

Sarah is a lawyer with significant non-executive experience in the NHS. For the last 10 years she has had a number of senior executive commercial roles across BT. Sarah has also acted in a consultant capacity with small businesses supporting them on strategy and growth development

Qualifications: LLB Hons Solicitor | Post Graduate Diploma in EU Law

Simon Barter – Non-Executive Director

Simon is a former pharmaceutical executive with 30 years experience in international pharmaceuticals, working in the UK, France, Belgium, The Netherlands and Sweden. He specialised in drug development and global marketing and ran the commercial merger of Astra and Zeneca Pharmaceuticals.

Qualifications: MSc Man. Boston University | BSc (Hons) University of London

Robbie Burns – Non-Executive Director

Robbie has over 25 years of experience in executive and non-executive positions in health, social care and children's services; ranging from hospitals to home healthcare, fostering to domiciliary care. He is currently chairman of Orchard Care Homes and The Garden Classroom.

Qualifications: MA (Cantab)

2.1.2 Board of Directors appointments and committee attendance

There were 11 Board meetings between 1 April 2016 and 31 March 2017. In addition the we hold an annual general meeting for members. The term of appointment and individual attendance of each Board member at Board and sub-committee meetings is set out below.

Table 1- Appointments and attendance at Board meetings and statutory and assurance committees

1 April 2016- 31 March 2017

Board Member	Term of Appointment	Trust Board	Nominations & Remuneration committee	Audit Committee	Integrated Governance Committee	Finance & Investment Committee
		Attendance/actual/maximum				
Non-Executive Directors						
Chris Lawrence	1/08/2012 – 31/07/2017	11/11	5/5	N/A		
Simon Barter	1/08/2016 – 31/07/2019	9/11	2/5	4/5		5/6
Sarah Betteley	1/08/2014 – 31/07/2017	9/11	4/5		6/6	4/6
Robbie Burns	1/08/2015 – 31/07/2018	7/11	4/5		4/6	4/6
Catherine Dugmore	1/08/2016 – 31/07/2019	7/11	4/5	3/5		3/6
Manjeet Gill	1/08/2016 – 31/07/2017	9/11	3/5	4/5		
Michelle Maynard	1/06/2015 – 31/05/2018	7/11	2/5	4/5		
Peter Baynham	1/08/2014 – 31/07/2017 (Left 31/07/2016)	3/11		2/5		N/A
Loyola Weeks	1/08/2014 – 31/07/2017	10/11	5/5	4/5	3/5	

Board Member	Term of Appointment	Trust Board	Nominations & Remuneration committee	Audit Committee	Integrated Governance Committee	Finance & Investment Committee
		Attendance/actual/maximum				
Executive Directors In Attendance						
Tom Cahill	1/04/2009 – on-going	10/11	5/5	1/5	N/A	N/A
Iain Eaves	1/01/2011– 10/04/2017	11/11	N/A	1/5	3/5	6/6
Jinjer Kandola	1/10/2010– on-going	10/11	5/5	4/5	5/5	N/A
Keith Loveman	4/10/2010 – on-going	11/11	N/A	5/5	N/A	6/6
Paul Lumsdon	1/01/2016 – 31/05/2016	2/11	N/A	N/A	1/5	N/A
Kaushik Mukhopadhaya	7/08/2015 – on-going	8/11	N/A	1/5	4/5	N/A
Jane Padmore	17/11/2016 – on-going	3/11	N/A	3/5	4/5	N/A
Oliver Shanley	10/11/2009 – 4/12/2016	6/11	N/A	2/3	0/5	3/6
Karen Taylor**	27/02/2012 – on-going	8/8	N/A	N/A	4/4	3/5
Other Directors and Attendees						
Jess Lievesley*	Director Delivery & Service User Experience			27 May 2016	On-going	
Helen Potton*	Company Secretary			1 June 2016	19 December 2016	
Barbara Suggitt*	Company Secretary			16 August 1993	6 May 2016	
Sue Darker*	Herts County Council Assistant Director, Learning Disability and Mental Health			January 2009	On-going	
Audley Charles*	Interim Company Secretary			6 December 2016	On-going	

*Non Voting **Maternity leave

2.1.3 Details of company directorships

Details of interests declared by members of the Board of Directors including company directorships are held in a register of directors interests by the Company Secretary.

The register of directors' interests is available from the Company Secretary at:
Hertfordshire Partnership University NHS Foundation Trust, The Colonnades, Beaconsfield Road, Hatfield, Herts AL10 8YE.

Tel: 01707 253866

There are no company directorships held by the directors where companies are likely to do business with or seeking to do business with the Trust.

2.1.4 Statement of compliance with cost allocation and charging guidance

We have complied with the cost allocation and charging requirements set out in the HM Treasury and Office of Public Sector Information Guidance.

2.1.5 Details of political donations

There were no political donations made by the Trust during the reporting period.

2.1.6 Statement of better payment practice code

The better payment practice code, formerly known as the CBI policy on prompt payment, requires payment to creditors within 30 days of the receipt of goods, or a valid invoice, whichever is the later, unless covered by other agreed payment terms. Our payment policy was consistent with this target and actual achievement in the year was as follows;

	£000's	Number
Total non-NHS bills paid in the year	95,906	45,899
Total non-NHS bills paid within target	88,251	40,002
Percentage of bills paid within target (2016/17 percentages)	92%	87%
Percentage of bills paid within target (2015/16 percentages)	81%	79%

	£000's	Number
Total NHS bills paid in the year	8,238	1,046
Total NHS bills paid within target	6,779	854
Percentage of bills paid within target (2016/17 percentages)	82%	82%
Percentage of bills paid within target (2015/16 percentages)	77%	79%

2.1.7 Disclosure relating to quality governance

2.1.7.1 How the Trust has regard to the quality governance frameworks

Quality governance is the 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.

Table 2-Quality Governance Framework

1. Strategy	Example good practice
1a: Does quality drive the trust's strategy?	• Quality is embedded in the trust's overall strategy - Our trust's strategy comprises a small number of ambitious trust-wide quality goals covering safety, clinical outcomes and patient experience which drive year on year improvement - Quality goals reflect local as well as national priorities, reflecting what is relevant to patients and staff - Quality goals are selected to have the highest possible impact across the overall trust - Wherever possible, quality goals are specific, measurable and time-bound - Overall trust-wide quality goals link directly to goals in divisions/services (which will be tailored to the specific service) - There is a clear action plan for achieving the quality goals, with designated lead and timeframes • Applicants are able to demonstrate that the quality goals are effectively communicated and well-understood across the trust and the community it serves • The board regularly tracks performance relative to quality goals
1b: Is the board sufficiently aware of potential risks to quality?	• The board regularly assesses and understands current and future risks to quality and is taking steps to address them • The board regularly reviews quality risks in an up-to-date risk register • The board risk register is supported and fed by quality issues captured in directorate/service risk registers • The risk register covers potential future external risks to quality (eg, new techniques/technologies, competitive landscape, demographics, policy change, funding, regulatory landscape) as well as internal risks • There is clear evidence of action to mitigate risks to quality • Proposed initiatives are rated according to their potential impact on quality (eg clinical staff cuts would likely receive a high risk assessment) • Initiatives with significant potential to impact quality are supported by a detailed assessment that could include: - 'Bottom-up' analysis of where waste exists in current processes and how it can be reduced without impacting quality (eg, Lean) - Internal and external benchmarking of relevant operational efficiency metrics (of which nurse/bed ratio, average length of stay, bed occupancy, bed density and doctors/bed are examples which can be markers of quality) - Historical evidence illustrating prior experience in making operational changes without negatively impacting quality (eg impact of previous changes to nurse/bed ratio on patient complaints) • The board is assured that initiatives have been assessed for quality • All initiatives are accepted and understood by clinicians • There is clear subsequent ownership (eg relevant clinical director) • There is an appropriate mechanism in place for capturing front-line staff concerns, including a defined whistle-blower policy • Initiatives' impact on quality is monitored on an ongoing basis (post-implementation) • Key measures of quality and early warning indicators identified for each initiative • Quality measures monitored before and after implementation • Mitigating action taken where necessary

2. Capabilities and culture	Example good practice
2a. Does the board have the necessary leadership and skills and knowledge to ensure delivery of the quality agenda?	• The board is assured that quality governance is subject to rigorous challenge, including full NED engagement and review (either through participation in Audit Committee or relevant quality-focused committees and sub-committees) • The capabilities required in relation to delivering good quality governance are reflected in the make-up of the board • Board members are able to: - Describe the trust's top three quality-related priorities - Identify well- and poor-performing services in relation to quality, and actions the trust is taking to address them, - Explain how it uses external benchmarks to assess quality in the organisation (eg adherence to NICE guidelines, recognised Royal College or faculty measures). - Understand the purpose of each metric they review, be able to interpret them and draw conclusions from them - Be clear about basic processes and structures of quality governance - Feel they have the information and confidence to challenge data - Be clear about when it is necessary to seek external assurances on quality, eg how and when it will access independent advice on clinical matters. • Applicants are able to give specific examples of when the board has had a significant impact on improving quality performance (eg must provide evidence of the board's role in leading on quality) • The board conducts regular self-assessments to test its skills and capabilities; and has a succession plan to ensure they are maintained • Board members have attended training sessions covering the core elements of quality governance and continuous improvement
2b. Does the board promote a quality-focused culture throughout the trust?	• The board takes an active leadership role on quality • The board takes a proactive approach to improving quality (eg it actively seeks to apply lessons learnt in other trusts and external organisations) • The board regularly commits resources (time and money) to delivering quality initiatives • The board is actively engaged in the delivery of quality improvement initiatives (eg some initiatives led personally by board members) • The board encourages staff empowerment on quality • Staff are encouraged to participate in quality / continuous improvement training and development • Staff feel comfortable reporting harm and errors (these are seen as the basis for learning, rather than punishment) • Staff are entrusted with delivering the quality improvement initiatives they have identified (and held to account for delivery) • Internal communications (eg monthly newsletter, intranet, notice boards) regularly feature articles on quality

3. Structures and processes	Example good practice
3a. Are there clear roles and accountabilities in relation to quality governance?	• Each and every board member understand their ultimate accountability for quality • There is a clear organisation structure that cascades responsibility for delivering quality performance from 'board to ward to board' (and there are specified owners in-post and actively fulfilling their responsibilities) • Quality is a core part of main board meetings, both as a standing agenda item and as an integrated element of all major discussions and decisions • Quality performance is discussed in more detail each month by a quality-focused board sub-committee with a stable, regularly attending membership
3b: Are there clearly defined, well understood processes for escalating and resolving issues and managing performance?	• Boards are clear about the processes for escalating quality performance issues to the board - Processes are documented - There are agreed rules determining which issues should be escalated. These rules cover, amongst other issues, escalation of serious untoward incidents and complaints. • Robust action plans are put in place to address quality performance issues (eg, including issues arising from serious untoward incidents and complaints). With actions having: - Designated owners and time frames - Regular follow-ups at subsequent board meetings • Lessons from quality performance issues are well-documented and shared across the trust on a regular, timely basis, leading to rapid implementation at scale of good-practice • There is a well-functioning, impactful clinical and internal audit process in relation to quality governance, with clear evidence of action to resolve audit concerns - Continuous rolling programme that measures and improves quality - Action plans completed from audit - Re-audits undertaken to assess improvement • A 'whistle-blower'/error reporting process is defined and communicated to staff; and staff are prepared if necessary to blow the whistle • There is a performance management system with clinical governance policies for addressing under-performance and recognising and incentivising good performance at individual, team and service line levels
3c: Does the board actively engage patients, staff and other key stakeholders on quality?	• Quality outcomes are made public (and accessible) regularly, and include objective coverage of both good and bad performance • The board actively engages patients on quality, for example: - Patient feedback is actively solicited, made easy to give and based on validated tools - Patient views are proactively sought during the design of new pathways and processes - All patient feedback is reviewed on an ongoing basis, with summary reports reviewed regularly and intelligently by the board - The board regularly reviews and interrogates complaints and serious untoward incident data - The board uses a range of approaches to "bring patients into the board room" (eg, face-to-face discussions, video diaries, ward rounds, patient shadowing) • The board actively engages staff on quality, for example: - Staff are encouraged to provide feedback on an ongoing basis, as well as through specific mechanisms (eg, monthly "temperature gauge" plus annual staff survey) - All staff feedback is reviewed on an ongoing basis with summary reports reviewed regularly and intelligently by the board • The board actively engages all other key stakeholders on quality, for example: - Quality performance is clearly communicated to commissioners to enable them to make educated decisions - Feedback from PALS and local Healthwatch groups is considered - For care pathways involving GP and community care, discussions are held with all providers to identify potential issues and ensure overall quality along the pathway - The board is clear about Governors' involvement in quality governance

4. Measurement	Example good practice
4a: Is appropriate quality information being analysed and challenged?	• The board reviews a monthly 'dashboard' of the most important metrics. Good practice dashboards include: - Key relevant national priority indicators and regulatory requirements - Selection of other metrics covering safety, clinical effectiveness and patient experience (at least 3 each) - Selected 'advance warning' indicators - Adverse event reports/ serious untoward incident reports/ patterns of complaints - Measures of instances of harm (eg global trigger tool) - Monitor's risk ratings (with risks to future scores highlighted) *Segmentation against NHS Improvement's Single Oversight Framework* • Where possible/appropriate, percentage compliance to agreed best-practice pathways • Qualitative descriptions and commentary to back up quantitative information • The board is able to justify the selected metrics as being: - Linked to trust's overall strategy and priorities - Covering all of the trust's major focus areas - The best available ones to use - Useful to review • The board dashboard is backed up by a 'pyramid' of more granular reports reviewed by sub-committees, divisional leads and individual service lines • Quality information is analysed and challenged at the individual consultant level • The board dashboard is frequently reviewed and updated to maximise effectiveness of decisions; and in areas lacking useful metrics, the board commits time and resources to developing new metrics
4b: Is the board assured of the robustness of the quality information?	• There are clearly documented, robust controls to assure ongoing information accuracy, validity and comprehensiveness - Each directorate/service has a well-documented, well-functioning process for clinical governance that assures the board of the quality of its data - Clinical audit programme is driven by national audits, with processes for initiating additional audits as a result of identification of local risks (eg incidents) - Electronic systems are used where possible, generating reliable reports with minimal ongoing effort - Information can be traced to source and is signed-off by owners. There is clear evidence of action to resolve audit concerns - Action plans are completed from audit (and subject to regular follow-up reviews) - Re-audits are undertaken to assess performance improvement. There are no major concerns with coding accuracy performance
4c: Is quality information being used effectively?	• Information in quality reports is displayed clearly and consistently • Information is compared with target levels of performance (in conjunction with a R/A/G rating), historic own performance and external benchmarks (where available and helpful) • Information being reviewed must be the most recent available, and recent enough to be relevant • 'On demand' data is available for the highest priority metrics • Information is 'humanised'/personalised where possible (eg unexpected deaths shown as an absolute number, not embedded in a mortality rate) • Trust is able to demonstrate how reviewing information has resulted in actions which have successfully improved quality performance

2.1.7.2 Material inconsistencies in reporting

There are no material inconsistencies in reporting.

2.1.7.3 Summary of service user care activities

Every service user has a comprehensive care plan which is co-produced with him or her. Where appropriate this co-production may also include his or her carer. Direct care takes many different forms including round the clock medical and nursing care and access to a range of therapies including: occupational therapy several types of talking therapies and physical health such as physiotherapy. These are based on the principles of the Care Act. More detail of service user and carer involvement is set out within the quality report.

2.1.7.4 Summary of stakeholder relations

We have a number of significant partnerships and relationships which support the delivery of care and benefits for our service users and carers. Most notable are our strong relationships with our key commissioners across Hertfordshire, Essex, Buckinghamshire and Norfolk which have secured ongoing income for services and funding for a number of developments during 2016/17 and onwards into 2017/18.

We operate within the west Essex and Hertfordshire STP footprint and have positive and developing relations with all key stakeholders within that partnership. We are leading or supporting a number of work streams, including the STP wide mental health work stream.

Within each geographical footprint (Herts, Essex, Bucks, Norfolk) we have good stakeholder relations across a full range of statutory and non-statutory partners including MIND and the police, local acute hospitals, local commissioners and county councils. Within Herts Valleys CCG, we are part of a provider collaborative –a grouping of the main providers across west Hertfordshire who are working together to improve outcomes for the local population.

During 2016/17 we formed a strategic alliance with Hertfordshire Community Trust. Our two organisations have identified a number of areas where through working together we can potentially deliver better services and outcomes for the people of Hertfordshire. This work will be taken forward during 2017/18.

We have a strong history of co-production with both external stakeholders and importantly with service users and carers. This can be seen throughout 2016/17 across our services both in the development of our Trustwide strategies and at an individual service level.

2.1.8 Income disclosures

Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) states that the income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services for any other purposes. We have met this requirement.

In accordance with Section 43(3A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012), we confirm that we have several income sources that are not directly linked to patient care of which the main sources are education levies and research funding. These income streams contribute positively to the provision of goods and services for the purposes of the health service in England.

2.1.9 Statement of disclosure of information to auditors

The directors of the Trust are responsible for preparing the annual report and financial statements (annual accounts) in accordance with applicable law and regulations.

Each of the directors, whose name and functions are listed in the Board of Directors section **and was a director at the time the report is approved**, confirms that, to the best of each person's knowledge and belief:

- So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- The director has taken all the steps that ought to have been taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Trust's auditors are aware of that information, as set out in a letter of representation to the external auditors.

Remuneration report

2.2.1 Annual statement on remuneration

This report covers the remuneration of the most senior managers of the Trust – the Board of Directors, including both executive directors and non-executive directors as those people who have the authority and responsibility for controlling the major activities of the Trust. Information is provided about the remuneration committees, our policy on remuneration and detailed information about the remuneration of the executive and non-executive directors of the Trust.

2.2.2.1 Substantial changes to senior managers' remuneration

Independent review of the senior managers' remuneration policy is provided to the Nominations and Remuneration Committee by an external pay specialist and no Board director is involved in setting their own remuneration. In setting the remuneration levels, the committee balances the need to attract, retain and motivate directors of the quality required. There have been no substantial changes made in relation to senior managers' remuneration during the year.

2.2.2.2 Major decisions on senior managers' remuneration

During the accounting period the major decision for the Nominations and Remuneration Committee relates to performance related pay for executive directors. The remuneration for the Executive Team includes an element of performance related pay where performance is assessed against organisational performance against agreed objectives relating to the Trust's strategic goals, individual performance against annual personal objectives and contribution to the performance of the organisation. Progress towards these objectives is reviewed and regularly recorded during the year by the Chief Executive for the executive directors and by the Trust Chair for the Chief Executive, and subsequently reported to the Nominations and Remuneration Committee.

For 2016/17 the performance targets set at the beginning of the year and actual performance against those targets is set out in the following section. For 2016/17 any award remains subject to consideration of the performance of the Executive Team by the Nominations and Remuneration Committee.

The full remuneration report of salary, allowances and benefits of senior managers are set out at 2.2.3.4 (see page 45) and included on pages 46, 47 and 48.

Remuneration for non-executive directors is set out at 2.2.3.4 on pages 46 and 47. No additional fees are payable in the role of non-executive director.

Chris Lawrence
26 May 2017

Trust Chair and Chair of the Board of Directors Nominations and Remuneration Committee

2.2.2 Senior managers' remuneration policy

The remuneration policy for our Executive Directors is to ensure that remuneration is consistent with market rates for equivalent roles in foundation trusts of comparable size and complexity and that regardless of the level of pay the remuneration is reasonable. It also takes into account the performance of the Trust, comparability with employees holding national pay and conditions of employment, pay awards for senior roles elsewhere in the NHS and pay/price changes in the broader economy, any changes to individual roles and responsibilities, as well as overall affordability.

The fee payable to non-executive directors is set out in the table at section 2.2.3.4. Non-executive director remuneration is based on a fixed annual sum and no additional fees are payable for the role.

The senior managers' remuneration policy is periodically reviewed by an independent external pay specialist who provides expert advice to the Nominations and Remuneration Committee.

The remuneration of the Executive Team includes a deferred performance pay scheme, based on a two year cycle. The principles of the performance framework focus on reinforcing the collective performance of the organisation rather than that of individual directors.

The scheme has a threshold performance level which has to be achieved before it becomes applicable. These include factors such as CQC requirements, quality indicators, and financial performance to ensure that basic performance is achieved before any consideration of performance related payment can be made. There are a number of stretching objectives which focus on the advancement of the Trust against both our strategic objectives and annual plan.

The Nominations and Remunerations Committee annually reviews and determines the threshold/gateway parameters that will apply for performance pay and agree in conjunction with the Chief Executive the performance scheme measures and weighting for each measure at the start of the annual cycle. These measures are normally five or six stretching objectives with a number of sub components.

On achievement of the entry threshold the Nomination and Remuneration Committee will consider performance against the stretch objectives and will award the percentage amount available to be paid as performance pay to the team. The value of the payment can be up to a maximum of 15% of an executive team member's salary. The percentage awarded will be moderated by the Chief Executive through the annual performance review cycle to reflect the performance of the individual directors; with the Chair making the award in respect of the Chief Executive. Based on this an individual director will receive a sum individual to them and reflective of their performance, but limited to the overall collective performance of the organisation.

For an individual director the award is subsequently moderated as a percentage of the eligible payment as follows:

- 100% for excellent performance
- 75% for very good performance
- 50% for average performance
- 25% of eligible payment available for a director at a development stage or with adequate performance

Where performance is deemed below an adequate level or there are issues of conduct and capability there will be no entitlement to a performance payment. Only 50% of the payment award will be paid in any one year for that year's performance, whilst the remaining 50% will be deferred to the following year.

2.2.2.1 Future policy is set out in Figure 1 overleaf.

For 2016/17 the performance targets set at the beginning of the year and actual performance against those targets are set out in the following table. An estimate amount has been included in the Annual Accounts to reflect the amount payable.

Figure 1- Executive Team performance scorecard 2016/17

The Executive Team has collective accountability for delivering against the plan as a whole. Within that individual members of the Executive Team lead on and are accountable for delivery against individual objectives. The Executive Team objectives have been developed to reflect those areas where the collective ownership, leadership and drive of the whole team are especially critical to delivering a given priority:

Objective	Outcome	Success Measure	Value	Threshold (50%)
Safe and responsive Acute and community services (20%)	Service users kept safe Consistently positive service user experience Improved access to services (CAMHS)	CQC – safety "good" validated	5%	
		Service User Friends and Family Test	10%	75%
		CAMHS referrals meeting assessment waiting time standards – routine (28 days)	5%	
We will play a leading role working with our partners in developing and rolling out new, integrated models of care (10%)	HPFT Executive Team positioned and recognised as system leaders within Hertfordshire Strategic positioning of HPFT strengthened	- Leadership of key areas of joined up work - Strong relationships with counterparts in other parts of the system - Positive feedback (e.g. through chairs, commissioners, partners) on HPFT system leadership role		
We will recruit and retain staff, reducing our reliance on temporary staffing (20%)	Reduced staff turnover / increased workforce stability Lower vacancy level Reduced agency usage	Staff turnover rate (baseline 15.7%)	5%	<13% Q4
		Vacancy rate (baseline 13%) (baseline increased during year of 75.18 wte vacant posts equating to an increase of 2.43%)	10%	< 11% at Q4
		Agency shifts Achievement of the cap £ 8.25 m	5%	With 25% of cap
We will improve staff engagement and motivation (15%)	Engaged and motivated workforce with teams working well together	% staff reporting feeling engaged and motivated at work Baseline 57.8%	15%	60% by end of year
We will live within our means and secure the financial sustainability of our services (20%)	Recurrent delivery of CRES target	Delivery against £5.3m CRES	20%	80% delivered recurrently
We will improve our services through innovation and improvement (15%)		Establishment of innovation and improvement hub and successful launch of innovation and improvement panel HPFT improvement framework in place and being used to deliver projects Core improvement projects successfully using improvement methodology More people say they that they feel they can contribute to improvement (Staff survey)	15%	Green rating within annual plan at year end Staff survey >75% able to suggest improvements
Total				

Target (100%)	Q4	Value Achieved
	TBC	
80%	87.9%	10%
95% year average	50%	0%
	Strong STP leadership	10%
<10% Q4	13.7%	2.5%
< 10% at Q4	12.2%	0%
Achievement of the cap	Cap exceeded by £1.173m	2.5%
62% by end of year	67.7%	15%
100% delivered recurrently	£6.4m	20%
Green rating within annual plan at year end Staff survey >80% able to suggest improvements	Green rating within annual plan at year end 76%	7.5%
		67.5%

2.2.2.2 Service contract obligations

We are obliged to give directors six months' notice of termination of employment, which matches the notice period expected of executive directors from the Trust. We do not make termination payments beyond our contractual obligations which are set out in the contract of employment and related terms and conditions. Executive directors' terms and conditions, with the exception of salary shadow the national arrangements, inclusive of sick pay and redundancy arrangements and do not contain any obligations above the national level.

2.2.2.3 Policy on payment for loss of office

The principles determining payments for loss of office are in accordance with the national Agenda for Change guidance and in accordance with employment legislation.

2.2.2.4 Statement of consideration of employment conditions

We adhere to the national Agenda for Change guidelines for the setting of notice periods. Director contracts, however, are subject to six months' notice periods.

2.2.3 Annual report on remuneration

2.2.3.1 Service contracts

As stated in 2.2.2.4 above, all directors are subject to six months' notice period. Table 3 shows their start and finishing dates, where applicable or if their role is current:

2.2.3.2 Remuneration committees

We have two Remuneration Committees – the Board of Directors' Nomination and Remuneration Committee and the Council of Governors' Appointments and Remuneration Committee.

The Nomination and Remunerations Committee reviews and makes recommendations to the Board on the composition, skill mix and succession planning of the Executive Directors of the Trust and is chaired by the Trust Chair.

All non-executive directors are members of the committee and the Chief Executive, Company Secretary, and the Executive Director of Workforce and Organisational Development are normally in attendance.

There were four meetings of the committee during the financial period and the members' attendance is shown below:

Chris Lawrence	(4 of 4)
Loyola Weeks	(4 of 4)
Manjeet Gill	(4 of 4)
Michelle Maynard	(2 of 4)
Robbie Burns	(3 of 4)
Sarah Betteley	(3 of 4)
Simon Barter	(2 of 4)
Catherine Dugmore	(3 of 4)

The Board of Governors' Appointments and Remuneration Committee is responsible for making recommendations to the Council of Governors on the following:

- Appointment and remuneration of the chair and non-executive directors
- Appraisal of the Chair
- Approval of appointment of the Chief Executive
- Succession planning for posts of Chair and non-executive directors
- Analysis of action required following appraisal of performance of Board of Governors

The committee is made up of six Governors: four public, one staff and one appointed. The Chair, Company Secretary, Executive Director of Workforce and Organisational Development and the Chief executive are normally in attendance. The committee is chaired by the Lead Governor.

Table 3 Trust Board members for the year ending 31 March 2017

Name	Title	Contract Date From	Contract Date To
Non-Executive Directors			
Chris Lawrence	Trust Chair	1 July 2014	30 June 2017
Simon Barter	Non-Executive Director	1 August 2016	31 July 2019
Peter Baynham	Non-Executive Director	1 August 2014	31 July 2017 (left 31 July 2016)
Sarah Betteley (Senior Independent Director)	Non-Executive Director	1 August 2014	31 July 2017
Robbie Burns	Non-Executive Director	1 August 2015	31 July 2018
Catherine Dugmore (Chair-Audit Committee)	Non-Executive Director	1 August 2016	31 July 2019
Manjeet Gill	Non-Executive Director	1 August 2016	31 July 2017
Michelle Maynard	Non-Executive Director	1 June 2015	31 May 2018
Loyola Weeks	Non-Executive Director	1 August 2014	31 July 2017
Executive Directors			
Tom Cahill	Chief Executive	1 April 2009	Current
Iain Eaves	Director Strategy & Commercial Development	1 January 2011	10 April 2017
Jinjer Kandola	Deputy CEO and Executive Director Workforce & Organisational Development	1 October 2010	Current
Keith Loveman	Director Finance	14 October 2010	Current
Kaushik Mukhopadhaya	Director Quality & Medical Leadership	7 August 2015	Current
Jane Padmore	Director Quality & Safety	17 November 2016	Current
Oliver Shanley	Deputy CEO/ Director Quality & Safety	10 November 2009	4 December 2016
Karen Taylor	Director Integration & Partnerships	27 February 2012	Current
Barbara Suggitt	Company Secretary	1 August 2007	30 June 2016
Helen Potton	Company Secretary	1 June 2016	19 December 2016
Other Directors and Attendees			
Jess Lievesley*	Director Delivery & Service User Experience	27 May 2016	On-going
Helen Potton*	Company Secretary	1 June 2016	19 December 2016
Barbara Suggitt*	Company Secretary	16 August 1993	6 May 2016
Sue Darker*	Herts County Council Assistant Director, Learning Disability and Mental Health		On going
Audley Charles*	Interim Company Secretary	6 December 2016	On going

* Non-voting

There were three meetings of the committee during this financial period, and the members' attendance is shown below: (*please note not all governors named are currently members of the committee)

Stuart Asher (Public Governor)*	(1 of 3)
Chris Brearley (Lead Governor to end July 2016)*	(2 of 3)
Caroline Bowes Lyon (Public Governor)	(2 of 3)
John Lavelle (Staff Governor)	(1 of 3)
Chris Munt (Public Governor)	(1 of 3)
Dr Michael Shortt (Staff Governor)	(2 of 3)
Emma Paisley (Public Governor)	(3 of 3)
Jon Walmsley (Public Governor)	(3 of 3)
Richard Pleydell-Bouverie (Lead Governor)	(3 of 3)

2.2.3.3 Disclosures required by the Health and Social Care Act

Remuneration for senior managers is set out within section 2.2.2.1 of the remuneration report. For all other staff we adhere to the national Agenda for Change guidelines for the setting of pay and notice periods.

Governors and non-executive directors may claim travel expenses at the rate of 45p per mile as well as other reasonable expenses incurred on Trust business. Executive directors may claim travel expenses in accordance with national Agenda for Change guidelines as well as other reasonable expenses. They are not otherwise remunerated. During the accounting period expenses were paid as follows:

	2016/17		2015/16	
	Number of individuals	£	Number of individuals	£
Governors	3	916	13	1,923
Non-executive directors	9	9,523	9	9,531
Executive directors	10	7,144	9	5,851

In total 36 governors, 10 non-executive directors and 10 executive directors held office during either part of, or for the full reporting period.

2.2.3.4 Senior managers' remuneration

Senior managers' remuneration details and pension benefits for 2016-17 are set out in the table overleaf. During the accounting period no payments were made to past senior managers and no payments were made for loss of office.

Salary and pension entitlements of senior managers

Name and Title	2016/17			
	Salary and fees (bands of £5,000) £000	Taxable benefits * (nearest £00) £	Performance related bonuses (bands of £5,000)** £000	Long term Performance related bonuses (bands of £5,000) £000
Christopher Lawrence (Non Executive Director and Chair)	50 to 55			
Manjeet Gill (Non Executive Director)	15 to 20			
Simon Barter (Non Executive Director)	15 to 20			
Sarah Betteley (Non Executive Director)	15 to 20			
Robert Burns (Non Executive Director) Appointed August 2015	15 to 20			
Michelle Maynard (Non Executive Director) Appointed July 2015	15 to 20			
Loyola Weeks (Non Executive Director)	10 to 15			
Catherine Dugmore (Non Executive Director) Appointed August 2016	10 to 15			
Peter Baynham (Non Executive Director) Resigned September 2016	5 to 10			
Colin Sheppard (Non Executive Director) Resigned July 2015				
Tom Cahill (Chief Executive)	170 to 175		15 to 20	
Kaushik Mukhopadjaya (Executive Director Quality & Medical Leadership) Appointed June 2015 ****	145 to 150		15 to 20	
Iain Eaves (Executive Director of Strategy & Improvement) Resigned March 2017	140 to 145		0 to 0	
Harjinder Kandola (Deputy CEO/ Director of Workforce & Organisational Development) Appointed Deputy CEO November 2016	130 to 135		15 to 20	
Keith Loveman (Executive Director of Finance & Performance)	125 to 130	3,600	15 to 20	
Jess Lievesley (Executive Director of Delivery and Service User Experience) Appointed January 2016	115 to 120		15 to 20	
Jane Padmore (Executive of Quality & Safety) Appointed November 2016	100 to 105		5 to 10	
Karen Taylor (Executive Director of Integration & Partnerships) on maternity leave to June 2016	100 to 105		15 to 20	
Oliver Shanley (Executive Director of Quality & Safety) Resigned November 2016	90 to 95		0 to 0	
Paul Lumsdon (Interim Director of Services Delivery & Customer Experience) Interim to May 2016	20 to 25			
Geraldine O'Sullivan (Executive Director Quality & Medical Leadership) Resigned June 2015				
Dianne Prescott (Interim Director of Community Services & Integration) Interim May 2015 to December 2015				
Helen Potton (Company Secretary) Appointed June 2016, Resigned December 2016	55 to 60			
Audley Charles (Interim Company Secretary) Interim from December 2016	50 to 55			
Barbara Suggitt (Company Secretary) Resigned May 2016	5 to 10			

Band of highest paid director's total remuneration	170 to 175			
Median total remuneration	£32,071			
Ratio	5.5			

Senior managers are defined as "those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS FT".

* Taxable benefits represents the liability for tax payable by executive directors who are members of the NHS FT lease car scheme. Each executive director pays for their own private fuel consumption.

** The performance related bonus for 2016/17 notes the maximum estimated amount payable. No payment has been made and the award remains subject to consideration by the Remunerations and Nominations Committee in accordance with the terms of the deferred performance pay scheme. The detail of the scheme can be found on page 41.

2015/16							
Pension related benefits (bands of £2,500) *** £000	Total (bands of £5,000) £000	Salary and fees (bands of £5,000) £000	Taxable benefits * (nearest £00) £00	Performance related bonuses (bands of £5,000)** £000	Long term Performance related bonuses (bands of £5,000) £000	Pension related benefits (bands of £2,500)*** £000	Total (bands of £5,000) £000
	50 to 55	50 to 55					50 to 55
	15 to 20	15 to 20					15 to 20
	15 to 20	15 to 20					15 to 20
	15 to 20	15 to 20					15 to 20
	15 to 20	10 to 15					10 to 15
	15 to 20	10 to 15					10 to 15
	10 to 15	15 to 20					15 to 20
	10 to 15						
	5 to 10	15 to 20					15 to 20
		5 to 10					5 to 10
	190 to 195	170 to 175	5,400	5 to 10		182.5 to 185	370 to 375
135 to 137.5	300 to 305	125 to 130		5 to 10		225 to 227.5	160 to 165
32.5 to 35	175 to 180	135 to 140		5 to 10		45 to 47.5	190 to 195
90 to 92.5	240 to 245	125 to 130		5 to 10		50 to 52.5	180 to 185
40 to 42.5	190 to 195	125 to 130	3,400	5 to 10		17.5 to 20	150 to 155
130 to 132.5	265 to 270	25 to 30				57.5 to 60	80 to 85
105 to 107.5	215 to 220						
35 to 37.5	155 to 160	55 to 60		5 to 10		40 to 42.5	105 to 110
140 to 142.5	230 to 235	135 to 140		5 to 10			145 to 150
	20 to 25	155 to 160					155 to 160
		30 to 35					30 to 35
		140 to 145					140 to 145
	55 to 60						
	50 to 55						
	5 to 10	85 to 90		5 to 10		12.5 to 15	105 to 110

		170 to 175					
		£33,690					
		5.2					

*** There are no pension related benefits recorded in this statement for Tom Cahill in 2016/17. Tom Cahill has mental health officer (MHO) status and has reached maximum service of 40 years. NB: once a member of the scheme with MHO status reaches 20 years membership every year's membership after that counts as two by a process referred to as 'doubling'. With doubling, a member of the pension scheme can quickly reach 40 years.

**** The salary and fees for the Executive Director Quality & Medical Leadership includes £101k in relation to his clinical role.

Signed 

Mr. Tom Cahill. Chief Executive 26 May 2017

Pension benefits

Name and Title	Real increase in pension at pension age (bands of £2,500)	Real increase in lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 March 2017 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2017 (bands of £5,000)	Cash Equivalent Transfer value at 31 March 2017	Cash Equivalent Transfer value at 31 March 2016	Real increase in Cash Equivalent Transfer value
	£000	£000	£000	£000	£000	£000	£000
Tom Cahill*	0 to -2.5	-5 to -7.5	85 to 90	260 to 265	1,634	1,589	8
Kaushik Mukhopadhaya	5 to 7.5	15 to 17.5	45 to 50	120 to 125	821	647	113
Iain Eaves	2.5 to 5	0 to 0	15 to 20	0 to 0	139	112	17
Harjinder Kandola	2.5 to 5	5 to 7.5	45 to 50	125 to 130	803	708	56
Keith Loveman	0 to 2.5	5 to 7.5	35 to 40	110 to 115	697	629	38
Jess Lievesley	5 to 7.5	10 to 12.5	30 to 35	80 to 85	423	331	60
Jane Padmore	0 to 2.5	2.5 to 5	30 to 35	90 to 95	524	457	16
Karen Taylor	0 to 2.5	0 to -2.5	30 to 35	80 to 85	434	399	18
Oliver Shanley	2.5 to 5	10 to 12.5	65 to 70	195 to 200	1,226	1,069	63
Barbara Suggitt	0 to -2.5	0 to -2.5	25 to 30	75 to 80	582	582	-1

Non-Executive Directors do not receive pensionable remuneration.

* Tom Cahill has Mental Health Officer status and has reached maximum service of 40 years as detailed above. There is no real increase to his pension or lump sum at age 60. His CETV has increased over the year as the calculation of this figure includes age specific factors.

Cash Equivalent Transfer Values

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

Real Increase in CETV

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

Accounting Officer's Approval

Tom Cahill, Chief Executive

26 May 2017

Date:

My Story

"I love older people. I like to put a smile back on their faces"

Adebanke Ojedapo-Adeyemo,
Community Psychiatric Nurse, Specialist Mental Health Team for Older People discusses her role

Adebanke has worked for HPFT for over 6 years. She and her team provide short term support to older people who have a range of issues including: dementia, depression and schizophrenia. Some clients are seen from 4-6 weeks whilst those with more complex needs may be supported for 6-8 weeks. The aim is to help them regain their independence.

"Before I came to HPFT I used to work in care homes. There are so many older people in care and I thought 'old age is part of life it's not a disease so what can I do to make it better for them?' "

"Older people are living longer. Many never expected to get to 90. It makes them depressed to see themselves as older people. They need a lot of reassurance and support to help them come out of their shell. It's about shifting their negative thinking to positive thinking. I help them to appreciate everything they have and to see that age is not a restriction on life."

Sometimes Adebanke says that clients are often sad to see her go but she says to them "If I don't see you again you are on my mind".

Adebanke says that she is continually learning and it's one of the things she enjoys about her role:

"As I'm assessing my clients I'm learning. It makes me more self aware. Every day I reflect on what I've said to clients and how it would feel if it was said to me."

"I'm working with the best team – you can tick all the Trust's values here." Adebanke says. "If I'm struggling with something I can go to my colleagues to sort it out. You cannot fault anybody. The managers are very supportive, the secretary's always have a smile on their face and there is no hierarchy."

As part of the BME community Adebanke says "I don't see any difference in anybody. You can choose to see me in a different way but that doesn't change who I am. I believe in respect for everyone."

Staff report

Last year we employed 3,000 staff who all contributed towards providing the very best care for our service users.

The tables below provide a breakdown of our workforce.

2.3.1 Analysis of staff costs -

Staff group	Permanently employed	Other	Total
Administration and estates	£23,985.814	£2,674,626	£26,660,440
Healthcare assistants and other support	£17,039,638	£7,334,497	£24,374,135
Medical and dental	£17,884,924	£2,304,190	£20,189,114
Nursing and midwifery	£30,098,689	£8,796,731	£38,895,420
Scientific, therapeutic and technical	£25,758,420	£2,059,738	£27,818,158
Grand Total	£114,882,554	£23,169,782	£137,937,280

2.3.2 Staff numbers analysis

Staff group	Permanently employed	Other	Total
Administration and estates	609		609
Healthcare assistants and other support	591		591
Medical and dental	161		161
Nursing and midwifery	681		681
Scientific, therapeutic and technical	497		497
Social care staff	89		89
Other	8		8
Agency and contract staff		138	138
Bank		405	405
Grand total	2,636	543	3,041

Breakdown of the number of male and female staff

Staff group	Female	Male	% Female	% Male	Total
Directors	3	5	37.50%	62.50%	8
Other senior managers	199	74	72.89%	27.11%	273
Employees	2055	721	74.03%	25.97%	2776
Grand Total	2257	800	73.83%	26.17%	3057

Sickness absence data

The Workforce and Organisational Development (OD) Team continues to work closely with and to support managers with managing sickness absence. During 2016 we ran a number of sickness absence training sessions for managers to ensure that they understand the legal background and have the skills to tackle both long and short-term sickness absence. We have also had a targeted focus on areas with high sickness absence to improve our performance as well as a focus on managing long term sickness absence cases and as those employees with high Bradford scores.

We continue to work with our occupational health provider to identify trends and take the necessary action. The services offered by the provider include an employee assistance programme, cognitive behavioural therapy and physiotherapy services.
The workforce team is working with the new provider to analyse sickness absence data and put in place programmes of activity to reduce sickness absence where it is needed as well as putting in place proactive initiatives to minimise sickness absence – linking this to our health and wellbeing strategy and action plan.

We provide regular monthly reports to the strategic business units and corporate areas, and the sickness KPI is an indicator on the Trust performance dashboard. We provide the Board with workforce information including sickness absence on a quarterly basis.

There is a strong focus on reducing our levels of sickness absence. The table below shows the number of full time equivalent days available in 2016/17 against the full time equivalent days lost to sickness.

Staff group	FTE Days Available	FTE Days Sickness	% FTE Days Sickness
Administration and estates	219774.38	8740.70	3.98%
Healthcare assistants and other support	259442.69	14734.79	5.68%
Medical and dental	59927.58	789.60	1.32%
Nursing and midwifery	250792.82	11611.62	4.63%
Scientific, therapeutic and technical	187236.23	5878.44	3.14%
Grand Total	977173.71	41755.16	4.27%

2.3.3 Staff policies and actions applied during the financial year

Our recruitment and selection policy ensures that we offer an interview to all applicants with a disability who meet the essential criteria . Before the interview we ask them what adjustments they require for the interview. We ask successful candidates what adaptations they may require to be able to fulfil their post. We seek advice from Access to Work to ensure that reasonable adjustments and adaptations are in place for successful candidates or candidates that become disabled. We also work with our occupational health advisor to make reasonable adjustments and adaptations for employees that become disabled during their employment.

We work in partnership with full time and local staff side representatives and have monthly meetings with the trade unions both formally and informally. We hold bi-monthly JCNC meetings in which we discuss strategic issues, and bi-monthly operational partnership group meetings in which the more operational issues and concerns of staff can be raised and addressed. Staff side representatives are fully updated and take an active role in change management or TUPE transfers within the Trust. This includes attending consultation meetings, and one to one meetings to discuss organisational change and being updated on outcomes, including redeployment, of any change management process. We also work in partnership with regards to policy development and job evaluation. During 2016 we worked in partnership with the staff side representative to re-launch our ban bullying pledge and launched our bullying and harassment helpline.

Communicating with staff

We communicate systematically with our staff on matters of concern to them through a range of channels. Many of these are designed to ensure staff have a direct voice in decisions which will affect them or where they are able to impact Trust performance. These include, but are not limited to:

- Direct communication through e-mail cascade
- HPFT Highlights – our weekly e-bulletin for staff
- The Trust intranet
- 'Big Listen' events where staff can speak to members of the Executive Team directly
- 'Local Listen' events for specific teams or service areas in their own locality, with executive and senior management representation
- Specific locality based executive led events, such as the 19 'Good to Great' strategy development roadshows and the subsequent follow-up events.

Our policies for training, career development and promotion of disabled employees are integral to our overall approach to organisational development. Following our staff survey results, and in collaboration with the disabled staff network, we are developing additional guidance for managers and staff around support for staff with disabilities.

In order to counter fraud and corruption, we have a dedicated local counter fraud specialist (LCFS) through RSM Risk Assurance Services LLP. We have an anti-fraud and corruption policy and work plan approved by the Board of Directors' Audit Committee, reflecting the NHS Counter Fraud and Security Management Services framework, with regular reports received throughout the year by the Audit Committee. We also have a standards of business conduct policy and both policies are accessible through the Trust website.

Our LCFS provides regular fraud awareness briefings and workshops, specific training for targeted groups and awareness raising as part of our induction programme for all new employees.

We reported a total of 34 staff incidents to the Health and Safety Executive (HSE) under the Reporting Injuries and Dangerous Occurrences Regulations (RIDDOR) during 2016/17. This compares to 43 in 2015/16.

26 of these incidents were as a result of a physical assault against staff, six were as a result of a slip, trip or fall incident and two were as a result of a moving and handling incident. 32 of the incidents resulted in staff being absent from work for seven days or more. Two resulted in specified injuries (two fractured wrists). The data compared to last year shows a 20.93% decrease in the total number of RIDDOR incidents being reported to the HSE.

The Trust has issued over 900 lone working devices to those staff who undertake 'high risk' lone working duties. There has been one Red Alert activation during the year requesting the emergency services to attend to support and assist staff.

The Trust has been shortlisted in the HSJ Patient Safety Awards 2017 for Lone Working Safety Devices in the Mental Health category.

2.3.4 The NHS National Staff Survey results

2.3.4.1 Communicating and engaging with staff

Our agreed approach to employee engagement moves beyond two way communications so that we can harness the potential and discretionary effort of the workforce. We recognise that engaging our workforce effectively is the key to successfully unlocking their potential to increase organisational performance.

We use the integrated model of employee engagement from Holbeche & Mathews. This model connects fours areas between individuals and the organisation:

- Connection – (which is about identification with the organisation, its value and its core purpose 'the why). To what extent is there a strong feeling of a sense of belonging with the organisation, both in terms of sharing the same beliefs or values and in an individual's readiness to follow the direction of the organisation.
- Support – (which is about the vital role of line managers). The practical help, guidance and others resources provided to help people do a great job. Ensuring that managers support both in good times and in bad times.
- Voice – (which is about the opportunity to be involved and contribute). The extent to which people are informed, involved and able to contribute to shaping their work environments.
- Scope – (which is about creating the environment to thrive and flourish). Giving the opportunity employees have to meet their own needs grow and develop, to have control over their work. This is reliant on mutual trust which is under pinned by meaning and purpose.

Our organisational development work supports this agreed engagement approach and ensures that these we encourage people to release their potential and perform at their best.

As part of our ongoing cultural development programme, the Board commissioned a group of staff – called the lead ambassadors, – supported by the Kings Fund, to undertake a diagnostic of the Trust culture against an 'ideal' culture called 'Collective Leadership'. The Collective Leadership model has been developed with Professor Michael West, and describes the culture of an organisation that provides 'high quality, continuously improving, compassionate, care'. The lead ambassadors, a group of staff from across the Trust at all levels, locations and professions, supported by service user and carer representatives, undertook a piece of diagnostic work using five tools: desk research; online staff survey; focus groups; leadership behaviours questionnaire; and Board interviews. The lead ambassadors engaged with staff throughout the Trust and presented the outputs from this engagement back to the Trust Board during 2016. Their recommendations included the Board thinking about what the emergent culture should be, and that based on this we should develop a leadership strategy outlining our approach to leadership within the Trust. They also suggested that based on the desired culture, we create a new organisational development strategy and plan. Other feedback included a fit for purpose website and intranet, and improving communications.

In October we held a workshop with members of the Board, deputy directors, managing directors, clinical directors and lead ambassador representatives. The purpose was to describe and refine a 'to be' culture for the organisation. The outputs of the workshop have also informed our new organisational development strategy and activity plan, and the working culture document. The strategy will support us achieving our purpose, mission and vision and sets out the direction for developing the organisation to deliver on our strategic plan over the next five years as well as our ambition of going from 'Good to Great'. Further steps are to map the lead ambassador recommendations against activity in the Trust and to develop a communications strategy which provides a clear description of the role of collective leadership in our Good to Great strategy and defined culture of the organisation. Work has also been undertaken to implement an interim Trust website whilst work to procure a new Trust intranet is undertaken.

We are fully committed to engaging with our staff. We value staff input at all levels and have a planned programme of events throughout the year sponsored and delivered by the Executive Team to ensure effective two-way participation in making key decisions. These events capture staff ideas and feedback all of which is collated, analysed and reported in a 'you said we did' summary held on the intranet.

Engagement events for the year included the Big Listen events and the recently introduced Local Listen events which have taken place in Buckinghamshire, Essex and Norfolk during 2016. The Big Listen and Local Listen events are open to all staff in the organisation – giving our Executive Team the opportunity to hear the views of our employees on key topics and priorities, whilst also improving employee satisfaction and wellbeing.

As a result of feedback from the Big Listens we introduced a number of initiatives including creating a health and social committee to support wellbeing and community events at a local level, relaunching the ban bullying pledge and the introduction of the bullying and harassment helpline and improved support for flexible working processes.

The Senior Leaders' Forum brings together the top 70 leaders from across the organisation on a regular basis throughout the year for a multi-disciplinary, strategically focused engagement session, including joint problem solving and development topics.

The Chief Executive holds breakfast meetings, approximately bi-monthly, inviting different groups of staff, to have an informal opportunity to feedback their views and experiences of working for the Trust and how we can improve the quality of care for service users. This year, there were six breakfast meetings held with team leaders, deputy directors, consultants, student nurses, social workers and health care assistants. Feedback showed that there was support and high levels of engagement across the Trust. The main themes arising from these meetings mirror the feedback from other forums and centre on workload pressures, staffing shortages, and clarity around career pathways. Staff are committed to innovation and improvement but sometimes do not find this easy to progress.

The Executive Team have held further face-to-face engagement sessions with staff across the Trust, to continue the development of our 'Good to Great' strategy. These roadshows have enabled staff to have discussions with the Executive Team and provide feedback on the five areas of interest so that we can put into action going from 'Good to Great'.

In addition to the face to face engagement events described above, and the national staff survey, we hold quarterly 'pulse surveys' to review staff satisfaction levels throughout the year. The questions are based on the NHS national staff survey with additional questions related to local evaluation or commissioner reporting. The quantitative and qualitative statements are analysed and reported through to the Board. At a business unit level the themes from the anonymised data inform local activity and plans.

2.3.4.2 Summary of performance

The NHS National Staff Survey

The results of the 2016 NHS National Staff Survey show a continuing improving position since 2015 with 20 of the key findings above average across mental health trusts, eight average and four below average. We gained the highest score in mental health and learning disabilities nationally for the second year running for staff motivation and engagement. We were also top for the quality of appraisals and the quality of our non-mandatory training, learning and development.

Our five highest ranking scores, all of which are above average are:

- Staff motivation
- The quality of non-mandatory training, learning and development
- The quality of appraisals
- The percentage of staff attending work in the last 12 months despite feeling unwell because of pressure from colleagues, their manager or themselves
- Staff agreeing their role makes a difference to patients/ service users.

Our bottom five ranking scores, and the only key findings that the Trust are below average on, are:

- Staff experiencing harassment, bullying or abuse from service users
- Staff working extra hours
- Staff witnessing potentially harmful errors, near misses or incidents
- Staff experiencing physical violence from patients, relatives or the public; and staff reporting potentially harmful errors, near misses or incidents.

This staff survey represents the best result for the Trust in the last six years. In particular, the key questions relating to staff engagement have all improved including staff motivation; staff recommending HPFT as a place to work or receive treatment, and staff being able to make contribution to improvements at work. For the first time in several years there has also been a reduction in the number of staff experiencing bullying from other members of staff. Staff health and wellbeing, job satisfaction and patient care all had scores above average.

The Executive Team and the Board have placed great importance on addressing the issues that impact on the staff experience including staff engagement.

We will continue with our journey on our 'Good to Great' strategy. We will introduce new organisational development activities to increase staff engagement. Our new organisational development strategy and the supporting activity plan based on the output from the collective leadership work will also help us improve engagement further.

Initial areas of opportunity that have been identified below and in the recommendations to address the staff survey results include:

- Manageable workloads
- Staff experiencing bullying, harassment and abuse from service users
- Staff experiencing physical violence from patients, relatives or the public

We will continue to develop our transformation and innovation hub along with other quality improvement initiatives as another way of increasing employee engagement and feedback.

Table 6-Summary of performance – NHS Staff Survey 2016-response rate

Response Rate				
	2015/16	2016/17		Trust improvement/deterioration
	Trust	Trust	Mental health average	
Response Rate	40%	42%	50%	Improvement

Top 5 Ranking Scores				
	2015/16	2016/17		Trust improvement/ deterioration
	Trust	Trust	Mental health average	
Quality of non-mandatory training, learning or development (national best score)	4.11	4.18	4.06	Improvement
Staff motivation at work (national best score)	4.02	4.04	3.91	Improvement
Quality of appraisals (national best score)	3.2	3.42	3.15	Improvement
% of staff attending work in the last 12 months despite feeling unwell because of pressure from colleagues, their manager or themselves	57%	48%	55%	Improvement
% of staff agreeing their role makes a difference to patients/service users	91%	91%	89%	No change

Bottom 5 Ranking Scores				
	2015/16	2016/17		Trust Improvement/ deterioration
	Trust	Trust	Mental health average	
Staff working extra hours	77%	79%	72%	Deterioration
Staff witnessing potentially harmful errors, near misses or incidents in the last 12 months	24%	31%	27%	Deterioration
Staff experiencing physical violence from patients, relatives or the public in the last 12 months	18%	24%	21%	Deterioration
Staff reporting potentially harmful errors, near misses or incidents in the last 12 months	91%	91%	92%	No change
Staff experiencing harassment, bullying or abuse from service users in the last 12 months	34%	35%	33%	Deterioration

2.3.4.3 Future priorities and targets

Our key priorities moving forward will be to implement the recommendations from our collective leadership work, as mentioned previously, along with the actions from the organisational development activity plan. The priority areas for the first two years are summarised as follows and will support us in delivering our strategy of going from 'Good to Great':

- Embedding a culture of innovation and continuous improvement across the Trust.
- Developing a team of change agents with the focus on cultural change around innovation and continuous improvement building on the collective leadership model.
- Delivering master classes to our key leaders on external national policy initiatives in health and social care including skills for system thinking and system leadership.
- Continuing to build on the engagement activities within the Trust.
- Delivery of the key areas as identified in collective leadership work, supporting managers in delegation and accountability, manageable workloads, empowerment and involvement in decision making.
- Leadership – reviewing the current leadership competencies both in relation to the new national framework and the requirements of our Good to Great strategy.
- Developing our current clinical leaders.
- Developing our staff to support service users with prevention and well-being as outlined in our quality and service delivery strategy.

The monitoring of performance will be through the delivery of the activity plan which will be monitored by the Workforce and Organisational Development Group. In addition performance will be monitored through the feedback received in the quarterly pulse survey and the feedback received from staff in the various engagement events that will continue to take place throughout the year.

2.3.5 Expenditure on consultancy

The total expenditure of consultancy for the year is £1,074k of which £374k is costs that were "pass through costs" and incurred for specific purposes specified by other parties who provided the related income. The remaining £700k was expenditure made by the Trust to provide specific expertise or short term project capacity on areas such as estates development, service redesign, and project assurance.

2.3.6 Off-payroll engagements

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

	Number
Total number of existing arrangements as of 31 March 2017	11
Of which the number that have existed for;	
less than one year at time of reporting.	4
between one and two years at time of reporting.	5
between two and three years at time of reporting.	1
between three and four years at time of reporting.	1
four or more years at time of reporting.	0

We confirm that all existing off-payroll engagements, outlined on the previous page, have been subject to a risk based assessment as to whether we require assurance that the individual is paying the right amount of tax.Where necessary, we have sought that assurance.

Our policy is to minimise the number of off-payroll engagements and to ensure strict compliance with the requirements of IR35. We routinely report and monitor all off-payroll engagements as part of our financial control processes. For highly paid staff, approval is required from the Executive Director of Finance (who is the executive lead for agency expenditure) and for Board level appointments approval would be by the Nominations and Remuneration Committee.

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 lasted 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	13
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.	13
No. for whom assurance has been requested	12
Of which...	
No. for whom assurance has been received	12
No. for whom assurance has not been received	0
No. that have been terminated as a result of assurance not being received.	0

Off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2016 and 31 March 2017

	Number
Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	1
Number of individuals that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year. This figure must include both off-payroll and on-payroll engagements.	10

The off-payroll engagement in the first row of the table above was for a period of two months during the reporting period and was an interim arrangement to cover maternity leave.

2.3.7 Exit packages

There were two exit packages agreed in 2016/17 totalling £120k (7 in 2015/16 totalling £446k).

	Number of exit packages	Cost of exit packages	
Exit package cost band (including any special payment element)	Number	£000s	
<£10,000	0 (1)	0	(2)
£10,001 – £25,000	0 (1)	0	(24)
£25,001 – 50,000	1 (1)	27	(31)
£50,001 – £100,000	1 (2)	93	(145)
£100,001 – £150,000	0 (2)	0	(244)
>£200,000	0 (0)	0	(0)
Total	2 (7)	120	(446)

Code of Governance Disclosure

NHSI's NHS Foundation Trust Code of Governance ('the code') helps trusts to deliver effective and quality corporate governance, contribute to better organisational performance and ultimately discharge their duties in the best interests of patients. The code is best practice advice but imposes specific disclosure requirements. This annual report includes all the disclosures required by the code.

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

We have reviewed the make-up and balance of our Board, including the appropriateness of current appointments. We believe that its membership is balanced, complete and appropriate to the requirements of a foundation trust that no individual group or individuals dominate the Board meetings. The skills and experience of all Board members is set out in more detail on pages 27 to 31.

We have complied throughout the review period with the main and supporting principles of the Code of Governance with no exceptions. This was confirmed by a 'comply or explain' report received at the Board on 30 March 2017 which set out the key areas of evidence.

The following information summarises the evidence against the Code of Governance.

The Trust is properly constituted and well led as the report to the Board demonstrated. This was also supported by an independent well led review undertaken by the Foresight Management Group which provided positive evidence to support the way the Trust is led.

The governance structure in the Annual Governance Statement sets out the roles and relationships of the Council of Governors, the Board of Directors and its statutory committees (the Nominations and Remuneration Committee and the Audit Committee) and its two assurance committees – the Integrated Governance Committee and the Finance and Investment Committee. We have already made reference to the Remuneration Committees of the Council of Governors and the Board of Directors.

The statutory and assurance committees of the Board

The Audit Committee provides assurance to the Board through oversight of the probity and internal financial control of the Trust, and works closely with external and internal auditors. Key activities include reviewing governance, risk management and assurance functions. The committee approves the annual plans for external and internal audit, and for counter fraud, receiving and reviewing regular reports, monitoring the implementation of recommendations, issues of risk and their mitigation.

The committee also reviews accounting policies and draft annual accounts prior to submission to the Board of Directors.

During the year the committee completed a self-assessment exercise to evaluate its effectiveness, reviewed and updated its terms of reference and conducted private discussions with both sets of auditors.

The Audit Committee also received regular updates from managers in relation to the financial position and in particular key risks and issues arising during the year, and their treatment and mitigation. During the year the key risks and issues considered were:

- Data quality- the findings and recommendations from the 2015/16 NHS Quality Report External Assurance Review were considered by the committee with particular focus on data quality issues associated with the modified opinion in relation to the delayed transfers of care performance indicator. On behalf of the Board the Audit Committee also considered actions taken to address data quality issues reported by management in relation to the CATT gatekeeping indicator.
- Clinical audit – the committee considered the clinical audit annual report (2015/16), the 2016/17 annual programme including the scope of work and progress against this. In particular progress in relation to 'Commissioning for quality and innovation' (CQUIN) goals and against the CQC action plan were reviewed.
- Safeguarding – Dr Jane Padmore updated the committee in relation to the recommendations from the internal audit of safeguarding processes, highlighting areas of good practice and addressing areas of concern
- Cyber security – Carol Sheridan, Associate Director of IM&T, presented a comprehensive analysis of the position for the Trust in relation to cyber security and potential risks, management of these risks and areas for further work. This incorporated findings in relation to both infrastructure and penetration testing, and an external report by RSM, relating

to our IM&T shared service provider, HBLICT. The committee received a subsequent update and this area is under consideration for addition to the Trust risk register

- Accounting issues – Paul Ronald, the Deputy Director of Finance presented key areas of management judgement in the preparation of the annual financial statements with particular reference to:
  - Continuing care obligations, which relate to claims for retrospective reimbursement of care costs met by individuals which potentially may qualify for NHS funding.
  - Property valuations and the use of 'modern equivalent asset' valuations
  - Level and nature of provisions

For each area the approach being taken by management was set out and discussed and agreed by the committee

Artwork supplied by the HPFT Art Collection

External audit

Deloitte LLP, our external auditor, was reappointed by our Council of Governors as external auditors for 2017. This followed an effectiveness review by the Audit Committee which looked at seven key areas, designed to test performance against the terms of engagement. The outcome is summarised as:

				%
Membership, appointment, skills, experience and training	0	1	11	83
Meetings, contribution and internal relationships	0	1	5	80
Proportionate procedures	0	2	10	83
Monitoring and review	0	2	10	85
Data quality, use and assurance	0	0	6	90
Process and procedures	0	3	15	83
Communications activity	0	0	6	90

The outcome is a strong positive in relation to the performance of Deloitte LLP as external auditors to the Trust. A competitive tender exercise for future external audit services will be undertaken during 2017/18 in accordance with our standing financial Instructions.

Our external auditors' main duty is to audit the annual report, our financial statements and quality account. The Audit Committee approves the external audit plan in advance of the work starting and receives regular updates on the progress of work. The annual accounts were reviewed by our independent external auditors, Deloitte LLP, who issued an unqualified opinion. So far as the Directors are aware, there is no relevant audit information of which the auditors are unaware. The Directors have taken all the steps they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The audit is conducted in accordance with international standards on auditing (UK and Ireland) as adopted by the UK Auditing Practices Board (APB), the requirements of chapter 5 of part 2 of the National Health Service Act 2006 and the Audit Code for NHS Foundation Trusts issued by NHS Improvement.

It remains important that the external auditor's independence from management is both maintained and transparent. Therefore any additional non-audit work carried out by Deloitte LLP has been requested on the basis of the agreed protocol and the cost of any non-audit work is shown separately in the accounts and in the table below.

The total external audit fee for 2016/17 (including VAT) was £76k, comprising:

Audit Area	Audit Fee £k
Statutory audit work	65
Other work	11

Anyone who may be concerned about a matter of corporate governance or probity can contact any member of the Audit Committee in confidence.

The Chief Executive is invited to attend at least annually to discuss with the committee the process for assurance that supports the annual governance statement.

Integrated Governance Committee

The role of the Integrated Governance Committee is set out below:

- To assure adherence to CQC and other relevant regulatory requirements for quality and safety and receive reports from all relevant quality and safety groups.
- Receive minutes, reports, action plans and risk registers from the following standing sub-committees of the IGC:
  - *Quality & Risk Management Committee*
  - *Workforce & Organisational Development*
  - The following groups will also report on specific items relating to areas of regulatory compliance:
  - *Operations Group*
  - *Information Governance Group*
- Advise on the content and development of the annual governance plan and supervise, monitor and review it and the Trust-wide risk register and make recommendations for improvement.
- To scrutinise and provide assurance to the Trust Board through regular reports on governance, quality and risk issues and to escalate any risks to the BAF or concerns as appropriate where assurance is not adequate. Reports should also be sent to the Audit Committee for scrutiny and recommendations.
- Set standards for the Trust governance systems in order to meet:
  - Performance targets
  - Core and developmental standards
- And manage risks
- To recommend to the Trust Board necessary resources needed for the IGC to undertake its work.
- Advise on the production and content of the Annual Governance Statement and make recommendations to the Chief Executive as necessary prior to its review at Audit Committee, its approval at the Board and subsequent inclusion in the annual report.
- Advise on the content, format and production of an assurance framework for the Trust Board and monitor its ongoing suitability and make recommendations to the Audit Committee and the Board as necessary.
- Advise on the content, format and production of the annual quality accounts
- Ensure that appropriate risk management processes are in place that provide the Board with assurance that action is being taken to identify risks and manage identified risks within the Trust.
- To be responsible for developing systems and processes for ensuring that the Trust implements and monitors compliance with the requirements of the Care Quality Commission.
- To oversee the establishment of appropriate systems for ensuring that effective practice governance arrangements are in place throughout the Trust.
- To ensure that the learning from inquiries carried out in respect of serious incidents is shared across the Trust and implemented through policies and procedures as necessary.
- To ensure that services and treatments provided to service users are appropriate, reflect best practice and represent value for money.
- To ensure that plans are in place to promote the patient experience.
- To ensure that services are accessible and responsive to service user needs and reflect local nuances.
- To ensure that the environments in which services are provided are appropriate and therapeutic.
- To ensure that the organisation is engaged in the public health programme and this is modelled throughout the services we provide.

Artwork supplied by the HPFT Art Collection

The Finance and Investment Committee

Financial policy, management and reporting

- To consider the Trust's financial strategy, in relation to both revenue and capital.
- To consider the Trust's annual financial targets and performance against them.
- To review the annual budget, before submission to the Trust Board of Directors.
- To consider the Trust's financial performance, in terms of the relationship between underlying activity, income and expenditure, and the respective budgets.
- To review proposals for major business cases and their respective funding sources.
- To commission and receive the results of in-depth reviews of key financial issues affecting the Trust.
- To maintain an oversight of, and receive assurances on, the robustness of the Trust's key income sources and contractual safeguards.
- To oversee and receive assurance on the financial plans of the transformation programme.
- To consider the Trust's tax strategy.
- To annually review the financial and accounting policies of the Trust and make appropriate recommendations to the Board of Directors.

Investment policy, management and reporting

- To approve and keep under review, on behalf of the Board of Directors, the trust's investment strategy and policy.
- To maintain an oversight of the Trust's investments, ensuring compliance with the Trust's policy and Monitor's requirements.

Other

- To make arrangements as necessary to ensure that all Board of Directors members maintain an appropriate level of knowledge and understanding of key financial issues affecting the Trust.
- To examine any other matter referred to the Committee by the Board of Directors.
- To review performance indicators relevant to the remit of the Committee. The frequency and attendance of board members at Board and committees are summarised in set out in Table 1 of The Directors' Report on pages 32 and 33.

Council of Governors

The Council of Governors is constituted to have 21 public governors from two constituencies namely Hertfordshire and the Rest of England. There should be five staff members and nine appointed governors from our partner organisations.

Name	Date appointed	End date	Resignation/ end date	Number of terms
John Allen	1 August 2014	31 July 2017		1
Stuart Asher	1 August 2010	31 July 2016	End of term	2
Tap Bali	1 August 2012	31 July 2018	Re-elected	2
Caroline Bowes-Lyon	1 August 2014	31 July 2017	Re-elected	2
Chris Brearley	1 August 2014	31 July 2017	Re-elected	2
Stuart Campbell	1 August 2014	31 July 2017	Re-elected	2
Barry Canterford	1 August 2016	1 July 2019	Re-elected	2
Mark Edgar	1 August 2016	31 July 2019	Re-elected	2
Sarah Hamilton	1 August 2012	14 December 2015	Resigned	1
Matthew Kunyeda	1 August 2015	31 July 2018	New appointment	1
Chris Lawrence (Chairman)	1 July 2012	31 July 2017		
Sarah Martinelli	1 August 2016	31 July 2019	New appointment term	1
Verity Masters	1 August 2016	31 July 2019	New appointment term	1
Masood Moghul	1 August 2014	31 July 2017	New appointment term	1
Chris Munt	1 August 2015	31 July 2018	Stepped down- March 2017	2
Angelina Sclafani-Murphy	1 August 2016	31 July 2019	Re-elected	2
Kwasi Opoku	1 August 2016	31 July 2019	Re-elected	2
Carole Osterweil	1 August 2012	8 January 2016	Resigned	2
Emma Paisley	1 August 2015	31 July 2018	New appointment term	1
Richard Pleydell-Bouverie	1 August 2016	31 July 2019	Re-elected	2
Ilana Rinkoff	1 August 2016	31 July 2019	New appointment term	1
Bob Taylor	1 August 2016	31 July 2019	New appointment term	1
Jon Walmsley	1 August 2016	31 July 2019	New appointment term	1
Mel Wood	1 August 2013	31 July 2016	Resigned	

Appointed Governors	Date Appointed	End Date	Resignation/ End Date	Number of Terms
David Andrews	1 August 2013	31 July 2016		1
Leslie Billy	1 August 2013	31 July 2016		2
Allan Charles	1 August 2014	31 July 2017		1
Fran Deschampsneufs	1 August 2012	1 July 2015	Re-appointed	2
Jackie Knight	1 August 2016	31 July 2019		3
Gayl Staines	1 August 2013	31 July 2016		2
Eddie Veale	1 August 2010	21 July 2016	Resigned	2
Amy Wilcox-Smith	1 February 2016	31 July 2019	New appointment term	1

We thank all of the governors for their valuable contribution to the Trust and in particular those who have served with us for two terms of appointment. Their expertise and knowledge will be missed and we hope they will continue their involvement with the Trust through acting as mentors to new governors.

The Council of Governors and the Board of Directors have a good working relationship. Both are chaired by the Trust Chair, and they hold joint meetings annually, one of which is the AGM. In addition, the Board of Directors have an open invitation to attend all of the Council of Governors meetings. The Chair and the Company Secretary act as the main links between the Board and the Council, and reports and briefings are shared by the Governors and Directors. The Council and the Board have written into the Constitution the process for settling any disagreements between the Council and the Board of Directors.

Governors' movement for the period 1 April 2016 to 31 March 2017

Public Governors				
Name	**Date Appointed**	**End date**	**Resignation/ end date**	**Number of terms**
Stuart Asher	1 August 2010	31 July 2016	End of term	2
Barry Canterford	1 August 2016	31 July 2019	Re-elected	2
Sarah Hamilton	1 August 2012	14 December 2015	Resigned	1
Sarah Martinelli	1 August 2016	31 July 2019	New appointment term	1
Verity Masters	1 August 2016	31 July 2019	New appointment term	1
Carole Osterweil	1 August 2012	8 January 2016	Resigned	2
Richard Pleydell-Bouverie	1 August 2016	31 July 2019	Re-elected	2
Ilana Rinkoff	1 August 2016	31 July 2019	New appointment term	1
Angelina Sclafani-Murphy	1 August 2016	31 July 2019	Re-elected	2
Bob Taylor	1 August 2016	31 July 2019	New appointment term	1
Jon Walmsley	1 August 2016	31 July 2019	New appointment term	1
Mel Wood	1 August 2013	31 July 2016	Resigned	1
Appointed Governors				
Eddie Veale	1 August 2010	21July 2016	Resigned	2
Amy Wilcox-Smith	1 February 2016		New appointment term	1
Staff Governors				
Ben Day	1 August 2015	23 February 2017	Left the Trust	1
Tara Gouldthorpe	1 August 2012	31 July 2018	Re-elected	3
Herbie Nyathi	1 August 2016	31 July 2019	New appointment term	1
Michael Shortt	1 August 2016	31 July 2019	New appointment term	1
Beke Tshuma	1 August 2012	31 July 2018	New appointment term	2
John Lavelle	12 October 2010	31 July 2016	End of Term	2
Janice Lepori	1 August 2010	24 March 2016	Resigned	2

Any other significant commitments of the Trust Chair are disclosed to the Council of Governors before appointment and any changes to such commitments reported as they arise. The Trust Chair has made a formal declaration of interests and these are recorded and held in the register of Directors interests maintained by the Company Secretary. The significant commitments declared by the Chair are:

- Chair of Trustees, The Horstead Residential Activities Centre, Norfolk
- Lay Canon & member of the Council of Norwich Cathedral
- Assistant & Liveryman, The Worshipful Company of Musicians
- Court Assistant & Liveryman

The Council of Governors has dealt with a range of issues as part of their statutory duties, including the appointment of the External Auditors to the Trust, the election of a Lead Governor, the recruitment of Catherine Dugmore and the reappointment of Simon Barter for a second term, both as non-executive directors.

They have also been involved in the Trust's Annual Members' Day and several members' workshops focusing on Trust services, as well as undertaking the performance appraisal of the Chair. A workshop is held annually with governors feeding in views on the Trust's forward plan which includes the views of members, staff members and the public.

The three working groups of the Council have continued to meet regularly to take forward work plans on behalf of the Governors, and provide a full report at each of the Council of Governors meetings. The three groups are:

- Engagement;
- Performance; and
- Quality and effectiveness.

All governors are invited to participate in the groups. Group meetings have been attended by Board members and senior managers to support information sharing and engagement with governors.

Details of Interests declared by members of the Council of Governors including Company Directorships are maintained in the register of Governors' interests which is available from the Company Secretary at: Hertfordshire Partnership University NHS Foundation Trust, Beaconsfield Road , The Colonnades, Hatfield, Hertfordshire, AL10 8YE. Tel: 01707 253866

There are no company directorships held by the Governors where such companies are likely to do business with, or are seeking to do business with, the Trust.

Membership

Our public membership now stands at 10,148. This is mainly due to the membership office undertaking a data cleaning project to maintain our data quality. A priority for 2017/18 will be to identify ways of encouraging our membership to keep in touch and inform the membership office of changes of address.

Over the past 12 months we have been working closely with all our services to raise awareness of the Trust and build our membership numbers.

To be eligible for membership, people must be over the age of 14 and living either within the County of Hertfordshire or the rest of England and Wales

Or be employed by the Trust and:

- have a permanent contract
- a short term contract of 12 months or more
- although not directly employed by the Trust, have been employed in excess of 12 months by another organisation that is providing core services to the Trust
- seconded to the Trust to provide core services

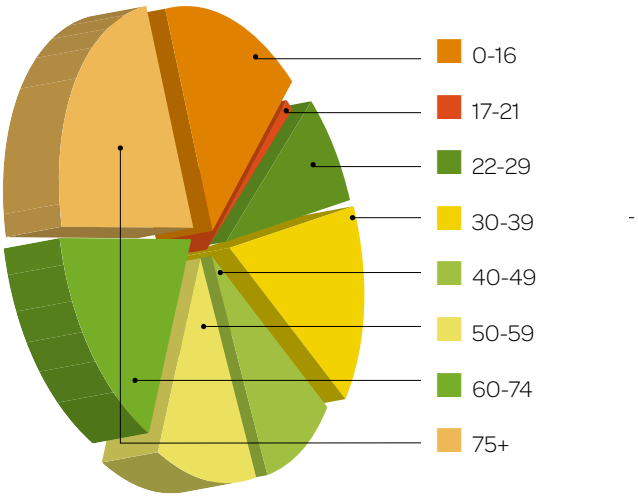
We serve a diverse population and community and so we want to attract and retain a diverse and representative membership.

We will continue to think of innovative ways to recruit and engage our members. We will actively recruit members through clinical contact particularly through our IAPT and wellbeing services as well as using social media to promote membership.

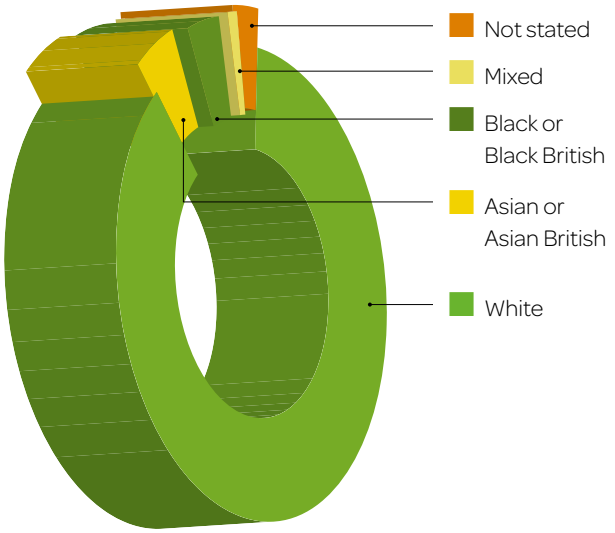
Public members receive our magazine Partnership Matters twice a year.They also have access to further information about the Trust and the work of the Council of Governors and Board of Directors through the website.

We use our website and magazine to encourage members to communicate with Governors through the Membership Office.

Age distribution



Ethnicity distribution



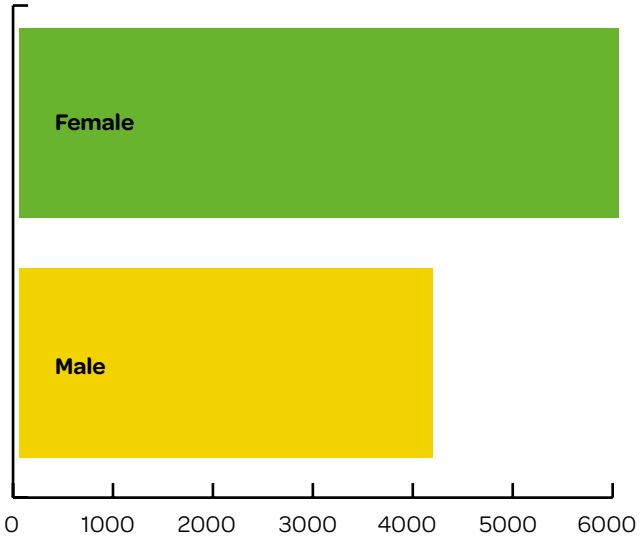
Membership size and movements

Public constituency (Hertfordshire)	Year 2016/17
Year start (1 April)	10169
New members	8
Members leaving	404
Year end (31 March)	9773

Public constituency (England & Wales)	Year 2016-/17
Year start (1 April)	382
New members	3
Members leaving	10
Year end (31 March)	375

Staff constituency	Year 2016/17
Year start (1 April)	2949
New members	555
Members leaving	447
Year end (31 March)	3057

Gender distribution



Disclosure issues

Freedom of Information Act 2000 (FOIA)

The number of Freedom of Information Act 2000 (FOIA) requests that we received during this year has risen by 51%. We received a total of 366 requests compared with 242 for 2015/16 and 194 for 2014/15.

The Information Commissioner's Officer (ICO) has also seen record numbers of FOI applications to public authorities and of appeals to the ICO as the regulator. The public appetite for freedom of information continues to grow.

Who has asked for information?

Under the FOIA an applicant does not need to inform us who they are, or give a reason why they want the information. However, where we have been able to establish the identity of a requester, year on year figures show that requests from journalists are becoming more frequent and the FOIA appears to be increasingly used as an investigative tool.

Requests have been received from the following applicants (where identifiable):

Type of requester	Number of requests 2016/17	Number of requests 2015/16	Number of requests 2014/15
Other/unknown	219	182	128
Companies	61	10	24
Journalists	55	38	25
Staff/other NHS trusts	17	6	12
Students	3	3	5
MPs	11	3	
3242	0		
Total number	**366**	**242**	**194**

Timescales for responses

FOIA legislation requires public authorities to respond to requests for information within 20 working days. Whilst we make every effort to complete all requests within this timescale, it is not always achievable due to the sheer complexity of some requests that require input from numerous teams.

When it is clear that a request is going to take longer than 20 working days,we inform the applicant and provide regular updates.

Information has been provided to applicants within the following timescales:

Response time (in working days)	Number of requests 2016/17	Number of requests 2015/16
1 – 5 days	55	45
6 – 10 days	62	38
11 – 15 days	62	36
16 – 20 days	49	43
21+ days	127	61
Requests currently being processed	11	19

Exemptions

The FOIA exemptions ensure a proper balance is achieved between the right to know and the right to personal privacy.

The following exemptions were considered and applied to all or part of a request during 2016/17:

- Section 1: Do not hold this information
- Section 12: Cost of compliance exceeds appropriate limit
- Section 14: Vexatious
- Section 21: Information available by other means
- Section 22: Information intended for future publication
- Section 40: Personal information
- Section 41: Information provided in confidence
- Section 43: Commercial interests

Year	No of requests with exemptions applied	Exemptions used and frequency
2016/17	118	Section 1 x 21
		Section 14 x 1
		Section 12 x 12
		Section 21 x 66
		Section 22 x 3
		Section 40 x 9
		Section 41 x 1
		Section 43 x 5

Publication of information requested (disclosure log)

We publish requests from the previous 12 months in the FOIA disclosure log on our website. This enables us to direct applicants to information that is already available and to apply exemption Section 21 (information accessible by another means) where the same/similar information has been requested. We have applied this exemption for 66 requests received during the period 2016/17. This has more than doubled since 2015/16.

Over the course of the next year, we will be identifying trends in FOIA requests to understand people's key areas of interest. Our aim is make this information available on our website in a clear and accessible format.

Data Protection Act 1998 (DPA)

The DPA gives an individual (or someone appointed on behalf of the individual with the appropriate authority) the right to apply to see the information we hold on them. Below are the figures year on year for the subject access requests (SARs) that we received.

Year	SARs received	Continuing care (CC)	SARs processed (excluding CC)	% Increase / decrease year on year
2016/17	437	22	415	-0.2%
2015/16	471	55	416	9%
2014/15	865	482	383	-

Timescale for responses

DPA legislation requires us to provide information within 40 calendar days. However, Department of Health guidance advises that healthcare organisations should aim to respond within 21 days.

During the period 1 April 2016 – 31 March 2017, SARs were processed within the following timescales:

Response Time	Number of SAR requests 2016/17
Within 21 calendar days	114
Within 40 calendar days	103
40+ calendar days	55
No longer required or closed during processing	116
In progress	27

1 The Publication Scheme is a complete guide to the information routinely published by HPFT. It is a description of the information about our Trust which we make publicly available.

Our aim is to respond to SARs within 21 calendar days. However due to the number of requests and large volumes of notes that require processing, this is not always possible. We keep applicants informed of any delay and provide regular updates if a request is going to take longer than the statutory 40 calendar days.

In line with the upcoming general data protection regulations that are due to come in to force on 25 May 2018, the statutory time limit to respond to a SAR will reduce to 30 calendar days. We will begin to monitor our compliance with the 30 day timescale throughout 2017/18 to assess whether additional resource is required to meet the new deadline.

We receive SARs from a variety of sources, the largest number came from the sources below.

Type of requester	East & North	Learning Disability & Forensic	West
Solicitors	51	37	78
Service user	56	26	49
Relatives	14	3	8
Other	41	12	40
Total number	**162**	**78**	**175**

Single Oversight Framework

NHS Improvement's Single Oversight Framework provides the framework for overseeing providers and identifying possible support needs. 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 its license.

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 as the basis of accountability was different. This is in line with NHS Improvement's guidance for annual reports.

Segmentation

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.

Finance and use of resources

NHS Improvement use of resources rating performance

For the first two quarters of 2016/17 NHS Improvement used the financial and sustainability risk rating. Following a consultation on the new Single Oversight Framework completed in September 2016 the financial sustainability risk rating was replaced by the use of resources (UOR) metrics from October 2016.

A summary of the UOR metric changes were:

- The metrics from the FSRR are all included in the UOR with no changes, capital service cover, liquidity, income and expenditure margin and income and expenditure variance.
- A new metric for agency spend is now included.
- The five metrics are equally weighted at 20% each.
- The ratings have been flipped with a rating of now 1 being the highest (best) and 4 the lowest (worst).

The performance against our financial performance ratings for 2016/17 are summarised in the table below and show that throughout the year we achieved the highest financial rating in each quarter which was also ahead of plan.

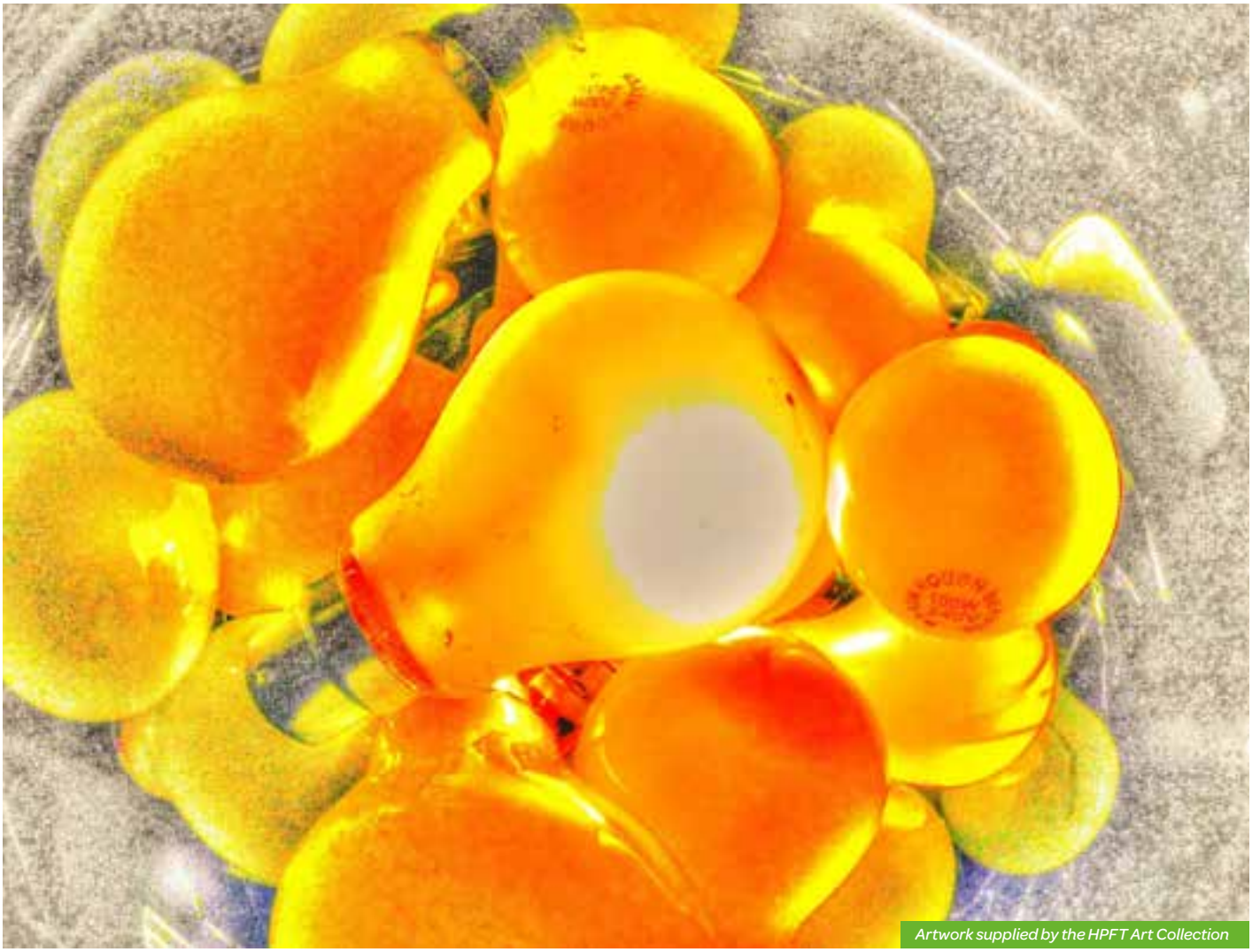
	Annual Plan 2016/17	Q1 2016/17	Q2 2016/17	Q3 2016/17	Q4 2016/17
Performance against the financial sustainability rating April to September 2016:					
Capital service capacity rating	3	4	3		
Liquidity rating	4	4	4		
I&E margin rating	3	4	4		
I&E margin variance rating	3	4	4		
Overall financial sustainability rating	3	4	4		
Performance against the use of resources rating from October 2016 onwards					
Capital service capacity rating	2			1	1
Liquidity rating	1			1	1
I&E margin rating	2			1	1
I&E margin variance rating	1			1	1
Agency rating	1			2	2
Overall use of resources rating	1			1	1

For the use of resources ratings the Trust exceeded its planned ratings for capital servicing capacity and those relating to the income and expenditure margin. This was due to the combination of the surplus being above plan, lower than planned capital spends and reduced PDC capital charges. Whilst significantly reducing our agency costs from the previous year the Trust did exceed its agency spend target of £8.5m resulting in a rating of 2. The Trust is continuing to work collaboratively with other local NHS organisations and NHS Improvement to continue to reduce agency spend for 2017/18.

Overall we met our planned target of an overall 1 rating showing our strong financial position and use of resources.

The performance against the ratings for Hertfordshire Partnership University NHS Foundation Trust for 2015/16 is summarised in the table below:

	Annual Plan 2015/16	Q1 2015/16	Q2 2015/16	Q3 2015/16	Q4 2015/16
Performance against the continuity of service rating April to June 2016					
Capital service capacity rating	3	2			
Liquidity rating	4	4			
Overall continuity of service rating	3	3			
Performance against the financial sustainability rating July 2016 to March 2017					
Capital service capacity rating	3		2	3	3
Liquidity rating	4		4	4	4
I&E margin rating	3		2	3	2
I&E margin variance rating	3		4	4	3
Overall financial sustainability rating	3		3	4	3



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Statement of the Chief Executive's responsibilities as the accounting officer of Hertfordshire Partnership University 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 us 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 the trust and of our 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.

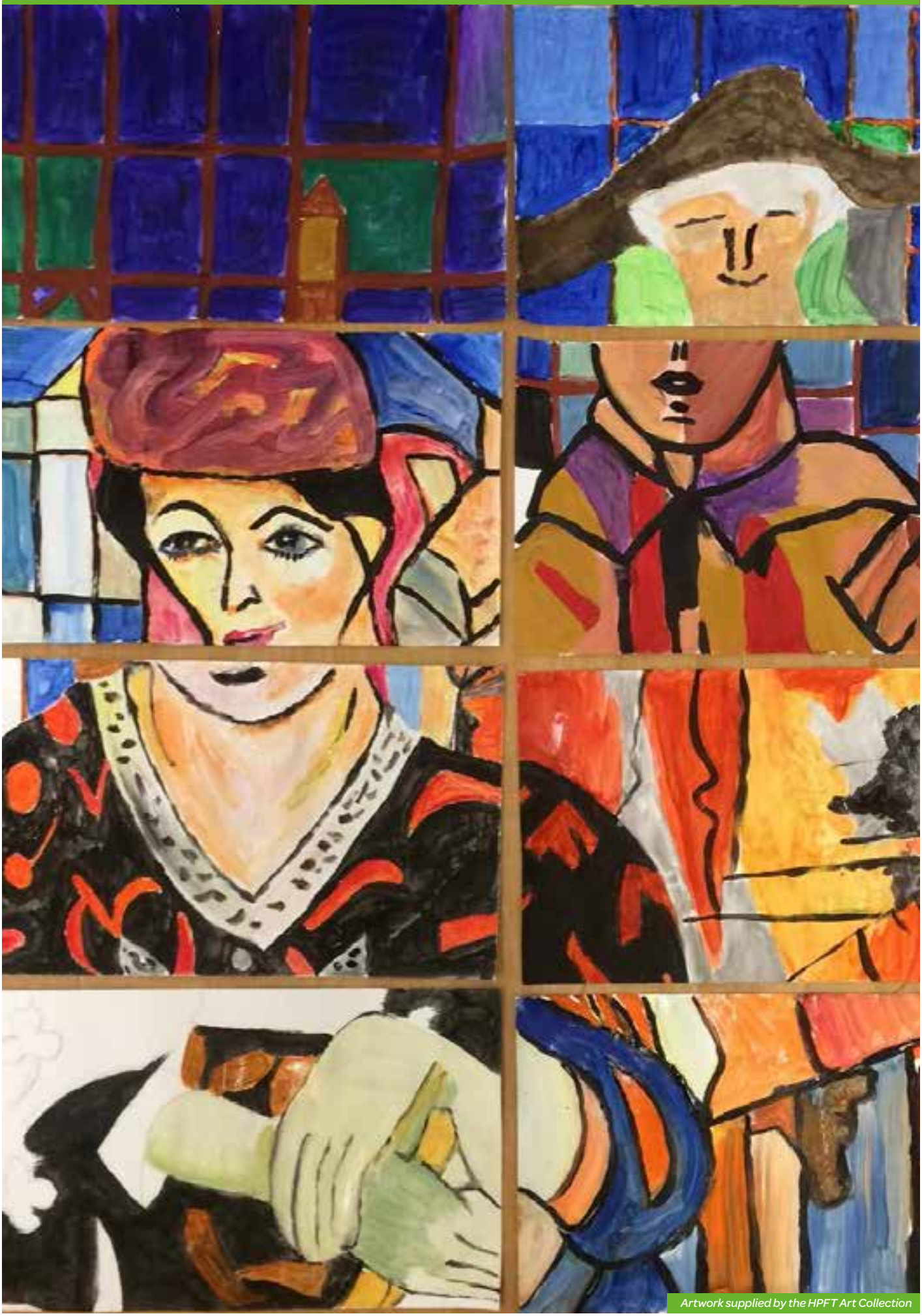
The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS foundation trust and to enable him or her to ensure that the accounts comply with requirements outlined in the above mentioned act. The accounting 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.

Tom Cahill, Chief Executive

26 May 2017

Date:



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Annual Governance Statement 2016/17

2.7.1. 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.

2.7.2 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 Hertfordshire Partnership University 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 Hertfordshire Partnership University NHS Foundation Trust for the year ended 31 March 2017 and up to the date of approval of the annual report and accounts.

2.7.3 Capacity to handle risk

As Accounting Officer I am accountable for the quality of the services provided by the Trust. I have overall responsibility for risk management within the Trust and this responsibility is incorporated within the risk management strategy. Elements of risk management are delegated to members of my Executive Management Team and designated specialist staff:

Our governance structure at **Figure 2** illustrates the robustness and effectiveness of our risk management and performance processes via our governance structure.

Figure 2
HPFT GOVERNANCE STRUCTURE

Overall Risk Management	Executive Director of Quality & Safety (Caldicott Guardian)
Clinical Governance	Executive Director of Quality & Safety
Clinical Risk & Medical Leadership	Executive Director of Quality & Medical Leadership
Corporate Governance	Company Secretary
Board Assurance & Escalation	Company Secretary
Financial Risk	Executive Director of Finance
Compliance with NHSI Regulatory Framework	Executive Director of Finance & Company Secretary
Compliance with CQC Regulatory Framework	Executive Director of Quality & Safety
Information Risk	Executive Director of Finance (SIRO)

In addition, the Director of Service Delivery and Customer Experience is responsible for the day-to-day management of risk and performance within operational services and there are designated roles of Deputy Director, Safer Care and Standards and Deputy Director of Nursing & Quality providing leadership and support in their respective areas.

Staff members have a responsibility for handling the management of clinical and non-clinical risks according to their roles and duties within the Trust. Mandatory training on key risk areas is undertaken by all staff at induction into the Trust and on a regular refresh basis.

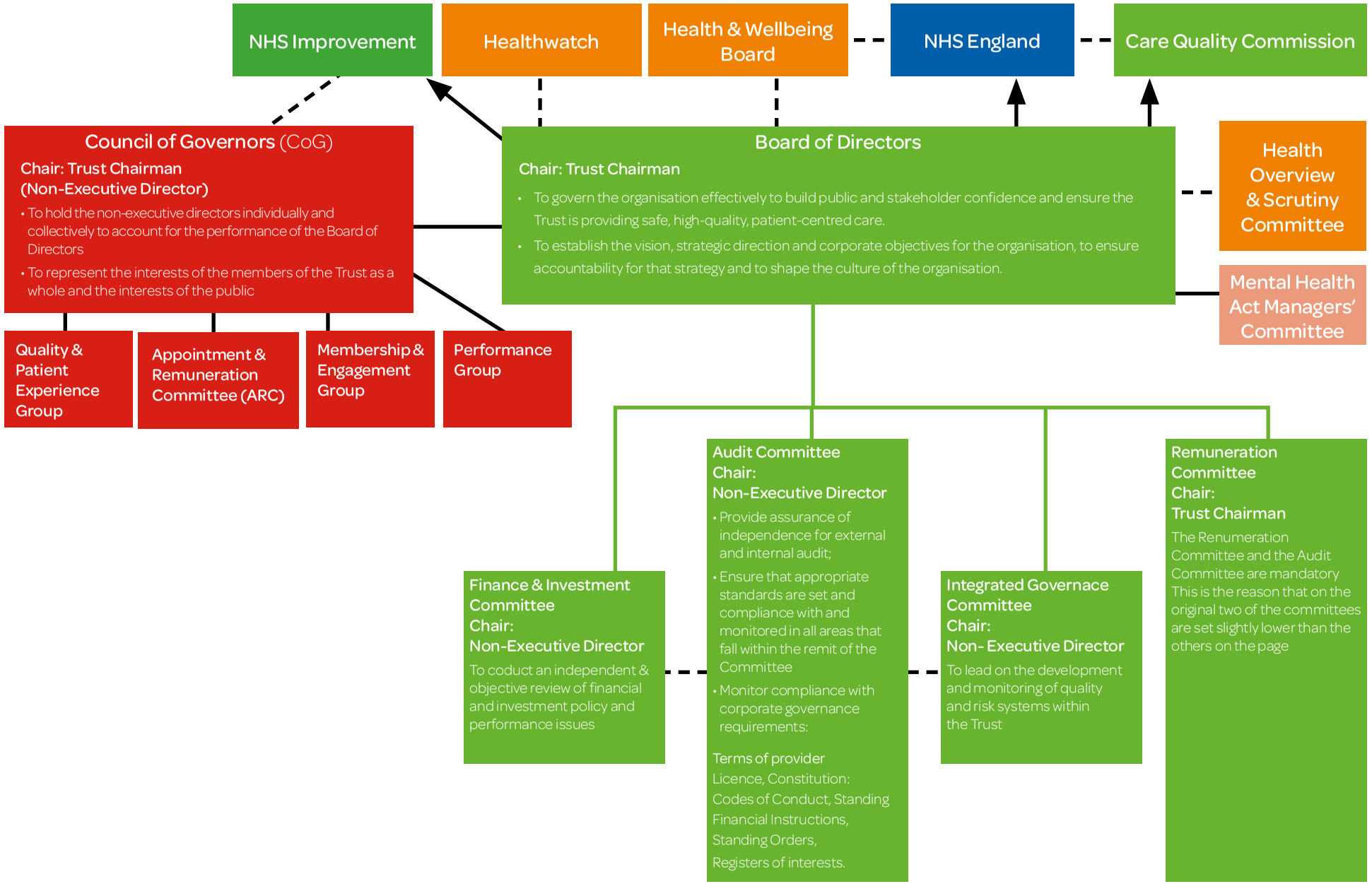
Capacity is developed across the Trust through training events commensurate with staff duties and responsibilities and includes risk management training for all new staff. Awareness raising sessions have also taken place for existing staff teams.

Sharing the learning through risk related issues, incidents, complaints and claims is an essential component to maintaining the risk management culture within the Trust. Learning is shared through Clinical Management Teams and Trust wide forums such as the Quality and Risk Management Committee and Health and Safety Committee. Learning is acquired from a variety of sources which include:

- Analysis of incidents, complaints, claims and acting on the findings of investigations.
- External Inspections.
- Internal and external audit reports.
- Clinical audits.
- Outcome of investigations and inspections relating to other organisations.

Our Governance structure

Figure 1



In accordance with its Standing Orders and as required by NHS Improvement's Code of Governance, the Trust has an Audit Committee whose role is to review and report upon the adequacy and effective operation of the organisation's overall system of governance and internal control which encompasses risk management – both clinical and non-clinical.

In order to assist both the Board and the Audit Committee, specific risk management is overseen by two other Board Assurance Committees:

- Integrated Governance Committee (which receives reports from the Quality & Risk Management Committee and Workforce & Organisational Development Group) and has the specific purpose of delivering assurance to the Board on the management of clinical risk and operational performance against the CQC domains.
- Finance and Investment Committee, which provides assurance on management of risks relating to resources – both financial and human; and the strategic direction of the Trust

Please see our Risk Management diagram at Figure 3 and our Risk Escalation Model at Figure 4.

2.7.4 The risk and control framework

2.7.4.1 Risk management by the Board is underpinned by four (4) interlocking systems of internal control:

- The Board Assurance Framework
- Trust Risk Register (informed by Strategic Business Units, Departments and Teams)
- Audit Committee
- Annual Governance Statement

The Risk Management Strategy and Policy which are effective guides on risk management have continued to work effectively during 2016-17. Our Risk Management system, Datix, has continued to be a source of effective risk management across all levels and a source of just-in-time reports when needed. The risk management processes remained the same as defined within the Board Assurance and Escalation Framework. This clearly outlines the leadership, responsibility and accountability arrangements. These responsibilities are then taken forward through the Assurance Framework, the Risk Registers, Business Planning and Performance Management processes enabling the coherent and effective delivery of risk management throughout the organisation.

As Figure 3 illustrates risk management involves the identification, analysis, evaluation and treatment of risks – or more specifically recognising which events (hazards) may lead to harm and therefore minimising the likelihood (how often) and consequences (how badly) of these risks occurring.

Risk is managed at all levels, both up and down the organisation and in order to ensure triangulation between the Annual Plan and

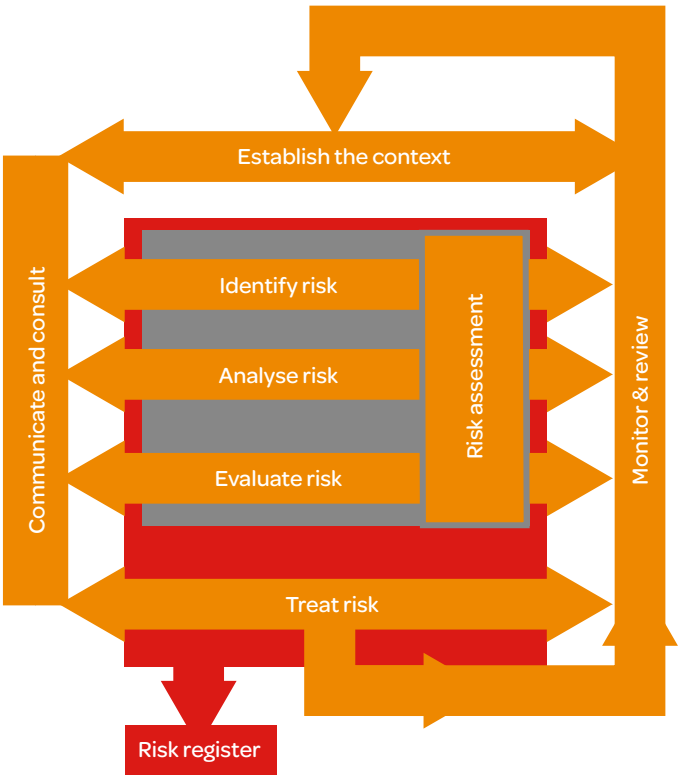


Figure 2 Source: AS/NZS 4360:1999

the Board Assurance Framework (BAF), the Trust produces a Performance Report for the Board on activity within the Trust Risk Register which details the risks that have either come onto the Trust risk register or those that the Executive Team has approved to come off the Risk Register.

The Audit Committee is responsible for scrutinising the overall systems of internal control (clinical and non-clinical) and for ensuring the provision of effective independent assurance via internal audit, external audit and local counter fraud services. The Audit Committee reports to the Board quarterly after every meeting and annually on its work in support of the Annual Governance Statement, specifically commenting on the fitness for purpose of the BAF, the completeness and extent to which risk management is embedded in the Trust and the integration of governance arrangements.

The Integrated Governance Committee is the central driving force for the Risk Management Strategy and the Trust's internal control mechanisms, regularly reporting to the Trust Board on the risks being faced by the organisation, and how they are being managed/controlled. This includes oversight of the performance and quality dashboards which show compliance with CQC registration requirements and other statutory compliance with quarterly reports being scrutinised prior to their submission to the Board.

The Trust recognises the need for a robust focus on the identification and management of risks and therefore risk is an integral part of our overall approach to quality and the management of risk is an explicit process in every activity in which the Trust and its employees take part.

Risk management in the Trust is discharged through clearly focusing executive responsibility for all clinical governance and risks with the respective Executive Directors. The Directors, working closely with the Chief Executive, have responsibility for all Trust care services and supporting corporate functions in this context. The management lead for risk rests with the Director of Quality and Safety who is also the Caldicott Guardian.

The Trust has a strong track record in the identification and mitigation of risks, and when there have been untoward and serious incidents, responding to them quickly and ensuring that the lessons learned from them are implemented swiftly across the organisation. The processes for these are embedded in the culture of the organisation and through robust processes and procedures such as concerns at work and the 'ward to board' assurance processes.

These are supplemented by the Chief Executive's and Directors' 'Good to Great' sessions. These have encouraged teams and individuals to openly share any risks and concerns as well as areas of good practice that should be celebrated. It is particularly positive to note the improvement in all areas of the Staff Survey in creating and reinforcing an open culture in which staff feel both motivated and safe to raise any concerns they may have.

Regular discussions take place at board meetings concerning the Trust's appetite for risk,

determining the strategic parameters within which decisions involving various types of risk can then be made on a sound and consistent basis.

2.7.4.2 Board Assurance Framework (BAF)

Board assurance is a systematic method of:

- Identifying
- Analysing
- Evaluating, treating, monitoring, reviewing; and
- Communicating

all risks-clinical and non-clinical and the integration and management of both types of risks.

The requirement to develop a Board Assurance Framework (BAF) was established by the Department of Health (now NHS England), Assurance: The Board Agenda (July 2002). The BAF is a tool for the Board to satisfy itself that risks are being managed and strategic objectives are being achieved. The Board has established a robust BAF so that I, as Chief Executive, can confidently sign the Annual Governance Statement which deals with statements of internal control.

A Board Assurance Framework has been in place throughout the year which is designed and operating to meet the requirements of the 2016/17 Annual Governance Statement. The BAF, which is Board owned, provides a vehicle for the Board to be assured that the systems, policies and procedures in place are operating in a way that is effective and focussed on the key strategic risks which might prevent the Trust's strategic objectives being achieved.

The BAF is robustly discussed and analysed at the Board. Updates of progress against actions are provided at each meeting of the IGC, Audit Committee and quarterly by the Board.

Risks monitored over the year included:

- Regulatory Compliance
- Financial Resources
- Workforce-recruitment and retention
- Cyber security
- Transformation
- Quality and Safety

The BAF has been reviewed by the Board on a quarterly basis during 2016/17 and provides a structure and process to enable the organisation to focus on the risks that might compromise the achievement of its strategic objectives and therefore, the operational plan. It maps out the key controls to mitigate the risks and provide a mechanism to inform the Board of the assurances received about the effectiveness of these controls. The Board receives assurances directly or via its statutory and assurance Committees-Audit, Remuneration, Integrated Governance and Finance and Investment.

It is a dynamic tool which supports the Chief Executive to complete the Annual Governance Statement at the end of each financial year. It is part of this wider 'Assurance and Escalation Framework' to ensure the Trust's performance across the range of its activities is monitored and managed; resulting in targets being met, objectives achieved, and good outcomes for service users.

The formation and maintenance of the BAF is the responsibility of the Company Secretary and is regularly reviewed by each Principal Risk Owner (Executive Directors). This is to ensure the controls and assurances remain valid and any identified gaps are mitigated by timely implementation of clearly defined actions.

2.7.4.3 Trust's Risk Monitoring Escalation and Assurance Process

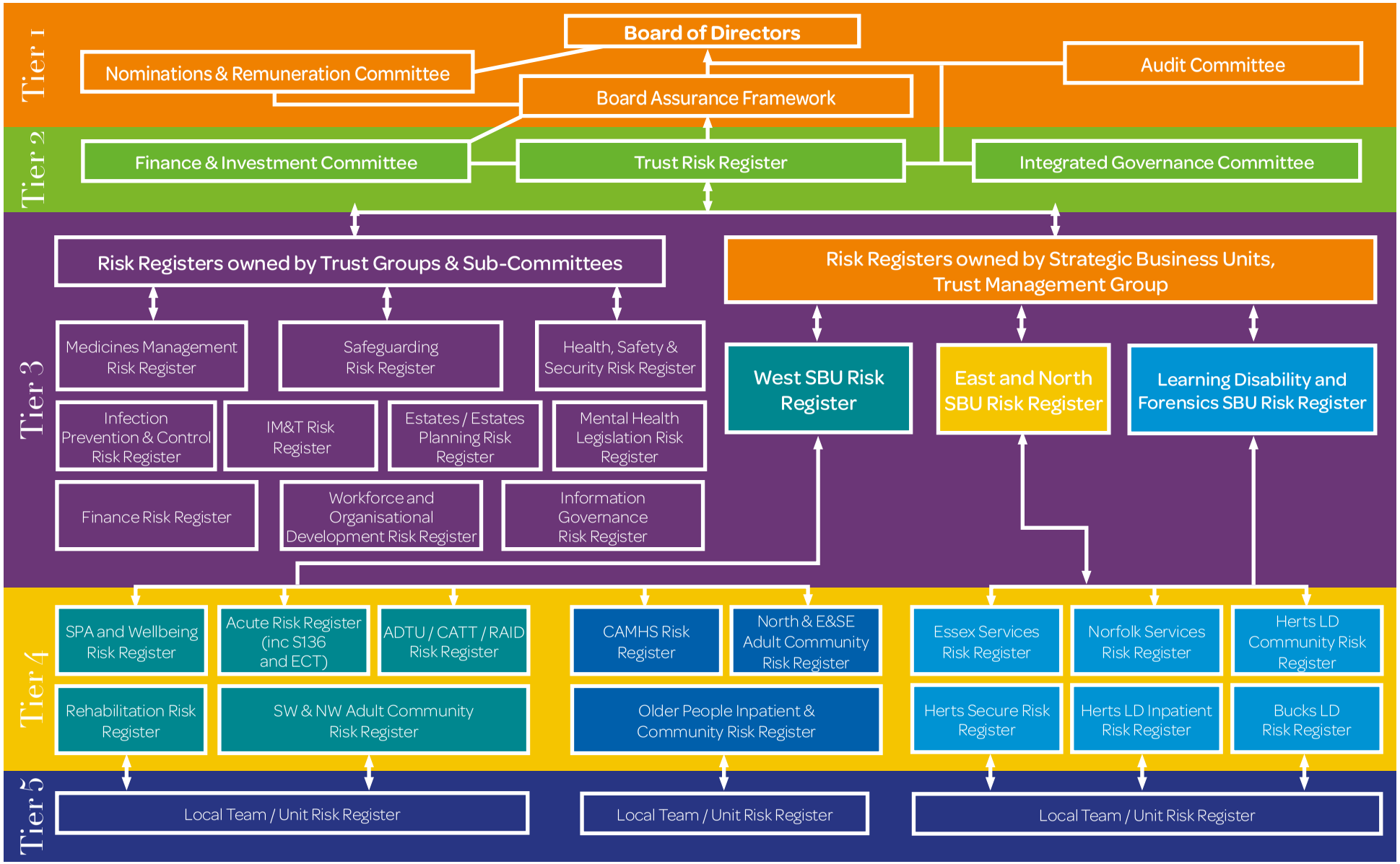
The Risk Management Strategy sets out how risk is identified and assimilated into the Risk Registers and reported, monitored and escalated throughout the directorate and corporate governance structures.

In addition to the Board Assurance Framework (BAF), the Trust operates five tiers of risk management which are all interlinked via an escalation process. The escalation of a risk is dependent upon the level of the risk, or on whether it is felt that the risk needs specialist management at a higher tier, such as the risk requiring a multi-directorate approach to its management.

The registers are recorded using a standardised risk matrix and the severity of each risk is rated according to the Consequence x Likelihood risk assessment matrix within the Risk Management Strategy to establish the risk score which helps guide action at the appropriate level.

Board to ward risk management and escalation structure

Figure 3



There is a clear process for escalating high or significant risks (see Figure 3). The Trust does not have a static risk appetite. The Board may vary the amount of risk that it is prepared to tolerate depending on the circumstances at the time. In any event there must be consultation with the Board if there needs to be material altering of significant risk scores by directorates, departments or teams. The statutory and assurance committees and the executive team have regular oversight of all relevant risks from the Trust Risk Register.

2.7.4.4 Local and Directorate Risk Registers

Each ward team or department produces a local risk register. The register is developed in response to the identification of local risks that may impact on the delivery of their immediate service. Local risk registers are recorded using the Risk module on Datix.

Appropriate steps have been taken to ensure that processes are in place at both clinical service and departmental levels to update and maintain their risk registers. Monthly updates from local and directorate risk registers are provided via the Risk & Compliance Manager for inclusion into the Trust's Risk Register.

All local risks are systematically reviewed within a specified time frame by the local teams to ensure that controls in place are effective, and assess whether the risk changes over time.

Risks may be identified through internal processes e.g. complaints, incidents, claims, service delivery changes, risk assessments or financial interests. They may also be identified by external factors e.g. national reports and recommendations or regulatory and enforcement notices etc.

2.7.4.5 Care Quality Commission essential standards of quality

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

The Trust registered with the Care Quality Commission (CQC) on 1st April 2010 and was inspected in April 2015 as part of a planned comprehensive inspection. The Trust achieved an overall rating of 'Good'. The Action Plan which emerged from the inspection focused on some 'Must Dos' and 'Should Dos'. The Integrated Governance Committee has received bi-monthly updates on the CQC action plan.

2.7.5 Pension Schemes

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

2.7.6 Equality, Diversity and Human Rights

Control measures are in place to ensure that the organisation complies with all relevant equality, diversity and human rights legislation.

2.7.5 Internal and external stakeholders and service user and carer Involvement

Within the Trust we have a Service User Council, Carer Council, Young People's Group and 'Making Services Better' Group for people with Learning Disabilities. Service User and Carer Groups/ Councils have been a significant presence in the Trust for over 10 years. They raise and discuss a variety of topics with Trust staff at all levels, and are vital critical friends that the Trust can approach for honest feedback and comment from the perspective of lived experience.

2016/17 has been a particularly productive year for our Service User and Carer Councils. Both councils have been examining and assessing their position within and outside the Trust. They have taken a fresh look at their Terms of Reference, in particular looking at ways of increasing their influence and promoting the voice of service users and carers more generally. One important facet of this has been starting to build more links with service user and carer groups outside the Trust. The regular input of Healthwatch Hertfordshire to our meetings has been hugely valuable and we have strong links with local commissioning. They have also been working more closely with representatives of our Board of Governors.

All groups have also worked fairly intensively with Trust staff on projects which they are aware of being of great importance to many service users and carers. Examples of this have been their contributions to discussions about improving care coordination, use of the 'smoke free' policy and how the Trust's photograph policy will be implemented – as well as representatives becoming involved in new initiatives such as the Hertfordshire Wellbeing College (New Leaf) and the new HPFT Carer Pathway. There have been meetings with both service user and carers councils to discuss HPFT's Quality Account – and they have been able to contribute to discussions about topics and desired outcomes. The Councils have also enthusiastically contributed to discussion about Quality Improvement.

The Carer Council have developed a clearly structured work plan as a focus for their activities – with priority areas being care coordination, progress following the CQC inspection – the 'good to great' initiative, implementation of HPFT's new Carer Pathway, progress with the Triangle of Care and improving staff understanding of the issues of confidentiality that particularly affect carers. The Carer Council Chair is now part of the Hertfordshire Carer Commissioning Group – so will be able to promote the views of HPFT's carers at that forum also.

The Service User Council has developed much closer links with Trust Governors – and two members of the Board of Governors are regular attendees at council meetings. In addition to the activities above which have occupied both councils, members of the Service User Council have been involved in development of the 'New Leaf' Wellbeing College, working on development of Crisis Cards and discussion about care coordination and 'moving on' plans. One particularly pro-active area of development is the planning of service-user led 'drop ins' to various other Service User Groups and Forums throughout Hertfordshire. Once underway, this will enable the Council to understand and promote the ideas and opinions of a far wider range of people throughout the area.

2.7.6 Quality Governance Framework

The Trust's Risk Management Strategy details the relationship between the Trusts strategic goals, principal risks and the Board Assurance Framework. **The Risk Management Policy** outlines the process for assessing, prioritising and managing all types of risk through risk registers and includes:

- Risk Assessment and Risk Register flow charts
- Risk definitions including Risk Appetite
- Duties and responsibilities of individuals and committees
- The risk assessment process
- The risk management process
- The Integrated Governance and Risk Management Structure
- Board assurance framework and risk register templates

The Risk Management Strategy and Policy are enhanced by the Practice Governance Framework and the Quality Strategy.

The principal strategic and operational risks are outlined in the Risk Strategy and sets out how the Trust endeavours to ensure that they do not prevent the Trust from achieving its strategic objectives. The Strategy, therefore, sets out the role of the Board, its statutory and assurance committees in the identification, management and mitigation of risks. **Figure 3 (on page 76)** illustrates the risk escalation process.

The Strategy emphasises role of the Board Assurance Framework and Risk Register in the management of strategic and operational risks respectively.

The Internal Audit Plan has as part of its remit audit of the Risk Management processes and the Board Assurance Framework. The Integrated Governance Committee, The Finance and Investment Committee and the Audit Committee scrutinise and monitor clinical and non-clinical risks where appropriate, on behalf of the Board. **Figure 2 (on page 74)**, our governance structure depicts the role of Board Committees and their inter-relationship in the management of quality and risk. The whole corporate and clinical structure are designed to ensure that the Trust has and maintains robust quality governance arrangements.

2.7.7 Energy and Carbon Reduction

The Foundation Trust has undertaken risk assesments 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, together with Hertfordshire County Council, the Trust's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

2.7.8 Information governance

The Trust takes the management of risks to data security very seriously. In accordance with the 'Health & Social Care Information Centre's Checklist Guidance for Reporting, Managing and Investigating Information Governance Serious Incidents Requiring Investigation' (27 February 2015, V5), there have been four level 2 breaches during the reporting period. These related to:

- one incident involving an unencrypted dictaphone
- three incidents involving inappropriate use of email

All four were reported to the Information Commissioner's Office as potential or actual breaches of confidentiality involving person identifiable data. For each breach, the Trust submitted an action plan outlining the remedial action taken. In each case the Information Commissioner considered the information provided by the Trust, was satisfied with the action taken and closed the incidents with no further action deemed necessary. To further reduce the risk associated with the potential loss of assets the Trust is exploring the potential to replace physical dictaphones with digital dictation.

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

The key financial policies and processes

As Accounting Officer I have responsibility to the Board for the economy, efficiency and effectiveness of the use of resources. This is achieved operationally through good governance and systems of internal control designed to ensure that resources are applied efficiently and effectively.

The effective and efficient use of resources is managed by the following key policies:

Standing Orders

The Standing Orders are contained within the Trust's Constitution and set out the regulatory processes and proceedings for the Board of Directors and the Council of Governors and their committees and working groups including the Audit Committee, whose role is set out below, thus ensuring the efficient use of resources.

Standing Financial Instructions (SFIs)

The SFIs detail the financial responsibilities, policies and principles adopted by the Trust in relation to financial governance. They are designed to ensure that its financial transactions are carried out

in accordance with the law and Government policy in order to achieve probity, accuracy, economy, efficiency and effectiveness.

They do this by laying out very clearly who have responsibility for all the key aspects of policy and decision making in relation to the key financial matters. This ensures that there are clear divisions of duties, very transparent policies in relation to competitive procurement processes, effective and equitable recruitment and payroll systems and processes. The budget planning and allocation process is clear and robust and ensures costs are maintained within budget or highlighted for action.

The SFIs are to be used in conjunction with the Trust's Standing Orders and the Scheme of Delegated Authority and the individual detailed procedures set by directorates.

Scheme of Delegated Authority

This sets out those matters that are reserved to the Board and the areas of delegated responsibility to committees and individuals. The document sets out who is responsible and the nature and purpose of that responsibility. It assists in the achievement of the efficient and effective resources by ensuring that decisions are taken at an appropriate level within the organisation by those with the experience and oversight relevant to the decision being made. It ensures that the focus and rigor of the decision making processes are aligned with the strategic priorities of the Trust and it ensures that the Trust puts in place best practice in relation to its decision making.

Anti-fraud and Corruption including the Bribery Act 2010

The Bribery Act which came into force in April 2011 makes it a criminal offence for commercial organisations to fail to prevent bribes being paid on their behalf. Failure to take appropriate measures to avoid (or at least minimise) the risk of bribery taking place could lead to the imposition of fines, or imprisonment of the individuals involved and those who failed to act to prevent it. This will help ensure that the taking or receiving of bribes is less likely and improve the integrity and transparency of the Trust's transactions and decisions.

The Trust Board places reliance on the *Audit Committee* to ensure appropriate and sound governance arrangements are in place to deliver the efficient and effective use of resources and the Trust's internal control systems are robust and can be evidenced.

The Audit Committee agrees an annual work programme for the Trust's Internal Auditors and the Counter Fraud Service, and reviews progress on implementation of recommendations following audit and other assurance reports and reviews.

Independent assurance is provided through the Trust's internal audit programme and the work undertaken by NHS Protect, reports from which are reviewed by the Audit Committee. In addition, further assurance on the use of resources is obtained from external agencies, including the external auditors and the Regulators.

2.7.10 Annual Quality Report

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2011 to prepare Quality Accounts for each financial year. NHSI has issued guidance to NHS Foundation Trust Boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual.

The Trust has continued with following these steps to assure the Board that the Quality Report presents a balanced view:

- A stakeholder consultation process to agree quality priorities for the reporting and coming year, involving service users, carers, staff, Governors and partner agencies
- A review of all Trust services before the priorities are agreed
- A Quarterly Quality report to the Board leading to scrutiny of whether the focus is right
- Sharing the draft Quality Account/report with partner agencies for comment, with the primary commissioners having the legal right to point out inaccuracies.

The Trust follows these steps to assure the Board that there are appropriate controls ensuring the quality of the data, thus:

- The Provision of appropriate training to all staff, including all new starters, on data inputting.
- An elimination where possible of manual approaches to data gathering and analysis, including investment in new systems
- An audit of supervision to gain assurances that the process is robust in relation to clinical record keeping and data quality
- A separate audit of Clinical Records Management

The accuracy of information for quality reports is assessed via:

- Systematic checks within the Informatics and performance improvement teams themselves
- A scrutiny of the quarterly reports at Board, where any errors and/or corrections are duly noted
- An annual External Audit Assurance as mandated by NHSI

We continue to review our performance reporting framework, considering the increasing size and complexity of the quality measurement and reporting in the Trust. There has been some simplification of reporting processes and some reconsideration of the use of certain metrics. A new business intelligence system was introduced last year with real time capability at local levels where access to performance metrics is more readily available.

The quality metrics which are contained in quarterly Board reports are agreed by the Board after a period of internal and external consultation. The quality metrics – as far as their accuracy and relevance as well as progress made – are each reviewed quarterly at the Board meetings. For a more detailed description of these processes, please refer to the quality report itself. Should an error occur during the year, the errors are corrected at the next Board quarterly report and the occurrence noted.

Processes are established to monitor compliance against Care Quality Commission (CQC) regulations (Health and Social Care Act 2008 Regulated Activities, Regulations 2014) using the updated Quality Visit process which is based on the CQC's key lines of enquiry.

The Intelligence Monitoring Reports are used to check performance against what teams report and to anticipate any potential risks in the future. The Integrated Governance Committee (a Board sub-committee) is then kept informed of the completeness of the data and any areas of concern.

Compliance with the CQC compliance has been monitored in the past year through the following procedures:

- The CQC review and quality improvement plans held locally by the Team Leaders/Managers
- The CQC Provider Compliance Assessments (PCAs) completed by the Service Line Leaders recording all evidence of quality improvement within their local service area
- The Quality and Risk Profile (QRP) provided by the CQC on a monthly basis is reviewed by the Registration Leads and the risks are then monitored with improvement plans advised to the appropriate sub groups of the IGC
- A revised Trust wide programme of internal quality visits – closely based on the CQC's current standards
- Compliance with each of the above is advised in a bi-annual report to the IGC.

The Trust is currently reviewing the process of the leads and their responsibilities in consideration of the development of the CQC essential standards.

Review of effectiveness

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

In describing the process that had been applied in maintaining and reviewing the effectiveness of the system of internal control, I have set out below some examples of the work undertaken and the roles of the Board and Committees in this process:

- The Board reviews the Board Assurance Framework on a quarterly basis along with the Risk Register
- A programme of Risk Management training for all staff
- The internal audit plan which is risk based, is approved by the Audit Committee at the beginning of each year. Progress reports are then presented to the Audit Committee on a quarterly basis with the facility to highlight any major issues. The Chair of the Audit Committee can, in turn, quickly escalate any areas of concern to the Board via a Committee Report and produces an annual report on the work of the Committee and a self-evaluation of its effectiveness.
- The Executive Team meets on a weekly basis and has a process whereby key issues such as performance management, serious incidents, recruitment and retention, safe staffing, action plans arising from external reviews and risk management are considered both on a planned timetable and an ad-hoc basis if there is a need. It also reviews the Trust Risk Register on a monthly basis.
- The Board and its statutory and assurance committees have a clear cycle of business and reporting structure to allow issues to be escalated via the 'ward to board' risk escalation framework. (**see Figure 3 on page 76**) The work of each committee is outlined in the Governance Structure at **Figure 1 (page 73).**

The Board Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by the work of internal and external audit, the external review processes for the clinical negligence scheme along with the NHSLA and the Care Quality Commission.

In 2016-17, a Well Led Independent Review as set out in the *Monitor's (now NHSI) Risk Assessment Framework* was undertaken by the Foresight Management Group.

Figure 4

Domain	Key Question	Current Risk Rating	Future Risk Rating
Strategy and planning	1. Does the Board have a credible strategy and is there a plan to deliver it?	GREEN	AMBER-GREEN
	2. Is the Board sufficiently aware of risks to quality, sustainability and delivery of current services?	GREEN	GREEN
Capability and culture	3. Does the Board have the skills and capability to lead the organisation?	GREEN	GREEN
	4. Does the Board shape an open, transparent and quality-focussed culture	GREEN	GREEN
	5. Does the Board support continuous learning and development across the organisation?	GREEN	GREEN
Process and structures	6. Are there clear roles and accountabilities in relation to Board governance (including quality governance).	AMBER-GREEN	AMBER-GREEN
	7. Are there clearly-defined, well-understood processes for escalating and managing issues and performance.	GREEN	GREEN
	8. Does the Board actively engage patients, staff, governors and other stakeholders on performance	AMBER-GREEN	AMBER-GREEN
Measurement	9. Is appropriate information on organisational and operational performance being analysed and challenged	GREEN	AMBER-GREEN
	10. Is the Board assured of the robustness of information?	AMBER-GREEN	AMBER-GREEN

The Trust's response to the recommendations made has in the main registered our actions as completed.

The report was approved at the Board on 22 February 2017.

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2.7.12 Head of Internal Audit Opinion

Internal Audit review the system of internal control during the course of the financial year and report accordingly to the Audit Committee. The Head of Internal Audit has provided an overall opinion of positive assurance based on their work during 2016-17, which gives me confidence that we have a solid foundation on which to build our improvement work. Specifically, the Head of Internal Audit has stated:

> "The organisation has an adequate and effective framework for risk management, governance and internal control. However, our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective"

In addition, the Head of Internal Audit confirmed: "There are no issues from our work judged relevant to the preparation of the Annual Governance Statement. However, partial assurance opinions were received in two areas of internal audit work during the year. These were in relation to the NHSI Agency Expenditure Cap and to Staff Appraisals. The Head of Internal Audit confirmed in reaching her opinion that

> "The Trust has responded positively to these reports and is in the process of implementing the agreed actions"

Conclusion

There are no significant internal control issues that have been identified.

Tom Cahill, Chief Executive

26 May 2017

Date:

My Story

> The feeling that I may be able to make a difference is an enormous comfort

A carer talks about her experiences

A carer for one of HPFT's service users spoke to the Trust's Board about her experiences. She explains how important it was to be able to share that journey.

"It was very important to me to have the opportunity to deliver my story to the Board. As a carer I wanted to thank and pay tribute to some of the dedicated professionals in the adolescent system who helped my son and myself through some desperate times. I also wanted to demonstrate the practical ways in which front line services such as A-DASH and CAMHS can make a real difference to young people and their families.

"By highlighting areas where things should have gone better, particularly in hospital A&E departments and in the post-18 system, I hoped to prompt the Board to consider changes to improve the lives of service users and their carers. I am fortunate in that I have experience of speaking to large groups; therefore I felt I was in a privileged position to speak up for others who may not have a voice.

"Although it was difficult to talk about such an emotional subject, I found it therapeutic. Afterwards I was asked to contribute to clinical strategy group discussions and the feeling that I may be able to make a difference and help others is an enormous comfort. More recently my son had to access the emergency and crisis services again and I have already noticed a huge improvement, especially in terms of liaison between services. Having had a carer's assessment and received support for myself from the Wellbeing Team, I know that looking after myself will be the best way for my family and me to cope with whatever the future holds."

Artwork supplied by the HPFT Art Collection

Part 1 – Statement on quality from the Chief Executive

This Quality Account has been designed to report on the quality of our services. It offers you the chance to find out more about what we do and how well we are delivering. Our aim is to describe in a balanced and accessible way how we provide high-quality clinical care to our service users, the local population and our commissioners. It also shows where we could perform better and what we are doing to improve.

I believe that the last year has been a very exciting one for the Trust as well. It was the year in which we redefined our purpose with a revised vision and mission. 2016 also saw us launch our Good to Great strategy – to services users, partners and staff. This strategy articulates the way in which we want to deliver the highest quality services and become an outstanding Trust. At the heart of this is our belief that that 'Great Care and Great Outcomes' are delivered by 'Great People' supported by a 'Great Organisation' and 'Great Partnerships and Networks'. This means shaping services around the needs of service users, working closely with them to continuously improve the care we deliver.

An essential part of delivering Great Care is ensuring that we keep people safe. Our suicide rates are below national and regional rates but we are always mindful of the impact of any unexpected death on a family. We are committed to being open, honest and transparent so that we can learn from incidents and engage families and service users in reviewing how we can do better. We play a leading role in the Suicide Prevention Strategy led by Public Health to reduce the number of suicides in Hertfordshire by 10% as part of the Five Year Forward as well hosting the Spot the Signs Save a Life campaign and extending it to young people. We have embedded our Making our Services Safer Strategy into our practice and are making good progress in following up the actions from our Care Quality Commission (CQC) report of April 2015.

In September this year we welcomed service users and staff from the Bucks Learning Disability Service – a great endorsement of the quality of our learning disability services. We also continued improving our older people's services to give our service users, their families and staff a much better environment in our dementia units at Lambourn Grove and Logandene. We also expanded our eating disorders service which won a Health Service Journal (HSJ) Award for Compassionate Care. The annual National Community Mental Health Survey confirmed that our community services are performing to the high standards set by the CQC. We exceeded the CQC average score in four key areas of the national survey.

Of course, none of this would be possible without the support of our Great people – some 3,000 staff who continue to go above and beyond in their roles. One of the highlights of the year has been the fact that our staff have, for the second year running, topped the NHS National Staff Survey with the highest scores nationally for staff motivation. They have said that they would recommend us a place to work and also to receive treatment. This is a huge tribute to the quality of care that they deliver. It is also a tribute to the staff engagement initiatives that we have in place with a visible senior team and roadshows that have created a dialogue with staff at all levels across the Trust.

A 'Great Organisation' is one that creates the conditions for everyone to deliver, or support the delivery of, the very best care – embracing the principles of collective leadership, constantly learning and improving for the benefit of those we serve.

We also know that, no matter how good we are as an organisation, what is important to the individuals we serve goes beyond our organisational boundaries. To achieve together what really matters to service users and their families we must have 'Great Networks and Partnerships' with others involved in their care, support or treatment.

This approach has been at the heart of several of this year's most notable achievements. We have worked with the police to create street triage services and to improve our section 136 place of safety suites. Our effective partnerships with colleagues within physical health services are enabling us to improve the mental health of people with diabetes and to develop a new community perinatal service. We have also developed a physical health strategy with a holistic approach to the health needs of our service users.

Delivering Great Care and Great Outcomes also involves delivering services in new ways – with closer integration between physical and mental health. Our strategic alliance with Hertfordshire Community Trust (HCT) is an exciting development which is enabling us to work together in new ways and I look forward to building on this in the coming year.

Declaration

As required by NHS Improvement with regard to data accuracy, I would like readers to note that there are a number of inherent limitations in preparing the Quality Accounts, which may impact upon the reliability or accuracy of the data reported. These include:

- Data is taken from a large number of different systems and processes. Only some of these are subject to external assurance or included in internal audit's annual work programme
- Data is collected by a large number of different teams across the Trust alongside their main responsibilities which may lead to differences in how policies are applied or interpreted. In many cases, data reported reflects clinical judgement about individual cases
- National data definitions do not necessarily cover all circumstances and local interpretations may differ
- Data collection practices and data definitions are evolving which may lead to differences over time, both within and between years. The volume of data means that, where changes are made, it is not usually practical to reanalyse historic data.

The Board of Directors and Executive Team have taken all reasonable steps and have exercised due diligence to ensure the accuracy of the data reported. However, we recognise that the data is subject to the inherent limitations set out above. Following these steps, to my knowledge, except for the matters relating to the Delayed Transfer of Care indicator, detailed on page 100, the information in the document is accurate.

Tom Cahill, Chief Executive

26 May 2017

Date:

Background

This Quality Account Report is an annual report produced for the public by our Trust about the quality of services we deliver. In producing the report we hope to engage our readers and thereby enhance the accountability and continuously drive the quality improvement agendas. This Quality Report is a mandated document, which is laid before Parliament, before being made available to service users, carers and the public on NHS Choices Website.

What is NHS Choices?

NHS Choices is the UK's biggest health website. It provides comprehensive health information services to service user and their carers (www.nhs.uk)

What does the Quality Report include?

The content of the Quality Reports includes:

- What we plan to do next year (2017/18), including declarations about what our priorities for this coming year are and how we will intend to address them
- How we performed last year (20176/17), including our highlights of the year where we demonstrated our service improvement work
- Mandatory statements and quality indicators, enabling a comparison between Trusts to be made
- Stakeholder and external assurance statements.

Understanding the Quality Report

We do recognise that some of the information provided in this Quality Report may not be easily understood by people who do not work in, or are less familiar with, the healthcare system. We have therefore included some explanation boxes alongside the text to help with clarification.

In addition to this, there is a list of acronyms included on page 172, at the end of the report.

Our Trust

Hertfordshire Partnership University NHS Foundation Trust [HPFT] (our Trust), is a provider of mental health and learning disability services.

The Trust is committed to providing excellent health and social care for people with mental ill health with physical ill health and those with learning disabilities.

Our Trust is a provider of mental health and learning disability services and is committed to providing excellent health and social care for people with mental ill health with physical ill health and those with learning disabilities.

Our vision:

Delivering great care, achieving great outcomes – together

Our mission:

We help people of all ages live their lives to their full potential by supporting them to keep mentally and physically well

We provide services that make a positive difference to the lives of patients, service users and their carers which are underpinned by the principles of choice, independence and equality.

2016 saw us launch our Good to Great strategy – to services users, partners and staff. This strategy articulates the way in which we want to deliver the highest quality services and become an outstanding Trust. At the heart of this is our belief that that 'Great Care and Great Outcomes' are delivered by 'Great People' supported by a 'Great Organisation' And 'Great Partnerships and Networks'. This means shaping services around the needs of service users, working closely with them to continuously improve the care we deliver.

In 2016/2017 we continued to provide:

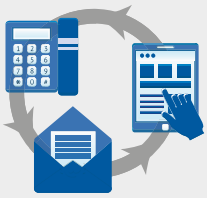
- The full range of mental health care and treatment for people in Hertfordshire with mental ill health, including alongside GPs a comprehensive primary care service for those with more common mental health problems
- Inpatient and specialist community health care for adults with learning disabilities in Hertfordshire, North Essex and Buckinghamshire
- Secure inpatient services for adults with learning disabilities and challenging behaviour in Hertfordshire and Norfolk and an Assessment and Treatment unit for people with learning disabilities at Astley Court in Norfolk
- Specialist services for:
  - Adolescents who need mental health inpatient care
  - Community perinatal care (mother and baby)
  - The treatment of severe obsessive-compulsive disorder.
- In addition to the enhanced primary care mental health services (in partnership with MIND) that we were already providing in Mid and North East Essex we now also provide this service in West Essex as part of a new contract.

We employed 3,648 (substantive and temporary) staff based at 49 sites, and we budgeted to spend c£213m on our services.
Below provides a breakdown of further data:

3,135
people on CPA at the end of Q4

555
Starters in 2016/17

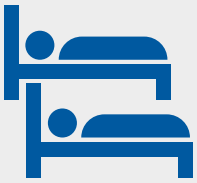
447
Leavers in 2016/17



26,243
new spells of secondary care in 2016/17

1,156
admissions to adult acute wards in 2016/17

339,384
face-to-face contact in secondary services in 2016/17



477
inpatient beds at end of Q4

As a Trust we continue to be keen to share information publicly about the quality of the services we provide and also about our continuous quality improvement work, aiming to result in 'great care and great outcomes'. This report is one of the many ways in which we are doing this.

Our partnership arrangements with Hertfordshire County Council provide us with an excellent opportunity to develop a recovery orientated approach, based on a holistic assessment of an individual's health and social care needs. Working in partnership, we are able to play a full part in the local health and social care economy to which we serve by promoting greater integration between mental health, physical wellbeing and social care.

We are a University Trust, continuing to maintain its close links to the University of Hertfordshire, providing excellent learning and development opportunities for our staff, as well as further strengthening clinical research.

What is a Partnership University Foundation Trust?

An NHS Foundation Trust is a type of NHS Trust in England that is an independent legal entity and has unique governance arrangements. It has been created to devolve decision-making from central government control and it is accountable to local people. NHS Foundation Trusts provide services that are based on the core principles of the NHS: free care, based on need and not the ability to pay. Foundation Trusts have members that are service users, members of the public and staff as well as a Board of Governors that are elected from the membership.

HPFT is a Partnership Trust; this means that we provide health and social care for people with mental ill health, physical ill health and those with a learning disability. Our partnership arrangements with the local authority provide an excellent opportunity to develop a recovery oriented approach based on a holistic assessment of both health and social care needs. We also aim to play a full part in the local health and social care economies that we serve by promoting greater integration between mental and physical health and social care.

HPFT is a University Trust, with close links to the University of Hertfordshire, providing excellent learning and development opportunities for staff, as well as strengthening clinical research.

Our commissioners

The Trust continues with its commitment to close working and in partnership with the commissioners of our services. These include both County Council and Clinical Commissioning Groups (CCGs). The Trust has service commissioned by each of the following organisations:

- East and North Hertfordshire CCG
- Herts Valley CCG
- Hertfordshire County Council (HCC)
- Cambridge and Peterborough CCG
- North Essex CCG
- West Essex CCG

- Mid Essex CCG
- Norwich CCG
- South Norfolk CCG
- North Norfolk CCG
- West Norfolk CCG
- Great Yarmouth and Waveney CCG
- NHS England Midlands and East
- Barnet CCG
- London Borough Hillingdon CCG
- NHS Aylesbury Vale CCG
- NHS Chiltern CCG.

Of the Nationally Commissioned Services that NHS England commissions, the Trust delivers on the following Specialist Services:

- Tier 4 Child and Adolescent Mental Health Services (CAMHS)
- Perinatal Services
- Low Secure Mental Health
- Medium and Low Secure Learning Disabilities
- Highly Specialist Obsessive-Compulsive Disorder and Body Dysmorphic Disorder Service.

What is commissioning?

Commissioning is the process of planning, agreeing and monitoring services. It involves health-needs assessment for a population, clinically based design for patient (service user) pathways, service specification and contract negotiation and procurement, with continuous quality assessment.

This report

This report can be used to publicise and raise awareness of the work the Trust is doing to provide great care and great outcomes for the people we serve in Hertfordshire, Essex, Norfolk and Buckinghamshire.

If you have any comments on anything we have said in this report, or simply want to know about HPFT, please do not hesitate to contact Jacky Vincent, Deputy Director of Nursing and Quality quality.account@hpft.nhs.uk

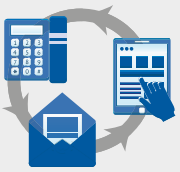
The Quality Account will be published before 1st July 2017 on the NHS Choices website and on our website: www.hpft.nhs.uk

Paper versions and other formats are available from our Communications team who can be contacted on 01707 253902. Alternatively, you can email the Communications Department by contacting Helen Bond at comms@hpft.nhs.uk

The Trust in 2016/2017

Mental Health
community and learning disability services for children and adults

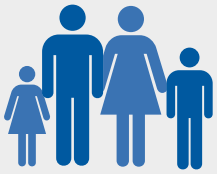
339,384
service user contacts



24,709
referrals through our Single Point of Access (SPA)

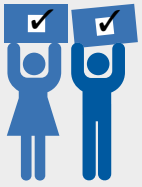
270,712
IAPT contacts

163,522
occupied bed days



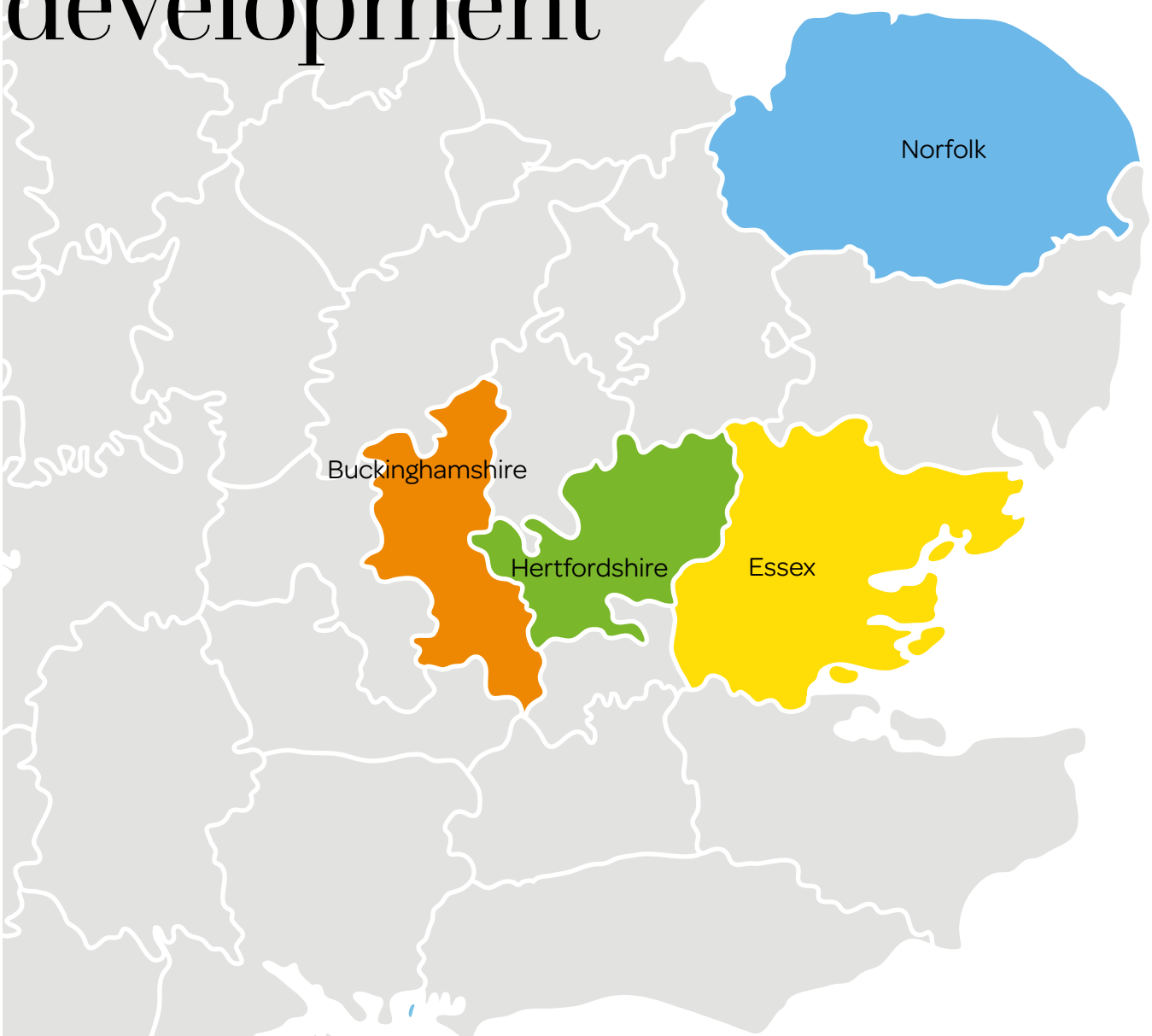
76%
would recommend us to friends and family

3,648
(substantive and temporary) staff working across 49 Trust sites



Mental health top scorer for staff motivation, quality of appraisals, quality of non-mandatory training and learning or development

Mental Health top scorer for staff motivation, quality of appraisals, quality of non-mandatory training and learning or development



Part 2 – Priorities for improvement and statement of assurance from the Board

The Trust is committed to delivering great care and great outcomes and, with this in mind, we have worked in partnership with others over the years to enable us to identify areas for improvement.

The quality priorities fall into three categories:

- Patient (service user) Safety
- Clinical Effectiveness
- Patient (service user) Experience

This part of the report sets out:

- The priorities that have been identified for 2017/18 and how these are determined
- Statements of assurance from our Trust Board
- Our performance against our priority areas for 2016/17.

Our Quality Account gives us an opportunity to share our performance against our priority areas for 2016/17, describe our priority areas for 2017/18 as well as to showcase notable and innovative practice that have taken place across our services during this year.

What are quality account priority categories?

These categories were defined by Lord Ara Darzi in his NHS review of the Department of Health, in which he emphasised that quality should be a central principle in healthcare.

2.1 Priorities for quality improvement 2017/2018

This section of the report looks ahead to our priorities for quality improvement in 2017/18. Our Trust Board has agreed 12 key quality priorities for 2017/18 and the targets were agreed in the May 2017 Board meeting. The 12 selected quality priorities were identified through considering the feedback from a wide variety of sources and are spread across the three categories of Patient (service user) Safety, Clinical Effectiveness and Patient (service user) Experience. This included the work that we have done to date so to improve upon the quality of our services and our commitment as a Trust to build on what we have achieved so far.

The 12 core targets were chosen through a consultation process, but these represent only a small sample of the large number of quality initiatives which are undertaken. The priorities set for 2016/17 will continue to be monitored and worked on so to ensure they each remain a focus.

The final 12 priorities for 2017/18 were specifically chosen as they are areas which will potentially have a significant impact on the safety and the quality of our services. If an area which was identified through the consultation process that will be monitored through a Commissioning for Quality and Innovation (CQUIN) in 2017/18, it was not included in the final 12. The rationale for this is that there will continue to be robust monitoring and assurance in place to ensure quality in that particular area.

What is a Trust Board?

The Board of Directors are responsible for the running and management of the Trust. The group is made up of Directors, including the Chief Executive, who are full time senior staff, plus an independent lay Chairman and Non-Executive Directors who hold part-time positions.

Consultation process

How we chose our quality priorities

Initially, there were 13 quality priorities developed through considering a wide range of documents, surveys and information available to the Trust about the quality of our services and the priorities for our stakeholders. These were considered alongside the commissioner's commissioning and quality priorities for this year. These included:

- Five Year Forward View
- The NHS England Business Plan 2016 – 2017
- NHS Outcomes Framework 2016/17
- Care Quality Commission, from the announced and unannounced inspections that have taken place throughout the year
- Department of Health, with specific reference to:
  - 'No health, without mental health' (2011)
  - 'Mental health: priorities for change' (2014)
  - 'Future in mind: Promoting, protecting and improving our children and young people's mental health and wellbeing' (2015).
- Internal assurance inspections
- Hertfordshire Dementia Strategy 2015-2020
- Hertfordshire Mental Health Strategy 2016-2021
- CAMHS Transformation Plan
- Transforming Care: A National response to Winterbourne View Hospital 2012
- Crisis Care Concordat
- Hertfordshire Concordat action plan
- Health and Wellbeing Strategy
- Commissioning priorities
- Feedback from people who access our services using a 'Having Your Say' form
- Feedback from our staff via 'Pulse survey' and our communication to them in our weekly internal bulletin
- King's Fund report on Quality Accounts
- National Institute for Health & Care Excellence publications including their quality standards
- 'Preventing Suicide in England: two years on'. Second annual report on the cross-government outcomes strategy to save lives.' Department of Health 2015
- Lessons learnt from complaints and compliments
- Learning from serious incidents
- Internal assurance and internal audit reports
- National guidance.

The proposed quality priorities were set out with the information about how they would be measured and presented to a wide range of stakeholders so that they could make an informed decision about what they would like the Trust quality priorities for 2017/18

to be. For a detailed description of the chosen priority indicators with the rationale for what is being addressed, why it was being addressed and how it will be measured, please see pages 95 to 104.

Direct feedback and contributions on the proposed priorities were sought from the following stakeholders:

- Adult Service User Council
- Carers Council
- Trust Governors, through the subgroup that leads on Quality
- Trust Board of Governors
- Trust clinicians and managers

We are grateful to all who have contributed to, supported and worked with us in reviewing and setting our quality plans for 2017/18 and will work in partnership with out stakeholders to deliver great care and achieve great outcomes.

Who are stakeholders?

A stakeholder is anyone with a concern or interest who needs to be involved.

Artwork supplied by the HPFT Art Collection

What we heard during the consultation

The overall feedback was very positive. Stakeholders reported that they found the priority indicators were laid out very well and easy to read. They felt that the indicators covered an array of different service areas. Our Board of Governors were particularly interested in incidents (which is a mandatory field to report on) and carers feeling valued by staff.

Other feedback received which is outside the parameters of the indicators, was the need to ensure that physical health monitoring is undertaken within community services; also to gain greater insight into the quality and the experience of service users and carers when they are having a Care Programme Approach (CPA) review.

Selection and monitoring

This year, we continue to remain very clear that our priories should cover all three domains of quality:

- **Safety:** avoidance of preventable incidents from serious incidents such as suicides to more low level incidents such as slips, trips and falls; helping inpatients to feel safer, reducing actual or threatened assaults on inpatients units, planning services so that they are as safe as possible; assessing and managing each service user's risks with them effectively
- **Clinical Effectiveness:** making sure that access to services is good for both urgent and routine care; enabling service users to move on when they are ready; providing interventions that work
- **Service User and Carer Experience:** recognising that a service is not good unless it is experienced as good; having flexible ways of hearing from service users and carers and acting on what is said; using the Friends and Family Test questions to measure quality.

On the basis of our consultation and planning, the 12 quality priority areas for 2017/18 that were agreed at the Trust Board are:

Patient (service user) Safety	
1	Every discharge 7 day follow up (NHSI mandatory)
2	CPA Reviews within 12 months
3	Service users receiving a physical health check within 24 hours of admission
4	Rate of service user incidents and the number and percentage of such service user safety incidents that resulted in severe harm or death (NHSI mandatory)
Clinical Effectiveness	
5	Delayed Transfer of Care (DToC)
6	Emergency readmission within 28 days (NHSI mandatory)
7	Improving Access to Psychological Therapies (IAPT) recovery rate
8	First Episode Psychosis (FEP) waits 14 days (NHSI mandatory)
Service User and Carer Experience	
9	Service users reporting their experience of Community Mental Health Services (NHSI mandatory)
10	Carers feeling valued by staff
11	Staff Experience Friends and Family Test
12	Friends and Family Test

Detail of each priority

All figures will be reported on by the Performance Team on a monthly basis for goals 1-10, and quarterly on 11-12. The exception is indicator 4, which is reported six monthly by our Patient Safety Manager.

Data quality is important in ensuring the accuracy, validity and reliability of the Key Performance Indicators (KPIs) and where possible, the Performance Team will undertake work to ensure this.

The Performance Team is internally and externally audited annually with auditors checking a sample of reports to ensure accuracy.

Name of scheme	1. 7 day follow up after discharge			
Related NHS Outcomes Framework Domain and who will report on them	1: Preventing people from dying prematurely 2: Enhancing quality of life for people with long-term conditions **All Trusts providing mental health services**			
Detailed descriptor	The proportion of service users discharged from inpatient adults (>16) mental health care who are followed up within 7 days. It is deemed that all people discharged from hospital who are on CPA will be followed up.			
Data Definition	Service user is followed up either by face to face contact or by telephone within 7 days of discharge, whether the Trust contacts the service user or the service user contacts the Trust. The 7 day period should be measured in days not hours and starts on the day after discharge.			
Exemptions	• Service users who die within 7 days of discharge or discharged as a result of death • Where legal precedence has forced the removal of the service user from the country • Service users transferred to NHS psychiatric inpatient ward. • Children and Adolescent Mental Health Services (CAMHS) & Learning Disabilities (LD) (This does not include CAMHS and LD as it is not currently within the scope of the National indicator) • The seven-day period should be measured in days, not hours, and should start on the day after the discharge.			
How will this data be collated	Data will be collated by the Performance Team and reported on a monthly basis			
Validation	A random sample is validated by Data Quality Officers monthly to ensure that the follow up has been completed as stated in the performance report			
Performance in Q1 to Q4 in 2016-17	Q1	Q2	Q3	Q4
	97.4%	98.5%	97.3%	98.5%
Performance in Q1 to Q4 in 2015-16	Q1	Q2	Q3	Q4
	100%	98.74%	99.17%	99.2%
Performance in Q1 to Q4 in 2014-15	Q1	Q2	Q3	Q4
	97.3%	98.3%	100%	98.72%
Target	95% rate of service users followed up after discharge from the Acute Care Pathway			

Name of scheme	2. CPA Reviews within 12 months
Detailed Descriptor	The proportion of those on Care Programme Approach (CPA) for at least 12 months who had a CPA review within the last 12 months
Data Definition	CPA meetings may occur within community or hospital settings and should be used to fulfil statutory requirements in accordance with Section 117, Mental Health Act (MHA) (aftercare). These meetings will be convened by the care co-ordinator. They should be approached in a flexible manner which encourages full service user involvement and should be supported by an advocate if required. This does not include LD services (Essex, Norfolk or Herts)
Exemptions	• Service users not on CPA • Those have received services for less than 12 months in the current spell.
How will this data be collated	Data will be collated by the Performance Team and report on a monthly basis
Validation	A random sample is validated by the local PACE Team through an internal audit. Findings will be shared Trust-wide

Performance in Q1 to Q4 in 2016-17	Q1	Q2	Q3	Q4
	96.5%	96.8%	95%	96.8%
Performance in Q1 to Q4 in 2015-16	Q1	Q2	Q3	Q4
	97%	97.2%	96.7%	97.7%
Performance in Q1 to Q4 in 2014-15	Q1	Q2	Q3	Q4
	97.89%	96.47%	95.65%	96.28%
Target	95% of service users on CPA, who have been receiving services for over 12 months in the current spell should have a CPA review			

Name of scheme	3. Service users receiving a physical health check within 24 hours of admission			
Detailed descriptor	People with severe mental illness who have received a list of physical checks (in-patients only) in 24 hours			
Data definition	All adult acute inpatients, as per Hertfordshire contract should have a comprehensive physical examination within 24 hours of admission. This must be recorded on the Electronic Patient Record (EPR)			
Exemptions	• If immediately not possible at the time of admission, the admitting Doctor/Nurse must make arrangements for this to be completed on the next working day • If the patient refuses to consent at the time of admission, this should be recorded in the patient's clinical record. The admitting Doctor/Nurse should still make a record of basic observable physical signs, such as levels of consciousness, skin colouring/condition, etc. • This is only applicable to adult inpatient units. As historically, this was a priority area agreed with Commissioners and excludes CAMHS, LD and older people's services			
How will this data be collated	Data will be collated by the Performance Team and report on a monthly basis			
Validation	Those service users with an inpatient physical health check are validated by the Performance Officer to ensure accuracy.			
Performance in Q1 to Q4 in 2016-17	Q1	Q2	Q3	Q4
	96.9%	99.7%	99.6%	99.3%
Performance in Q1 to Q4 in 2015-16	Q1	Q2	Q3	Q4
	96.57%	98.34%	96.6%	99.31%
Performance in Q1 to Q4 in 2014-15	Q1	Q2	Q3	Q4
	37.2%	84%	89.3%	96.4%
Target	98% all service users admitted to an adult inpatient ward should have a physical health check within 24 hours			

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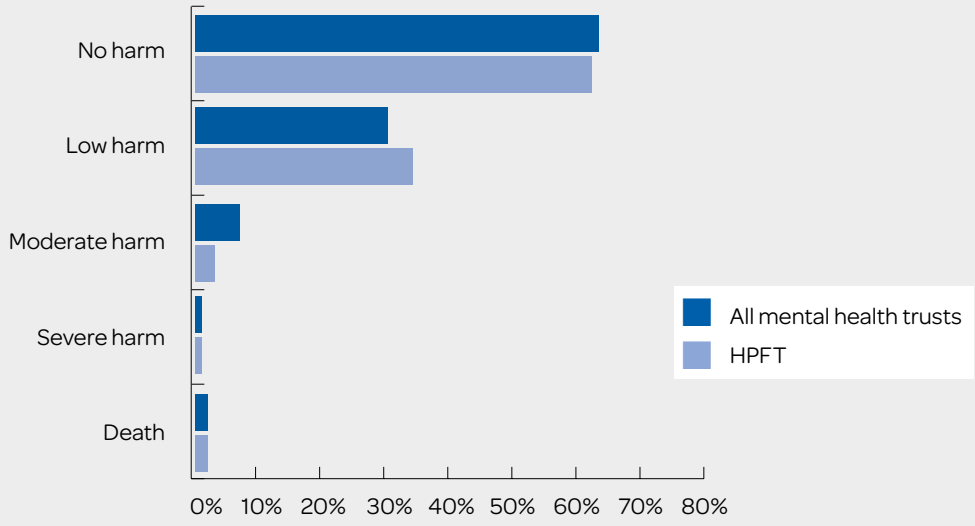
Name of scheme	4. Rate of service user incidents and the number and percentage of such service user safety incidents that resulted in severe harm or death
Related NHS Outcomes Framework Domain and who will report on them	Treating and caring for people in a safe environment and protecting them from avoidable harm
Detailed descriptor	The number and, where available, rate of patient (service user) safety incidents reported within the Trust during the reporting period, and the number and percentage of such patient (service user) safety incidents that resulted in severe harm or death
Data definition	The number and rate of patient (service user) safety incidents during the reporting period and the percentage of such patient (service user) safety incidents that results in severe harm or death
Exemptions	Incidents reported on Datix, the Trust's incident reporting system that does not meet NRLS criteria for a patient safety incident.
How will this data be collated	The Safer Care Team upload data onto the National Reporting and Learning System (NRLS) which is a central database of patient safety incident reports. All information submitted is analysed to identify hazards, risks and opportunities to continuously improve the safety of service user care.
Validation	This data is validated via the NRLS which is managed by NHSI.
Performance for October 2015 to March 2016	The following data on deaths reported by Mental Health Trusts including the Trust was published by NHSI in March 2017.

% Incidents reported to NRLS by Harm Severity
October 2014-September 2016



Artwork supplied by the HPFT Art Collection

Name of scheme	5. Delayed Transfer of Care				
Related NHS Outcomes Framework Domain and who will report on them	All trusts.				
Detailed descriptor	A Delayed Transfer of Care occurs when an adult inpatient (including LD – Essex, Norfolk included) in hospital no longer requires treatment within an inpatient setting. Sometimes referred to in the media as 'bed-blocking'.				
Exemptions	Children under the age of 18 years of age				
Validation	Data will be collated by the Performance Team and report on a monthly basis				
How will this data be collated	Acute, Elderly and LD&F have weekly MDT meetings on each ward where the service user is discussed. If the MDT agree that the service user no longer requires acute treatment, the staff record this as a Delayed Transfer of Care on the service users' case notes. This information is then recorded on a delayed transfer of care form. This information is reviewed weekly both at the ward level and at a weekly delayed transfer of care meeting. This information is then feedback to the performance team, who produce an overall picture of the Trust's performance on Delayed Transfers of Care.				
Performance in Q1 to Q4 in 2016-17	Q1	Q2	Q3	Q4	Overall 16/17
	6.7	7.1	6.0	8.3	6.9
Performance in Q1 to Q4 in 2015-16	Q1	Q2	Q3	Q4	
	5.6	6.6	7.0	5.8	
Performance in Q1 to Q4 in 2014-15	Q1	Q2	Q3	Q4	
	6.0	6.4	5.0	4.2	
Target	< = or less than 7.5%.				

The Delayed Transfer of Care has been subject to external audit this year and issues have been identified relating to the reliance on manual processes to report the data, and the retention of an adequate audit trail.

Following this, we have reviewed our systems and processes in both Adult and Older Peoples Services and these have now been strengthened considerably. The Trust recognises that there is further work to be undertaken within our Adult Services to ensure that accurate recording of date of discharge appear on the Service Users Electronic Patient Record as well as the Bed Management reporting systems. Ongoing Audit is being undertaken to monitor compliance and an updated report will be presented to the Audit Committee in the Autumn

Name of scheme	6. Emergency readmission within 28 days			
Related NHS Outcomes Framework Domain and who will report on them	3: Helping people to recover from episodes of ill health or following injury **All trusts.**			
Detailed descriptor	Emergency readmissions to hospital within 28 days of discharge from an inpatient ward			
Data definition	This indicator measures the percentage of admissions of people who reside in Hertfordshire who have returned to hospital as an emergency within 28 days of discharge after an inpatient stay. It aims to measure the success of the NHS in helping people to recover effectively from illnesses. If a person does not recover well, it is more likely that they will require hospital treatment again within the 28 days following their previous admission. Thus, readmissions are widely used as an indicator of the success of healthcare in helping people to recover. This indicator is currently only reported for those residing in Hertfordshire, as required by the Hertfordshire Commissioners.			
Exemptions	People who self-discharged are excluded and only applies to adult inpatient wards			
How will this data be collated	Data will be collated by the performance team and report on a monthly basis			
Validation	Data is validated by the Strategic Business Unit who look at all re-admissions on a monthly basis to ensure accuracy of the report and give a narrative as to why there was a re-admission.			
Performance in Q1 to Q4 in 2016-17	Q1	Q2	Q3	Q4
	4.31%	5.25%	4.8%	4.2%
Performance in Q1 to Q4 in 2015-16	Q1	Q2	Q3	Q4
	6.61%	4.35%	6.43%	3.87%
Performance in Q1 to Q4 in 2014-15	Q1	Q2	Q3	Q4
	10.7%	6.0%	7.2%	4.5%
Target	<=7.5% of discharges from inpatient units excluding self-discharge			

Name of scheme	7. Improving Access to Psychological Therapies (IAPT) recovery rate			
Detailed descriptor	This is a count of the number of people who have moved to recovery divided by the number who have attended two or more treatment sessions, discharged in the reporting period less the number not deemed at 'caseness'			
Data definition	The definition for this measure is dictated by NHS Digital http://content.digital.nhs.uk/media/13514/IAPT-v15-Technical-Output-Specification/xls/IAPT_Data_Set_v1.5_Technical_Output_Specification.xls			
Exemptions	There are no exemptions to this Key Performance Indicator (KPI)			
How will this data be collated	It is collated from the day to day activity recorded by clinical teams who discharge cases. The data is extracted using either PCMIS reporting or the Business Intelligence T-SQL programming.			
Validation	Business Intelligence T-SQL programming for recovery has been validated against PCMIS reporting and matches. PCMIS reporting validated by PCMIS.			
Performance in Q1 to Q4 in 2016-17	Q1	Q2	Q3	Q4
	52.5%	52.7%	51.9%	54.7%
Performance in Q1 to Q4 in 2015-16	Q1	Q2	Q3	Q4
	50.1%	51.6%	51.4%	54.6%
Performance in Q1 to Q4 in 2014-15	Q1	Q2	Q3	Q4
	50.1%	51.6%	51.4%	54.6%
Target	50% IAPT recovery rate			

Name of scheme	8. First Episode Psychosis (FEP) waits within 14 days			
Detailed descriptor	The standard requires that more than 50% of people experiencing first episode psychosis (FEP) will commence treatment with a NICE approved care package within two weeks of referral.			
Data definition	A maximum wait time of two weeks from referral to treatment			
Exemptions	Service users who do not fulfil the criteria for FEP			
Validation	Performance and service validate the data on the waiting time			
How will this data be collated	Data will be collated by the Performance Team and report on a monthly basis			
Performance in Q1 to Q4 in 2016-17	Q1	Q2	Q3	Q4
	57.6%	78.41%	74.5%	78.8%
Performance in Q1 to Q4 in 2015-16	Q1	Q2	Q3	Q4
	43	42	46	39
	In total the Trust received 170 new referrals against a target of 150. Note that the target and therefore measurement will change as from the 1st April 2016).			
Performance in Q1 to Q4 in 2014-15	Q1	Q2	Q3	Q4
	51	48	34	44
	In total the Trust received 177 new referrals against a target of 150			
Target	50%.			

Name of scheme	9. Service users reporting their experience of Community Mental Health Services			
Detailed descriptor	Service users' experience of community mental health services with regard their experience of contact with a health or social care worker, whether this was in line with Trust Values			
Data definition	*Having your Say* is offered to all service users at point of entry to the Trust, all questions are set against the Trust Values. Once received they are entered onto the Membership Engagement System (MES) which is the Trusts service experience dashboard, and reported upon by the performance team. Once a year an external audit is undertaken by The NHS Patient Survey Programme Team. They use a postal survey approach: ie a questionnaire is sent to people's home addresses.			
Exemptions	People who were only seen once for an assessment, current inpatients, and anyone primarily receiving treatment in specific areas such as drug and alcohol abuse, learning disability services and specialist forensic services. Under 18 year olds			
How will this data be collated	Data will be collated by the performance team and report on a quarterly basis and data collected by The NHS Patient Survey Programme Team will be reported on an annual basis			
Validation	All surveys are re-checked for accuracy and 5% of the monthly inputs are re-checked by the Service Experience Lead.			
Performance in Q1 to Q4 in 2016-17	Q1	Q2	Q3	Q4
	91.5%	89.3%	92.2%	90.5%
Performance in Q1 to Q4 in 2015-16	Q1	Q2	Q3	Q4
	92.3%	90.9%	87.2%	93.1%
Performance in Q1 to Q4 in 2014-15	Q1	Q2	Q3	Q4
	72.8%	75.7%	78.35%	86.0%
Target	>=75%.			

Name of scheme	10. Carers feeling valued by staff			
Detailed descriptor	Carers feeling valued by staff.			
Data definition	*Having your Say* is offered to all carers. All questions are set against the Trust values. One particular question asks *"Do you feel valued by staff as a key partner in care planning?"* The carer has the following options to choose from – Yes, Sometimes, No, Don't Know. Once the completed questionnaires are received they are entered onto the Membership Engagement System which is the Trusts service experience dashboard, and reported upon by the Performance Team. Only replies that are recorded as 'Yes' are taken to be a positive answer			
Exemptions	No exemptions.			
How will this data be collated	Data will be collated by the performance team and report on a quarterly basis			
Validation	All surveys are re-checked for accuracy and 5% of the monthly inputs are re-checked by the Service Experience Lead.			
Performance in Q1 to Q4 in 2016-17	Q1	Q2	Q3	Q4
	88.4%	89.3%	84%	88.1%
Performance in Q1 to Q4 in 2015-16	Q1	Q2	Q3	Q4
	84.5%	76.2%	84.1%	75%
Performance in Q1 to Q4 in 2014-15	Q1	Q2	Q3	Q4
	68.3%	72.8%	84.1%	75%
Target	>/=75%.			

Name of scheme	11. Staff Experience Friends and Family test			
Related NHS Outcomes Framework Domain and who will report on them	4: Ensuring that people have a positive experience of care **All trusts.** **The primary purpose of staff FFT is to support local service improvement work.**			
Detailed descriptor	Friends and Family Test (FFT)			
Data definition	The FFT is a feedback tool which allows staff to give their feedback on Trust services. The FFT asks how likely staff are to recommend the services they work in to friends and family who may need treatment or care and also as the employer of choice. Participants respond to FFT using a response scale, ranging from "extremely unlikely" to "extremely likely". They also have the opportunity to provide a free text comment after each of the two FFT questions. The percentage of staff employed by, or under contract to, the Trust during the reporting period who would recommend the trust as a provider of care to their family or friends. This question is in the Trusts Pulse survey This is also an NHS England statutory submission.			
Exemptions	None.			
How will this data be collated	Staff FFT data is to be collected and submitted quarterly for Q1, Q2 and Q4 after the end of each quarter. For Q3 (when the annual NHS staff survey is undertaken)			
Performance in Q1 to Q4 in 2016-17	**Q1**	**Q2**	**Q3**	**Q4**
	76.98%	77.4%	76.1%	75.3%
Performance in Q1 to Q4 in 2015-16	**Q1**	**Q2**	**Q3**	**Q4**
	63.7%	62.3%%	70.7%	72.5%
Performance in Q1 to Q4 in 2014-15	**Q1**	**Q2**	**Q3**	**Q4**
	68.88%	63.25%	60.0%	58.3%
Target	Staff Friends and Family Test (FFT) – recommending Trust services to family and friends if they need them >=70%			

Name of scheme	12. The percentage of staff recommending the Trust as a place to work			
Detailed descriptor	Friends and family Test.			
Data definition	As stated above the FFT is a feedback tool which allows staff to give their feedback on Trust services. To measure this target the Trust will follow the same process as described above. The percentage of staff that would recommend the Trust as a place to work. This is also an NHS England statutory submission.			
Exemptions	None.			
How will this data be collated	Staff FFT data is to be collected and submitted quarterly for Q1, Q2 and Q4 after the end of each quarter. For Q3 (when the annual NHS staff survey is undertaken)			
Performance in Q1 to Q4 in 2016-17	**Q1**	**Q2**	**Q3**	**Q4**
	69.0%	67.8%	68.8%	65.8%
Performance in Q1 to Q4 in 2015-16	**Q1**	**Q2**	**Q3**	**Q4**
	51.2%	49.6%	56.4%	55.6%
	How likely are you to recommend HPFT to friends and family as a place to work?			
Performance in Q1 to Q4 in 2014-15	**Q1**	**Q2**	**Q3**	**Q4**
	57.3%	45.2%	47.0%	44.9%
Target	>/=55%.			

How these targets will be monitored

Progress on the implementation of each of the quality improvement areas will be measured and monitored throughout the year, with additional audits to ensure that the data collected is reliable and valid.

What does reliable mean?

If the data is reliable then it is giving a consistent result.

What does valid mean?

If a measure is valid then it is measuring what it is supposed to measure.

A robust reporting framework has been put into place to ensure positive progress and also any challenges that arise are addressed as early as possible. The results will continue to be reported to the Trust Board and our commissioners every quarter at our Quality Review Meeting. As with last year, we intend to engage with our key stakeholders on our progress throughout this year. Once the targets have been agreed by the Board, trajectories for each quarter will then be set, with plans developed to ensure that these priorities are achieved.

Progress to achieve these targets will be reported through the Trust Governance structures with the quality and accuracy of the data being assured by the performance team in accordance with Trust policies.

2.2 Statements of assurances

This section of the report explains how the Trust has provided assurance in relation to the services it provides. This is demonstrated through clinical networks, audit and our CQC inspection report. During 2016/17 the Trust provided 34 relevant health services (listed below). The Trust has reviewed all the data available to them on the quality of care in these 34 services.

1	Adult Community Mental Health Services	17	Carers Service
2	Wellbeing Services delivering Improving Access to Psychological Therapies (IAPT)	18	Pharmacy
		19	Mental Health Act Legal Services
3	Adult Crisis and Alternatives to Admissions	20	Continuing Health Care
4	Adult Acute Inpatient Services	21	Community Forensic Mental Health and Mental Health Liaison Diversion Team
5	Services for People in Later Life and those with Dementia		
6	Secondary Commissioning of Placements	22	HomeFirst Community Services
7	Rapid Assessment, Interface and Discharge (RAID) Service	23	Inpatients CAMHS
8	Rehabilitation Service	24	Mother and Baby Unit
9	First Episode Psychosis (FEP)	25	Specialist Obsessive Compulsive Disorder and Body Dysmorphic Service
10	Targeted Provision for Child and Adolescent Mental Health Services		
		26	Psychiatric Intensive Care
11	Tier-3 Provision of Child and Adolescent Mental Health Services	27	West, Mid and North Essex IAPT
		28	Essex inpatient and Community Learning Disability Service
12	CAMHS Crisis Assessment and Treatment Team (C_CATT) Service	29	Norfolk Assessment and Treatment Inpatient Service
		30	Forensic Medium Secure Service
13	Eating Disorder Provision for Child and Adolescent Mental Health Services	31	Community Peri-natal Service
		32	Forensic Mental Health & Learning Disability Low Secure
14	Learning Disability Service at Forest Lane	33	Specialist Community Learning Disability Service Buckinghamshire
15	Specialist Learning Disability Assessment and Treatment Service		
		34	Assessment & Treatment Inpatient Learning Disability Services Buckinghamshire
16	Single Point of Access (SPA)		

The income that was generated by the relevant health services reviewed in 2016/17 represents 100% of the total income generated from the provision of relevant health services by the Trust.

Clinical audits

The Trust has its own Practice Audit and Clinical Effectiveness Team (PACE) who lead on clinical audit work for the Trust.

What is the Practice Audit and Clinical Effective (PACE) team?

The PACE team is the service in our Trust that offers guidance, support and assurance in relation to quality and service improvement.

At the start of the financial year PACE consult with a range of leads and managers across all Trust services to develop a programme of audits. This includes nationally mandated audits, those required to monitor our contractual arrangements, CQC etc as well as a vast variety of audit topics requested internally.

All completed audits are subjected to a governance process which ensures a robust action plan is developed to ensure improvements are made. Completed reports are then discussed at the Practice Audit Implementation Group (PAIG) whose members include the Associate Medical Director, Clinical Director, Chief Pharmacist and representation from other clinical disciplines. Once reports have been discussed and approved at PAIG they are disseminated throughout the Trust in order to share learning.

What is a clinical audit?

A clinical audit is a process that measures service user care and the outcomes of involvement with our services through a systematic review of care against explicit criteria and the implementation of change.

National clinical audits

Participating in National Quality Improvement Programmes and quality accreditation programmes provide us with a way of comparing our performance against other Mental Health Trusts across the country. This not only helps us to benchmark our performance against other Mental Health providers, it also presents us with an opportunity to provide assurances that our services are continuously striving to reach the highest standards set by the professional bodies, such as, The Royal College of Psychiatrists and National Prescribing Observatory for Mental Health (POMH-UK).

The national clinical audits and national confidential enquiries that Hertfordshire Partnership Foundation Trust participated in, and for which data collection was completed during 2016/17 are listed below alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

During 2016/17 the Trust was eligible for six national clinical audits, of which we participated in 5 (83%). The Trust was also eligible to participate in one National Confidential Enquiry, which it participated in (100%). The Trust did not participate in the POMH-UK Rapid Tranquilisation audit in the context of the pharmacological management of acutely-disturbed behaviour as we were about to launch the new Rapid Tranquilisation Policy, and may have confused staff.

- CQUIN – Physical Health for People for Serious Mental Illness Inpatients
- CQUIN – Physical Health for People for Serious Mental Illness Community
- The National Prescribing Observatory for Mental Health (POMH-UK) – Topic 11c Prescribing Antipsychotic Medication for People with Dementia
- The National Prescribing Observatory for Mental Health (POMH-UK) – Topic 7E monitoring patients prescribed lithium
- The National Prescribing Observatory for Mental Health (POMH-UK) – Topic 1g and 3d Prescribing high dose and combined antipsychotics.
- National Confidential Enquiry into Suicides and Homicides: The Management and Risk of Patients (service users) with Personality Disorder Prior to Suicide and Homicide.

Table X provides detail of these audits

National audit	Trust participation		National participation	
	Teams	Submissions	Teams	Submissions
CQUIN – Physical Health for People for Serious Mental Illness Inpatients	Inpatient wards in Hertfordshire including; Acute, Rehab, Older People, PICU, Learning Disability	50/155	*N/A	*N/A
CQUIN – Physical Health for People for Serious Mental Illness Community	Adult Community Teams in Hertfordshire	100/719 (14%)	*N/A	*N/A
POMH-UK Topic 11c	14	200	508	10,199
POMH-UK Topic 7e	14	88	829	5,182
POMH-UK Topic 1g &3d	14	*N/A	*N/A	*N/A

** This information is not yet available.*

Topic 11c: Prescribing Antipsychotic Medication for People with Dementia

Practice Standard	Trust Compliance	National Average
The clinical indications (target symptoms) for antipsychotic treatment should be clearly documented in the clinical records.	100%	97%
Before prescribing antipsychotic medication for behavioural and psychological symptoms in dementia (BPSD), likely factors that may generate, aggravate or improve such behaviours should be considered.	88%	73%
The potential risks and benefits of antipsychotic medication should be considered and documented by the clinical team, prior to initiation.	33%	55%
The potential risks and benefits of antipsychotic medication should be discussed with the patient and/or carer(s), prior to initiation.	56%	62%
Medication should be regularly reviewed, and the outcome of the review should be documented in the clinical records. The medication review should take account of: a) therapeutic response b) possible adverse effects.	 a) 96% b) 88%	 a) 81% b) 58%

Topic 7e: Monitoring Patients Prescribed Lithium

Practice standard	Trust compliance	National average
Renal function tests; e-GFR or creatinine clearance;	90%	83%
Thyroid function tests (TFTs)	90%	83%
Serum calcium	53%	52%
Weight or BMI.	53%	52%
The following tests/measures should be conducted during maintenance treatment:		
Serum lithium level every 6 months;	81%	82%
Renal function tests (e-GFR) every 6 months	62%	73%
Thyroid function tests every 6 months	72%	66%
Serum calcium every 6 months	14%	55%
Weight or BMI during the last year.	26%	43%

The reports of 2 out of 3 national POMH-UK audits were reviewed by the Trust in 2016/17 and we are awaiting the results of the 2 National Physical Health audits. The Trust intends to take the following actions to improve the quality of healthcare provided;

- To continue with the quality approach undertaken by the Practice Audit and Clinical Effectiveness (PACE) team this year which involves ongoing 'dip audits', monthly summaries and quarterly reports were used to monitor progress towards improvement. This approach worked particularly well in improving physical health recording for service users with a serious mental illness, and we are awaiting the results of the National Physical Health audits to reflect the success of this new approach.
- To ensure the that physical health monitoring parameters for Lithium therapy are conducted through supporting the implementation of the trust physical health care strategy
- Relaunch the NPSA lithium therapy record book to ensure that physical health monitoring parameters are being recorded
- To launch newly developed eLearning package focussed on safe use of medicines for medical staff that will include management of high risk drugs such as lithium and prescribing of antipsychotics in dementia
- To distribute a reminder memo to elderly care clinicians on the importance of the discussion and documentation of the potential risks and benefits of antipsychotic prescribing in dementia

Local clinical audit

The reports of 103 local clinical audits were reviewed by the Trust in 2016/17; 45 were undertaken by the PACE team as part of the programme and 58 local audits were registered with the PACE team and undertaken by clinicians throughout the Trust.

The Trust intends to take the following actions to improve the quality of healthcare provided;

- The majority of audits feed in to dedicated sub groups that champion that particular area of health improvement. Examples of such groups are Physical Health Committee, Patient Safety Committee, Business and Practice Governance meetings, Quality and Risk meetings and many other committees.
- In areas where the Trust has not identified a steering group, we have identified a dedicated clinician to lead on implementing improvements.
- Given that there is such as vast array of audits, it is difficult to detail the range of actions that will be undertaken to improve overall quality; some of the highlights include the launch of our clinical strategy for the forthcoming year and the launch of our Physical Health Strategy.

The full details of all these audits are beyond the scope of this report; detailed below are examples of the results that were found.

Where audits said we did well:

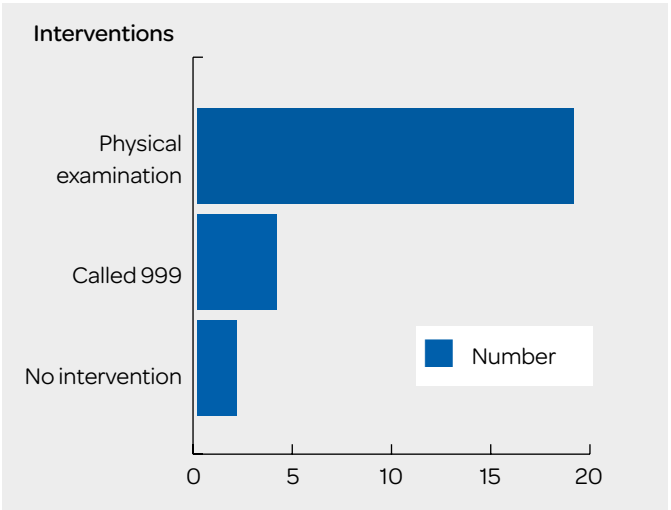
Care Co-ordination

This audit considered the use of care co-ordination within the Trust adult community teams with the aim of ensuring that care reviews were of a high quality and worked towards recovery.

Criteria	2016/17	2015/16
Care Plan associated with the review (Care plans used were, PARIS care plan, local team care plan, GP letter with a care plan)	80%	49%
Care Co-ordination Review on PARIS completed fully	98%	79%
Review visits/revisits service user goals and aspirations	94%	80%
Review checks progress towards recovery	100%	89%
Risk assessment was updated	70%	43%

Falls in Dementia Continuing Care Units

Following the recommendations of the audit completed in 2013, there has been a clear improvement in staff recording whether interventions had occurred after patient falls. In only 2/25 falls there was no recorded intervention. A record of either physical examination or checking the blood pressure and pulse of the patient was recorded in 19 falls and emergency services were called in 4 falls. In the 2013 audit no record of interventions given by nursing staff were recorded in 15 (60%) of falls.



One of the other recommendations was that MDT discussions must take place to enable the review of medications. Out of 25 falls there was evidence of 16 MDT meetings where medications were reviewed following falls.

Safeguarding in Learning Disability and Forensic Services

The aim of the audit was to provide assurance of compliance with the HPFT safeguarding policy and local county policy and to monitor the accuracy of team reporting of safeguarding incidents to practice governance and those reported within the DATIX system.

51 Safeguarding referrals were reported within Learning Disability and Forensic Services for October 2016.

Review of DATIX recording	Result
Safeguarding referral completed and sent	100%
Safeguarding referral date completed	92%
Safeguarding referral copied to HPFT Safeguarding team	75%
Safeguarding referral date copied to HPFT Safeguarding team	96%
Review of Electronic Patient Record Recording	**Result**
Does the electronic patient (service user) record (EPR) of the victim document that a referral/concern has been made to the local authority	74% (this was not applicable in 6%)
Does the EPR of the perpetrator document that a referral/concern has been made to the local authority	72%
Does the EPR document the view of the person	80%
Does the EPR document staff action taken in response to the incident	96% (this was not applicable in 2%)

Transfer of Service Users between Acute Inpatient Wards

Within HPFT there is one Acute Assessment Unit which is Swift Ward at Kingsley Green. All admissions to acute inpatient services should be admitted to Swift for a period of assessment within 72 hours and then discharge or transfer to a treatment ward.

The exception to this is service users who are subject to Section 3 of the Mental Health Act, as these service users can be admitted directly to a treatment bed.

Within HPFT these wards are:

- Robin
- Owl
- Oak (PICU)
- Albany Lodge
- Aston Ward

After the initial transfer to a treatment bed any other transfers should only occur if clinically appropriate ie: aggression, vulnerability, cannot be managed on current ward etc. Service users who are admitted to the PICU without completing assessment may be transferred back to an assessment bed in Swift once they are well enough for assessment to take place.

The audit considered a random selection of 47 transfers that occurred during August and September 2016 to ascertain the reasons service users are transferred during an inpatient stay and if these transfers are appropriate. The findings indicate that 44/47 (94%) of transfers audited were clinically appropriate.

Where audit said we need to improve:

GP Letter following a DNA

Good communication with a service user's GP is important and it is expected that HPFT send a letter to the GP or referrer following any non-attendance of an appointment. The audit sampled a range of DNA's across all community services and found that improvement is required in notifying the GP as a letter was only present in 14% of DNA's. Ongoing work to improve this area has been put in place and further audits are due to be conducted to monitor progress.

Timeliness of Discharge Summaries

Discharge notifications and summaries are essential documents required for safe transfer of care of patients from in-patient services to primary care and specialist community services. This year we have continued to monitor our performance in order to identify areas for improvement.

Standards	Q4 (25th-31st March 17)	Q3 (25th-31st October 16)	Q2 (25th-29th July 16)	Q1 (1st April-31st May 16)
Discharge Notifications	83% ↑	48% ↓	72% ↑	65% ↓
Notification within 24hrs	83% ↑	40% ↓	72% ↑	62% ↓
Discharge Summaries	74% ↑	68% →	68% ↑	56% ↓
Discharge within 14 Days	74% ↑	64% ↓	68% ↑	49% ↓

We have seen an improvement during 2016/17; in 2017/18 we are planning to further improve by reviewing the whole discharge notification process. This will enable us to communicate with GPs within 48 hours of discharge from hospital.

The Trust has identified a "Discharge Champion" and a Specialty Doctor who are working closely with the wards and educating front line staff of the processes and importance of timely communication to the GP following a discharge.

Research and development

The Trust continues to work closely with, and receives research funding contracts with the National Institute of Health Research (NIHR) and Clinical Research Network (CRN) Eastern to help us deliver and take part in a number of research programs. Our research portfolio is a key factor in our status as a University Trust and we have an increasing number of staff involved in this.

What is the National Institute of Health Research (NIHR)?

The NIHR was established with the vision to improve the health and wealth of the nation through research. Its mission is to provide a health research system in which the NHS supports outstanding individuals working in world-class facilities, conducting leading edge research focused on the needs of the patients (service users) and the public.

The Trust is the NHS contractor for the following NIHR Research for Patient Benefit (RfPB) funded studies:

1. Optimal Treatment in Obsessive Compulsive Disorder (OTO) PB-PG-0712-28044
2. People with Autism detained within hospitals (MATCH) PB-PG-0214-33040
3. Herts and Minds Study (HAM) PB-PG-0614-34079.

We work with a number of collaborating academic institutions on the above studies, including the University of Hertfordshire, University of East Anglia, University of Kent, University of Southampton, and the Anna Freud Centre. Being the principal grant holder for these studies brings considerable prestige and financial benefit to the Trust. One of the key roles of the Research and Development Department is to ensure that once funding has been obtained, the studies run smoothly and recruit to target.

As a Trust, we also recruit to a number of other research studies that are on the NIHR portfolio, and we are trying to increase the number of studies available to service users and carers, year on year. All research that takes place within the Trust has the appropriate level of ethical approval in place.

The number of service users receiving relevant health services provided or sub-contracted by the Trust in 2016/17 that were recruited during that period to participate in research approved by a research ethics committee were 214. We have received very positive feedback from those who took part. Most of the people who completed a questionnaire about their experience of participating in the Trust's research, rated their overall experience as very good or excellent.

Some examples of comments received include:

> "I feel so much better since taking part and really happy that it will help others feel the same"

> "The research staff made me feel at ease when discussing my issues and thoroughly explained what the trial involved"

We are currently looking to recruit participants in to the following studies:

- **Identifying the prevalence of antibodies to neuronal membrane targets in first episode psychosis (PPiP).** The aim of the study is to establish the prevalence of pathogenic antibodies in people with a diagnosis of psychosis and to assess the acceptability of an immunological treatment protocol for patients (service users) with psychosis and antibodies. Participants will have a blood sample taken and undergo the Positive and Negative Syndrome Scale (PANSS) assessment

- **DNA Polymorphisms in Mental Health (DPIM).** This study is concerned with studying DNA to find out one of the genetic causes of mental illness. In the Trust, we are recruiting patients (service users) with a history of Bipolar Disorder and with Schizophrenia. Participants are only seen once. Our Clinical Studies Officer will take a blood sample and conduct a short interview to obtain information about the participants' family, medical and psychiatric history
- **Herts and Minds**. This is a feasibility study of a trial examining the acceptability and credibility of Mentalization Based Treatment (MBT) as an intervention for children in foster care with emotional and behavioural difficulties
- **Evaluation of online peer-supported toolkit (REACT).** This is a study to test the effectiveness of the Relatives Education and Coping Toolkit (REACT) in reducing the distress of relatives of people with psychosis or bipolar disorder. Participants need to be over 16 years old, have access to the internet and be able to understand written and verbal English
- **The mATCH study.** Understanding the aetiology and improving care pathways for people with autism detained within hospitals. To investigate whether previously defined subtypologies of people with Autistic Spectrum Disorder (ASD) within psychiatric hospitals are valid. To examine whether different care is required by each subtype to minimise them being in restrictive hospital settings for longer than necessary. This involves following up patients (service users) in hospital for 12 months
- **Learning about the lives of adults on the autism spectrum and their relatives**. We are looking to develop a better understanding of the lives of adults on the autism spectrum and their relatives. Participants will be provided with a contact booklet to complete and return to the study team in Newcastle. Then they will be asked to complete several questionnaires which will be sent by post
- **Detecting susceptibility genes for Alzheimer's disease**. We are looking to recruit individuals with a diagnosis of Alzheimer's Disease (AD), and their next-of-kin. Participants with AD will be asked to provide a blood sample. They and their carers will also be interviewed using several questionnaires. These interviews will each take around 90 minutes.
- **Dementia Carers Instrument Development (DECIDE).** This study has been designed to develop a new measure of quality of life for carers of people with dementia. Participants will be carers of those with dementia living in the community. They are required to the complete the questionnaire two or three times over a 6 month period.

Please contact the Research and Development on 01707 253836 if you would like to find out more about any of the above studies. Or alternatively, please email research@hpft.nhs.uk
We will be taking on additional studies during 2017/18.

Commissioning for Quality and Innovation (CQUIN) 2016/17

What is a Commissioning for Quality and Innovation (CQUIN) goal?

CQUIN is a payment framework which enables commissioners to reward excellence, by linking a proportion of the healthcare provider's income to the achievement of local quality improvement goals.

The Trust has CQUIN goals that are agreed with our commissioners, local and specialist at the beginning of each year.

A proportion of the Trust's income in 2016/17 was conditional on achieving quality improvement and innovation goals agreed between the Trust and any person or body we entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework.

Further details of the agreed goals for 2016/17 and for the following 12 month period are available electronically in 'Trust Papers' in the 'About Us' section of the Trust's website:
www.hpft.nhs.uk/about-us/trust-papers

The details of the CQUIN amounts in relation to each individual contract are set out below and in summary this equates to:

	Commissioner	Value	Achievements 16-17
1	Hertfordshire	£3,189,059	94.5%
2	NHS England Midlands & East	£451,550	100%
3	West Essex LD	£223,433	100%
4	Essex IAPT	£115,445	80%
5	Norfolk	£49,268	100%
Total		**£4,028,755**	

Hertfordshire Commissioning for Quality and Innovation (CQUIN) 2016/17 in relation to the main Commissioner contract in Hertfordshire

2.5% of the Trust's income (£3,375,000) in 2016/17 was conditional on achieving quality improvement and innovation goals agreed between us and our commissioners through the CQUIN payment framework. At the end of the 2016/17 the final amount achieved was £3,189,059 (94.5% of plan). The Trust's CQUIN income received for 15/16 was £3,268,153.

	Goal	Description of goal	Goal value £	Achieved £ (%)
1	Crisis Care pathway RAID 72-hr follow up in year 1	Improve crisis care planning with service users and carers; therefore reducing the need for repeat attendance Follow up all Service Users who have self-harmed and attended A&E Departments.	£843,750	£782,578 (93%)
2	Care & Treatment Reviews: (CTR) (A) CAMHS (5%) (B) Learning Disabilities (10%)	Provide a person-centred and individualised approach to ensuring that the treatment and support needs of the individual and their families are met and individuals who are at risk of admission to hospital are avoided	£506,250	£501,188 (99%)
3	NHS staff health and wellbeing (national)	The introduction of health and wellbeing initiatives covering physical activity, mental health and improving access to physiotherapy for people with musculoskeletal issues	£1,012,500	£1,012,500 (100%)
4	Improving physical healthcare to reduce premature mortality in people with severe mental illness (national)	Improving physical health care for people with severe mental illness (SMI) in order to reduce premature mortality in this patient group	£675,000	£555,293 (82%)
5	Diabetes	Improve on the care offered to service users with diabetes within our inpatient and Rehabilitation Services by skilling up our staff competencies	£337,500	£337,500 (100%)
		Total	**£3,375,000**	**£3,189,059 (94.5%)**

Norfolk Commissioning for Quality and Innovation (CQUIN) 2016/17

	Goal	Description of goal	Goal value £	Achieved £ (%)
1	NHS staff health and wellbeing (national)	The introduction of health and wellbeing initiatives covering physical activity, mental health and improving access to physiotherapy for people with musculoskeletal issues	£14,768	£14,768 (100%)
2	Prevention of Admissions to Hospital	Demonstrate a reduction, over the year, of people with a learning disability being admitted into hospital for reasons of mental health or behaviours that challenge	£19,690	£19,690 (100%)
3	Production and Implementation of Positive Behaviour Support Plans	A behaviour support plan is a document created to help understand and manage behaviour in children and adults who have learning disabilities and display behaviour that others find challenging	£14,810	£14,768 (100%)
		Total	**£49,268**	**£49,268 (100%)**

Mid, West and North East Essex Learning Disability Commissioning for Quality and Innovation (CQUIN) 2016/17

	Goal	Description of goal	Goal value £	Achieved £ (%)
1	Outcome Measures	The development of individual and service level outcome measures, & their phased implementation.	£89,372	£89,372 (100%)
2	Personal Health Budgets (PHB)	The identification of discrete services/treatments or pathways that can be developed into a PHB offer, together with the measurable outcomes they deliver	£44,686	£44,686 (100%)
3	Health Equality Framework	Expand use of the Learning Disability Health Equality Framework to all people known to Learning Disability Specialist Healthcare Services in a phased and manageable way, (min 150 individuals).	£89,375	£89,375 (100%)
		Total	£223,433	£223,433 (100%)

NE, Mid and West Essex IAPT Commissioning for Quality and Innovation (CQUIN) 2016/17

	Goal	Description of goal	Goal value £	Achieved £ (%)
1	Staff health and wellbeing (National)	The improvement of staff health and wellbeing, including food provided on site and vaccinations for frontline staff.	£49,479	£39,550 (80%)
2	Health Coaching	Helping patients to take responsibility for their own overall physical and mental health and wellbeing, including taking medication.	£47,475	£37,948(80%)
3	Education Events	Education events including workshops providing mental health and stress awareness	£47,475	£37,948 (80%)
		Total	£144,429	£115,445 (80%)

Clinical coding

Clinical coding considers the information we gather in relation to our service users. This information is then used to pull the data that informs our quality indicators. We were not subject to the Payment by Results clinical coding audit during 2016/17 by the Audit Commission.

This section outlines the data that was collated for the Hospital Episode Statistics.

What are hospital episode statistics?

The percentage of records in the published data which included the service users' valid NHS number was:

- 99.8% for admitted patient care
- 100% for outpatient care

The percentage of records in the published data which included the service users valid General Medical Practice Code was:

- 99.7% for admitted patient care
- 99.9% for outpatient care

At the end of March we submitted our Information Governance Toolkit to the Health and Social Care Information Centre (HSCIC) and achieved an overall score of 82% (81% in 2015/16,) level 2, with a green satisfactory rating. We were also able to confirm that 95% of our staff had completed their annual Information Governance e-learning. The results for each area of the Toolkit are broken down as follows:

Information Governance Management	93%
Confidentiality & Data Protection Assurance	95%
Information Security Assurance	75%
Clinical Information Assurance	80%
Secondary Use Assurance	70%
Corporate Information Assurance	100%
Overall	**82%**

The Trust was not subject to the Payment by Results clinical coding audit during the year by the Audit Commission. However, we were audited in February 2017 by D&A Consultancy, the London Clinical Coding Academy.

The results were:

- Primary diagnosis – 96%
- Secondary diagnosis – 93.02%.

Ethnicity April 2016 – March 2017

The ethnicity recording proved a challenge for the Trust at the beginning of the year, but progress has been made and was at 87% at the end of quarter 4.

What are CIVICA and PARIS?

PARIS is the electronic patient record and information system that is used within our Trust. CIVICA is the company that holds the licence for PARIS.

The Trust plans to take the following action to improve the data quality and clinical coding by conducting regular audits to give assurance, supporting staff with data quality issues through reviewing Key Performance Indicator guides and developing front end reporting, which are updated daily.

Patient safety

This section will consider how our Trust ensures that it is providing safe care. It will do this by initially considering the Duty of Candour followed by the actions that the Trust has taken in relation to the Mazars report. This is followed by a number of initiatives such as Spot the Signs and Save a Life, Sign up to Safety Campaign, Making our Services safer, Safer Care Pathways Project, Learning Lessons, falls, the learning disability mortality review programme and safeguarding.

Duty of Candour

The Trust is committed to the principles of openness, honesty and transparency for the purposes of learning from incidents and serious incidents and engaging service users and families in the review process.

The Trust's Duty of Candour policy sets out definition, duties and responsibilities of senior staff post incident, identifying those incidents where Duty of Candour applies.

The policy has been reviewed and updated, providing clear guidance on roles and responsibilities of Trust staff in making timely contact that embraces the principles of open, honest and transparent communication with service users and families where harm has been caused or may to have been caused.

There has been continued progress during 2016/17 with the implementation of the Duty of Candour policy and the Trust is able to consistently demonstrate that clinical leads are making contact with bereaved families to offer condolences and identify support needs when a death has been reported as a serious incident.

The Trust acknowledges the impact on families and friends of loved ones who are bereaved by suicide or a sudden unexpected death. When a serious incident is reported, a Duty of Candour letter is routinely sent to families to advise on the internal investigation process and how they can contribute to establishing a factual chronology of events and identification of learning. The allocated investigating lead makes contact with the family and any questions or concerns raised by the family are gathered, considered and included in the Serious Incident report. Once completed, a copy of the full report is always shared with the family and the Coroner. Trust commissioners monitor compliance with the Duty of Candour principles when reviewing and quality assuring Serious Incident reports.

Staff felt that generally the Trust encouraged openness and there was clear guidance on incident reporting (from the CQC comprehensive inspection report Sept 2015)
The Trust had undertaken an internal review to understand any improvements required to meet its duty of candour following this a number of actions were undertaken including duty of candour considerations being incorporated into the serious investigation framework and report (from the CQC comprehensive inspection report Sept 2015)

The Trust has provided input into the development of the Public Health Suicide Prevention Strategy which is a requirement of the Five Year Forward View for Mental Health – NHS England to reduce the number of suicides in Hertfordshire by 10%. Family engagement and support is one of the work streams included in the Strategy.

The timeframe for adding Duty of Candour questions to the Datix incident reporting system was slightly delayed and will be a priority for the Safer Care Team in the coming year.

Further developments in this area during 2017/18 include Bereavement Support training for staff and the development of Bereavement booklets for families.

National Guidance on Learning from Deaths

Ahead of the requirement to publish learning from reviews and investigation in the 2017/18 Quality Account, the Trust has started the implementation of actions identified in the National Guidance on Learning from Deaths. This includes:

- The roll out of the Learning Disability Mortality Programme
- The development of policy on how the Trust responds to deaths, including the undertaking of case reviews
- The publication of data at public Boards
- The development of support to bereaved families
- The reporting on outcomes of investigations and implementation of learning across the Trust.

Spot the Signs and Save a Life

The Spot the Signs, Save a Life suicide prevention campaign was one of the four sites of the 'Zero Suicide' Programme developed across the East of England (EoE) commencing in October 2014. The project aims to increase awareness and education of the general public on suicide prevention, working to break down stigma, as well as educating and training professionals including those working in the third sector.

The project has broadened its scope, and aims to work in integration across the system to continue the education and awareness raising aspect of the project, deliver further training in suicide prevention, and develop a bespoke approach to suicide prevention and self-harm for young people.

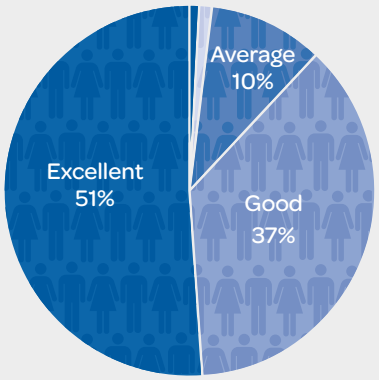
The key aims of the adult initiative are:

- Increase public awareness of depression and suicide in Hertfordshire
- Remove the stigma linked with suicide
- Provide suicide prevention training to GPs, healthcare providers and the voluntary sector in Hertfordshire
- Work with companies to create safer workplaces
- Signpost to mental health services available in Hertfordshire.

In 2016/17 there were 136 attendees at the Spot the Signs training sessions from the Voluntary Sector, from which the following feedback was received:

- 96% of attendees found the session was useful whilst 99% found it relevant to their field of work
- 88% found the delivery of the session was 'excellent' and 'good', and 92% found the trainer 'excellent' and 'good'
- The venues were marked lower, with 63% rating them 'excellent' and 'good'.

SPOT THE SIGNS & SAVE A LIFE



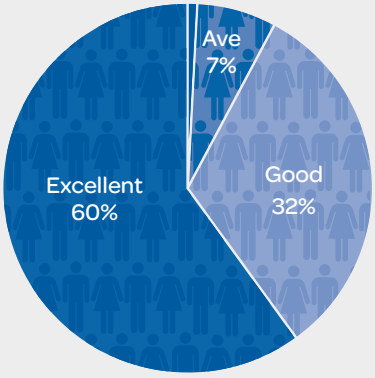
Delivery of Session

1% Unknown

10% Average

37% Good

51% Excellent



Trainer

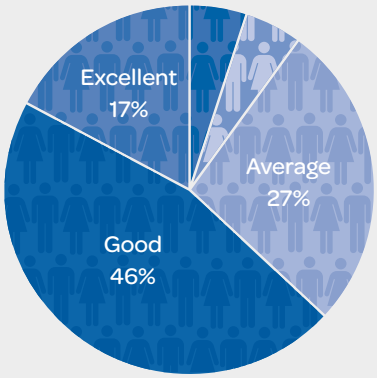
0% Unknown

1% Poor

7% Average

32% Good

60% Excellent



Facilities

5% Unknown

5% Poor

27% Average

46% Good

17% Excellent

Across the life of the Adult Spot the Signs Project, 179 Hertfordshire GPs have also attended the Suicide Prevention training with 91% finding the training useful and 94% relevant.

A parallel child and young person's suicide prevention initiative is now also in development with the following key aims:

- To develop bespoke media resource: website and educational material tailored to young people across the county
- To develop a 'Spot the Signs' suicide prevention and self-harm awareness training and resource online directory for young people and those working with young people across the county
- To develop and evaluate focussed peer-led support for young people in secondary schools, with the aim of building resilience/wellbeing and the more specific focus on self-harm and suicide prevention.

This project has a full-time employed project coordinator who is responsible for training, developing and supporting peer mentors/ suicide prevention champions across agreed pilot sites across the county, each of whom will commit to getting young people involved as mentors/champions and acting as the lead for this bespoke work.

This work takes place in coordination with the CAMHS School Link Pilot and Self Harm training. The project coordinator represents and promotes the campaign across these sites, sets up promotional events and develops (co-produce) and promotes a 'first aid' model (akin to that developed by Signs of Suicide, SOS).

Sign up to Safety Campaign

The Trust signed up to this campaign and committed to delivering a safety improvement plan which will show how our organisation intends to save lives and reduce harm for service users over the next three years.

Sign up to Safety is a national campaign that aims to make the NHS the safest healthcare system in the world. It has the ambitious but important aim of reducing avoidable harm by half in the next three years and saving 6,000 lives.

During 2016/17 we have continued to focus on the campaign raising awareness in services and maintaining our commitment to reducing avoidable harm.

During the year we have:

- Improved the coverage of the safety thermometer across our services developing user guides and visual aids to support reductions in harm
- Implemented actions within the clinical risk strategy and developed priorities for the future
- Finished the original project as part of the Safer Care pathways programme. Following on from this we have had a number of staff trained in Safer Systems Assessment methodology and begun a new project focussing on supporting carers of service users in crisis
- Reviewed our internal quality visit process to align to the CQC KLOE and continued the visits by the Executive Team
- Started work to include incident data into our SPIKE performance reporting processes to enable teams to have real time access to incident data to triangulate with other data on performance
- Started to implement the Safe Care module to manage staffing in real time
- Worked with Public Health to develop a local suicide prevention plan. This links to our continued commitment to reducing suicide in our service users. We have undertaking bespoke risk training with acute services and have begun work to review our training and approach to risk management.

We continue to hear service user stories at the Board and have seen a steady level of performance in the Friends and Family test data. Our staff in the staff survey also recommend the Trust as a place to receive care.

We also continue to provide training to staff on how toundertake investigations including meeting the Duty of Candour requirements.

The provision of data to our public board on complaints, incidents and staffing levels also continues, in our approach to being open and transparent.

Furthermore, we undertake values based recruitment to ensure we have a workforce who provide person centred safe compassionate care. Support to staff also continues, ensuring they have access to high quality appraisals, training and development and are motivated to work – which has been reflected in our Staff Survey this year.

Making Our Services Safer

The Making Our Services safer (MOSS) Strategy is in place to support greater collaboration and co-production with service users, carers and staff to understand and minimise restrictive interventions. We aim to reduce the impact of such interventions on recovery.

What are restrictive interventions?

'Restrictive interventions' are:

'Deliberate act on the part of other person(s) that restrict an individual's movement, liberty and/or freedom to act independently in order to:

- **Take immediate control of a dangerous situation where there is a real possibility of harm to the person or others if no action is undertaken: and**
- **End or reduce significantly the danger to the person or others; and**
- **Contain or limit the person's freedom for no longer than is necessary'.**

Department of Health (2014)

The purpose of the Strategy is to continue to compliment the excellent work already in place to ensure services are well informed and use best practice, that care is delivered in partnership and that the best interests of service users are served ad prioritised at all times.

The work continues its aim to reduce the number of incidents and interventions where staff and service users are harmed, so all report feeling safer through:

- Evidence-based models of support and intervention
- Standardising assessment processes and support plans
- Trust wide and service wide monitoring of interventions
- Support for all following an incident.

The Strategy provides a clear operational responsibility in reducing the use of restrictive interventions and any associated harm to service users implemented through the use of the Safewards methodology.

What is the Safewards methodology?

This consists of 10 interventions that form the Safewards methodology:

- **Mutual Expectations;**
- **Soft Words**
- **Talk Down**
- **Positive Word**
- **Bad News Mitigation**
- **Know Each other**
- **Mutual Help Meeting**
- **Calm Down Methods**
- **Reassurance**
- **Discharge Messages**

Weekly 'mutual expectations' meetings are held in our adult acute inpatient wards and 'feeling safe' is discussed as a regular agenda item. The feedback received is shared across other service areas at the local MOSS meetings and patient (service user) safety meetings, as well as identifying themes at the strategic business unit's quality and risk groups.

Weekly Mutual Expectations meetings are held in our adult acute inpatient wards and 'feeling safe' is discussed as a regular agenda item. The feedback received is shared across other service areas at the local MOSS meetings and Patient (service user) Safety meetings as well as identifying themes at the Strategic Business Unit's Quality and Risk Groups.

The Child and Adolescent Mental Health Services (CAMHS) inpatient unit ensured that the young people were involved at every stage with implementing the Safewards methodology.

One of the most popular initiatives on the unit is the compliments box, which has been decorated with a picture of a boat at sea with the quote "A ship is safe in the harbour but that's not what a ship's made for". The young people write positive messages and compliments about their friends and post them into the box anonymously. These are then read out by staff at the weekly mutual respect meeting and anyone that receives a compliment can keep it and add it to their scrapbook.

Every young person also receives a Positive Behaviour Support assessment, aimed to help understand the reasons for certain behaviours and to teach an appropriate behaviour that replaces the challenging behaviour.

Regular MOSS meetings continue within all services across the SBU focusing on mutual expectations. Many of the wards have begun using huddles at the end of a shift to reflect upon what has gone well and areas which could be improved. The use of 'calm down' boxes have been implemented within the assessment and treatment and secure services.

All teams continue to review the use of restrictive interventions within monthly patient safety meetings and continue to embed the work of including service users in debriefs. The SBU have untaken a bi monthly audit to review the frequency of PRN (as required) medication being administered across assessment and treatment services and the effects of side effect monitoring identifying trends and areas of good practice across the services and areas for practice development.

MOSS champions have been assigned in all units and have identified, with the support of the MOSS working groups and Practice Governance Facilitators, the priorities for action. MOSS Champion training has also been rolled out.

MOSS is a standing item on the local Quality and Risk meeting agenda, as well as all local Quality and Risk meetings. MOSS posters are on display in all units, and MOSS comparative data is displayed in staff only areas and is included in Restrictive Practice reports.

MOSS is an integral part of staff team meetings and team reflection sessions based on MOSS principles which are now in place in all units.

In our learning disability and forensic services, staff and service users understand the principles of least restrictive care. This is apparent through the Positive Behavioural Support plans in place for service users with behaviours that challenge, and the increased

use of least restrictive terminology being seen on incident reporting. Policies also support least restriction, such as restricted items policies; both staff and service users show understanding that restrictions are made based on an individual risks and 'blanket restrictions' are kept to a minimum.

Service users and staff are also involved in setting the priorities for the units and looking at how these can be achieved. We involve service users in writing sharing good practice newsletters in each unit, which are fed into the Sharing Good Practice newsletters and, in turn, shared with carers.

The MOSS philosophy is now well integrated into practice and, as such, can be seen within all interactions on the ward including weekly 1:1s between service users and named nurses, weekly or fortnightly Multi-Disciplinary team meetings and also Care Programme Approach (CPA) meetings.

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"Although we knew that it may be challenging to make Safewards interesting to the young people, we were delighted that from the beginning, many were keen to get involved and soon started coming up with ideas of their own. Looking around the ward and speaking to some of the young people, you can see how their creativity had brought the interventions to life"

Safeguarding Adult and Children at risk of abuse or neglect

The Trust has responsibilities for Safeguarding Adults and Children in all areas that services are provided. Additionally in Hertfordshire we have responsibilities in partnership with Hertfordshire County Council for undertaking Safeguarding Adult Enquires and decision making for the adults who have or may have care and support needs related to their mental health and to their carers. These were formally part of our delegated responsibility but now will form part of a section 113 Agreement whereby Trust staff will undertake statutory safeguarding adult functions under new governance arrangements.

Over 2016/17, there has been an increased level of Safeguarding activity for both adults and children. This is in response to increased awareness and action locally and nationally, particularly in the areas of Historic Child Sexual Abuse, Domestic Abuse and Radicalisation

Children

In 2016/17 Trust staff made 439 (132 in quarter 4) child protection referrals to Children's Services. This is an increase in the volume of child safeguarding concerns raised by the Trust staff of 71% (2015/16 = 257 referrals).

Adults

In the same twelve month period, 1149 (324 in quarter 4) adult safeguarding concerns were raised by Trust staff and referred to either the relevant local authority or to the appropriate investigating team within the Trust itself. This compares with a total of 723 adult mental health reported safeguarding incidents for the whole of 2015/16. Again, this shows a significant (59%) increase in activity.

These figures relate to concerns raised in all localities including Essex, Buckinghamshire and Norfolk for all service users group, including organic mental illness and learning disabilities.

A review of training for all staff in all areas is being undertaken for mandatory adult and children safeguarding training and, in addition to this training, is being formalised for identified staff with additional safeguarding adult responsibilities in Hertfordshire.

Think Family

Think Family recognises and promotes the importance of a whole-family approach which is built on the principles of 'Reaching out: think family'. It helps staff to consider the parent, the child and the family as a whole when assessing the needs of and planning care packages for families with a parent suffering from a mental health problem.

The model identifies and works on three areas.

- Risks, stressors and vulnerability factors
- Strengths, protective factors and resources
- Risk to resilience.

The safeguarding team has been expanded in response to our increased geographical spread and also additional duties for specific groups or risk areas, for example Radicalisation and Looked After Children (LAC) / Care Leavers. The increased resource within this team will support the Trust to improve the quality of safeguarding practice towards a vision of **preventing harm and enabling safety through vigilance, competence and personalised outcomes focussed practice and contribute to the** Trust's strategy of delivering 'great care, great outcomes – together'.

Learning from incidents

Safety Incidents involving serious harm or death as a proportion of all patient (service user) safety incidents

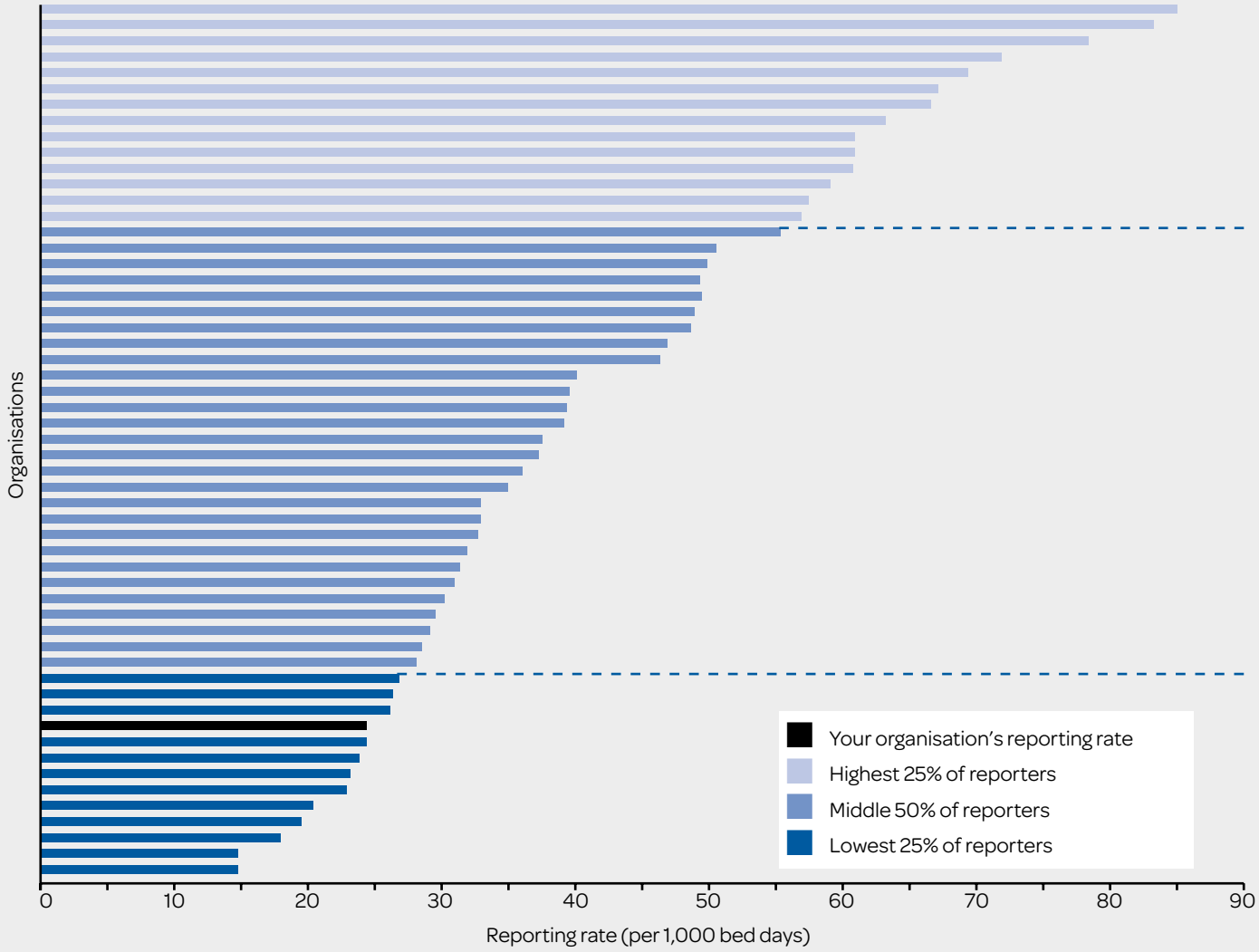
The Trust reports the number and type of patient (service user) safety incidents that take place to the National Reporting & Learning System (NRLS). The information below is taken from their bi-annual published reports. It gives an overview of the Trust's number and type of patient (service user) safety incidents reported to the NRLS during 2016/17, and a comparison to data reported by other Mental Health and Learning Disability Trusts. This data was published in September 2016.

October 2015 – March 2016

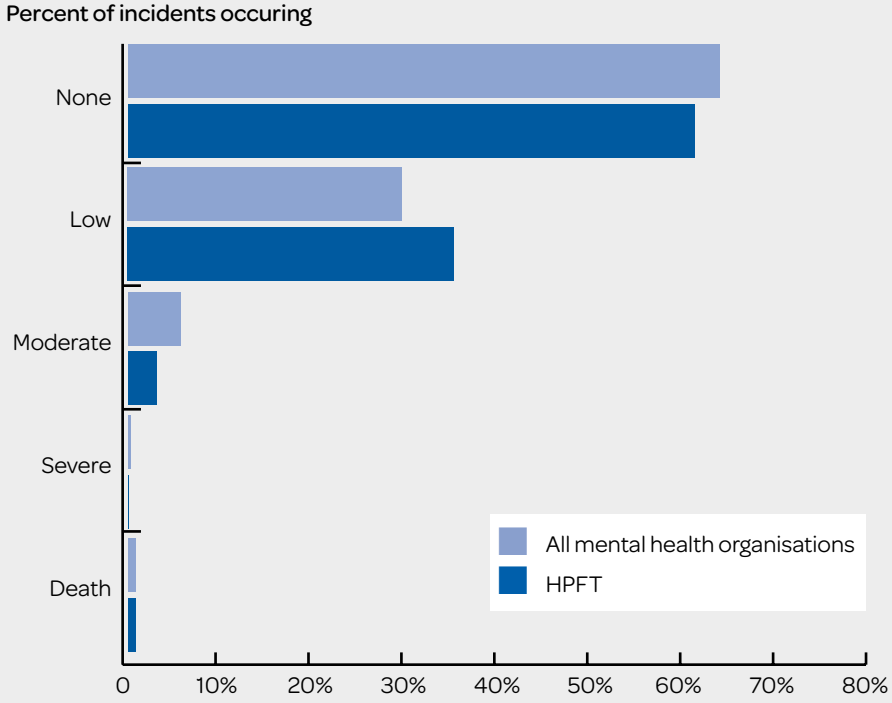
- 2,093 incidents reported by the Trust
- Rate per 1,000 bed days – 24.35
- Severe Harm – 2 incidents reported
- Death – 16 incidents reported.

The comparative reporting rate per 1,000 bed days for 56 mental health organisations during this period is shown on the next page.

Comparative reporting rate, per 1,000 bed days, for 56 Mental Health organisations.



For the same period, the incidents reported by degree of harm for mental health organisations are shown below.



- Highest reporting MH Trust – 5,572 incidents
- Lowest reporting MH Trust – 25 incidents
- Highest number of incidents resulting in Severe Harm – 51 incidents
- Lowest number of incidents resulting in Severe Harm – 6 Trusts reported no Severe Harm incidents
- Highest number of Deaths reported – 91 incidents
- Lowest number of Deaths reported – 1 Trust reported no Deaths. It can be seen that our Trust was a relatively low reporter of severe harm incidents but at the same level as our peers for deaths in this period. As there can be variation in reporting between Trusts, like for like comparisons cannot be made with a degree of certainty.

April 2016 – September 2016

The information provided in the tables below is provided on a provisional basis only for the purposes of initial comparison with the previous reporting period. It should therefore be treated with caution as the data has not yet been validated by the NRLS.

- 2,425 incidents reported by the Trust
- Safety incidents involving severe harm (as a percentage of all patient (service user) safety incidents reported) – 1 (0.0004%).
- Safety incidents involving death (as a percentage of all patient (service user) safety incidents reported) – 20 (0.01%).

Summary

	Oct 15 to Mar 16	Apr 16 to Sept 16
Total patient safety incidents	2,093	2,425
Rate per 1000 bed days	24.35	Not yet available
Severe harm incidents as % of all	2 (0.1%)	1 (0.04%)
Deaths as % of all	16 (0.8%)	20 (0.8%)

The reporting rate published by NRLS in September 2016 showed that the Trust was in the lowest 25% of Mental Health services reporters. Provisional data for the next report, to be published in March 2017, shows an increase of 14% in reporting of patient (service user) safety incidents. It should be noted that the NRLS is used for analysing and reporting on certain types of incident only; therefore it does not include some types of incidents that occur in the Trust's community settings.

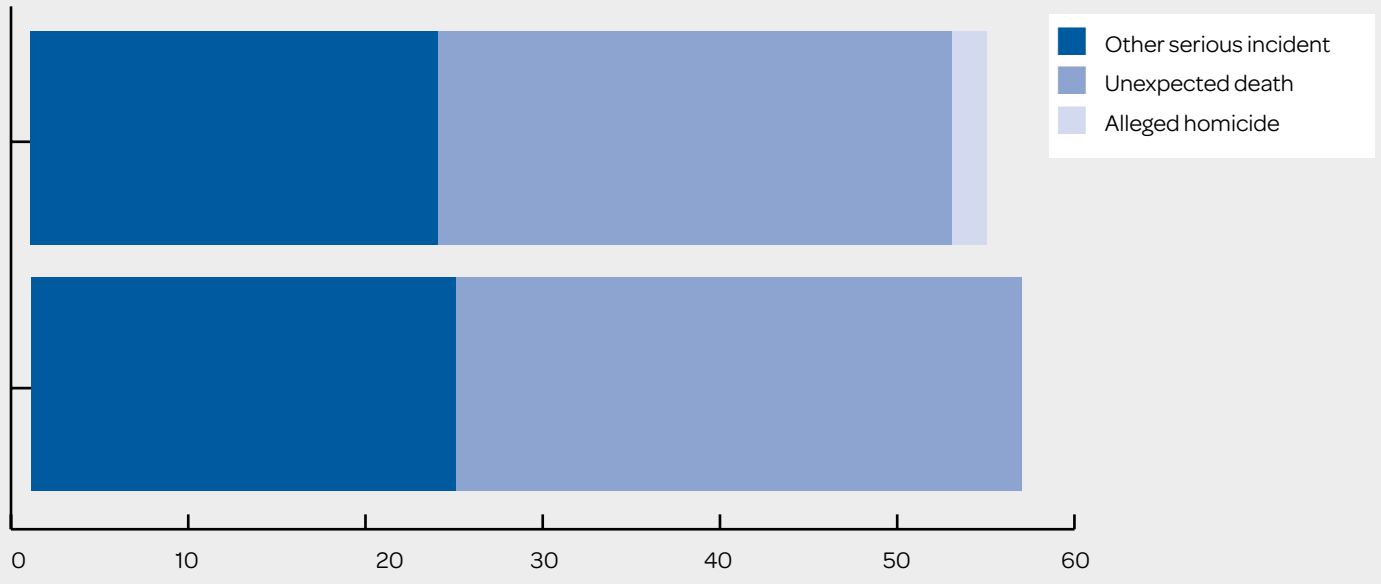
Once reported, Trust managers review incidents from their area of responsibility for factual accuracy and to monitor trends; during this year, bespoke incident reporting training sessions have been undertaken to raise awareness of the types of incidents that should be reported. The Safer Care Team undertakes an additional quality assurance check of incidents before they are uploaded to NRLS to ensure accurate reporting in accordance with the NRLS criteria.

Serious Incidents Reported in 2016/17

Overall, the Trust reported a total of 56 serious incidents in 2016/17 compared to a total of 54 in 2015/16. In keeping with the National Serious Incident Framework (March 2015), the Trust will always report and investigate those cases where there is felt to be the opportunity to learn and improve. Other serious incidents types reported in 2016/17 included:

- Information governance breaches
- Infection outbreaks resulting in ward closure
- Falls resulting in fractures
- Incidents reported under specialist commissioning criteria and safeguarding incidents.

Serious incidents reported in 2016/17



Engaging Families

The Trust does not underestimate the effect the death of a loved one as a result of a sudden unexpected death or as a result of suicide has on families, friends, staff and the wider community. We are committed to undertaking robust investigations, engaging families in the review process and acting on areas of learning arising from serious incidents. The Trust has a Zero Suicide ambition and is actively engaged with local partners to put in place a plan to reduce the number of suicides in Hertfordshire in keeping with the Five Year Forward View for Mental Health (2016).

Learning from Incidents and Serious Incidents

On completion of investigations, reflective learning sessions are arranged to allow staff to understand the context behind identified areas of learning and to engage staff in the implementation of learning. Learning summaries are shared widely across Trust services to facilitate discussion and to strengthen areas of clinical practice.

The Trust has specific Groups or Committees where incident data is used to inform work streams and improve safety; these include, but are not restricted to, the Making Our Services Safer Committee, the Health and Safety Committee and the Falls Group. Work undertaken by the Falls Group during 2016/17 has included co-production of a leaflet to raise awareness of for staff, service users and carers on falls risk, raised awareness of falls risk in adult acute services, revision of the Falls policy, and guidance included in the Medicines Management policy of medicines that increase the likelihood of falls risk.

The following actions have been taken during 2016/17:

- Review and updating of the clinical risk training programme to include lessons learned from serious incidents
- Key areas of learning from serious incidents informs the Trust's Clinical Audit programme
- Quality improvement projects around improving on time return from leave periods and improving collaborative working with service users' support networks.

The Trust will act on guidance to be published in 2017 arising from the recommendations in the Care Quality Commission's Learning, candour and accountability review published in December 2016.

Workforce

Staff Survey 2016

The Trust has seen further improvement in the 2016 Staff Survey findings. We have achieved three national best scores (by comparison to other mental health and learning disability organisations). For the second year, we have the highest score for staff engagement and motivation.

Additionally, the Trust also achieved a national best for the quality of appraisals and also the quality of non-mandatory training, learning and development. Of the 32 key findings in the staff survey, the Trust achieved 20 above average and eight average scores. Four scores were below average.

The scores are organised into nine thematic areas. Against the themes, staff health and wellbeing, job satisfaction and patient (service user) are all scores above average. This includes scores for staff satisfaction with the quality of care they are able to deliver; % agreeing their role makes a difference to service users; staff recommendation of the Trust as a place to work and receive treatment and % of staff saying they are able to contribute towards improvements at work (this was below average in 2015).

Top five ranking scores (against other Mental Health and Learning Disability Trusts)

Key Finding	2016	2015	2016 National Average
Quality of non-mandatory training, learning or development (National Best Score)	4.18	4.11	4.06
Staff motivation at work (National Best Score)	4.04	4.02	3.91
Quality of appraisals (National Best Score)	3.42	3.20	3.15
% of staff attending work in the last 12 months despite feeling unwell because of pressure from colleagues, their manager or themselves	48%	57%	55%
% of staff agreeing their role makes a difference to patients (service users)	91%	91%	89%

Key Finding	2016	2015	2016 National Average
KEY FINDING 21. Percentage of staff believing that the organisation provides equal opportunities for career progression or promotion	88%	84%	87%

The lowest five ranking scores are listed below and relate to errors and incidents, staff experience of bullying, harassment and violence from service users and members of the public, and staff working additional hours.

Lowest five ranking scores (against other Mental Health and Learning Disability Trusts)

Key Finding	2016	2015	2016 National Average
% of staff working extra hours	79%	77%	72%
% of staff witnessing potentially harmful errors, near misses or incidents in the last 12 months	31%	24%	27%
% of staff experiencing physical violence from patients (service users), relatives or the public in the last 12 months	24%	18%	21%
% of staff reporting potentially harmful errors, near misses or incidents in the last 12 months	91%	91%	92%
% of staff experiencing harassment, bullying or abuse from service users in the last 12 months	35%	34%	33%

Pulse Survey

The Trust has a quarterly Pulse Survey, based on the National Staff Survey questions, which is intended to ensure we have consistent quantitative feedback on staff experience. The Pulse Survey shows a trend of significant improvement in scores over the three years it has been operational. Scores in, for example, staff recommendation of the Trust as a place to work and receive treatment are the highest recorded to date and have shown a 30% improvement over the last three years.

The Trust will review the Pulse Survey for the 2017/18 period to align with the new Organisational Development Strategy.

Health and wellbeing

The Trust has introduced a Staff Health & Wellbeing Strategy in 2016/17. The focus of the strategy is in building local ownership and providing consistent, evidence-based and evaluated wellbeing support to staff. The Health and Social Committee has been established with representatives from each locality.

The purpose of the Health and Social Committee is to collect local intelligence about wellbeing needs and to communicate Trust initiatives and to encourage involvement. In 2016/17 the Trust has run team challenges, provided mini-health checks and piloted mindfulness programmes in four locations, following evaluation this will be rolled out across the Trust.

Staff engagement

The Trust continued with the Staff Engagement calendar, including the Big Listen, Inspire Awards, annual Staff Awards and Chief Executive Breakfast meetings.

The Staff Awards in 2016 achieved the highest number of nominations to date at 254, an increase of 50 nominations since the 2015 Awards. Additionally, there were 150 Inspire Award nominations in the year.

This year, the Trust developed 'Local Listens' which take place shortly after the 'Big Listen', and occur locally at outlying sites such as Little Plumstead in Norfolk and Lexden in North Essex. The purpose of these is to provide additional opportunities for staff who may find it difficult to attend a Big Listen to speak directly to the Executive Team about issues that matter to them.

A number of initiatives have arisen from the Trust engagement events including the creation of a Trust Leadership Academy, a Service Line Leader development programme and the Staff Health Checks that are taking place across the Trust.

Collective Leadership

The Trust completed the discovery phase of the Collective Leadership programme during 2016/17. The project team, known as Lead Ambassadors, presented the findings to the Trust Board in June 2016. Subsequently, the Lead Ambassadors participated in a Culture Workshop with members of the Board and Senior Leaders in the organisation. The purpose of the workshop was to utilise the Collective Leadership findings and other available staff engagement intelligence to describe the next phase of the Trust's culture. This has been used to inform the Good to Great Strategy and the Organisational Development Strategy.

Leadership development

The Trust continues to provide Leadership Development through its Leadership Academy. In addition to the Leaders and Emerging Leaders programmes, a new programme was developed this year, targeted at Service Line Leaders and led by the Chief Executive and Deputy Chief Executive. This programme was developed as a result of conversations within a Chief Executive Breakfast meeting with Service Line Leaders and is co-produced with the attendees. Additionally, the Trust continues to provide the Managing Service Excellence programme – a management training programme targeted as a refresher for existing managers and a practical course for new managers. The Trust is working with neighbouring NHS Trusts within the Sustainability and Transformational Plan footprint to deliver a local version of the NHS Leadership Academy Mary Seacole Programme, of which the first cohort will commence during 2017/18.

We have also continued to invest in a Senior Leaders Forum, which provides an opportunity for the top 70 leaders in the organisation to hear key messages directly from the Chief Executive and to work on key cultural and operational issues in the organisation.

The table below shows the number of Trust staff to benefit from each programme in this financial year.

Senior Leaders Forum	70
HPFT Leadership Academy – Service Line Leaders	16
HPFT Leadership Academy – Leaders	19
HPFT Leadership Academy – Emerging Leaders	23
NHS Leadership Academy – Mary Seacole	5
HPFT Managing Service Excellence	56

Compliments, comments and complaints

The Trust places great value on the comments, compliments and complaints sent in by service users, their carers, relatives and friends. We encourage people to raise concerns direct with staff in our services, to use the comments, compliments and complaints leaflets available on all wards and outpatient units, or by using the link on the Trust website.

In addition, all service users and carers are invited to complete 'Having Your Say' forms or the Friends and Family Test (FFT) postcards, either on paper or electronically, during their recovery journey to provide ongoing feedback on their experiences. Service Experience Volunteers visit our adult acute inpatient and rehabilitation units to provide an impartial 'listening ear' for service users and carers and support when providing feedback through 'Having Your Say'.

FFT is the question mandated by NHS England to all NHS services asking whether service users would recommend the services provided. Every service user receiving our care is given the opportunity to respond to this question.

Information received through comments and complaints, together with the outcomes of any investigations, is used to improve our services. We work closely with the Safer Care and Practice Governance Teams to ensure that lessons learnt are turned into action plans to change and develop practice. Each quarter, every team is required to produce a 'you said, we did' poster based on all the feedback they have received, sharing what they will do to improve the service with those who have taken the time to provide feedback.

We also feel it is important to celebrate what we do well, and all teams are encouraged to send details of compliments received to the Patient Advice and Liaison Service (PALS) and Complaints Team to ensure that we capture the overall picture of the experience of service users and carers. We also record compliments provided through feedback questionnaires, such as the 'Having Your Say' forms and the Values App. Compliments are published in the e-magazine for staff; satisfaction levels are monitored through both 'Having Your Say' and FFT.

Patient Advice and Liaison Service (PALS)

PALS provides people with advice and assistance if they have a concern or enquiry. The number of contacts increased by 25% compared to last year. Table X shows the number and main categories of the PALS contacts, comparing 2016/17 with 2015/16 2014/15 and 2013/14.

As in previous years, the majority of contacts raised issues for resolution by the PALS team or, more commonly, by the clinical teams.

Category	01/04/13 – 31/03/14	01/04/14 – 31/03/15	01/04/15 – 31/03/16	01/04/2016 – 31/03/2017
Advice	17	12	41	40
Enquiry	61	70	66	140
Feedback	47	76	98	100
Issues for resolution	239	387	363	446
Other	3	0	0	1
Translation request	3	1	1	0
Not HPFT	21	16	36	32
Total	391	562	605	759

Formal complaints

We investigate complaints with the aim of providing a fair, open and honest response and to learn from them, so that service users and carers can benefit from the resulting changes. The number of complaints received in 2016/17 was 250 compared to 269 in 2015/16 and 248 received in 2014/15. This is a 7% decrease. Table X shows the number and primary issue for each complaint, comparing 2013/14, 2014/15, 2015/16 and 2016/17.

Main complaint issue	01/04/13 – 31/03/14	01/04/14 – 31/03/15	01/04/15 – 31/03/15	01/04/16 – 31/03/2017
Assault / abuse	3	11	11	3
Clinical practice	74	92	98	93
Communication	29	23	39	35
Environment etc.	3	7	3	2
Staff attitude	36	30	29	31
Security	2	0	3	0
Systems & Procedures	84	83	84	84
Transport	1	2	2	2
Total	232	248	269	250

Emerging themes

Some PALS 'Issues for Resolution' are transferred to the formal complaints process, either because they cannot be resolved within one working day, or owing to the serious nature of the issues raised. Most issues and enquiries are dealt with immediately, or very quickly, by the clinical teams and do not result in a complaint.

The 93 complaints where clinical practice was the primary issue fell into 13 sub-categories. The majority of the complaints fell into the following groups:

- direct care (38)
- care planning (25)
- administration of drugs or medicines (7).

The 84 Systems and Procedures complaints fell into 21 sub-categories. Most complaints were in the following groups:

- assessment and treatment (19)
- access to treatment (17)
- Mental Health Act detention (8)
- discharge (7)
- confidentiality breach (7)

Of the 3 complaints about alleged assault, 1 was alleged physical abuse by staff to service user during restraint, 1 was about alleged physical abuse to a service user by another service user and 1 was about a service user being verbally abusive to a member of the public. All allegations were careful considered by the multidisciplinary team and through safeguarding where appropriate. The complaint about a service user being verbally abusive to a visitor was upheld. The complaint about a service user assaulting another service user was partly upheld and the complaint about restraint was withdrawn by the service user.

During 2016/17 we received 10 requests for files from the Parliamentary and Health Services Ombudsman (PHSO)/Local Government Ombudsman (LGO). 6 decisions were received with no further action (including 1 which was withdrawn by the complainant). One complaint was returned to the Trust for investigation as the complainant had raised new issues not previously investigated. 2 complaints were upheld and 3 complaints remain under investigation.

Of 2 the complaints that were upheld, the Trust has completed the action plan to remedy the faults identified by the PHSO which related to difficulties experienced in accessing Child and Adolescent Mental Health Services (CAMHS). The Trust is completing the requested action for the second upheld complaint about payment of retrospective continuing healthcare funding.

Compliments

All teams are asked to forward letters of thanks from service users, carers, advocates and visitors to the PALS and Complaints Team so that they can be logged and reported. In line with increased numbers of other contacts there has been an 18% increase in the number of compliments forwarded to the team, as detailed in the Table X below.

01/04/2012 – 31/03/2013	673
01/04/2013 – 31/03/2014	94
01/04/2014 – 31/02/2015	1262
01/04/2015 – 31/03/2016	1622
01/04/2016 – 31/03/2017	1915

The Trust actively encourages services to use compliments at a local level to reinforce what is working well. Teams do this in a variety of ways. In 2016/17 we recorded nearly 8 times as many compliments as formal complaints.

Clinical networks

The Trust participates in a number of different regional Clinical Networks.

What is a clinical network?

These networks are dedicated to providing assurance and sharing good practice so that our Clinical Leaders improve the health service for all those who work in and use it.

We are members of the following networks:

- Learning Disability Clinical Network
- Peri-natal Quality Network
- Clinical Outcomes and Research Evaluation (CORE) CAMHS
- AIMS Accreditation Scheme (Royal College of Psychiatrists)
- The Trust is part of the larger Eastern Clinical Research Network (CRN). CRN Eastern is funding two consultant psychiatrist research sessions as well as one consultant psychologist research session. They also pay for two part time band 6 Clinical Studies Officers and one part time band 6 Research Nurse.
- Quality Network for Forensic Mental health Services (Adult Forensic)

In addition to this, the Trust participated in the following accreditation schemes:

Service Accreditation Programme and Quality Improvement Network	HPFT	National
Eating Disorders Inpatient Wards	0	32
Forensic Mental Health Units	3	125
Inpatient Child and Adolescent Wards	0	127
Inpatient Rehabilitation Wards	0	65
Learning Disability Inpatient Wards	2	40
Mother and Baby Unit	1	43
Older Peoples Inpatient Wards	1	67
Psychiatric Intensive Care Wards	1	38
Working Age Inpatient Wards	0	136
Child and Adolescent Community Mental Health Teams	0	32
Crisis Resolution Home Treatment Accreditation Service	0	49
Electroconvulsive Therapy Clinics	1	101
Memory Clinics	3	107
Perinatal Community Mental Health Teams	0	43
Psychiatric Liaison Team	2	74
Child and Adolescent Community Mental Health Eating Disorders	0	18
EIP Self Assessment	0	153
Prison Mental Health Services	0	40
Psychological Therapy Services	1	22
Community of Communities	0	8
Assessment Triage	0	5
Early Intervention in Psychosis	0	5
Learning Disability Ward	0	1
Community Mental Health Services	0	12

Care Quality Commission

The Trust was registered with the Care Quality Commission on 1st April 2010 to carry out the following legally regulated activities:

- Treatment of disease, disorder or injury
- Assessment or medical treatment for persons detained under the 1983 Act.

The Trust was inspected in April 2015 as part of a planned comprehensive inspection and achieved an overall rating of 'Good'. The report focused on 5 different domains of quality, which are "Safe, Effective, Caring, Responsive, and Well-led". The Trust received the written report in September 2015 and drew up an action plan with a list of Must do' and 'Should do' recommendations from the inspection to address shortfalls that were identified. We provide updates on our progress on a regular basis to the CQC and our commissioners.

We found a great deal that the Trust can be proud of.

We noted that service users' needs, including physical health needs, were assessed and care and treatment was planned to meet individual need.

Caring was consistently of a good standard and we found staff to be dedicated, kind and service user focused, we observed some good caring practice in the community services for people with a learning disability or autism.

The modern and purpose built facilities at Colne House, Seward Lodge and Kingfisher Court demonstrated an organisation that is proactive with regards to the rationalisation of its estate.

We found the Trust to be well-led at Board level.

The Trust's vision and values were visible in most of the services provided and the work that the leadership team were undertaking to instil these throughout the organisation in order to promote a caring, transparent and open culture was notable.

There are no conditions on the Trust's registration, no enforcement actions have been taken against our Trust and we have not participated in any special reviews for further unannounced or announced CQC inspections since April 2015 nor have there been any investigations. This table gives an overview of the rating we received from CQC.

Care Quality Commission

Last rated
8 September 2015

Hertfordshire Partnership University NHS Foundation Trust

Overall rating	Inadequate	Requires improvement	Good	Outstanding

	Safe	Effective	Caring	Responsive	Well led	Overall
Acute wards for adults of working age and psychiatric intensive care units	Requires improvement	Good	Good	Good	Good	Good
Forensic inpatient/secure wards	Requires improvement	Good	Good	Good	Good	Good
Specialist community mental health services for children and young people	Good	Good	Good	Good	Good	Good
Wards for older people with mental health problems	Good	Good	Good	Good	Good	Good
Community-based mental health services for adults of working age	Good	Requires improvement	Good	Good	Good	Good
Community-based mental health services for older people	Good	Good	Good	Good	Good	Good
Long stay/rehabilitation mental health wards for working age adults	Good	Good	Good	Good	Good	Good
Mental health crisis services and health-based places of safety	Requires improvement	Good	Good	Good	Good	Good
Community mental health services for people with learning disabilities or autism	Good	Good	Good	Good	Good	Good
Wards for people with learning disabilities or autism	Good	Requires improvement	Good	Good	Requires improvement	Requires improvement
Child and adolescent mental health wards	Requires improvement	Good	Good	Good	Good	Good

During 2016/17, the Trust has prioritised the areas in which we need to take action. The inspectors found our Trust to be operating at a 'good level' but identified a small number of areas that 'require improvement,' as indicated in the table. We acknowledge these concerns and are by no means complacent but these areas of development relate to issues of which we were previously aware, committed to improving and in many cases already taking action.

Oversight of the implementation of the action plan is through the Integrated Governance Committee to the Board. Updates to the plan are routinely shared with the Executive Committee, Trust Management Group, commissioners and the Care Quality Commission. Progress against the plan continues and is embedded within the Trust's Strategic Business Units.

The Trust has undertaken a range of actions to address the following areas identified in the inspection:

- **Application and understanding of the Mental Health Act and Mental Capacity Act**. Specific Mental Health Code of Practice sessions took place in Forensic and Learning Disability units, with open sessions held for all staff in September and October 2015. This action is closed
- **Recruit to fill vacancies, decrease the number of agency staff and increase permanent.** Immediate actions were taken to increase staffing levels in the areas identified in the report specifically in two of our acute adult wards, safer staffing levels continued to be monitored on an on-going basis.
  Agency usage within Adult Community halved since the last Care Quality Commission inspection, although has risen slightly recently owing to newly funded First Episode Psychosis posts.
  We have been proactive with our recruitment initiatives and have undertaken the following:
  - Dedicated Recruitment and Retention Group
  - Oversees recruitment initiative
  - Recruitment fairs for specific staff groups
  - Bank staff loyalty bonuses
  - Golden Hello's for specific staff groups and teams
  - New Career Marketing and Branding Materials
  - Recruitment activity calendars
  - Band 5 to 6 Fast Tracking.
- **Ensure all environmental safety concerns are addressed.** Ligature removal work was completed by December 2016. Immediate actions taken to address CAMHS inpatient Lines of Sight include floor plan with zonal risk areas, zoned rooms, continued review of individual service user risks, 1:2:1 staffing when required and the implementation of 'Safe Wards'. The funding and installation of CCTV into key areas within the unit was approved to reduce the lines of sight risk, installation has now taken place.
- **Ensure risk assessments and care plans are up to date, include risk histories and involve carers and service users**. The following actions have been completed:
  - Service user and carer views were added to the Adult Community Risk Assessment on Paris (the Trusts Electronic Patient Record System)
  - The Trust has gone live with a new initial assessment form on PARIS and letters to GPs and service users which include previous history
  - New care plan (Care and Support Plan) includes questions on if the service user has written the care plan themselves, the names of the people involved in making the care plan and whether an advocate has been involved.
- **Medicines Management.** Two older age adult inpatient units' medicines dispensary is now being supplied from Kingfisher Court Dispensary and they have switched over to the Trust's drug charts. A similar process is being completed for two rehabilitation units. Additional pharmacy staff have been recruited to support these processes. New Community Prescription charts were launched for use in the community and we have also appointed to a new post of Medication Safety Officer.
- **Care Coordinator allocation.** Routine referrals to the community mental health team are meeting the 28 day wait. A specific project has been set up to address this and other aspects with Adult Community Teams and an improvement in cases with no allocated care coordinator is now being seen. As at the end of March 2017, the number was 466 service This figure is only looking at those requiring a named care coordinator and therefore does not include service users who are awaiting psychology or psychiatry only input, service users stable in placements, service users who only access adult community teams for Depot/Clozapine clinics and those only attending groups.

The 'must do' actions which remain open continued to be monitored and progress reported.

There were also a number of other recommendations made that the Trust should consider undertaking, actions taken include:

- New furnishings in one of our adult acute inpatient units including beds, armchairs, bedside units and mattresses
- New lone working devices and training for identified staff
- Improved percentage of risk assessments up to date in Child and Adolescent Community Services
- Commissioners have funding additional consultant posts to manage young people with Attention Deficit Hyperactivity Disorder
- Reduced Crisis Child and Adolescent Community Caseload
- Improved signage and seating in reception at Community hubs
- Improved waiting times for Older People Community Mental Health memory clinics
- Auditing of medicines reconciliation rates
- Improved sound proofing of clinic rooms at community hubs

- New Extra Care Suite build at our Medium Secure unit in Hertfordshire
- Removal of blind spot in seclusion room, on Oak ward (PICU) in Hertfordshire
- Improved privacy and dignity at Waverley Road children's waiting area
- Improved section 132 rights documentation
- Resuscitation equipment at North Essex community hub
- Updated Rapid Tranquilisation Policy and associated staff training.

2.3 Reporting against our core indicators

This section of our Quality Report sets out how we performed against the 2016/17 priorities. These are the priorities we set at the beginning of the year and set out in the 2015/16 Quality Report. Each will be looked at in turn after considering the national mandated quality indicators set by the NHSI Regulation Framework

It remains our intention to always share with you our performance in comparison with other providers of health services. This has proved challenging as many of the targets set are tailored to our local economy and therefore we are unable to benchmark ourselves against other mental health Trusts.

National Bench Marking Data Comparing Trust Performance against other MH Trusts

Proportion of patients (service users) on CPA who were followed up within 7 days after discharge from psychiatric inpatient care (QA)

Time Period	Highest	Lowest	National Average	Trust
Q1 2015-16	100%	88.9%	97.0%	92.1%
Q2 2015-16	100%	83.4%	96.8%	98.7%
Q3 2015-16	100%	50%	96.9%	99.0%
Q4 2015-16	100%	28.6%	96.2%	98.10%
Q1 2016-17	100%	79.9%	96.8%	98.90%
Q2 2016-17	100%	80.0%	97.2%	99.10%
Q3 2016-17	100%	73.3%	96.7%	97.2%
Q4 2016-17	99.4%	84.6%	96.7%	88.1%

Proportion of admissions to acute wards that were gate kept by the community teams

Time Period	Highest	Lowest	National Average	Trust
Q1 2015-16	100%	18.30%	96.30%	18.30%
Q2 2015-16	100%	48.50%	97%	98.60%
Q3 2015-16	100%	61.90%	97.50%	99.30%
Q4 2015-16	100%	78.90%	98.10%	100%
Q1 2016-17	100%	84.30%	98.20%	88.8%
Q2 2016-17	100%	76.00%	98.40%	80.1.30%
Q3 2016-17	100%	88.30%	98.70%	88.5.0%
Q4 2016-17	100%	90%	98.8%	95.9%
2016/17				87.9%

Quality Indicator	Target (%)	Q1 15/16 (%)	Q2 15/16 (%)	Q3 15/16 (%)	Q4 15/16 (%)	Q1 16/17 (%)	Q2 16/17 (%)	Q3 16/17 (%)	Q4 16/17 (%)
Patient Safety									
CPA 7 day follow ups (NHSI)	95%	100	98.74	99	99.2	97.3	98.5	97.3	98.5
CPA Reviews within 12 months (NHSI)	95%	97	97.2	96.7	96.5	96.5	96.8	95	96.8
Inpatients receiving Physical Health Checks within 24 hours	98%	96.6	98.34	96.6	96.3	96.9	99.7	99.6	99.3
Effectiveness									
Emergency readmissions within 30 days	<=7.5%	6.61	4.35	6.43	3.87	4.3	5.3	4.8	4.2
CATT Gatekeeping (NHSI)*	95%	99.5	98.3	99.3	100	88.8	80.1	88.5	95.9
FEP waits within 14 days (NHSI)	>=50%	43	42	46	39	57.6	78.4	74.5	78.8
Delayed Transfer of Care (NHSI)*	<7.5%	5.6	6.6	7.2	5.84	6.7	7.08	6	8.3
Service User and Staff Experience									
Service users reporting being treated according to Trust values based on the number of service users who answered 'Yes' to the questions "Do HPFT staff treat you with respect?" and "Do you feel treated with respect?" (rolling %)*	>=85%	92.3	90.9	87.2	93.1	90.1	87.7	92.2	90.5
Carers feelings valued by staff	>=75%	84.5	76.2	80.3	85	88.4	89.3	84	88.1
Staff who would recommend the Trust as a provider of care to their friends and family	>=75%	63.7	62.3	70.7	72.5	77	77.4	76.1	75.3
Staff would recommend the Trust as a place to work	>=61%	51.2	49.6	56.4	55.6	69	67.8	68.8	65.8
Staff feeling engaged and motivated	>=55%	65	60.7	57	57.8	65.1	64.6	69.3	67.4
Service users Friends and Family Test	>=70%	86.2	80.9	86.5	88.5	86.8	87	86.3	85.8

The overall 16/17 performance for CATT Gatekeeping, Delayed Transfers of Care and Service users reporting they've been treated with respect were 87.9%, 6.9 and 90.5% respectively.

7 Day follow up

This is a nationally defined data target set by NHSi and the data source that was used was our electronic patient (service user) record. The Trust considers that this data is as described for the following reasons:

- The data is regularly subject to both internal and external audit processes and we have acted on any recommendations.
- The data and key areas of challenging or good practice are shared with key individuals on an on-going basis. This is translated into direct action that addresses any challenges
- Regular meetings are held with Managing Directors where any issues are addressed
- Discharges are followed up on a daily basis with a robust system of monitoring in place.

The data shows the Trust has consistently achieved the standard of 95% which contributes to the safety of our service users including the prevention of suicides.

HPFT intends to take the following actions to improve this indicator and so the quality of its service by;

The Trust has recently reissued guidance to staff to ensure that all service users who are discharged from inpatient services will receive a follow of within 3 days as opposed to the national target of 7 days. The Trust is taking this action to ensure a pro-active is embedded across all of our services with the aim of improving patient safety.

Admissions to acute wards for which the Crisis Resolution Home Treatment Team acted as a gatekeeper during the reporting period

This is a nationally defined data target set by NHSi and the data source that was used was our electronic patient (service user) record. The Trust considers that this data is as described for the following reasons:

- The data is regularly subject to both internal and external audit processes and we have acted on any recommendations
- All data is validated on a daily basis by the Performance Team and the relevant operational manager.
- Regular meetings are held with Managing Directors where any issues are addressed
- Admissions are followed up on a daily basis with a robust system of monitoring in place.

CATT gatekeeping performance deteriorated during most of 2016/17. This was due to the introduction of new teams and the quality of our recording of information, which highlighted that some staff were not fully aware of the need to ensure all individuals who may need an inpatient admission are assessed by CATT and needed further training. Once identified robust systems and processes were immediately put in place to remedy this situation resulting in an immediate improvement in performance in quarter 4 to exceed the target of 95%.

Our external auditors (Deloitte) have stated that our processes have been strengthened since the issues were identified

HPFT intends to take the following actions to improve this indicator and so the quality of its service by:

- The Trusts Audit Team will undertake a quarterly audit throughout 2017-2018
- Our Performance Improvement Team will continue to monitor all admissions for the next 6 months to ensure that the new process is embedded.
- An escalation process for when CATT cannot gatekeep due to pressure within the team is being drawn up

Adults on CPA receiving annual care review

The data is regularly subject to both internal and external audit processes and we have acted on any recommendations.

- All data is validated on a weekly basis by the Performance Team and the relevant operational manager
- A quarterly audit of completed CPAs are undertaken to give assurance
- Regular meetings are held with Managing Directors where any issues are addressed.

Weekly reports are sent to the teams to ensure care reviews are scheduled and any that are outside the time period are highlighted to the manager so that appropriate action can be taken.

The Trust has consistently achieved over the target of 95% which contributes to the delivery of high quality services. There was a marginal dip in the figure which recovered by the end of Quarter 3 and 4.

Inpatient physical health checks

This is a locally defined data target set in our contract and the data source that was used was our electronic patient (service user) record. The Trust considers that this data is as described for the following reasons:

- All data is validated on a monthly basis by the Performance Team and the relevant Service Line lead
- Regular meetings are held with Managing Directors where any issues are addressed.

We have achieved against the 98% target set for this year, excepting in Q1. We will continue to undertake robust checks and monitoring to ensure that performance remains at a consistently high level.

Readmissions within 30 days

This is a locally defined data target set in our contract and the data source that was used was our electronic patient (service user) record. The Trust considers that this data is as described for the following reasons:

- All data is validated on a monthly basis by the Performance Team and the relevant Service Line Lead
- Regular meetings are held with Managing Directors where any issues are addressed.

We have achieved against the target set for this year. We will continue to undertake robust checks and monitoring to ensure that performance remains at a consistently high level

Early Intervention in Psychosis – waits within 14 days

This is a nationally defined data target set by NHSi and the data source that was used was our electronic patient (service user) record. The Trust considers that this data is as described for the following reasons:

- All data is validated on a monthly basis by the Performance Team and the relevant manager
- Regular meetings are held with Managing Directors where any issues are addressed.

We have achieved the target that was set. From 2016/17 the indicator changed to the proportion of people receiving treatment according to National Institute for Health and Care Excellence (NICE) guidance within 14 days. We have a group of experts leading this work who have developed a robust plan to meet the new indicator and improve the service we provide to people with a first episode of psychosis.

Delayed Transfers of Care

This is a nationally defined data target set by NHSi and the data source that was a manually collated spread sheet. The Trust considers that this data is as described for the following reasons:

- All data is validated on a weekly basis by the manager of the service
- Regular oversights of the delays are reviewed by senior managers and Managing Directors and appropriate actions are taken.

We work with partners in health and social care to ensure timely discharge of people from inpatient services. We acknowledge that there is pressure on inpatient beds across our services and undertake to ensure that we make considered decisions with the people who use our services to optimise their recovery and minimise risk. In some cases this will result in delayed transfers of care.

Part 3 – Other information

This part of the report gives us an opportunity to celebrate some of the notable and innovative practice that has taken place across our services in 2016/17 as well as to present information that is relevant to the quality of the health services provided by our Trust. It is not meant to be an exhaustive list, rather a sample of the many and varied initiatives our staff, service users and carers have developed and implemented in order to improve the quality of our services.

Local quality indicators

The local quality indicators were set out in the Quality Account 2015/16. The performance against each target is set out in the table opposite. Information is for some benchmarking data for each of these indicators.

- Please note CATT Gatekeeping throughout 2016/17 is at 87.9%
- Please note DTOC for 2016/17 is 6.9

The Delayed Transfer of Care has been subject to external audit this year and issues have been identified relating to the reliance on manual processes to report the data, and the retention of an adequate audit trail. Following this, we have reviewed our systems and processes in both Adult and Older Peoples Services and these have now been strengthened considerably. The Trust recognises that there is further work to be undertaken within our Adult Services to ensure that accurate recording of date of discharge appear on the Service Users Electronic Patient Record as well as the Bed Management reporting systems. Ongoing Audit is being undertaken to monitor compliance and an updated report will be presented to the Audit Committee in the Autumn.

Mental Health Services Data Set (MHSDS) Metrics

The MHSDS data set is a national reporting requirement which focusses on ensuring all Mental Health providers improve the accuracy of reported data. Through work to improve the reporting and accuracy of our MHSDS returns, we have reported to the Board data quality issues associated with the way in which information is drawn from our records and the consistency of the data. This impacts the calculation of our performance. A temporary in-house solution is being developed which will be in place by 1st June, whilst the Trust works with the provider of our electronic records software, to correct this issue.

Sustainability and Transformation Plan (STP)

This year saw the creation of Hertfordshire and west Essex's Sustainability and Transformation Plan. Faced with increasing demands on health and social care, councils, health and ambulance services, GPs, patient (service user) representative groups and the voluntary and community sectors have come together to produce an improvement plan for the next five years. The improvement plan for Hertfordshire and west Essex is being led by Tom Cahill, our Chief Executive, and is called "A Healthier Future".

What is A Healthier Future?

A Healthier Future will map the improvement journey health and care services are committed to take in order to improve all of our vital NHS and social care services to help the people of Hertfordshire and west Essex live happier and healthier lives.

Our STP vision is to work together to;

- Improve the health and well-being of our local population
- Improve the access to care and support at the right place, at the right time and to the highest possible quality.
- Ensure that the care and support provided is efficient and sustainable.

Quality improvement

The Executive Director of Quality and Medical Leadership and Executive Director of Strategy and Improvement leads the Trust's organisation wide approach to Quality Improvement. This is built around the Institute for Health Improvement (IHI) Model for Improvement and other proven methodologies which allow quality improvement to be undertaken from a wide range of perspectives (e.g. safety, efficiency, productivity) around a core, simple and repeatable process that is common to all improvement activity.

We are building on this to create a culture of continuous quality improvement and innovation supported by:

- A co-production approach, involving staff, service users, carers and other relevant stakeholders in the design and delivery of improvements
- Our work to build a 'Collective Leadership' culture.

Standard	Target	Q1	Q2	Q3	Q4
		Risk Assessment Framework		Single Oversight framework	
Patient Safety:					
Care Programme Approach (CPA): The percentage of people under adult mental illness specialties on CPA who were followed up within 7 days of discharge from psychiatric in-patient care	>=95%	97.4%	98.6%		
The proportion of those on Care Programme Approach (CPA) for at least 12 months who had a CPA review within the last 12 months	>=95%	96.5%	96.8%		
Ensure that cardio-metabolic assessment and treatment for people with psychosis is delivered routinely in the following service areas:	>=90%				100%**
a) inpatient wards b) early intervention in psychosis services	>=90%				100%
c) community mental health services (people on Care Programme Approach) 23	>=65%				59%**
Effectiveness					
Percentage of inpatient admissions that have been gate-kept by crisis resolution/ home treatment team	>=95%	100.0%	99.3%	88.5%	96.0%
Delayed transfers of care to the maintained at a minimal level	<=7.5	6.70	7.08		
Suspected EIP referrals engaged with Care Co-ordinator within 14 days of referral. NOTE: Drop in target reflects adaptation of approach at end of 2015/16 to meet new guidelines	>=50%	57.6%	77.1%	74.5%	78.8%
Data Completeness MHSDS - Identifiers Includes: NHS Number, DOB, Postcode, Gender, Registered General Medical Practice organisation code, Commissioner Organisation Code; For all service users	Q1 & Q2 >=98% Q3 & Q4 >=95%	99.93%	99.93%	98.33%	99.11%
Data Completeness MHSDS – Outcomes Comprising: Employment status, accommodation status, HoNOS; For total number of adults aged 18-69 who have received secondary mental health services and were on CPA at any point in quarter Priority Metrics in SOF for Q2 & Q4. Comprising: ethnicity, employment status (for adults only), school attendance (for CYP only), accommodation status (for adults only), ICD10 coding. Note: ICD10 for CYP may be supplanted by capture of a problem descriptor, rather than a formal medical diagnosis.	Q1 & Q2 >=50% Q3 & Q4 >=85%	53.51%	55.17%	55.58%	63.49%
Improving Access to Psychological Therapies (IAPT)/talking therapies	>=95%	99.93%	99.96%	99.96%	99.96%
a) 18 week RTT b) 6 week RTT	>=75%	94.61%	94.19%	94.14%	91.26%
c) proportion of people completing treatment who move to recovery (from IAPT minimum dataset)	>=50%			51.6%	54.72%
Patient Experience					
Friends and Family Test – Service users (rate of service users that would recommend the Trust services to friends and family if they needed them)	70%	88.5%	88.8%	90.1%	87.9%
Friends and Family Test – (as a place to receive care) - Staff	70%	77%	77.4%	76.1%	75.3%
Staff supporting feeling engaged and motivated at work	55%	65.1%	64.6%	69.3%	67.4%

** Percentages subject to confirmation by the RCOP

The drivers for specific improvements will continue to come from a range of sources including: our previous Care Quality Commission inspection report, in particular moving from 'Requires Improvement' to 'Good' for safety, service user and carer experience feedback; learning from incidents; performance indicators; and national policy and commissioning directives.

To support the development of an innovation and improvement culture, as well as individual improvement initiatives, we are building our core support team. This team provides direct support to major improvement projects; develops a multi-disciplinary network of improvement enthusiasts; offers expertise and guidance to teams engaged in improvement activities; and will co-ordinate improvement related activities with partners (e.g. University of Hertfordshire) to leverage capabilities, thinking and resources from outside of the Trust.

In keeping with the ethos of Quality Improvement being 'business as usual', our existing governance structures will be used to provide oversight. Where Quality Improvement is structured to be delivered through specific projects and programmes there will be related project / programme governance. This, combined with our well established Quality Assurance governance systems, provides assurance from the front line to the Board.

The table below outlines some of the achievements made through using our approach and the concepts, tools and techniques that underpin it:

Related project programme governance. This, combined with our well established quality assurance governance systems, provides assurance from the front line to the Board.

The table below outlines some of the achievements made through using our approach and the concepts, tools and techniques that underpin it:

Team / area	Improvement achieved	Concepts / tools / techniques used
South West Adult Community Team	25% care co-ordination caseload reduction & worker caseload size reduction	• Use of data and information/data analysis • Demand and capacity concepts • Flow concepts
Acute Inpatients	Discharges occurring earlier in the day	• Process mapping • 'Go see' • Use of data and information/data analysis
Essex IAPT	Decreased dropout rate and reduced 'staying in touch' administrative activity	• Process mapping • Waste concepts • Failure demand concepts • PDSA
Community Learning Disability Teams	Increased carer confidence in producing correctly textured food for people with swallowing difficulties	• Service user/carer focus • Creative thinking
Acute inpatients	Reduction in wasted time 'searching' for items in clinic rooms	• Waste concepts • Standardisation • Visual management
Single Point of Access (SPA)	Ease of telephone access to SPA, including c.85% wait time reduction	• Use of data and information/data analysis • Demand and capacity concepts

Additionally, we have seen a range of creative and innovative ideas being generated by staff from across the Trust over the last few months of the year. Many of these are 'in development' and being supported to be taken forward through funding from our Innovation & Improvement Fund – a concept that was devised and established during the year to encourage and enable such ideas.

Current ideas include the following which the individual and teams generating them are confident will bring about improvements in service user and carer experience, health, outcomes and safety:

- Implement a web based systemic outcome measurement tool across all learning disability services allowing the measurement of the impact and outcomes of our interventions and collaboration with partner agencies

- Create a temporary interactive display that highlights the typical weekly food intake of an inpatient and the excess weight gain from this diet with an aim to raise awareness and reduce service user weight gains
- To buy items to build a 'living well with dementia kit' allowing demonstration of examples of potentially helpful products that service users can then purchase themselves through various suppliers
- Supporting and enabling the Young People's Council and the communications team to co-produce short information videos for CAMHS teams
- To trial a digital version of the Talking Mats approach, which aims to support people with communication difficulties to give their views on a range of topic
- To develop a 'virtual ward' model for community mental health teams, adopting methods from inpatient services to manage service user treatment length expectations and work flow
- To commission a pilot from the 3rd Sector to deliver a peer support volunteering project recruiting and training individuals with experience of mental ill health to support service users identified as high risk for suicide
- To produce some specific "Think delirium" information material for use with Accident & Emergency healthcare staff, service users and carers to help raise awareness of symptoms and causes and management / treatment strategies for current and future care.

10th Annual Recovery Conference

The 10th Annual Recovery Conference was held on World Mental Health day (10th October) with the theme of 'Connecting People: Parity of Esteem & Wellbeing'. As with previous years, the conference was fully booked with 30% of the audience being people with a lived experience of using services, or as a carer. The day comprised of inspiring keynotes addresses, a range of workshops and hearing powerful testimonies from people with lived experience.

"Informative, competitive, inspiring"

"Empowering my patients and looking towards recovery of wellbeing"

"Excellent understanding of recovery and dementia"

Hertfordshire Wellbeing College (New Leaf)

New Leaf College began delivering college co-produced courses in November 2016 and is based on the Recovery College Model in place across many parts of the UK. The college is delivered by the Trust in partnership with Druglink Ltd and comprises a multiagency curriculum board.

The Hertfordshire College is unique in that access is universally available to people living or working in Hertfordshire, and want to improve their wellbeing through Adult Education. The model is fully co-produced meaning that people with lived experience have been involved throughout as decision makers alongside a range of other stakeholders.

Service user and carer involvement

The Trust has one of the most vibrant service user and carer involvement programmes in the NHS today, providing numerous opportunities for service users and carers to become involved as Experts by Experience including:

- Involvement in staff recruitment
- Input into numerous forums and project groups
- Sharing personal stories at staff induction
- Involvement in Patient Led Assessments of the Care Environment (PLACE) audits
- Service user, carer & Youth Councils
- Involvement as Peer Experience Listeners (service evaluation project).

In 2016/17, we have seen over 2500 hours of involvement by experts by experience. This is a slight reduction on the previous year however this is primarily due to spending time reviewing policy and processes for involvement to ensure a robust system moving forward.

In addition to the above, the Trust began use of a new electronic interactive records system for Experts by Experience that allow them to view their personal involvement record and for the Trust team to log all hours of involvement electronically.

Integration and Hertfordshire Community NHS Trust (HCT) Alliance

We know from people who use health and social care services that a key element of high quality services is that they are seamless and coordinated, and designed around the individual needs of the person. This aligns with both the NHS Five Year forward plan and our Sustainability and Transformation Plan (STP) priorities. As a partnership Trust, integrated working has long been central to our approach. However, we have continued to build on opportunities to integrate services over 2016-2017. Integration and partnership working remains a vital element of our Good to Great Strategy. We have co-produced the development of our Physical Health Strategy during the past 12 months, as part of our Good to Great journey, and our implementation of this strategy supports our focus on ensuring that people's physical health needs are supported.

As part of our journey to delivering integrated care, we were delighted to announce our formal Alliance with Hertfordshire Community Trust, in September. These stronger links across the two major community providers in Hertfordshire offer real opportunities to deliver more joined up physical and mental health care for the people of Hertfordshire.

The Trust continues to actively engage in a range of work that is being undertaken across the region in relation to integration, with partnership working to maintain people's physical and mental health and to support people to remain living in the community. Multi-Specialty Teams illustrate this approach in which our staff work together with physical health providers, social care staff and other providers of care, to review complex care of people, and together agree an integrated approach to improve care. Rapid Response and Home First is a further example of this sort of integrated service, in which mental health staff work alongside physical health staff and social care staff to support people in the community, thereby reducing acute admissions.

Our street triage service, in which we work alongside police and ambulance services, has been significantly extended over the past 12 months. This joined up approach makes a positive difference to the experience of the person with an acute mental health need. It has also significantly reduced the use of Acute Hospital Emergency Departments (ED) and the need for Section 136 Place of Safety assessments, by way of a more person centred integrated approach to the person's needs. Rapid Assessment Interface and Discharge (RAID) continues to be a key service that provides integrated care within the acute hospital with recent extension of the provision of group treatment approaches in both the Acute Trusts to people with Medically Unexplained Symptoms. The RAID service will shortly be rolling out an extension of its current service to provide a resource to people 24 hours daily.

There are a number of other examples of the integrated work that has been taken forward over the past 12 months. The development of a trusted process between the Trust's Child and Adolescent Mental Health Services (CAMHS) and the CAMHS services provided by Hertfordshire Community NHS Trust enables a more joined up service and also reduces the need for young people to repeatedly tell their story to different people.

There has also been an expansion of our Wellbeing and Improving Access to Psychological Therapies (IAPT) services to the area of Long Term Physical Health Conditions. At a whole system level, this fosters a joined up approach to identifying and treating depression and anxiety for people with long term physical health conditions

such as diabetes, where the services are joined up and integrated. Finally, our perinatal community service is now working with maternity services, again improving the experience for people who use these services.

The range of integration work taking place across the different services demonstrates our commitment to integration as a central theme for redesigning services across the system and keeping mental health as a key element throughout care. The focus afforded by STP with integrated working at the heart of the STP priorities provides additional opportunities to extend the ways in which we can work across the system with our partners to deliver joined up and integrated care. This will remain a key priority for further developments and expansion of integrated care throughout 2017/18.

Physical healthcare

Our Physical health strategy 2017- 2022

A stark disparity in physical health outcomes exists between people with mental health problems and the general population. In line with the Trust's mission "We help people of all ages live their lives to their full potential by supporting them to keep mentally & physically well" we aim to use Physical Health Strategy to improve overall health outcomes of our service users and carers throughout al Trust services.

This Strategy has been co-produced in order to agree aims and priorities to effectively tackle this problem over the next 5 years, and culminates in a detailed first year delivery plan which is to be reviewed and developed upon in subsequent years.

Throughout the development process, the Strategy has been discussed at a number of different forums across the Trust, including clinical and non-clinical staff and service users and carers who have helped to shape up the below aims:

- To ensure our service users are supported to achieve the best possible physical health status, in addition to providing excellent mental health care and support
- To achieve year on year improvement across a range of physical indicators for our service users (e.g. smoking, obesity, alcohol consumption)
- To support our service users receive appropriate support to address their health-risk behaviours
- To ensure staff are confident in their knowledge and skills to support service users in achieving their best possible physical health outcomes
- To work in collaboration with partner organisations to achieve better physical and mental health outcomes for the population.

Once approved by the Board, implementation of the Strategy will be monitored by the Physical Health Committee. We aim to achieve year on year improvements in clinical outcomes for our service users and embedding "physical health care" component in our day to day clinical practice and management and governance structure.

Diabetes

During 2016/17 the Trust established a Diabetes Steering Group. The focus of the group was to develop guidelines for the care of diabetics in all our adult inpatient services. This followed a review of the care of a service user who died of natural causes.

The multi-disciplinary group has worked with local specialist providers to develop the guidelines which focus on ensuring the care we provide meets NICE guidance and promotes the physical health needs of the service user. The work of the group has also included agreeing guidelines to manage a service user who becomes blood sugar levels drop and they become hypoglycaemic. 'Hypo' boxes are in place now and support the services in managing an emergency whilst waiting for additional support. The guidelines clarify the emergency pathway for service users.

We have worked with procurement to ensure the needles used for diabetics meet the Safe Needle guidance and literature has been produced to ensure staff have a visual awareness tool to support safe practice.

In partnership with West Herts Hospitals Trust, we have trained staff from across our in-patient units and, to date, all who have attended have reported that the training was excellent. We have also agreed with Hertfordshire Community Trust a link Diabetic Specialist Nurse for each unit to build relationships and improve care.

The group continues to meet and will focus on improving the self-care of diabetics as part of our overall approach to recovery and managing the physical health needs of service users.

Pressure ulcer working group

The Trust continues with its zero tolerance of avoidable pressure ulcers. In comparison to 2015/17, in 2016/17 there has been a further 40% reduction in pressure ulcer and moisture lesions reported in the Trust. There have been no avoidable grade 3 or 4 ulcers within the Trust since 2014.

The Tissue Viability Nurse (TVN) works for both Hertfordshire Community Trust (HCT) and the Trust and has been delivering training across the organisation.

Recent audits suggest that staff feel more confident and competent in preventing and managing pressure ulcers than they had previously, felt to be owing to the ongoing support and discussion with the TVN and other senior nurses across the Trust.

There is a robust system in place to access medical devices with a dressing formulary now on each inpatient ward; these have had a positive impact on supporting both efficiency and evidence based practice within the organisation. The management and process of the pressure relieving mattresses and cushions continue to be monitored by the procurement Team and heads of Nursing.

Last year, the Trust supported the 'Heel Alert' campaign as evidence suggested that heel ulcers are the second most common site for pressure ulcers with associated incidence on the rise. The 'Stop the Pressure Ulcer' annual conference emphasised the importance of heel support and elevation as well as the use of protection such as heel booties, repositioning and the treatment of dry skin by using moistening cream to decrease friction and sheering.

Pressure ulcers will continue to be monitored and reported to the Trust's Physical Health Committee.

Falls

The Trust recorded a total of 720 Slips, Trips and Falls incidents on Datix during 2016/17. Compared to the previous year, this was an overall reduction of 16%. 92% of falls reported were service user falls. Compared with the previous year service user falls have decreased by 18%.

The Trust Falls Group continues to meet and is chaired by the Deputy Director – Safer Care and Standards. During the year, the Trust was shortlisted for a Health Service Journal (HSJ) award in recognition of the contribution to improving service user safety.

Work undertaken by the group in the last twelve months has included:

- A specific Root Cause Analysis (RCA) report template in use to ask targeted questions to aim to reduce harm from falls has been updated to embed the Human Factors methodology into the process and is now clearer about the requirement to seek and include views of the family
- Terms of Reference provided to guide incident investigators on what to consider when undertaking a Falls RCA
- Guidance on lying and standing blood pressure to address learning from previous falls RCAs
- Review of the Falls and Bedrails policy, updated to include current NICE guidance
- A carer representative joining the Falls Group, supporting the development of information for service users and carers on falls risk
- Revision of the Medicines Management policy to include guidance for staff on medication that increases the risk of falls.

Smokefree

We believe that as a health organisation and in our broader commitment to improve individual's mental and physical wellbeing, we should promote public health and our desire to support people to be as healthy as they can be.

There is overwhelming evidence that our approach to smoking should not just focus on preventing harm to others but should actively support service users and staff to stop smoking or reduce the harmful effects of smoking by supporting them to reduce their consumption of cigarettes.

Smoking remains a profound source of inequalities in health and is a major cause of long term disability.

The life expectancy of those who have a long and enduring mental health illness is acknowledged to be around 20 years less than the rest of the population; and a factor recognised to contribute to this outcome is the high incidence of smoking amongst users of mental health services. Smoking also reduces the effectiveness of some of the drugs service users are prescribed and is a contributory factor in many physical illnesses including cancer.

During 2015/16 we therefore decided to become a Smokefree organisation, which means that smoking is no longer allowed in any of our premises or on any of our sites.

Over the past year, we have continued with implementing our Smokefree Policy and implementing our comprehensive plan to provide the necessary leadership and support to deliver a smoke free environment.

Specifically, we will continue to ensure:

- There is strong leadership and management to ensure premises are smokefree
- That all of our inpatient beds have an on-site smoking cessation service
- We identify people who smoke and offer them advice and support to stop
- We provide intensive behavioural support and Nicotine Replacement Therapy (NRT) or other support for our inpatients who smoke
- Our staff are trained to support people to stop smoking whilst using our services
- We support our staff to stop smoking or abstain whilst at work
- There are no designated smoking areas.

Having updated our e-learning Smoking Cessation training, we have increased the number of staff we have trained via the revised package and also face to face (level 2) with the Stop Smoking Services.

We have seconded a Specialist Advisor from Hertfordshire Stop Smoking Services for one year to support the staff in implementing the Smokefree policy and support service users according to their individual need.

We have also increased the NRT that is available to service users to enable them to either abstain from smoking whilst receiving our services or to stop smoking altogether.

Nutrition and dysphagia

The Trust's Dysphagia and Nutrition Steering Group leads work across the Trust to make sure that service users nutritional needs are met when using our inpatient services. The steering group is a multidisciplinary group with representatives from key clinical professions, service areas, facilities management and the contracted food supplier.

We use the Care Quality Commission (CQC) fundamental standard, regulation 14: Meeting nutritional and hydration needs to guide our work.

Over the past year, we have completed several areas of work including the following:

- Used learning from a serious incident to improve our fluid intake charts
- Delivered activities as part of national Nutrition and Hydration Week
- Updated the Trust policy providing additional guidance regarding supporting service users who are tube fed via a Percutaneous Endoscopic Gastrostomy (PEG)
- Reviewed our compliance with 10 key characteristics of good nutritional care guidance
- Worked with contractor to make sure service users receive high quality food that meets their nutritional needs.

Our priorities for 2017/18 include

- Reviewing and updating as necessary our food intake charts
- Developing an eLearning package to support staff in using the Trust's Dysphagia and Nutrition Screening Tool
- Working with physical health leads to make sure, evidence based, resources to support good food and fluid habits are available on the public website for the benefit of all
- Continuing to work with contractor to make sure inpatient menus support the nutritional needs of all service users
- Reviewing how we support units across the trust in delivering good nutritional care.

Artwork supplied by the HPFT Art Collection

Learning and development

As a University Trust, we recognise the importance of investing in our workforce to continue to deliver the right care in the most effective way, based on a sound evidence base and continuing professional development.

We provide opportunities for our staff to develop their full potential through defined career pathways. This is a core component of the NHS constitution on which we are focused. In the recent national staff survey, the Trust was above average nationally for the staff's rating of the quality of non-mandatory training and learning and development offered.

Continuing Professional Development (CPD) is an important requirement for professional and medical occupations within the Trust. This is prioritised each year using an organisational Training Needs Analysis working with partners such as University of Hertfordshire, University of Bedfordshire, Anglia Ruskin University and University of Essex to deliver programmes of learning to enable our staff to provide the best support to service users.

- 253 staff have accessed short courses such as Physical Health Monitoring, Dementia, Asperger's Awareness and the popular Clinical Supervision
- 20 staff are currently enrolled on Preparation for Mentorship module ensuring the Trust has enough mentors in place to support student placements
- 38 staff are currently on a pathway of study towards BSc. MSc and Doctorate.

We have also been successful in a bid for additional funding from Health Education England to support extra training requests.

We have a structured leadership and management development offering training and development aligned to the delivery of the organisational culture to improve the leadership quality and improve levels of employee satisfaction. We have supported 55 individuals in the Managing Service Excellence Programme and 113 in the Leadership Academy.

We provide Core Skills Statutory and a Mandatory training programme throughout the financial year to maintain the safety of our staff and service users across the Trust. Over the last year, we have streamlined our 10 statutory courses and saved over 6,000 hours that can be re-focused on direct clinical care and related activities. Our 'one stop' induction programme was attended by over 700 new employees in the last financial year, giving them an early insight into the Trust's values and expectations.

We deliver a structured programme of learning for trainee doctors, student nurses and students across psychological services, social work and allied health professions. We deliver this within a standards framework of quality outlined by the professional bodies.

The library and knowledge service, based at The Colonnades, supports this comprehensive program of education events and has an outreach librarian model in place where teams are trained locally on study skills, how to conduct literature searches, critical appraisals. The library and knowledge service hosted a knowledge management conference day which included knowledge cafes on how to share knowledge and received high praise.

The annual library review was conducted via a survey sent to all users and the responses demonstrated a significant positive response on the library service that is provided to all users.

The Trust also participates in the delivery of apprenticeships and we are an accredited centre through City and Guilds. We register and certificate all Apprenticeships at Level 2 and Level 3. We are supporting 33 to completion and 17 have completed in the last year. We also run Dementia courses, Diploma's, Functional Skills, Customer Service and Business Administration through City and Guilds.

Medical education

Visit by Health Education East of England (HEEoE) – November 2016

HEEoE visited the Trust recently to carry out a Quality Improvement and Performance visit. The purpose of the visit was to review of the Trust's performance against the Learning and Development Agreement including the General Medical Council (GMC) and Non-Medical Commissioned Programmes standards. The visit was multi-professional, reflecting the whole workforce and the clinical learning environments that the Trust provides for all professions and specialties.

Following the visit the HEEoE team said they gained a clear vision of a Trust with a patient-centred ethos and a strong commitment to the delivery of high quality education and training across all professions.

The senior Trust management team is led by an actively engaged and highly visible Chief Executive supported by a dedicated, effective and efficient team. Within the Trust, there was found to be fully engaged, supportive and supported trainers.

The trainees and students were well motivated and almost all those met would recommend the Trust to colleagues as a valuable learning and training environment. In addition, the visiting team was impressed by the range of educational and developmental opportunities offered beyond the delivery of curricula and in particular the Masters Programme and the Trust's Innovation Fund.

Health Education England coaching and mentoring funding 2016/17

The Medical Education Team recently submitted a bid to Health Education England for Coaching & Mentoring Funds to run a programme for trainee doctors. After being considered by a panel drawn from the Faculty of Educators Steering Group, we were awarded the full amount available of £1500.

Integrated GP teaching programme

In collaboration with Bedfordshire & Hertfordshire Local Medical Committees (LMC), the Trust is running an integrated GP teaching programme of six modules from February to June 2017. Senior clinicians and consultants in mental and physical health will facilitate each module.

Feedback from the first module 'Mental and Physical Health during Pregnancy and the Postnatal Period' held on the 23 February 2017 received excellent feedback.

Back to Basics training for independent assessors and frontline community clinicians

This training took place in 2016 as a four module event and was followed up with refresher training in January/February 2017. The aim was to refresh participant's knowledge and skill of assessing and managing common psychiatric presentations and was open to medics and other professional groups.

Wellbeing plans – a renewed approach to care and support planning

The Wellbeing plan marks a renewed approach to Care and Support planning which has been co-produced through the Recovery Care Planning Group in conjunction with the Care Act work stream. The aim of this is to achieve more personalised service user and carer focused practice and greater integration in the planning and delivery of care, support and treatment.

Devised by a multi-professional team of experts, as well as service users involved with the Recovery Care Planning Group, the Wellbeing Plan is personalised to focus on the person's own goals and what specific care, support, and treatment they will need to help them achieve them. It will encourage participation by keeping planning stages accessible and removing barriers to involvement. The personalised approach to managing risk and crisis will focus on self-management and independence. Meanwhile the self-rated outcome measure will enable a person to rate and evaluate their progress using the Health and Wellbeing Wheel.

The 'My Wellbeing Plan' replaces and simplifies several different care plans and commissioning forms that are currently used and therefore reduces bureaucracy enabling staff to have more time to care. Staff will get the benefits of better tools to support recovery care planning to enhance their working relationship with people who use our services.

The key features of the new Wellbeing Plan, and personalised recovery focussed care planning approach are:

- Personalised to focus on the persons own goals and what care, support and treatment will help them achieve them
- Promotes full participation in care and support planning and ensures focus on reducing barriers to communication and involvement.
- Encourages and supports a more personalised approach to managing risk and crisis that is focused on self-management
- Reduced administrative burden on frontline staff through a simplified form, with integration of other documents (Personal Budgets) and making best use of the Electronic Patient (service user) Record functionality
- Self-rated outcome measure, enabling a person to rate and evaluate their progress using the Health and Wellbeing Wheel
- Service user and carers benefit from the same person centred approach that promotes their wellbeing
- Fully integrated health and social care process and practice for both service users and carers. No separate Personal Budget documents.

The Wellbeing plan and associated practice development contribute to the wider health and wellbeing initiative taking place across the Trust and county. By placing mental health and physical health on equal footing, and the individual and their family at the heart of our joined up care, we can provide a better service and support great outcomes across the county.

Child and Adolescent Mental Health Services (CAMHS)

We aim to deliver an outstanding CAMHS to children and young people across Hertfordshire; providing great care and great outcomes to the high standard we would expect for our own family and friends.

CAMHS had an overall rating of Good during the Trust's CQC inspection in 2015, achieving Good in the domains of Effective, Caring, Responsive and Well-led; and Requires Improvement in the domain of Safety. The service responded to the key areas of concern and since then there have been substantial improvements in the service as a whole.

In the last two years, there have been significant service changes and developments, including the highly regarded Community Eating Disorder Service and the newly formed Attachment and Trauma Service. The Youth Council is very active and has been increasingly actively involved in service development.

There has been growth and positive development in the crisis pathway, and although some areas of the CAMHS have, at times, experienced challenges, we have an opportunity to review progress and consider alternative models and processes for managing crisis and contingency planning in the community CAMHS teams.

We recognise that continuous quality improvement is necessary across the CAMHS and to move the service to outstanding. A service improvement plan has therefore been developed, providing an overview of the challenges facing the CAMHS and how we can address these over 2017/18. Divided into two key areas, the plan considers service improvement – reflecting the wider 'Good to Great' strategy – and service developments – reflecting the strategy and considering the actions that would move the CAMHS towards outstanding.

Street triage

Police and Trust Crisis Team clinicians are working together to respond to mental health related police calls. Two cars operate across 17:00pm – 04:00am, providing a 7 day service.

In December 2016, as a 1 month pilot, and subsequently from March – July 2017, the street triage service has also included a paramedic from East of England Ambulance Service NHS Trust (EEAST). The service aims to reduce Section 136 Place of Safety detentions and attendance at Hertfordshire Emergency Departments by providing a holistic response to individuals mental and physical health needs. Early indications are showing positive results.

Expanding services to new groups of people

We have been successful in our application to be an integrated Improving Access to Psychological Therapies (IAPT) early implementer. As the Mental Health Five Year Forward View implementation plan sets out, two thirds of the expansion of IAPT services to reach 25% of people with anxiety disorders and depression will be integrated with physical health. This integrated care will improve outcomes and experience for people with long term conditions and co-morbid mental health problems or persistent distress associated with medically unexplained symptoms.

Development of a dedicated Section 136 Team

A new team has been introduced to facilitate a smooth transition into and through the Section 136 Place of Safety suite. We have developed staff skills and knowledge of the section 136 process and the legal requirements of the Mental Health Act (MHA).

This will allow for improved working relationships with the police and ultimately, an improved service user experience.

Expansion of the Bed Management Team

The Bed Management Team has been expanded to include Discharge Co-ordinators and a housing worker. This allows for wider coverage including evening and weekend cover.

The Discharge Co-ordinator and Housing Worker roles provide specialist support to the inpatient areas to facilitate discharge in a more timely manner.

Inpatient physical activity programme

The reintroduction of a physical health activity programme into inpatient wards is aimed at providing improved body confidence, improved mood, more relaxed state, improved fitness and post-discharge physical exercise plans.

Night Crisis Assessment and Treatment Team (CATT)

The night CATT service has been developed to increase crisis assessment and home treatment capacity overnight. This is a peripatetic team working 21:00pm- 08.30am providing crisis assessment and treatment in the community and diversion from the hospital emergency departments.

Working closely with the Street Triage service, this team supports a reduction in the use of bed based services; providing an alternative to admission. The service also provides a timely response to assessments of Section 136 Place of Safety detentions.

Community Perinatal Team

Hertfordshire County Council, East & North Hertfordshire NHS Clinical Commissioning Group (CCG), Herts Valleys CCG and mental health services provider and the Trust worked in partnership to bid for national NHS funds to develop a specialist service to support women with a range of mental ill health needs in the perinatal period and supporting new mums, as well as their babies and partners.

The Trust has developed the community perinatal team which will be working alongside professionals such as GPs, obstetricians and gynaecologists, midwives, children's centres and health visitors who already support women in the perinatal period.

"It's been a relief, to be honest. Having the care plan in place meant that I could relax and enjoy the last stages of my pregnancy without undue stress about getting ill again as I felt prepared and well supported"

"Second time around was so much better. I hope by sharing my story other women will realise it's ok to ask for help. Early help is crucial. The services are there to provide support. I certainly wouldn't be where I am today without them"

Safer care pathways

Safer Care Pathways was one of ten projects funded by the Health Foundation in 2014. In the eastern region we were lucky to be one of five Trusts involved in "Closing the Gap in Mental Health". We chose to focus on the acute care pathway, Crisis Assessment and Treatment Teams (CATT) and Acute Day Treatment Units (ADTU). A team of clinicians, service users and carers used a new approach to improving quality and reducing risk, involving engineers from Cambridge University. The project group identified transfer and discharge as a time where there is a greater incidence of communication breakdowns, interruptions in care, potentially leading to serious incidents.

The two following interventions have been piloted, evaluated and are now part of the policy for the crisis teams and the ADTU:

- A change in the way transfer and discharge was planned, creating a collaborative system, known as the Moving on Plan, which underpinned a change in culture and shared ownership in the Acute Day Treatment Units.
- People assessed by the crisis team and care continued outside of the Trust were followed up by a phone call within 48 hours to review their progress and offer further support if needed by the crisis teams.

The project group from the acute care pathway were trained in Safer Systems Assessment (SSA), a new approach for mental health services; which is a system looking at potential hazards, risk and design them out. It is a system regularly used in aircraft engineering. Traditionally we have worked retrospectively looking at what went wrong.

The SSA system was used to analyse our acute care pathway and identify risks and hazards. Service users and carers were part of the project team; they were vital and pivotal members of the project challenging clinicians thinking and providing a viewpoint of risk that steered the team away from traditional responses to risk.

Also, the project group and a group of patient (service user) safety champions across the acute mental health services were given Human Factors Training (HFT), to bring learning from other areas, primarily surgery and physical health care and apply this learning about the impact of human factors on team work and systems to our mental health services.

What is the Moving on plan?

The "Moving on Plan" was the first initiative being trialled after the SSA and HFT. The moving on plan is a collaborative way of working to promote sharing aspects of the service users care that need to be considered to promote safe transfer from one service to another. The discussions about Moving On takes place one to one and within groups where it is discussed with peers and staff. The information is recorded in a document which is owned by the service user with the aim to empower and inform the user, to raise situational awareness and to reduce errors that might lead to incidents. It thereby seeks to contribute to a smoother and safer care pathway. The feedback from the Moving on Plan evaluation was that the majority of service users felt more informed, and more confident about moving on from the ADTU. Giving people ownership and increased role and responsibility for their discharge plans supports them in feeling safer after discharged.

"48 hour Care Calls" have been introduced as a second initiative to improve the follow up of service users who were seen and assessed by the crisis team and whose care continues outside of the Trust's services. In the context of these calls, care plans are reviewed and service users are given the opportunity to clarify any questions after the assessment. Feedback from the 46 calls was that service users fed back that they felt valued and cared for, appreciated being listened to, not forgotten, not ignored, and were supported. Outcomes from the calls include two people given further crisis team involvement; people valued the call and were happy with their plans and to continue their recovery.

This initial project ended last July, however since then the project group has moved on to analyse and design out other risks identified in the initial system a mapping. We are now working on a one year project to improve working collaboratively with service users support networks in the ADTU and CATT. The National Confidential Inquiry into Homicide and Suicide identify that one third of the suicides that occur, they may have been prevented with better involvement of family and carers.

So far after analysis and fact finding, we have set up groups for cares of people attending the CATT and ADTU to attend, linked all the other work taking place in the Trust, reviewed all the documentation to promote carer involvement, surveyed staff to find out their views and understanding about confidentiality and working with carers, started to plan training to improve collaborative working.

This project has been shortlisted in the Patient Safety Awards, The Eastern Region Leadership Awards and the RCNi Mental Health Awards.

Accreditations

Our Electroconvulsive Therapy (ECT) service, Rapid Assessment, Interface and Discharge (RAID), our mother and baby unit and also our Psychiatric Intensive Care Unit (PICU) were all accredited last year against Royal College of Psychiatry Standards during 2016/17. These demonstrate the quality of services we provide and are also in line with the information the Care Quality Commission inspection regime will be assessing.

The Early Memory Diagnostic and Support Service (EMDASS) North Team was awarded an accreditation under the Memory Services National Accreditation Programme (MSNAP). The aim of MSNAP is to help memory services to evaluate themselves against agreed standards. The overarching principles that inform the standards and criteria are:

- People with memory problems/dementia have fair access to assessment, care and treatment on the basis of need, irrespective of age, gender, social or cultural background and are not excluded from services because of their diagnosis, age or co-existing disabilities/medical problems
- People with memory problems/dementia and their carers receive a service that is person centred and takes into account their unique and changing personal psychological and physical needs.

Development of First Episode Psychosis (FEP)

A comprehensive training programme has been delivered to all FEP staff across 2016/17 to improve the specialist FEP skills and competencies required. We have also developed an Early intervention Psychosis (EIP) 'mini team' caseload model and competency framework as well as delivered an FEP Carer Support Programme in 2016/17.

The HomeFirst project

The HomeFirst project, run by Hertfordshire County Council and supported by the Trust, was named as winner in the Health and Social Care category of the Local Government Chronicle (LGC) 2016 Award and is one of the largest programmes underway to help us achieve integrated services across our Trust.

HomeFirst brings together health and social care to deliver improved access to provide a rapid response and case management service which supports the frail and elderly with multiple long term or complex conditions to help them stay well, be independent and remain at home rather than going into hospital or residential care.

There are currently two full HomeFirst teams operating, one in the Lower Lee Valley area and the other in North Hertfordshire. An evauation of the future model is underway.

To date, there has been excellent feedback from people using the service, carers, staff and GPs. Also, since its operation, there has been a dramatic reduction on the number of people admitted to the Emergency Department 9ED) and hospital admissions.

Wellbeing Centre Letchworth, Hertfordshire

A new Wellbeing Centre for service users and carers in the north of the county was opened during 2016/17 which is run jointly between the Trust's adult community services and the Watford MIND team. It enables staff to run ongoing group sessions, group preventative interventions and also provides space and time to provide intervention work with service users on a one to one basis.

Older people's RemPod

The team at Lambourn Grove in Hertfordshire raised funds and collected donations to purchase a 'Rem Pod' – a pop up reminiscence space which works by turning any care space into a therapeutic and calming environment.

The decider group – Child and Adolescent Mental Health Services (CAMHS) West

A successful group was run in CAMHS West team for 11 weeks during the summer of 2016. The 'Decider' is a Cognitive Behaviour Therapy (CBT) and Dialectal behaviour Therapy (DBT) – informed programme developed by Ayres and Vivyan. Designed to deliver CBT mental health skills in a fun, interactive and easy to use format, it teaches 32 coping skills and strategies aimed to help individuals cope effectively and positively with distressing emotions and situations.

The skills focus on four key areas:

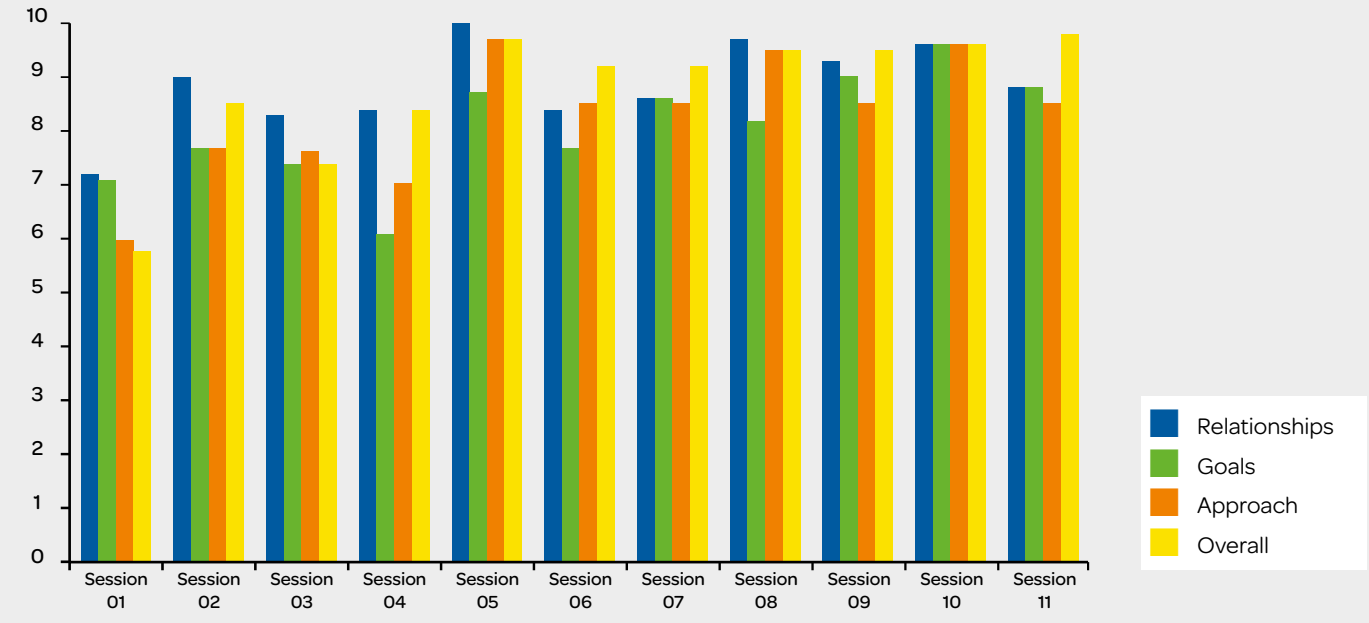
- Distress Tolerance
- Mindfulness
- Emotion Regulation
- Interpersonal Effectiveness.

The young people appreciated having a space to meet others experiencing similar difficulties with Group Session Rating Scale scores being on average 8.5/10 – see table below.

"It was nice not to have to talk"

"there was a good mix of ages"

Group session rating scale



Complex case group support

These groups provide a space to think creatively with others about complex difficult and 'high risk' cases. Members can benefit from the experience of others in the group in the management of these difficulties and share their own experiences as well. The group is confidential and provides a safe place to explore the feelings evoked in working with these cases.

Talking mental health at John Lewis

In September, Trust staff held a series of workshops at John Lewis to return the favour for the help they provide to us with the work on Our Values. Management staff at John Lewis were interested in learning more about how they can support staff at John Lewis regarding their mental health.

The talks involved a collaboration of staff from primary and secondary care and were divided into topics around:

- Wellbeing at work
- Introduction to mindfulness
- Communicating with and to colleagues with mental health issues
- Caring for loved ones with mental health issues.

The workshops were well attended and received positive feedback.

North Essex forensic team

The Essex Community Forensic Service for people with learning disabilities and/or autism was commissioned for a pilot period of one year from winter 2016. It is a Pan Essex service and as a result there is very close partnership working between the Trust, Essex Partnership University NHS Trust (EPUT) and Anglian Community Enterprise CIC (ACE).

The service was commissioned as a result of the increasing number of people returning to Essex with a forensic history and active risk profile (under the Transforming Care cohort), as well as the increasing number of people with learning disabilities who will need to be managed locally, with the changes to the NHS England Access Assessment requirements for secure services.

The service supports the local delivery of the Transforming Care agenda, in supporting the transition of service users with needs relating to their risk profile and forensic histories back into the community. The service will also support individuals with already living in Essex with a forensic history and active risk profile, or whose risks indicate a high likelihood of offending without specialist management.

This service is for adults with learning disabilities and / or autism who are either:

- being discharged from hospital with a forensic history and active risk profile
- living in the community with a forensic history and active risk profile
- living in the community and are at risk of engaging in offending behaviours.

The service will deliver three main elements:

- To support a caseload of up to twenty individuals that are either currently in hospital or at significant risk of being admitted to hospital because they engage in behaviours that could cause significant harm to themselves or other people. This will include a forensic risk assessment; offence specific interventions; on-going multi-agency working; and on-going case management
- Provide additional support and advice to existing care co-ordinators and social care providers
- Deliver a programme of offence specific support programmes (e.g. the SOTSEC programme for sexual offenders).

Now that recruitment to this multi-disciplinary team is complete we will work with commissioners and people with lived experience to co-produce a framework enabling us to report on the quality of the service and the positive impact it has on the health and well-being of people receiving the service.

Buckinghamshire services

In 2016, we were delighted that Buckinghamshire's Specialist Learning Disability Health Service transferred to the Trust. The team includes Community Nurses, Intensive Support Nurses, Psychologists, Speech and Language Therapists, Occupational Therapists, Psychiatrists and Physiotherapists. Approximately 45 staff were transferred over.

The mobilisation plans went extremely well and the team is now well established in Trust.

A new community hub has been developed in High Wycombe in addition to the existing hub in Aylesbury.

The team are now able to deliver more intensive support in the community, with services moving from five days to seven days a week in April 2017.

This will further reduce the need for specialist inpatient admissions. For those people who do need an inpatient stay, a small number of beds have been commissioned at Kingfisher Court, providing service users access to a wider range of specialist support and facilities while in hospital.

Offending Behaviour Intervention Service (OBIS)

The Offending Behaviour Intervention Service (OBIS) was set up as part of the Transforming Care agenda. The aim of the service is to support people with learning disabilities who have offended or are at risk of offending. It was noted that there was deficit of skills within the existing learning disability Community Assessment and Treatment service and that people moving back to county under Transforming Care were at risk of reoffending and recalled to secure services.

In February 2016 we recruit a team of nurses and an Occupational Therapist with a variety of learning disability, mental health and forensic backgrounds. The service has been taking referrals since April 2016, and established itself very quickly. OBIS clinicians are able to offer expert advice on risk assessment as well as working individually with service users, with other professionals and with care staff.

The group runs two EQUIP groups which look at moral reasoning and social skills to equip service users with tools so they avoid offending or reoffending. EQUIP is a group which aims to teach skills to offenders (or individuals at risk of offending) which will help them to recognise and evaluate risky situations and make decisions to help keep themselves and others safe. The group members motivate each other to engage in appropriate social behaviours.

This is the first time an EQUIP group has been run in a community setting worldwide and early evaluation data collected shows a high level of satisfaction by the service users and support workers who attend the group. OBIS have been busy training probation staff on how to work effectively with people who have a learning disability who have offended. The OBIS nurses have completed the Sex Offenders Treatment Services Collaborative (SOTSEC) training in order that they can facilitate Sex Offender Treatment Programmes for people with learning disabilities, and a SOTSEC group has recently started. The team have created positive working relationships with probation, secure inpatient units, other Trust staff, and social care.

Although OBIS are working with a complex client group that are marginalised in society, they manage to maintain a positive outlook that people can change and have brighter futures. They ensure this is done in a timely way through positive risk taking whilst being mindful that the safety of the public is paramount.

Enhanced Assessment and Treatment Service (EATS)

August 1st 2016 marked the first day for a brand new team at Little Plumstead Hospital, Norfolk. The EATS team was commissioned in response to NHS England Transforming Care agenda. After the Winterbourne View case it became clear that people with a learning disability and/or associated mental health needs/ challenging behaviours required a far more robust system in place to ensure their choices and rights were respected. It included recommendations for providing early, intensive support for those who need it enabling people to remain in the community ideally close to home, rather than be admitted to hospital. For those that do need inpatient care, as short a stay as possible should be ensured.

The EATS team consists of ten members of staff with a range of different backgrounds including five nurses and two occupational therapists. Several members have worked across the Little Plumstead site for many years and have experience of working with service users on the inpatient wards. The existing inpatient assessment and treatment ward for adults with learning disabilities at Astley Court now has six beds available to those service users who have been identified as having a need for a short hospital stay.

If an admission to hospital is required, then the role of the EATS team is to be able to provide as smooth a transition process as possible to the ward. We are able to continue to work with the individual when on the ward until fit for discharge. Information sharing between Astley Court, the service user and the new placement is key to achieving the best outcome for the individual. The EATS team are then able to continue providing support in the community for a further eight to ten weeks if required.

This is an exciting time for our service as we all find new ways of improving the service users' experience. Developing new ways of supporting families/carers to prevent placement breakdown and subsequent admission to the inpatient ward will remain a challenge but one that we are confidently undertaking.

"My role in the EATS team now gives us a greater opportunity to become involved with the service user at a much earlier stage. We aim to maintain excellent communication with the community teams so that we are made aware of service users that are deemed at high risk of an admission to hospital. Once a referral has been made and accepted we make arrangements to visit the service user at home in order for us to complete the initial assessment of needs. Once the needs have been identified for the individual, the EATS team are commissioned to work on the case for eight to ten weeks. This may mean working with the service user directly or supporting family or staff, assisting with care planning, implementing/reviewing positive behaviour support plans and signposting"

Making Services Better (MSB)

The MSB group in the learning disability and forensic services continues to meet each month and link to the local service user groups. The group collate themes that come from these local meetings that people using our services feel we need to work on and then these are raised at the quality and risk and core management meetings as required.

Quality visits continue to occur and include representation from the group where areas of good practice and things which need to be worked on are feedback to the team and MSB group with an oversight via the governance structure.

The group continues to focus quarterly on a core topic for the past year these have included admission and discharge, making our services safer, reviewing the carer's handbook, and providing support to teams to make information accessible.

Representation from the MSB group attended and presented a section of the corporate induction held in Buckinghamshire for new staff joining the trust.

Members of the making service better group attended the review of the Community, Treatment Review (CTR) e-learning package which had been developed by staff from NHS England and the Trust.

Two Service users from the secure services have presented their journeys through services to the Board of Governors. Positive feedback has been received, the process enabled an opportunity for those individuals to share their lived experience and identify areas which have been positive and ideas for service development.

The service experience lead and family/carer representative presented to the Council of Governors Engagement Group to discuss the role of the carer and the challenges that are faced.

Carer engagement

Throughout 2016/17, teams have been further developing carer engagement across learning disability and forensic services. Below are some examples of events which have occurred across services.

- Carers day have been held at the Broadland Clinic in Norfolk to engage carers in the proposed changes which are occurring at the clinic for consultation and input. A presentation was given for service users, carers and staff to comment on to ensure decisions made based on discussions and best practice information
- In response to National NICE guidance to involve carers in advance directives, staff at the Broadland Clinic led by psychology have presented an information session on Positive Behaviour Support (PBS)
- Coffee mornings have been held at Kingfisher Court and facilitated by the social worker working within Hertfordshire secure services
- Carers day held at Warren Court which was facilitated by the social worker. The Lead Occupational Therapsit gave an overview of the Recovery College prior to the families being escorted to the rehabilitation/craft areas. Staff in the recovery college were also present to answer questions relevant to the occupation /activities.

  Families were given a bag of vegetables grown by service users in the horticulture areas, these were greatly appreciated, along with bird boxes- created in woodwork sessions, and bracelets designed and created by the patients in craft sessions. The feedback/comments from the families were recorded to share with the team, and inform others of the Recovery College and therapeutic work
- Assessment and treatment services engage with carers locally individually due to the varied length a person may be accessing these services. Each service facilitate individual special occasions e.g. service user birthdays with carers/family within the services some examples which have occurred across services are:
  - Making our services safer events.
  - BBQs
  - Trick or Treat Tapas.

Positive Partnership Team (PPT)

The Positive Partnership Team (PPT) has been commissioned for an initial period of two years from 1st April 2016.

The service has come about as a result of the increasing number of people returning to Hertfordshire with a learning disability and additional challenging behaviours (under the Transforming Care cohort), and the need to increase capacity in specialist services and local placement providers to meet this additional demand. PPT supports the local delivery of the Transforming Care agenda, supporting the transition of service users with a learning disability and additional challenging behaviours back into the community. The service will also support individuals already living in Hertfordshire whose profiles may indicate a high likelihood of placement breakdown without specialist management and coordination.

The aim of the service is to enhance the capacity of local provider services in offering skilled and targeted support to service users and their formal and informal carers, to prevent further breakdown of their community care packages.

The service ensures consistent and effective long-term support is available for people with challenging and complex needs and their carers by:

- Providing long term support for people who have returned to the county as part of the transitions from long stay institutions and Assessment & Treatment Units, to community settings
- Helping to ensure the local service providers are competent, structured, skilled and confident in supporting people with complex and challenging behaviour

- Facilitating early access to specialist services before the problem becomes intractable
- Facilitating access to mainstream services where this is appropriate and ensuring that reasonable adjustments are made
- Identifying local opportunities for people to access, to support individuals' experience of living in their community.

PPT aims to:

- Reduce the number of admissions to inpatient assessment & treatment services by providing competency based training and responding to problems as they first emerge
- Increase capacity within the Community Assessment & Treatment Service to manage the additional demand arising from the transition of complex service users back to Hertfordshire
- Reduce the number of people placed in out of county placements.

The Lomakatsi Project

Hertfordshire Transforming Care Partnership commissioned Lomakatsi to provide a six month pilot for a creative improvement programme involving inpatients and staff on the learning disability assessment and treatment ward at Kingifsher Court. The pilot was designed to support service user, ward staff, family members and other carers to develop skills in preparation for patients to successfully transition back into a community setting. As part of the pilot, Lomakatsi was asked to work with staff on as well as family members and paid carers / providers involved in supporting service users in the community in order to transfer skills development.

A total of 80 one day sessions were provided and service users were able to choose the activities they wished to engage in, including:

- Sessions with Feldenkrais practitioner to improve breathing, posture, balance and Coordination
- Music therapy interpretation & production
- Arts facilitation
- Applied drama & bodywork
- Music Medicine.

Positive outcomes that were reported include decreased number of incidents during the period of the project, reduction in reactive strategies and staff were more proactive in providing creative activity opportunities.

Community assessment and treatment service and positive partnerships team present at national conference

In November 2016, around 400 people working to transform care for people with a learning disability and/or autism came together for a national NHS Conference in London.

The aim of the event was to reflect on the progress made during the first year since the publication of the NHS Framework, 'Building the Right Support', and to look ahead to what needs to be done over the next two years of the plan.

We were invited to present a case example and, in consultation with a service user, representatives from Hertfordshire County Council, Community Assessment Team (CATs) and Positive Partnerships Team (PPT) gave a live account of someone who has a history of living in hospital settings and placement breakdown but has recently moved in to his new home and settling very well.

Our presentation showed how effective partnership working between service user, family, service provider, social worker and of course the Community Assessment & Treatment Service is a key part in ensuring service users continue to feel safe and able to maintain a successful placement and home of their own.

We received lots of positive feedback throughout the day, particularly inspired by the service user's own account of things that are important to him, such as knowing where the local shop is and being able to play football in his garden – occasionally kicking the ball over his neighbours' fence(!), getting on well with his staff team and having his mum visit him regularly.

The day was jam-packed of people sharing good practice through presentations or workshops, including the Shared Lives Scheme, STOMP and the Massive Open Online Course.

The South of England Learning Disability Forensic Network (SELD)

The South of England Learning Disability Forensic Network is a networking body of learning disability forensic services founded in 2010 by the Eric Shepherd Forensic Services who continue to chair the forum. The network have been working together to optimise opportunities for members seeking solutions to specific challenges in this field, to develop new professional relationships across services and provides clinical and service development opportunities.

The network meets twice a year in May and November, the day includes host teams presenting on pertinent topics, case studies, opportunities to share research and a lively forum for networking.

The network continues to thrive with almost 80 people attending our most recent forum at St. Andrews hospital in Northampton in November 2016, the May 2017 meeting will be hosted by HMP Grendon who will deliver presentations on their Therapeutic Communities.

In November 2017 the forum will return to the Trust when Eric Shepherd Forensic Services and the Offending Behaviour Intervention Service Team will co-host the Forum.

"We have had a stall at this event for the last four years. It is a great chance to meet with local youngsters, their parents and their carers. It gives us an opportunity to talk to the youngsters about the importance of staying healthy and for them to have a try of some of the fantastic health promotion tools we have (strangely enough the educational wine glasses always go down well even with the parents!)"

"Parents have told us that this is a great idea as, especially at times of trauma, it is brilliant to have everything in one place"

North East Essex transition event

The event called 'Next Steps' is hosted by the school which invites all children from surrounding specialist educational provision to meet with local providers to get a chance to see what is available when they enter the adult world. Staff were invited to attend a transition event run by a local learning disability school in Colchester.

It is also an opportunity to promote the fantastic work that we do. Parents/Carers are given a directory during the event so that they have the contact details of all of the represented organisations.

Essex IAPT – promoting Stress Awareness Day within the local community

We provide access to primary care psychological therapy services in North Essex through a wide range of talking therapy treatments for adults with common mental health problems including; mood problems (i.e. depression), anxiety (i.e. panic attacks), post-traumatic stress disorder and long term conditions. North Essex IAPT (Improving Access to Psychological Therapies) is part of the Learning Disability and Forensic strategic business unit and provides services in three areas across West, Mid and North East Essex.

We also hosted stalls at local supermarkets to promote Stress Awareness Day. The day was a great success and offered the local community advice and tips on dealing with stress. We have also attended a range of different events including a Winter Health and Wellbeing event where we had the pleasure of being serenaded by a wonderful Elvis tribute act. Attending events allow us to network with other local services and members of the public.

In addition to attending events, we are updating our website to include all three IAPT services making it clearer and easier to navigate. The website will be getting a complete remodel with new content being created, a more interactive system and a fresh new look.

Hertfordshire Secure Services: peer review success

The recent external peer reviews across our Hertfordshire Secure Services highlight the very good quality of care they provide.

There were many aspects of the services highlighted as strengths and areas of good practice by the review team. The team commended the patients positive responses to the quality of care provided.

The tables for the Quality Network Peer Review have been released and we can once again see where our services compare to the other forensic secure units in terms of quality.

As in previous years, the Hertfordshire Forensic Secure Services have again shown themselves to be of an extremely good quality. There are 105 Low Secure Units and after they had all been fully reviewed Beech Ward was ranked as the 15th highest and Bowlers Green was ranked as the 1st.

There are 60 Medium Secure Units and, following the very comprehensive peer review process that scrutinises every aspect of the services quality, Warren Court was ranked as the 16th highest.

Quality of this level is not easily achieved, and it's only attained by every person fully and positively participating in the endeavour to succeed.

Lambourn Grove opening

Lambourn Grove in St Albans, Hertfordshire has recently undergone a wonderful refurbishment designed to create a more appropriate environment for service users with dementia and complex needs. This state of the art 24 bed Continuing Healthcare unit has been thoughtfully crafted to offer a homely, safe and fulfilling environment. The design team included staff with a background in delivering dementia care and their experiences lead to some great ideas in creating an innovative dementia friendly environment.

Communal areas are open plan with guided routes so service users can move around freely and easily with signage in high contrast wording. There are various therapeutic areas to encourage participation including a sensory room providing stimulation through adjustable lighting, sound, fibre optics and furnishings, and outside there is a safe feature garden where service users can walk freely across a sensory pathway to different seating areas and a potting shed.

The Royal College of Psychiatrist Centre for Quality and Improvement Quality Network for Forensic Mental Health Services adopts a multi-disciplinary approach to quality improvement in medium and low secure mental health services.

The Quality Network organises an annual peer-review whereby a specially selected team of members of staff from different services, including a Patient Reviewer and a representative of the Quality Network undertake peer reviews for each member service.

Following the peer-review visit the Quality Network compiles a detailed local report for each member service, which provides a score for each area. These scores have enabled the Quality Network to obtain a measure of each unit's overall performance for all standard areas.

Participating services are expected to use the results of reviews to develop action plans to achieve year on year improvement and enable to establish benchmarking for their practice against similar services and demonstrate the quality of care they provide.

Services are also expected to share their results throughout their services as well as with key stakeholders, including health and local authorities, those making referrals to their services and local service user and family and friend groups.

"It's very impressive and implements all aspects of specialist care"

Improving and modernising our facilities

We have continued with our estates upgrade programme during 2016/17. In addition to Lambourn Grove, we have also upgraded and refurbished Logandene, Hemel Hempstead, Hertfordshire which reopened in March 2017. Design work on the next older age adult ward, Prospect House, has been progressing with a view to refurbishing during the latter half of 2017.

Alongside this, we have continued to modernise and centralise our community based services. Holly Lodge, located in Cheshunt, Hertfordshire reopened in April 2016 after a major refurbishment and Hoddesdon Clinic was upgraded as one of our Child and Adolescent Mental Health Services (CAMHS).

A new facility was developed in partnership with MIND in Letchworth, Hertfordshire seeking to improve services through the co-location. The Trust is currently underway with modernisation and improvements to 59 New Road for our local Wellbeing Team, of which the work is planned to be finished as we finalise this Quality Account.

A major element of the work throughout the year has involved the design development of a new "integrated hub" in Hemel Hempstead. The Trust is working alongside Hertfordshire Community Trust to develop a building that will co-locate both physical and mental health services with the intention of enhancing service pathways, and improving the quality of healthcare service to our service users and carers.

We continue to manage the overall quality and safety of the estate with significant work being undertaken to eliminate ligature risks within our inpatient wards. In addition, works to ensure fire safety and water safety have been undertaken which will continue throughout next year.

We continue to receive national recognition about the quality and safety of its estate with commendations received for Lambourne Grove and our Health and Safety standards.

Quality Improvement Performance Framework (QIPF)

In November 2016, the Trust received a formal review visit on the Quality Improvement and Performance Framework' by Health Education England (HEE). We receive in excess of £2 million per year to provide education and training to a students and trainees across many professions. The visit was a regulatory visit to ensure that we are delivering educational programmes to the standards outlined by the professional bodies and that our students and trainees who are receiving HEE funding are getting the support that they need.

During the visit, our Chief Executive and other senior colleagues gave a presentation covering a range of areas including our strategy, governance and our commitment to education and learning. During the afternoon, the HEE team then met with groups of students (nursing, psychology and Allied Health Professionals), junior doctor trainees, clinical and educational supervisors, mentors and education leads to question them in more depth around key lines of enquiry.

Overall the feedback was hugely positive and the official report which was received in December 2016 demonstrated areas of best practice as well as areas where improvements can be made to the overall student experience. The report requested a Trust action plan on areas for improvement following the formal visit and this was completed and returned to HEE in March 2017.

The action plan is monitored monthly and a formal review of progress against the action plan is due to be submitted to HEE in June 2017.

SafeCare programme

The Trust has purchased the Allocate Safecare module to implement across the services starting with inpatient services. Safecare is an operational software that allows comparison of staffing levels and skill mix to the actual service users' demand and clinical needs. Safecare provides visibility across services and transforms rostering into an acuity based daily staffing process that unlocks productivity and safeguards safety for both staff and service users.

Four 'early implementer' inpatient wards were identified who went live on the Safecare module early 2017. They are all utilising the system to input service user acuity data three times a day and to compare staffing levels and skill mix to the actual service user clinical needs and acuity level on a daily basis.

The Trust is utilising the Keith Hurst safe staffing tool to assess acuity level. The success of this work has been due to addressing cultural issues and the work being undertaken by organisation development team.

Subsequent to the four early implementer sites going live on Safecare, the Safecare project team have commenced with their first implementation cycle into a further eight areas, which is progressing well. The Project Team and central resources have reviewed lessons learned from the early implementer units and have already implemented certain measures to assist staff, team leaders and management to fully realise the optimum benefits of the system.

A schedule is in place to roll out implementation across the whole Trust.

Safe, sustainable and productive staffing

The Trust continues to be involved in national work regarding the development of an evidence based staffing toolkit for nursing staff. As a result, we now have an updated nurse staffing tool kit for learning disability services – inpatient and community. Staff are also involved in the development of a multi-professional safe staffing tool.

Staff are also supporting the reviewing and refining of the Keith Hurst forensic tool by undertaking dual scoring in services.

Staff are also supporting the reviewing and refining of the Keith Hurst forensic tool by undertaking dual scoring in services.

Nursing associates

What is a nursing associate?

In October 2015, the UK Government announced the establishment of the Nursing Associate. This is a new care role in England and has been developed as a bridge between Health Care Assistants and Registered Nurses. It will be a stand-alone role as well as a new route to becoming a Registered Nurse. The aim is for the Nursing Associate, who will have a foundation degree, to contribute to the delivery of service user care and will support, not replace, Registered Nurses.

The Nursing and Midwifery Council (NMC) are the regulators for the Nursing Associates, working closely with Health Education England (HEE), the body responsible for training healthcare staff in England.

Health Education England ran 35 test sites across England delivering training to 2,000 trainee Nursing Associates. The Trust was successful in their bid to lead as a fast follower site in the provision of Nursing Associates for 69 places, working in partnership with the following organisations:

- University of Hertfordshire
- West Hertfordshire Hospital NHS Trust
- Hertfordshire Community NHS Trust
- North Essex Partnership NHS Foundation Trust
- The Princess Alexandra Hospital NHS Trust
- East and North Hertfordshire Hospital NHS Trust
- East and North Hertfordshire Clinical Commissioning Group
- Herefordshire Valleys Clinical Commissioning Group.

The programme was launched in April with the successful applicants commencing their training at the end of April 2017.

Awards

Awards provide a great opportunity for us to demonstrate, at a local and national level, the high standards and innovative practice we have achieved. This year we entered over 35 categories in 12 separate awards, achieving shorting listing in ten categories.

Eating disorders HSJ Award

The Child and Adolescent Mental Health Services (CAMHS) Eating Disorder Team won the prestigious Health Service Journal (HSJ) award for compassionate patient (service user) care this year. The award celebrates excellence in putting people first, engaging patients (service users) and families in their care, listening to views and ensuring people are treated with care and compassion.

Artwork supplied by the HPFT Art Collection

Independent auditor's report to the council of governors of The Hertfordshire Partnership University NHS Foundation Trust on the quality report

We have been engaged by the council of governors of The Hertfordshire Partnership University NHS Foundation Trust to perform an independent assurance engagement in respect of The Hertfordshire Partnership University NHS Foundation Trust's quality report for the year ended 31 March 2017 (the 'Quality Report') and certain performance indicators contained therein.

This report, including the conclusion, has been prepared solely for the council of governors of The Hertfordshire Partnership University NHS Foundation Trust as a body, to assist the council of governors in reporting The Hertfordshire Partnership University 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 indicators. 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 The Hertfordshire Partnership University NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Scope and subject matter

The indicators for the year ended 31 March 2017 subject to limited assurance consist of the national priority indicators as mandated by NHS Improvement:

- The percentage of admissions to acute wards for which the Crisis Resolution Home Treatment Team (CRHT) acted as a gatekeeper during the reporting period; and
- The percentage of non-acute patients (aged 18 and over on admission) per day under consultant and non-consultant led care whose transfer of care was delayed during the reporting period, as a proportion of the total number of occupied bed days during the reporting period.

We refer to these 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 section 2.1 of the NHS Improvement 2016/17 Detailed guidance for external assurance on quality reports; 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 supporting guidance and the six dimensions of data quality set out in the 'Detailed guidance for external assurance on quality reports'.

We read the quality report and consider whether it addresses the content requirements of the 'NHS foundation trust annual reporting manual' and supporting guidance, and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the quality report and consider whether it is materially inconsistent with

- board minutes for the period April 2016 to May 2017;
- papers relating to quality reported to the board over the period 1 April 2016 to 31 March 2017;
- feedback from the Commissioners dated May 2017;
- feedback from the governors dated 8 March 2017;
- feedback from local Healthwatch organisations, dated 9 May 2017;
- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated June 2016;
- the latest national patient survey dated 21 October 2015;
- the national staff survey dated 17 March 2017;
- Care Quality Commission Inspection report dated 8 September 2015; and
- the Head of Internal Audit's annual opinion over the trust's control environment dated 8 May 2017.
- Any other information included in our review

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.

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 indicators;
- 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 testing of indicators other than the two selected mandated indicators, or consideration of quality governance.

Basis for qualified conclusion

The indicator for Delayed Transfers of Care measures the percentage of non-acute patients (aged 18 and over on admission) per day under consultant and non-consultant led care whose transfer of care was delayed during the reporting period, as a proportion of the total number of occupied bed days during the reporting period.

Our procedures included testing a risk based sample of items, and so the error rates identified from that sample should not be directly extrapolated to the population as a whole.

In respect of the population used to calculate this indicator we found that for:

- 67% of our sample the Trust had not retained an adequate audit trail to confirm the date that they met the following three conditions and were therefore fit for discharge:
  - a clinical decision had been made that the patient was ready for transfer;
  - a multi-disciplinary team decision had been made that the patient was ready for transfer; and
  - the patient was safe to discharge/transfer.

As a result there is also a limitation upon the scope of our procedures which means we are unable to complete our testing and are unable to determine whether the indicator has been prepared in accordance with the criteria for reporting Delayed Transfer of Care.

Our testing also identified that:

- 8% of our sample had been recognised as a Delayed Transfer of Care for fewer days than they should have been; and

- For 33% of our sample the discharge date recorded by the Trust was on average four days earlier than the actual discharge date;

Due to the lack of an audit trail (detailed above) we were unable to definitively quantify the effect of these findings on the reported indicator.

As a result of the issues identified, we have concluded that there are errors in the calculation of the percentage of non-acute patients (aged 18 and over on admission) per day under consultant and non-consultant led care whose transfer of care was delayed during the reporting period, as a proportion of the total number of occupied bed days during the reporting period. We are unable to quantify the effect of these errors on the reported indicator.

The section on page 21 of the Trust's Quality Report summarises the actions the Trust is taking post year end to address the issues identified in relation to these issues.

Qualified conclusion

Based on the results of our procedures, except for the effects of matters described in the 'Basis for qualified conclusion' 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' and supporting guidance;
- the quality report is not consistent in all material respects with the sources specified in 2.1 of the NHS Improvement 2016/17 Detailed guidance for external assurance on quality reports; 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 supporting guidance.

Deloitte LLP
Chartered Accountants
St Albans
26 May 2017

Annexe 1 – Statements from partners

Healthwatch Hertfordshire's Response to Hertfordshire Partnership University NHS Foundation Trust (HPFT) Quality Account 2017

Healthwatch Hertfordshire (HwH) is pleased to submit a response to HPFT's Quality Account. Priorities for the coming year are clearly set out though most are similar to the previous year and in many cases, already meet or exceed the targets set.

Although HwH did not meet formally to discuss the priorities for the Quality Account this year, HwH was part of the Hertfordshire County Council's Health Scrutiny Committee's 'Annual HPFT Scrutiny' panel that covered elements of the Quality Account. HwH is supportive of what was discussed there.

HPFT is justified in pointing to some real achievements especially its strong record on user and carer involvement and specific strengths like street triage, the recovery conferences and PLACE (Patient Led assessment of the care Environment) organisation.

HwH has been welcomed to both the carer and service user councils by HPFT and its representatives, and HPFT has shown a real passion for hearing the service user, and carer, perspective. The discussions at these forums are driven by patient representatives and concerns are progressed formally and effectively by the HPFT engagement team and supported by senior managers.

HPFT has also worked with HwH in partnership to address a number of issues that we have raised (e.g. dual diagnosis, Single Point of Access, care coordination, physical health checks).

It is noted that the number of complaints has fallen, but the outcome is only explained for allegations of violence and references to the ombudsman. The number of complaints tells us nothing without knowing how many were upheld.

Similarly the audit results on care-coordination in isolation seem a little misleading. Service users and carer feedback frequently report a number of issues with care coordinators and this has also featured highly on the HPFT service user and carer council's agendas. HwH would welcome a more patient focussed perspective on this in the future.

The failure to contact GPs following 'Did Not Attend' appointments (a letter was found to be present in only 14% of DNAs) is poor and requires more detail of what is being done to improve this. Given the often poor level of understanding of, and involvement in of GPs in mental health, this is a priority

The Quality Account could be a little more user friendly. Despite the inclusion of a glossary and boxes to explain abbreviations or terms, they do not always explain what the real purpose or meaning is E.g. Safeguarding – a crucial issue – refers to section 113 – but there is no explanation as to what this is.

There is much to applaud here, including the dedication of staff, the work on suicide prevention, creating and developing effective partnerships, and the new Hertfordshire Wellbeing College (New Leaf). HwH hopes that the Chief Executive will be able to maintain a balance between the Trust's high level ambitions and overseeing of the STP (Sustainability and Transformation Plan) with what is happening on the ground so that the Trust can remain responsive to service user needs.

Healthwatch Hertfordshire welcomes the many ways that it is able to engage with HPFT to develop and improve service user experience and outcomes and looks forward to working with the Trust to support further quality improvements in the coming year.

Michael Downing, Chairman Healthwatch Hertfordshire, May 2017

Hertfordshire Partnership University Foundation NHS Trust Quality Account Statement from Herts Valleys CCG & East and North Herts CCG

Both Herts Valleys Clinical Commissioning Group (HVCCG) and East and North Herts Clinical Commissioning Group (ENCCG) have reviewed the information provided in the Quality Account. It is good to see the encouraging staff survey results set out in the report and the large number of positive initiatives that the Trust has led, or been involved in, over the year. The report would have benefited from greater detail on patient experience and more information on what users and carers have said about the Trust over the past year. This could have included some examples of learning from complaints and feedback.

In last year's commissioner statement we referred to the concerns we share with HPFT about the difficulty of recruiting and retaining staff across a range of services, including CAMHS, adult community, learning disability and dementia services, which we recognise is a national challenge. This continues to be one of our major concerns due to the impact on the quality and consistency of services provided.

Performance against the main performance targets monitored by commissioners was generally good in the first half of the year. In the last few months the Trust has experienced issues in the Single Point of Access service and this has had a knock on effect

healthwatch Hertfordshire

on performance for a number of targets. The Trust have a plan in place to resolve these issue and we will continue to work with them on these whilst they are resolved.

The Trust has maintained its excellent performance in relation to Improving Access to Psychological Therapies (IAPT), exceeding its targeted numbers of people accessing the service, consistently exceeding the waiting time standards and delivering good recovery rates, most impressively in Herts Valleys. The ongoing discrepancies between data produced by HPFT and NHS Digital is an area for resolution in 2017/18. HPFT's good performance has been recognised nationally, allowing us to secure additional investment from the Department of Work and Pensions to embed employment advice in IAPT.

The Dementia Early Memory Diagnosis and Assessment and Service (EMDASS) has achieved sustained performance in ensuring people are seen within the service within six weeks of referral. A secondary waiting list to see a consultant then formed and this has been addressed in part during the year. This has supported both CCGs to make significant progress toward the national dementia diagnosis standard. Further work on pathways to improve patient experience through the diagnosis process will take place in 2017/18.

Within learning disability services the Trust continues to support the Transforming Care agenda effectively with good collaborative working with commissioners and other partners. The Trust's Specialist Learning Disability service has co-operated well with partners acrossthe health and social system, with prompt and supportive input to resolve complex issues. The team share best practice and training on a regular basis, acting as a supportive partner.

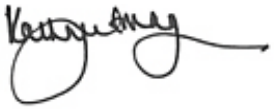
We are working with the Trust and other organisations on a Hertfordshire wide suicide prevention plan and acknowledge the Trust's helpful contribution to this. The Spot the Signs programme working with GPs, community and voluntary sector partners, district councils and the police is part of this. The small increase in the number of suicides of people known to HPFT is a concern, although this is an increase from a very low base and the number is still below comparators.

Commissioners are working with HPFT and other partners to improve mental health services for children and young people. Progress has been made in the past year but significant challenges remain to ensure all children and young people who need support receive this in an appropriate and timely way. The CAMHS section of the report would have been strengthened by the addition of feedback from children and young people. This is particularly the case as the number of compliments received by the CAMHS service increased in 2016/17. The additional commissioner funding into the CAMHS Eating Disorder

service has made an unquestionable impact and it has been pleasing to see the progress the team have made over the past year. We look forward to the newly launched community perinatal mental health service having a similar effect in 2017/18.

The report does not mention Infection Prevention and Control, despite some positive work during the year on sepsis recognition and antimicrobial stewardship. The Trust's programme of significant refurbishments over a number of sites has continued over the year and this has dramatically improved the physical environment of a number of units.

Overall commissioners continue to have a positive and constructive relationship with HPFT. There are many areas where HPFT deliver good quality care and a shared understanding of the challenges which will need addressing over the coming year



Kathryn Magson

Chief Executive

Beverley Flowers

Chief Executive

Herts Valleys CCG East & North Herts

Chief Executive Officer
Hertfordshire Partnership University Foundation Trust
The Colonnades
Beaconsfield Road
Hatfield
Hertfordshire
AL10 8YE

Seamus Quilty County Councillor Bushey South

County Hall
Postal Point: CH0147
Pegs Lane Hertford SG13 8DE

Tel 01992 556557
Fax 01992 556575
email: seamus.quilty@hertfordshire.gov.uk

Date: 19 May 2017

Health Scrutiny Committee

Dear Tom Cahill

Quality Account: Health Scrutiny Committee Response

There has been regular and productive communication between the Health Scrutiny Committee (HSC) and the Trust over the past 12 months.

The Trust has attended and contributed evidence to a number of HSC items in that time. In March, HPFT were invited to attend HSC's annual scrutiny which this year looked at the 2016/17 Quality Account (QA) and the projections for 2017/18 QA (as recommended by the Francis Report).

Members identified some areas that they expected the Trust to incorporate in to the QA for 2017/18:

Members requested that greater collaboration with social care and public health and across health delivery should be included as a priority for the 2017/18. I am pleased to see that this is an area that HPFT continues to include in all its plans and in delivering the priorities.

Another area that members highlighted as a need for this year's Quality Account, was the presence of a comparison with previous years performances and where possible to include any nationwide comparisons alongside the trust's priorities to demonstrate its progress. I am pleased that the Trust has highlighted its performance in previous years for all priorities. I am particularly impressed with the evidence shown against priority four which demonstrates how HPFT is currently performing and planning to perform relative to the National statistics for Mental Health Trust harm severity.

Progress and areas that need to be addressed have been raised by members at the Committee and during visits to the trust's sites. In particular it has been very beneficial to attend opening of newly developed care units such as Kingfisher Court. This interaction gives me and members of the Committee the assurance that the Trust is aware of issues and has in place measures to tackle them. The openness of the trust and its staff throughout these visits and in meetings help to maintain the collaborative approach between the trust and the Committee facilitating effective scrutiny.

Yours sincerely

Seamus Quilty

Chair, Health Scrutiny Committee

Annexe 2 – Statement of directors' responsibilities for the quality report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year.

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 end of April 2017.
  - Papers relating to quality reported to the Board over the period April 2016 to end of April 2017
  - feedback from commissioners dated May 2017
  - feedback from governors dated March 2017
  - feedback from local Healthwatch organisations dated May 2017
  - feedback from Overview and Scrutiny Committee dated May 2017
  - the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated May 2017
  - the national patient survey dated November 2016
  - the national staff survey dated February 2017
  - the Head of Internal Audit's annual opinion of the trust's control environment dated May 2017
  - CQC inspection report dated September 2015
  - the Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered
  - 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 data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review and
  - the Quality Report has been prepared in accordance with NHS Improvement's annual reporting manual and supporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the Quality Report.
- The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the Quality Report.

By order of the Board:

Chairman

26 May 2017

Chief Executive

26 May 2017

Glossary

ADHD	Attention Deficit Hyperactivity Disorder
Aetiology	The cause, set of causes, or manner of causation of a disease or condition.
AMH	Adult Mental Health
BMJ	British Medical Journal
CAMHS	Child and Adolescent Mental Health Services
Caseness	Term used to describe a referral that scores highly enough on measures of depression and anxiety to be classed as a clinical case. It is measured by using the assessment scores that are collected at IAPT appointments; if a patient's score is above the clinical/non-clinical cut off on either anxiety, depression, or both, then the referral is classed as a clinical case.
CATT	Crisis Assessment and Treatment Team
CBT	Cognitive Behavioural Therapy
CCG	Clinical Commissioning Group
CEDS	Community Eating Disorders Service
CMHT	Community Mental Health Team
CPA	Care Programme Approach
CQC	Care Quality Commission
CQUIN	Commissioning for Quality and Innovation
DOLS	Deprivation of Liberty Safeguards
Dysphagia	Dysphagia is the medical term for the symptom of difficulty in swallowing
EDS	Equalities Delivery Scheme
EMDASS	Early Memory Diagnosis and Support Services
EPMHS	Enhanced Primary Mental Health Services (IAPT)
EQUIP	A group aiming to teach skills to offenders (or individuals at risk of offending) helping them to recognise and evaluate risky situations and make decisions that will keep themselves and others safe.
FFT	Friends and Family Test

HoNOS	Health of the Nation Outcome Scales
HPFT	Hertfordshire Partnership University NHS Foundation Trust
HQUIP	Healthcare Quality Improvement Partnership
HSCIC	Health and Social Care Information Centre
HYS	Having Your Say
IAPT	Improving Access to Psychological Therapies
JCT	Joint Commissioning Team
LD	Learning Disabilities/Disability
MH	Mental Health
MHMDS	Mental Health Minimum Data Set
NICE	National Institute for Health and Care Excellence
NIHR	National Institute for Health Research
NRLS	National Reporting and Learning System
OCD	Obsessive Compulsive Disorder
PACE	Practice Audit and Clinical Effectiveness
PBR	Payment by Results
POMH UK	Prescribing Observatory for Mental Health – UK
Q	Quarter (three month period)
R and D	Research and Development
RAID	Rapid Assessment Interface and Discharge
RfPB	Research for Patient Benefit
SBU	Strategic Business Unit
SPA	Single Point of Access
SSRI	Selective Serotonin Reuptake Inhibitor (a type of anti-depressant medication)
UK CRN	UK Clinical Research Network

Artwork supplied by the HPFT Art Collection

My Story

Whole family approach

Mental health and learning disabilities impact on the whole family as well as individuals and so the impact of services affect their lives as well, as one carer explains...

"When my brother arrived at Broadland Clinic in Norfolk he was locked in a desolate state of mental illness that had afflicted him for many years. Under the clinic's care, change was visible almost immediately. To his family, his progress has been breathtaking, something of a miracle.

"My brother, who I care for, has both autism and learning disabilities. The clinic ceaselessly looked to adapt their treatments to his needs. His care has been individualised, thoughtful and constantly reviewed. The outstanding medical team have contributed brilliantly to the overall service.

"The ethos of the clinic is one of respect and regard for patients. My brother was treated with warmth and openness from the start. It had been many years since he had smiled and laughed.

"Everyone is involved in ensuring that service users and carers are treated with respect and compassion. People have gone out of their way to help us. Communication has been outstanding. It has been incredible to have immediate access by phone with staff, particularly the psychologists, for honest and supportive conversations about my brother's care. The Carers Days are a wonderful initiative.

"My brother is unrecognisably better. Our lives are transformed when we know he is improving. We are incredibly thankful for what the clinic has done, and continues to do, for our brother."

"My brother was treated with warmth and openness from the start"

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GOVERNORS AND BOARD OF DIRECTORS OF HERTFORDSHIRE PARTNERSHIP UNIVERSITY NHS FOUNDATION TRUST

Opinion on financial statements of Hertfordshire Partnership University NHS Foundation Trust

In our opinion the financial statements:

- **give a true and fair view of the state of the Trust's affairs as at 31 March 2017 and of its income and expenditure for the year then ended;**
- **have been properly prepared in accordance with the accounting policies directed by NHS Improvement – Independent Regulator of NHS Foundation Trusts; and**
- **have been prepared in accordance with the requirements of the National Health Service Act 2006.**

The financial statements that we have audited comprise:

- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Taxpayers' Equity;
- the Statement of Cash Flows;
- the Accounting Policies and other information; and
- the related notes 1 to 30.

The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies directed by NHS Improvement – Independent Regulator of NHS Foundation Trusts.

Certificate

We certify that we have completed the audit of the accounts in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Summary of our audit approach

Key risks	The key risks that we identified in the current year were: • Valuation of Trust's properties • Validity of Continuing Healthcare (CHC) provisions In 2016/17, we have focussed the key risk in respect of provisions on CHC provisions as we consider this balance to have more judgement involved in the calculations and in determining the validity of the claims submitted in comparison to the other provisions held by the Trust. In 2015/16, we identified additional key risks in respect of revenue recognition and accounting for capital expenditure. We have not included these as key risks in the current year as the revenue at the Trust is mostly from block contract income, with immaterial amounts disputed at year end. This means that there is little judgement involved in the recognition of revenue. In 2016/17, the expenditure on capital projects were not material as the Trust did not undertake any major capital expenditure programme.
Materiality	The materiality that we used in the current year was £4.39m which was determined on the basis of approximately 2% of the Trust's total revenue recognised in the year to 2016/17.
Scoping	Our audit was scoped by obtaining an understanding of the entity and its environment, including internal control, and assessing the risks of material misstatement. Audit work was performed at the Trust's offices directly by the audit engagement team, led by the audit engagement partner.
Significant changes in our approach	Other than the changes to key risks as described above, there have been no significant changes in our approach to the audit in 2016/17 compared to 2015/16.

Going concern

We have reviewed the Accounting Officer's statement contained within the Statement of the chief executive's responsibilities as the accounting officer of Hertfordshire Partnership University NHS Foundation Trust on page 91 of the Annual Report, the going concern disclosure within the Performance Report at page 9 of the Annual Report and the going concern disclosure in note 1.2.1 of the financial statements on page 6 that the Trust is a going concern.

We confirm that:

- **we have concluded that the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and**
- **we have not identified any material uncertainties that may cast significant doubt on the Trust's ability to continue as a going concern.**

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Trust's ability to continue as a going concern.

Independence

We are required to comply with the Code of Audit Practice and Financial Reporting Council's Ethical Standards for Auditors, and confirm that we are independent of the Trust and we have fulfilled our other ethical responsibilities in accordance with those standards.

We confirm that we are independent of the Trust and we have fulfilled our other ethical responsibilities in accordance with those standards. We also confirm we have not provided any of the prohibited non-audit services referred to in those standards.

Our assessment of risks of material misstatement

The assessed risks of material misstatement described below are those that had the greatest effect on our audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.

Valuation of Trust's properties	
Risk description	The Trust holds property assets within Property, Plant and Equipment of £140.9 million. The valuations are by nature significant estimates which are based on specialist and management assumptions (including the floor areas and alternative sites for a Modern Equivalent Asset, the basis for calculating build costs, the level of allowances for professional fees and contingency, and the remaining life of the assets) and which can be subject to material changes in value. As detailed in notes 1.6 and 11, the Trust has continued to reassess certain valuation assumptions in the current year, including the use of an "alternative site" valuation basis, reduced floor areas and reduced land area for some of its properties. The net revaluation loss shown in other comprehensive income in the Statement of Comprehensive Income is £12.2 million. There is an incentive for the Trust to reduce its asset values because the Public Dividend Capital payment that the Trust pays to the Department of Health is calculated as a function of the Trust's asset values. Therefore there is a cash benefit to reducing the value of the Trust's estate. For this reason, there is a risk that the judgements involved in deriving the valuation of the Trust's estate could be manipulated.
How the scope of our audit responded to the risk	We evaluated the design and implementation of controls over property valuations, and tested the accuracy and completeness of data provided by the Trust to the valuer. In respect of the assumptions made in the valuation of the Trust's estate, we integrated an internal property valuation specialist within our team to challenge management's assumptions and methodology for the valuation. We evaluated the rationale for amounts recognised in the financial statements and the estimation techniques used in calculations, and considered whether these were in accordance with accounting requirements and appropriate in the circumstances of the Trust. We have reviewed the disclosures in note 1.6 and evaluated whether these provide sufficient explanation of the basis of the valuation and the judgements made in preparing the valuation. We assessed whether the valuation and the accounting treatment of the impairment was compliant with the relevant accounting standards, and in particular whether impairments should be recognised in the Income Statement.
Key observations	We did not identify any material misstatements through our procedures in respect of this risk, and we considered the assumptions made by the Trust to be reasonable.

Validity of Continuing Healthcare provision	
Risk description	The Trust has a provision of £6.5m for continuing health care claims (note 20) which requires clinical judgement and a complex calculation involving the days of care which should have been funded by the Trust, the value owed per day and the interest now due on this balance.
How the scope of our audit responded to the risk	We have tested the design and implementation of controls in place to mitigate the risk of misstatement in the continuing healthcare provision balance. We have reviewed the continuing healthcare provision balances and tested amounts arising, utilised and unused on a sample basis and agreeing to supporting documentation regarding new provisions and amount paid out in the year. In particular, we have agreed the decision whether or not to provide for a claim to the clinician's assessment of the case and have substantively tested the calculation valuing the claim by agreeing the number of days of care to be funded, assessing the daily rate applied and re-performing the interest calculation. We have understood and challenged the assumptions made by management in determining the provisions and assessed management explanations against documentary evidence, such as evidence of clinical decision making and correspondence with claimants. Where relevant, we have also considered the Trust's history of settling similar matters.
Key observations	We did not identify any material misstatements through our procedures in respect of this risk, and we considered the estimates made by the Trust to be within an acceptable range.

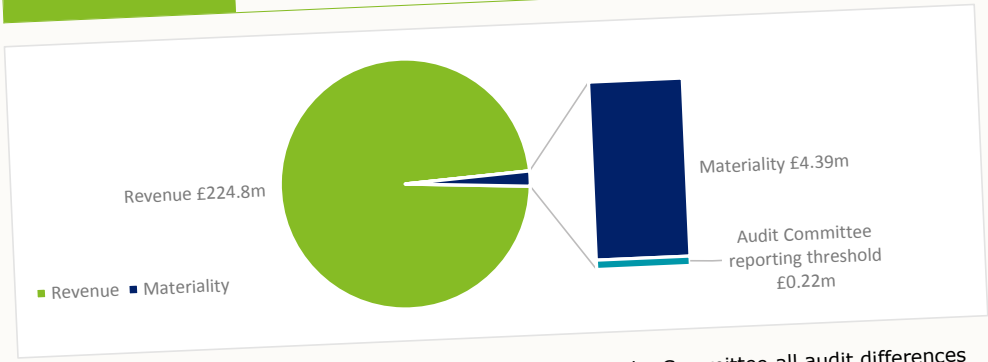
These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Materiality	£4.39m (2015/16: £4.20m)
Basis for determining materiality	Approximately 2% of revenue (2015/16: 2% of revenue)
Rationale for the benchmark applied	Revenue was chosen as a benchmark as the Trust is a non-profit organisation, and revenue is a key measure of financial performance for users of the financial statements.



We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £219,400 (2016/17: £210,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the entity and its environment, including internal control, and assessing the risks of material misstatement. Audit work was performed at the Trust's offices directly by the audit engagement team, led by the audit engagement partner.

The audit team included integrated Deloitte specialists bringing specialist skills and experience in property valuations and information technology systems. Data analytic techniques were used as part of the audit testing, in particular to support profiling of populations to identify items of audit interest.

Opinion on other matters prescribed by the National Health Service Act 2006

In our opinion:

- the parts of the Directors' Remuneration Report and Staff Report to be audited have been properly prepared in accordance with the National Health Service Act 2006; and
- the information given in the Performance Report and the Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Annual Governance Statement, use of resources, and compilation of financial statements

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

- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual, is misleading, or is inconsistent with information of which we are aware from our audit;
- the NHS foundation trust has not made proper arrangements for securing economy, efficiency and effectiveness in its use of resources; or
- proper practices have not been observed in the compilation of the financial statements.

We are not required to consider, nor have we considered, whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in respect of these matters.

Reports in the public interest or to the regulator

Under the Code of Audit Practice, we are also required to report to you if:

- 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; or
- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006 because we have reason to believe that the Trust, or a director or officer of the Trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency.

We have nothing to report in respect of these matters.

Our duty to read other information in the Annual Report

Under International Standards on Auditing (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Trust acquired in the course of performing our audit; or
- otherwise misleading.

In particular, we are required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the annual report is fair, balanced and understandable and whether the annual report appropriately discloses those matters that we communicated to the audit committee which we consider should have been disclosed.

We confirm that we have not identified any such inconsistencies or misleading statements.

Respective responsibilities of Accounting Officer and auditor

As explained more fully in the Accounting Officer's Responsibilities Statement, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law, the Code of Audit Practice and International Standards on Auditing (UK and Ireland). We also comply with International Standard on Quality Control 1 (UK and Ireland). Our audit methodology and tools aim to ensure that our quality control procedures are effective, understood and applied. Our quality controls and systems include our dedicated professional standards review team.

This report is made solely to the Board of Governors and Board of Directors ("the Boards") of Hertfordshire Partnership University NHS Foundation Trust, as a body, in accordance with paragraph 4 of Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Boards those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Boards as a body, for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Accounting Officer; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Jonathan Gooding FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
St. Albans, United Kingdom
26 May 2017

INDEPENDENT AUDITOR'S STATEMENT TO THE DIRECTORS OF HERTFORDSHIRE PARTNERSHIP UNIVERSITY NHS FOUNDATION TRUST ON THE NHS FOUNDATION TRUST CONSOLIDATION SCHEDULES

We have examined the consolidation schedules designated FTC1 to FTC38 excluding FTC8a and FTC8b of Hertfordshire Partnership University NHS Foundation Trust for the year ended 31 March 2017, which have been prepared by the Director of Finance and acknowledged by the Chief Executive.

This statement is made solely to the Board of Directors of Hertfordshire Partnership University NHS Foundation Trust in accordance with paragraph 24(5) of Schedule 7 of the National Health Service Act 2006 (the Act) and paragraph 4.2 of the Code of Audit Practice and for no other purpose.

For the purpose of this statement, reviewing the consistency of figures between the audited financial statements and the consolidation schedules extends only to those figures within the audited financial statements which are also published in the consolidation schedules.

Auditors are required to report on any differences over £250,000 between the audited financial statements and the consolidation schedules.

The figures reported in the consolidation schedules are consistent with the audited financial statements, on which we have issued an unqualified opinion.

Deloitte LLP
3 Victoria Square,
St Albans,
AL1 3TF

26th May 2017

My Story

“My experience at Kingfisher Court last year was very positive.”

One of our service users talks about her experience in our inpatient service at our state of the art facility at Kingfisher Court...

My mental health journey started three decades ago. It was at Watford General Hospital where I was diagnosed with bipolar 1.

During the past 23 years I have had support from my GP and HPFT. My success story is only because I listen to and follow the instructions and guidance of my doctors and the mental health team.

Bipolar took my dreams of having a family and my first much-loved career in the City of London. Keeping structure in my life has been an enormous challenge while being essential to my continued survival.

Work environments can prove to be extremely challenging. I believe HR and management at companies are willing but require guidance on how to support staff with mental health issues. In some cases, something as simple as moving someone’s desk can make all the difference.

My experience at Kingfisher Court last year was very positive. The staff were highly professional and kind. The facility is modern and state-of-the-art which demonstrates commitment from the NHS. The staff at the day centre were also committed to patients and very kind, as was our driver.

I feel blessed to have reached retirement and I credit the NHS with my continued successful battle with bipolar. Thank you to HPFT – wonderful professionals who help us “own our mental health”.

Foreword to the financial statements of Hertfordshire Partnership University NHS Foundation Trust

These accounts, for the year ended 31 March 2017, have been prepared by Hertfordshire Partnership University NHS Foundation Trust ('the NHS FT') in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

If you require any further information on these Annual Financial Statements please contact:

Matthew Hooper
Head of Financial Services

Hertfordshire Partnership University NHS Foundation Trust
99 Waverley Road
St Albans
Hertfordshire
AL3 5TL
Telephone number: 01727 804 764

Signed

Tom Cahill, Chief Executive

26 May 2017

Date:

Statement for comprehensive income for the year ended 31 March 2017

	note	2016/17 £000	2015/16 Restated £000
Operating income from continuing operations	4	224,797	205,901
Operating expenses of continuing operations	5	(211,287)	(204,897)
OPERATING SURPLUS/(DEFICIT)		**13,510**	**1,004**
FINANCE COSTS			
Finance income	9.0	103	124
Finance expense – financial liabilities	9.1	(394)	(413)
Finance expense – unwinding of discount on provisions	9.1	(13)	(77)
PDC dividends payable		(3,565)	(4,184)
NET FINANCE COSTS		**(3,869)**	**(4,550)**
(Losses)/Gains of disposal of assets	11.3	(768)	210
SURPLUS/(DEFICIT) FOR THE YEAR		**8,873**	**(3,336)**
SURPLUS/(DEFICIT) FOR THE YEAR			
Other comprehensive income			
Impairments	11	(13,203)	(11,508)
Revaluations		**982**	**5,544**
TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR		**(3,348)**	**(9,300)**

The 2015/16 restatement relates to an NHS Improvement directive that impairment reversals are now netted off impairments in operating expenses, rather than being separately recognised in operating income. Gains and losses on disposal of assets are now treated as a non-operating item.

Whilst the surplus for the financial year was £8,873k (£3,336k deficit in 2015/16) as reported above, this includes a small number of material items which are unusual in nature and not considered by the NHS FT to be part of its normal activities. In order to assist the reader's understanding of the accounts the following clarifying information is provided:

		2016/17	2015/16
Financial performance for the year:		£000	£000
SURPLUS/(DEFICIT) FOR THE YEAR (as above)		**8,873**	**(3,336)**
Sustainability and Transformation Funding (STF)	1.3	(6,692)	
Settlement of historic VAT claims*		(1,546)	
Net Impairments charged to the SOCI following an independent revaluation	13	1,985	3,334
Surplus/(Deficit) after adjusting for the above items		**2,620**	**(2)**

*'Settlement of historic VAT claims' refers to agreement reached with HMRC regarding the entitlement to reclaim an element of the VAT incurred on expenditure through our s75 partnership arrangements.

Statement of financial position
31 March 2017

	note	31 March 2017 £000	31 March 2016 £000
Non-current assets			
Intangible assets	10	274	16
Property, plant and equipment	11	145,030	165,439
Total non-current assets		**145,304**	**165,455**
Current assets			
Inventories	14	27	19
Trade and other receivables	16	13,556	5,181
Assets held for sale	15	1,300	0
Cash and Cash Equivalents	17	43,561	35,660
Total current assets		**58,444**	**40,860**
Current liabilities			
Trade and other payables	21	(21,514)	(20,969)
Borrowings	19	(571)	(572)
Provisions	20	(3,227)	(2,212)
Other liabilities	22	(4,623)	(4,661)
Total current liabilities		**(29,935)**	**(28,414)**
Total assets less current liabilities		**173,813**	**177,901**
Non-current liabilities			
Borrowings	19	(17,431)	(18,004)
Provisions	20	(10,739)	(10,906)
Total non-current liabilities		**(28,170)**	**(28,910)**
Total assets employed		**145,643**	**148,991**
Financed by (taxpayers' equity)			
Public Dividend Capital		83,063	83,063
Revaluation Reserve		29,439	44,929
Income and expenditure reserve		33,141	20,999
Total taxpayers' and others' equity		**145,643**	**148,991**

The financial statements were approved by the Board and signed on its behalf by:

Mr Tom Cahill,

Date 26 May 2017

Statement of changes in equity for the year ended 31 March 2017

	note	Total	Public dividend capital	Revaluation reserve	Income and expenditure reserve
		£000	£000	£000	£000
Taxpayers' and others' equity at 01 April 2016 – brought forward		**148,991**	**83,063**	**44,929**	**20,999**
Surplus for the year	SOCI	8,873	0	0	8,873
Transfers between reserves		0	0	(218)	218
Impairments	13	(13,203)	0	(13,203)	0
Revaluations – property, plant and equipment	11	982	0	982	0
Transfer to retained earnings on disposal of assets		0	0	(3,051)	3,051
Taxpayers' Equity at 31 March 2017		**145,643**	**83,063**	**29,439**	**33,141**

The £218k transfer between the Revaluation Reserve and the Income and Expenditure Reserve relates to excess depreciation where the Revaluation Reserve was greater than the carrying value of the asset.

The £3,051k transfer between the Revaluation Reserve and Income and Expenditure relates to realisation on disposal of an asset, of the amount held in the Revaluation Reserve.

Statement of changes in equity for the year ended 31 March 2016

	note	Total	Public dividend capital	Revaluation reserve	Income and expenditure reserve
		£000	£000	£000	£000
Taxpayers' and others' equity at 01 April 2015 – brought forward		**158,291**	**83,063**	**55,717**	**19,511**
Deficit for the year	SOCI	(3,336)	0	0	(3,336)
Transfers between reserves		0	0	(1,907)	1,907
Impairments	13	(11,508)	0	(11,508)	0
Revaluations – property, plant and equipment	11	5,544	0	5,544	0
Transfer to retained earnings on disposal of assets		0	0	(2,917)	2,917
Taxpayers' Equity at 31 March 2016		**148,991**	**83,063**	**44,929**	**20,999**

The £1,907k transfer between the Revaluation Reserve and the Income and Expenditure Reserve relates to the amount held in the Revaluation Reserve where there was also an impairment in prior years. This was released in 2015/16.

Statement of cash flows for the year ended 31 March 2017

	note	2016/17 £000	2015/16 £000
Net cash inflow from operating activities	24	**18,276**	**9,034**
Cash flows from/(used in) investing activities			
Interest received	9	101	129
Purchase of intangible assets		(344)	0
Purchase of property, plant and equipment and investment property		(5,969)	(6,846)
Sales of property, plant and equipment and investment property		300	10,994
NHS charitable funds – net cash flows from/(used in) investing activities		**(5,912)**	**4,277**
Net cash generated (used in)/from financing activities			
Loans repaid to the Department of Health		(530)	(530)
Capital element of finance lease rental payments		(45)	(39)
Interest paid		(387)	(402)
Interest element of finance lease		(8)	(11)
PDC dividend paid		(3,493)	(4,385)
Net cash generated (used in) financing activities		**(4,463)**	**(5,367)**
INCREASE IN CASH AND CASH EQUIVALENTS	17	7,901	7,944
Cash and Cash equivalents at 1 April	17	**35,660**	**27,716**
Cash and Cash equivalents at 31 March		**43,561**	**35,660**

The Statement of Cash Flows, reports transactions purely on a cash basis and not on the accruals basis as used in the other Financial Statements. For this reason some figures may appear different to the figures reported elsewhere. An example of this is 'interest received' being £101k in the statement above, compared to £103k on the Statement of Comprehensive Income.

The 'Sales of property, plant and equipment and investment property' in 2016/17 consist of the sales proceeds realised on the sale of a footprint of land at Little Plumstead, Norfolk. This excludes the £3,500k gross proceeds from sale of The Meadows which was completed on 31st March, however the cash was held with the solicitor at 31st March.

Notes to the accounts

1. Accounting policies

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.

1.1 Accounting convention

These Financial Statements have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment.

1.2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the NHS FT's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both the current and future periods.

1.2.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below note 1.2.2), that management has made in the process of applying the NHS FT's accounting policies and that have the most significant effect on the amounts recognised in the Financial Statements.

True and Fair View

Foundation Trusts' financial statements should give a true and fair view of the state of affairs of the reporting body at the end of the financial year and of the results of the year. Section 393 of the Companies Act 2006 requires that Directors must not approve financial statements unless they are satisfied that they give a true and fair view as described above.

Going Concern

The Financial Statements have been prepared on the basis that the NHS FT is a going concern and will be in the foreseeable future. This is based upon the Directors' assessment of the NHS FT's current financial projections, its current levels of cash and borrowing capacity and the contractual agreements it has with its commissioners.

1.2.2 Key sources of estimation uncertainty

"There are no key assumptions concerning the future, or other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Estimates of the amount to provide for in Pensions provisions, with a carrying amount liability of £2,544k, and Injury Benefit provisions , with a carrying amount liability of £2,717k, are based on the latest estimates of life expectancy tables provided by the Government Actuary's Department (GAD).

Estimates of the amount to provide for in Continuing Health Care provisions, with a carrying amount liability of £6,489k, are based on the number of claims received with an average value for the claim (based on recent actual settlements) and related costs calculated.

Valuation assumptions for Property, Plant and Equipment, with carrying assets of £144,710k are based on valuations provided by the District Valuer, Giles Awford, as at 31 March 2017 in line with note 1.6.

Legal claims provisions, with a carrying amount liability of £1,463k, are based on the best estimate received from Solicitors involved in the case, and estimates of probability of as provided by the NHS Litigation Authority.

Estimates of the amount to provide for dilapidation costs, with a carrying amount liability of £632k, reflect the requirements obligated within individual lease agreements and estimated in value by the Associate Director of Estates."

1.3 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 NHS FT is from commissioners for health and social care services and the majority is provided under a Block Contract arrangement jointly commissioned by NHS East & North Hertfordshire Clinical Commissioning Group, NHS Herts Valleys Clinical Commissioning Group and Hertfordshire County Council.

Where income is received for a specific activity that is to be delivered, fully or partly, in the following year, that income, or part thereof, is deferred.

Interest revenue is derived from balances held with the Government Banking Service and National Loan Fund. All investments have been undertaken in accordance with the NHS FT's Treasury Management Policy.

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.

A £1.8 billion Sustainability and Transformation Fund (STF) has been made available to NHS providers in 2016-17, linked to the achievement of financial control total and performance targets. Of this the NHS FT has been awarded £1,280k in relation to its achievement of its control total, £4,335k in relation to its acheivement in excess of its control total, and £1,077k in relation to a bonus amount awarded.

1.4 Employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned, but not taken by employees at the end of the period is recognised in the Financial Statements to the extent that employees are permitted to carry forward leave into the following period.

Pension costs

NHS Pension Scheme

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.

Local Government Superannuation Scheme

The NHS FT is also an admitted fully funded member of the Hertfordshire Local Government Pension Scheme (LGPS), for those staff who have transferred under TUPE (Transfer of Undertakings: Protection of Employment) from Hertfordshire County Council to the NHS FT's employment since 2004/05. The LGPS is a defined benefit statutory scheme administered by Hertfordshire County Council, in accordance with the Local Government Pension Scheme Regulations 1997, as amended."

The NHS FT was admitted into the scheme on a fully funded basis, whereby it was allocated assets equal to the value of the liabilities transferred. These assets are held by the Hertfordshire County Council.

As Hertfordshire County Council is responsible for any funding shortfall on this pension scheme, the NHS FT accounts for the pension scheme on a defined contribution basis.

1.5 Expenditure on other goods and services

Other operating expenses are recognised when, and to the extent that, the goods or services have been received. They are measured at the fair value of the consideration payable for the goods and services received. Expenditure is recognised as an operating expense, except where it results in the creation of a non-current asset such as property, plant and equipment and is therefore capitalised (see 1.6 below).

1.6 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the NHS FT;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has a cost of at least £5,000; or
- collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control.

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.

Measurement

Valuation

All property, plant and equipment is measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. All such assets are measured subsequently at fair value.

Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use; or
- Specialised buildings – depreciated replacement cost based on modern equivalent assets.

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued.

An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

A revaluation of some assets was conducted by the District Valuer, Giles Awford, as at 31st March 2017 and those values have been included. Giles Awford has full membership of the Royal Institution of Chartered Surveyors (MRICS).

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 either: 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 NHS FT 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. Depreciation is provided at rates calculated to write off the cost of non-current assets, less their estimated residual value, over the expected useful lives on the following basis:

	Years
Plant & machinery	5 – 15
Set up costs in new buildings	10
Furniture & Fittings	10
Information Technology	3

Buildings held under finance lease agreements are depreciated over the term of the lease.

Freehold land is considered to have an infinite life and is therefore not depreciated.

Refurbishment of leased buildings is depreciated over the term of lease.

Property, plant and equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction are not depreciated until the asset is brought into use or reverts to the NHS FT.

Revaluation gains and losses

Revaluation gains and losses are recognised in the revaluation reserve. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised.

Gains/surpluses and losses/impairments recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as separate items of 'other comprehensive income'.

Impairments

In accordance with the DH GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of 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 of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales, and;
- the sale must be highly probable i.e.;
  - management are committed to a plan to sell the asset;
  - an active programme has begun to find a buyer and complete the sale;
  - the asset is being actively marketed at a reasonable price;
  - the sale is expected to be completed within 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.

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 asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

1.7 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the NHS FT'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 NHS FT and where the cost of the asset can be measured reliably.

Internally generated goodwill, brands, 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 NHS FT intends to complete the asset and sell or use it;
- the NHS FT has the ability to sell or use the asset;
- how the intangible asset will generate probable future economic or service delivery benefits e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the NHS FT to complete the development and sell or use the asset; and
- the NHS FT can measure reliably the expenses attributable to the asset throughout its remaining development.

Software

Software which is integral to the operation of hardware e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware e.g. application software, is capitalised as an intangible asset and amortised over the useful life of the asset which is generally 5 years.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

Intangible assets held for sale are measured at the lower of their carrying amount or "fair value less costs to sell".

Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

1.8 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

The NHS FT as lessee

Property, plant and equipment held under finance leases are initially recognised at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and a reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged as an expense within the Statement of Comprehensive Income.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Where a lease is for land and buildings, the land and building components are separated and individually assessed as to whether they are operating or finance leases and accounted for accordingly.

The NHS FT as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the NHS FT's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the NHS FT's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.9 Inventories

Inventories are valued at the lower of cost and net realisable value using the first-in first-out approach to identify stock movements. This is considered to be a reasonable approximation to fair value.

1.10 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of a change in value. Cash equivalents that mature in more than 3 months are shown as current investments.

1.11 Provisions

The NHS FT recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

A restructuring provision is recognised when the NHS FT has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditure arising from the restructuring, which are those amounts that are necessarily entailed by the restructuring and not associated with the ongoing activities of the NHS FT.

1.12 Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the NHS FT pays an annual contribution to the NHSLA which in return settles all clinical negligence claims. The contribution is charged to operating expenses. Although the NHSLA is administratively responsible for all clinical negligence cases, the legal liability remains with the NHS FT.

The total value of clinical negligence provisions carried by the NHSLA on behalf of the NHS FT is disclosed at note 20 but is not recognised in the NHS FT's Financial Statements.

1.13 Non-clinical risk pooling

The NHS FT participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the NHS FT pays an annual contribution to the NHS Litigation Authority and, in return, receives assistance with the costs of any claims arising for which the NHS FT is liable. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses when the liability arises.

1.14 Contingencies

Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NHS FT. A contingent asset is disclosed where an inflow of economic benefits is probable. The NHS FT does not hold any of these assets.

Contingent liabilities

Contingent liabilities are not recognised, but are disclosed in note 29, 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.

Where the time value of money is material, contingencies are disclosed at their present value.

1.15 Financial assets

Financial assets are recognised when the NHS FT becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are de-recognised when the contractual rights have expired or the asset has been transferred.

Financial assets are initially recognised at fair value.

Financial assets are classified into the following categories: financial assets at fair value through income and expenditure; available for sale financial assets, and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets held at fair value through income and expenditure

These are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term.

The NHS FT does not hold any of this class of assets.

Available for sale financial assets

These are financial assets held for sale.

The NHS FT does not hold any of this class of assets.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised

cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the initial fair value of the financial asset.

Fair value is determined by reference to quoted market prices where possible, otherwise at amortised cost, using the effective interest method.

1.16 Financial liabilities

Financial liabilities are recognised on the Statement of Financial Position when the NHS FT becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

Financial liabilities at fair value through income and expenditure

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through income and expenditure. They are held at fair value, with any resultant gain or loss recognised in the NHS FT's Statement of Comprehensive Income. The net gain or loss incorporates any interest payable on the financial liability.

Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method, except for loans from the Department of Health, which are carried at historic cost. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.17 Corporation Tax

The NHS FT had determined that it has no Corporation Tax liability on the basis that its principal purpose is a public service, rather than carrying on a trade or any commercial activity.

1.18 Value Added Tax

Most of the activities of the NHS FT are outside the scope of VAT and therefore, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged, or input VAT is recoverable, the amounts are stated net of VAT.

1.19 Foreign currencies

The NHS FT's functional currency and presentational currency is sterling. There are no material foreign currency transactions in the year.

1.20 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 FT has no beneficial interest in them. Details of third party assets are given in Note 27 to the accounts.

1.21 Public Dividend Capital (PDC) and PDC dividend

Public Dividend Capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS Trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A charge, reflecting the cost of capital utilised by the NHS foundation trust, is payable as public dividend capital. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the NHS foundation trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for (i) donated assets (including lottery funded assets), (ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and (iii) any PDC dividend balance receivable or payable. In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

1.22 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 should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover, had NHS Foundation Trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

The losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses. The detail can be found in note 26.

1.23 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

1.24 Subsidiaries

The NHS FT is the corporate trustee to Hertfordshire Partnership NHS Foundation Trust Charity. The NHS FT has assessed its relationship to the charitable fund and determined it to be a subsidiary because the NHS FT is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

The charitable fund's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard (FRS) 102.

The NHS FT has chosen not to consolidate the Charitable Funds into these Financial Statements as the amounts of the Charitable Funds are not material and would not provide additional value to the reader of the NHS FT's Financial Statements.

1.25 Research and development

Research and development expenditure is charged against income in the year in which it is incurred, except insofar as development expenditure relates to a clearly defined project and the benefits of it can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the Statement of Comprehensive Income on a systematic basis over the period expected to benefit from the project. It should be revalued on the basis of current cost. The amortisation is calculated on the same basis as depreciation, on a quarterly basis.

1.26 Accounting standards that have been issued but have not yet been adopted

"The DH GAM does not require the following Standards and Interpretations to be applied in 2016/17. These standards are still subject to HM Treasury FReM adoption, with IFRS 9 and IFRS 15 being for implementation in 2018/19, and the government implementation date for IFRS 16 still subject to HM Treasury consideration.

- IFRS 9 Financial Instruments – Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted
- IFRS 15 Revenue from Contracts with Customers -– Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the FReM: early adoption is not therefore permitted
- IFRS 16 Leases – Application required for accounting periods beginning on or after 1 January 2019, but not yet adopted by the FReM: early adoption is not therefore permitted.
- IFRIC 22 Foreign Currency Transactions and Advance Consideration – Application required for accounting periods beginning on or after 1 January 2018.

1.27 Revenue government and other grants

Government grants are grants from government bodies other than income from commissioners or NHS trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. The NHS FT has no such grants.

2 Financial risk factors

The NHS FT's activities expose it to a variety of financial risks: credit risk, liquidity risk, cash flow risk and fair value interest-rate risk. The NHS FT's overall risk management programmes focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the NHS FT's financial performance.

Risk management is carried out centrally under policies approved by the Board of Directors.

2.1 Credit risk

Over 90% of the NHS FT's income is from contracted arrangements with commissioners. As such, any material credit risk is limited to administrative and contractual disputes. Where a dispute arises, provision will be made on the basis of the age of the debt and the likelihood of a resolution being achieved.

Note 16.3 shows the analysis of impaired debts and non-impaired debts which are past their due date.

2.2 Liquidity risk

The NHS FT's net operating costs are incurred under contract agreements with NHS Clinical Commissioning Groups and Hertfordshire County Council, which are financed from resources voted annually by Parliament. The NHS FT also finances its capital expenditure from internally generated resources, from funds made available by commissioners and from loan agreements with the National Loan Fund. The NHS FT is not, therefore, exposed to significant liquidity risks.

2.3 Cash flow and fair value interest-rate risk

100% of the NHS FT's financial assets and 100% of its financial liabilities carry nil or fixed rates of interest. The NHS FT is therefore not exposed to significant interest-rate risk.

2.4 Borrowings

As an NHS Foundation Trust the NHS FT has the authority to finance capital expenditure through borrowing. Up until 2012/13 the NHS FT had financed its capital programme from existing cash balances. Two loan applications were approved by both Monitor and the Independent Trust Financing Facility to part fund the future capital investment programme up to a value of £38.8m. £19.2m was drawn down in previous years (£10.2m in 2014/15, £9m in 2013/14). No further drawdown was required in 2016/17 and no further drawdown against this facility will be required. Any future requirements would require agreement of a new facility.

3 Segmental information

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments.

A geographical segment is engaged in providing products or services within a particular economic environment that is subject to risks and returns that are different from those of segments operating in other economic environments.

The Directors consider that the NHS FT's activities constitute a single segment since they are provided wholly in the UK, are subject to similar risks and rewards and all the assets are managed as one central pool.

4 Operating income from continuing operations

4.1 Operating income (by classification)

Income is classified as "Income from Activities" when it is earned under contracts with NHS bodies and others for the provision of service user-related health and social care services. Income from non-patient-care services is classified as "Other operating income".

	2016/17 Total	2015/16 Total Restated
	£000	£000
Income from activities		
Cost and volume contract income	5,359	5,511
Block contract income	203,426	190,150
Clinical partnerships providing mandatory services (including S75 agreements)	1,122	698
Other clinical income from mandatory services	1,898	1,187
Total income from activities	**211,805**	**197,546**
Other operating income		
Research and development	623	473
Education and training	2,823	2,456
Non-patient care services to other bodies	866	922
Sustainability and Transformation Fund income (see note 1.3)	6,692	0
Other **	1,915	4,288
Rental revenue from operating leases – minimum lease receipts	73	216
Total other operating income	**12,992**	**8,355**
Total operating Income	**224,797**	**205,901**

** Analysis of other income (above)	2016/17	2015/16
	£000	£000
Transformation funding provided by commissioners	0	537
Non recurrent funding from commissioners	0	1,905
Contribution to Kingsley Green site costs	252	364
Other	1,663	1,482
Total	**1,915**	**4,288**

4.2 Income from activities (by source)

Income from Activities may also be analysed by the source of that Income.

	2016/17 Total	2015/16 Total
	£000	£000
Income from activities		
NHS Foundation Trusts	4	21
NHS Trusts	539	375
CCGs and NHS England	40,369	37,964
Local Authorities	170,889	159,141
Non NHS: Other	4	45
Total Income from activities	**211,805**	**197,546**

The NHS FT's main source of income (81%) is included in 'Income from Local Authorities' and is principally from the joint commissioning arrangement between East and North Hertfordshire Clinical Commissioning Group, Herts Valleys Clinical Commissioning Group and Hertfordshire County Council.

4.3 Analysis between commissioner requested services and non-commissioner requested services

Under the NHS FT's Provider Licence, the NHS FT is required to provide commissioner requested health and social services. The allocation of income from activities between Commissioner Requested Services and other services is shown below.

	2016/17	2015/16 Restated
	£000	£000
Income from Commissioner Requested Services	211,805	197,546
Income from non-Commissioner Requested Services	12,992	8,355
	224,797	**205,901**

4.3 Operating lease income

The NHS FT leases one of its properties (31/33 Hill End Lane) under a non-cancellable operating lease agreement.

The total annual income from this operating lease in 2016/17 is £13k (£13k in 2015/16).

The future aggregate minimum lease payments due to the NHS FT under non-cancellable operating leases are as follows:

	2016/17	2015/16
	£000	£000
on leases of Buildings expiring:		
- not later than one year;	13	13
- later than one year and not later than five years;	52	52
- later than five years.	0	5
	65	**70**

5 Operating expenses of continuing operations

5.1 Operating expenses (by type)

	2016/17	2015/16 Restated
	£000	£000
Services from NHS Foundation Trusts	468	686
Services from NHS Trusts	1,340	1,607
Services from CCGs and NHS England	2,229	2,252
Purchase of healthcare from non NHS bodies	11,657	11,234
Purchase of social care (under s.75 or other integrated care arrangements)	16,289	16,002
Employee expenses – executive directors	1,537	1,428
Remuneration of non-executive directors	115	111
Employee expenses – staff	136,051	130,832
Supplies and services – clinical (excluding drug costs)	488	622
Supplies and services – general	6,194	5,747
Establishment	2,429	2,239
Research and development – (not included in employee expenses)	19	0
Research and development – (included in employee expenses)	349	306
Transport (business travel only)	1,884	1,932
Transport (other)	1,221	1,122
Premises – business rates payable to local authorities	1,389	1,460
Premises – other	3,505	3,764
Increase/(decrease) in provision for impairment of receivables	167	49
Inventories written down (net, including inventory drugs)	3	1
Drug costs (non inventory drugs only)	2,121	2,168
Drugs Inventories consumed	353	372
Rentals under operating leases – minimum lease payments (note 6)	2,797	3,193
Depreciation on property, plant and equipment	5,177	5,112
Amortisation on intangible assets	86	32
Net impairments of property, plant and equipment	1,985	3,334
Audit services- statutory audit	65	65
Other auditor remuneration (external auditor only)	11	11
Clinical negligence – amounts payable to the NHSLA (premiums)	518	374
Legal fees	255	356
Consultancy costs	1,074	835
Internal audit costs – (not included in employee expenses)	119	86
Training, courses and conferences	1,306	1,111
Patient travel	36	37
Car parking & security	594	595
Redundancy – (not included in employee expenses)	119	423
Early retirements – (not included in employee expenses)	0	295
Insurance	439	397
Other services, e.g. external payroll, additional estates costs, GP cover	6,593	4,100
Losses, ex gratia & special payments- (not included in employee expenses)	12	53
Other	293	554
Total Operating Expenses	**211,287**	**204,897**

5.2 Limitation on auditor's liability

The NHS FT's external auditor, Deloitte LLP, does not have a liability cap in relation to the annual statutory audit.

5.3 Exit packages

Reporting of other compensation schemes – exit packages

2016/17

There were 2 exit packages agreed in 2016/17 totalling £120k.

	Number of exit packages	Cost of exit packages
Exit package cost band (including any special payment element)	Number	£000s
<£10,000	0	0
£10,001 – £25,000	0	0
£25,001 – 50,000	1	27
£50,001 – £100,000	1	93
£100,001 – £150,000	0	0
>£200,000	0	0
Total	**2**	**120**

Reporting of other compensation schemes – exit packages

2015/16

There were 7 exit packages agreed in 2015/16 totalling £446k.

	Number of exit packages	Cost of exit packages
Exit package cost band (including any special payment element)	Number	£000s
£10,001 – £25,000	1	2
£25,001 – £50,000	1	24
£50,001 – £100,000	1	31
£100,001 – £150,000	2	145
£150,001 – £200,000	2	244
>£200,000	0	0
Total	**7**	**446**

6 Commitments under operating leases

The NHS FT leases various premises and equipment under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights

During 2016/17 the NHS FT vacated DoH land at Kingsley Green, which has led to a significant decrease in both annual lease expenditure and future minimum lease payments.

Analysis of operating lease expenditure 2016/17

	Total	Buildings	Other
	£000	£000	£000
Minimum lease payments	2,797	2,498	299
Total	**2,797**	**2,498**	**299**

Analysis of operating lease expenditure 2015/16

	Total	Buildings	Other
	£000	£000	£000
Minimum lease payments	3,193	2,907	286
Total	**3,193**	**2,907**	**286**

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

Arrangements containing an operating lease 2016/17

	Total	Buildings	Other
	£000	£000	£000
Future minimum lease payments due:			
- not later than one year;	1,684	1,540	144
- later than one year and not later than five years;	5,523	5,405	118
- later than five years.	7,093	7,093	0
	14,300	**14,038**	**262**

Arrangements containing an operating lease 2015/16

	Total	Buildings	Other
	£000	£000	£000
Future minimum lease payments due:			
- not later than one year;	1,626	1,436	190
- later than one year and not later than five years;	5,033	4,830	203
- later than five years.	7,523	7,523	0
Total	**14,182**	**13,789**	**393**

7 Employee expenses

7.1 The employee expenses incurred during the year were as follows

	2016/17	2015/16
	£000	£000
Salaries and wages	104,204	100,116
Social security costs	11,385	8,350
Pension cost – defined contribution plans employer's contributions to NHS pensions	13,542	12,130
Pension cost – other	51	55
Temporary staff – agency/contract staff	8,755	11,915
Total Gross Staff Costs	**137,937**	**132,566**
Analysed into Operating Expenditure in note 5.1:		
Employee expenses – staff	136,051	130,832
Employee expenses – executive directors	1,537	1,428
Research & development	349	306
Total Employee benefits excl. capitalised costs	**137,937**	**132,566**

As the Hertfordshire County Council's scheme is accounted for on a defined contributions basis, the following Local Government Pension Scheme figures are not included in these accounts but are disclosed separately as follows:

Based on IAS19, the Actuary has estimated for the Trust that, for the year ended 31 March 2017, the net pension asset is £3,435k (£2,741k as at 31 March 2016). The amount chargeable to operating profit is £36k (£24k loss as at 31 March 2016) and a gain of £623k (£1,131k as at 31 March 2016) is recognisable in the Hertfordshire County Council Statement of Other Comprehensive Income.

Total employer pension contributions totalled £12,899k (£11,900k in 2015/16).

7.2 Number of employees

The average number of employees during the year was as follows (expressed in full time equivalents)

	2016/17	2015/16
	FTE's	FTE's
	Number	Number
Medical and dental	161	157
Administration and estates	609	584
Healthcare assistants and other support staff	591	572
Nursing, midwifery and health visiting staff	681	655
Scientific, therapeutic and technical staff	497	442
Healthcare science staff	0	0
Social care staff	89	78
Agency and contract staff	138	161
Bank staff	405	382
Other	8	10
Total	**3,179**	**3,041**

7.3 Retirements due to ill-health

During 2016/17 there was 1 (1 in 2015/16) early retirement from the NHS FT on the grounds of ill-health with an estimated additional pension liability of £58k (£106k in 2015/16).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority – Pensions Division.

8 Better Payment Practice Code

The measure of compliance for 2016/17 has been analysed and can be found in the NHS FT's Annual Report .

8.1 The Late Payment of Commercial Debts (Interest) Act 1998

There are no amounts included within Finance Expenses (note 9.1) arising from claims made under this legislation.

There is no compensation paid to cover debt recovery costs under this legislation.

9 Finance costs

9.2 Finance income

	2016/17	2015/16
	£000	£000
Interest receivable on bank deposits	103	124

Interest receivable as stated in the Statement of Cash Flows is the actual cash received by the NHS FT in year (£129k relating to 2015/16 and £101k relating to 2016/17), whereas the figure above comprises the £103k received relating to 2016/17 and also includes £2k accrued interest receivable.

9.2 Finance expenses

	2016/17	2015/16
	£000	£000
Capital loans from the Department of Health	386	402
Finance leases	8	11
Unwinding of discount on provisions	13	77
Total	**407**	**490**

10 Intangible assets

	2016/17 Software licences	2015/16 Software licences
	£000	£000
Opening cost at 1 April	427	427
Additions – purchased	344	0
Disposals	0	0
Gross cost at 31 March	**771**	**427**
Opening amortisation at 1 April	411	379
Provided during the year	86	32
Disposals	0	0
Amortisation at 31 March	**497**	**411**
Net book value		
At 1 April	16	48
At 31 March	**274**	**16**

The 2016/17 intangible asset addition relates to the purchase of staff rostering software licences to replace the licences that expired within the year.

11. Property, plant and equipment as at 31 March 2017

11.1 Balances as at 31 March 2017

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & machinery	Information technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/ gross cost at 1 April 2016 – brought forward	171,179	40,032	117,224	195	3,782	1,472	5,316	3,158
Additions – purchased	4,824	0	4,056	0	210	0	229	329
Impairments charged to operating expenses	(2,025)	(1,911)	(10)	0	(74)	0	0	(30)
Impairments charged to the revaluation reserve	(13,203)	(8,579)	(4,624)	0	0	0	0	0
Reclassifications	0	0	3,593	0	(3,607)	0	14	0
Revaluations	982	50	932	0	0	0	0	0
Transfers to/from assets held for sale and assets in disposal groups	(1,300)	(350)	(950)	0	0	0	0	0
Disposals	(7,523)	(1,800)	(2,750)	0	0	(669)	(1,841)	(463)
Valuation/ gross cost at 31 March 2017	152,934	27,442	117,471	195	311	803	3,718	2,994
Accumulated depreciation at 1 April 2016 – brought forward	5,740	0	306	0	0	878	3,305	1,251
Provided during the year	5,177	0	3,744	5	0	74	1,072	282
Reversal of impairments credited to operating expenses	(40)	0	(40)	0	0	0	0	0
Disposals	(2,973)	0	0	0	0	(668)	(1,841)	(464)
Accumulated depreciation at 31 March 2017	7,904	0	4,010	5	0	284	2,536	1,069
Net book value at 31 March 2017								
Owned	144,975	27,442	113,406	190	311	519	1,182	1,925
Finance Leased	55	0	55	0	0	0	0	0
NBV Total at 31 March 2017	145,030	27,442	113,461	190	311	519	1,182	1,925

Included within 'additions – purchased' are the following items:

Classified as 'Buildings, excluding dwellings';

- Logandene refurbishment- £2,476k which was completed in Q4 2016/17
- Little Plumstead anti-ligature works – £1,061k which was completed in Q4 2016/17
- Warren Court anti-ligature works – £739k which was completed in Q4 2016/17

Classified as 'Information technology';

- £229k to replace computers at the end of their economic life."Included within 'reclassifications' are the following items, previously held as 'Assets under Construction':
- Lambourn Grove – £2,822k which was completed and brought in to use in Q1 2016/17
- Logandene – £248k which was completed and brought in to use in Q4 2016/17"

See note 11.3 for details of property disposals. There were a number of items within Plant & Machinary, Furniture & Fittings and IT that have been de-recognised within the year due to them reaching the end of their economic life and having no carrying value

The NHS FT's land and buildings were not all revalued at 31 March 2017. The land and buildings deemed to be inefficient for service provision and therefore requiring an updated valuation, and those buildings that have had significant investment, were revalued. A full valuation of the entire Trust asset listing of land and buildings will be carried out in 2017/18.

11.2 Balances as at 31 March 2016

	Total	Land	Buildings excluding dwellings	Dwellings	Assets Under Construction	Plant & machinery	Information Technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/Gross cost at 1 April 2015 – restated	181,468	53,802	114,164	191	3,982	1,527	4,878	2,924
Additions – purchased	6,275	0	2,185	0	3,370	0	438	282
Impairments charged to operating expenses	(5,123)	(3,354)	(1,648)	0	(13)	(53)	0	(55)
Impairments charged to revaluation reserve	(11,508)	(9,066)	(2,438)	0	0	(2)	0	(2)
Reclassifications	0	0	3,533	0	(3,542)	0	0	9
Revaluations	3,542	345	3,193	4	0	0	0	0
Disposals	(3,475)	(1,695)	(1,765)	0	(15)	0	0	0
Valuation/ gross cost at 31 March 2016	171,179	40,032	117,224	195	3,782	1,472	5,316	3,158
Accumulated depreciation at 1 April 2015 – restated	4,419	0	286	6	0	792	2,349	986
Provided during the year	5,112	0	3,799	6	0	86	956	265
Reversal of impairments credited to operating expenses	(1,789)	0	(1,789)	0	0	0	0	0
Revaluations	(2,002)	0	(1,990)	(12)	0	0	0	0
Accumulated depreciation at 31 March 2016	5,740	0	306	0	0	878	3,305	1,251
								1,069
Net Book Value at 31 March 2016								
Owned	165,359	40,032	116,838	195	3,782	594	2,011	1,907
Finance Leased	80	0	80	0	0	0	0	0
Net Book Value at 31 March 2016	165,439	40,032	116,918	195	3,782	594	2,011	1,907

IIncluded within the 'additions – purchased' are the following items categorised as Assets Under Construction:

Included within 'additions – purchased' are the following items:

Classified as 'Buildings, excluding dwellings';

- Waverley Road refurbishment – £641k which was completed in early 2015/16
- Cygnet House refurbishment – £366k which was completed in Q4 2015/16
- Lister anti-ligature works – £276k which was completed in Q4 2015/16

Classified as 'Information technology';

- £347k to replace computers no longer fit for purpose.

See note 13 for details of Impairments.

Included within 'reclassifications' are the following items, previously held as 'Assets under Construction':

- Seward Lodge – £2,343k which was completed and brought in to use in Q1 2015/16
- Waverley Road refurbishment – £1,184k which was completed in early 2015/16

See note 11.3 for details of property disposals

The NHS FT's land and buildings were revalued at 31 March 2016. The NHS FT's valuers have relied upon the floor areas of existing buildings and assumed modern equivalent assets will require the same floor area. However, the NHS FT have identified a small number of buildings that are inefficient and therefore consider any replacement of those assets to require a reduced floor area. The valuations of these land and buildings have been adjusted accordingly.

11.3 Disposal of property, plant and equipment

	2016/17	2015/16
	£000	£000
Gains on disposal/derecognition of land and buildings	0	429
Gains on disposal/derecognition of assets held for sale	296	18
Losses on disposal/derecognition of land and buildings	(1,064)	(199)
Losses on disposal/derecognition of assets held for sale	0	(38)
Total gain/loss on disposal recorded in the Statement of Comprehensive Income	**(768)**	**210**

Assets disposed in 2016/17 include; a footprint of land at Little Plumstead and The Meadows land and buildings.

Assets disposed in 2015/16 include; Eric Shepherd Unit/Crossways, Cassio Unit, 151 Rickmansworth Rd and the Kestrels, which were 'assets held for sale'. In addition to this, the following properties were sold; Shrodells (£429k profit), Marlowes Health Centre (£36k loss) and 75 Hill End Lane (£162k loss)

12 Assets held under finance leases

	2016/17	2015/16
Opening cost at 1 April	**2,125**	**2,125**
Accumulated depreciation at 1 April	2,045	2,024
Provided during the year	25	21
Accumulated depreciation at 31 March	**2,070**	**2,045**
Net book value		
NBV total at 1 April	80	101
NBV total at 31 March	**55**	**80**

The NHS FT leases one premise under a finance lease agreement. The premise is 32 St. Peter's Street, St. Albans.

13 Impairment of assets (property, plant and equipment and intangibles)

	2016/17	2015/16
	£000	£000
Impairments due to abandonment of assets under construction	74	13
Impairments of Property, Plant and Equipment charged to operating expenses due to changes in market price	1,951	5,110
Reversal of prior year impairments of Property, Plant and Equipment credited to operating income	(40)	(1,789)
Total impairments and reversal of impairments charged to the Statement of Comprehensive Income	**1,985**	**3,334**
Impairments of Property, Plant and Equipment charged to the Revaluation Reserve	13,203	11,508
Total impairment charged to the Revaluation Reserve	**13,203**	**11,508**

The impairment adjustments for 2016/17 follow a desk top revaluation and impairment review conducted by the District Valuer. The assets impaired to the 'Statement of Comprehensive Income' largely related to decreases in the value of land held by the NHS FT (£10,490k). These impairments were incurred as a result of consideration being taken of the modern equivalent asset value of some specialised assets and impairment reviews being undertaken on Lambourn Grove and Logandene following recent refurbishment works being capitalised.

There were significant revaluation reserve and 'Statement of Comprehensive Income' impairments against specialist properties considered not to be of optimum service provision potential and therefore valued under modern equivalent asset conditions. These included; Warren Court (£9,823k), Lister Hospital (£525k), Hamden House & Gainsford House (£2,223k) and Sovereign House (£135k).

The 'reversal of impairments credited to operating income' in 2015/16 are impairments incurred in prior years and the assets have since been revalued upwards. These largely relate to Oak and Beech units at Kingsley Green (£710K), Astley Court (£363k) and Broadlands, Little Plumstead (£189k).

14 Inventories

	2016/17	2015/16
	£000	£000
Carrying Value at 1 April	19	20
Additions	364	372
Inventories recognised in expenses	(353)	(372)
Write-down of inventories recognised as an expense	(3)	(1)
Carrying Value at 31 March	**27**	**19**

15 Assets held for sale

	31 March 2017	31 March 2016
	£000	£000
Net Book Value of assets held for sale at 1 April	0	7,309
Plus assets classified as available for sale in the year	1,300	0
Less assets sold in year	0	(7,309)
Less assets no longer classified as held for sale	0	0
Less impairments of assets held for sale	0	0
Net Book Value of assets held for sale at 31 March	**1,300**	**0**

Assets held for sale in 2016/17 comprise of 143 and 145 Harper Lane, Radlett.

Assets held for sale in 2015/16 at 31 March comprises of the Poplars building in Little Plumstead. This building is valued at zero, the current carrying amount.

16 Receivables

16.1 Trade and other receivables

	31 March 2017	31 March 2016
	£000	£000
Current		
NHS receivables – revenue	1,159	1,563
NHS receivables – capital	148	190
Other receivables with related parties – revenue	599	1,346
Provision for impaired receivables	(258)	(115)
Prepayments (non-PFI) – revenue	997	1,104
Accrued income	6,810	204
Interest receivable	5	3
PDC dividend receivable	186	258
VAT receivable	229	431
Other receivables – revenue	181	197
Other receivables – capital	3,500	0
Total current trade and other receivables	**13,556**	**5,181**

Accrued income has largely increased due to unbilled CQUIN income (£634k) and Sustainability & Transformation Funding (£5,732k).

'Other receivables – capital' relates to the sale of the Meadows, Borehamwood. The sale was completed on the 31st March 2017 with the funds were held by the Trust solicitors at that date

16.2 Provision for irrecoverable debts

	2016/17	2015/16
	£000	£000
At 1 April	115	79
Increase in provision	190	62
Amounts utilised	(24)	(13)
Unused Amounts reversed	(23)	(13)
Balance at 31 March	**258**	**115**

16.3 Analysis of impaired debts and non-impaired debts past their due date

	31 March 2017	31 March 2016
	£000	£000
Ageing of impaired receivables		
Up to 30 days	0	3
Between 30 and 60 days	3	2
Between 60 and 90 days	14	3
Between 90 and 180 days	18	10
Over 180 days	223	97
Total	**258**	**115**
Ageing of non-impaired receivables past their due date		
Overdue by up to 30 days	880	2,120
Overdue between 30 and 60 days	435	520
Overdue between 60 and 90 days	232	321
Overdue between 90 and 180 days	250	205
Overdue over 180 days	37	130
Total	**1,834**	**3,296**

17 Cash and cash equivalents

	2016/17	2015/16
	£000	£000
Cash and Cash equivalents at 1 April	35,660	27,716
Net change in cash and cash equivalents	7,901	7,944
Cash and Cash equivalents at 31 March	**43,561**	**35,660**
Comprising:		
Cash at commercial banks and in hand	6	8
Cash with the Government Banking Service	6,055	35,652
Deposits with the National Loan Fund	37,500	0
	43,561	**35,660**

18 Public dividend capital

	2016/17	2015/16
	£000	£000
Taxpayers' Equity at 1 April	83,063	83,063
Public Dividend Capital repaid	0	0
Taxpayers' Equity at 31 March	**83,063**	**83,063**

19 Borrowings

19.1 Borrowings: loans and finance leases

	31 March 2017	31 March 2016
	£000	£000
Current		
Capital loans from Department of Health	530	530
Obligations under finance leases	41	42
Total current borrowings	**571**	**572**
Non-current		
Capital loans from Department of Health	17,378	17,908
Obligations under finance leases	53	96
Total non-current borrowings	**17,431**	**18,004**
Total borrowings	**18,002**	**18,576**

The NHS FT has a loan arrangement with the Department of Health (see note 2.4)

19.2 Finance lease borrowings

	31 March 2017	31 March 2016 Restated
	£000	£000
Payable:		
- not later than one year;	52	51
- later than one year and not later than five years;	64	114
- later than five years.	0	0
Gross lease liabilities	**116**	**165**
Less: Finance charges/(income) allocated to future periods	(22)	(27)
Net lease liabilities	**94**	**138**
Split into current and non-current borrowings on the Statement Of Financial Position:		
– current	41	42
– non current	53	96
	94	**138**
Expected timing of cashflows:		
- not later than one year;	41	42
- later than one year and not later than five years;	53	96
- later than five years.	0	0
	94	**138**

Details of Finance Leases are included in note 12.

(as above)

20 Provisions for liabilities and charges (held in current and non-current liabilities)

20.1 Provisions for liabilities and charges (held in current and non-current liabilities) 2016/17

	Total	Pensions relating to other staff	Other legal claims	Restructuring	Continuing Health Care	Redundancy	Other
	£000	£000	£000	£000	£000	£000	£000
At 1 April 2016	13,118	2,726	177	126	6,896	200	2,993
Arising during the year	2,647	37	1,428	0	429	120	633
Utilised during the year – accruals	(86)	(55)	0	0	0	0	(31)
Utilised during the year – cash	(1,476)	(154)	(90)	(105)	(836)	(199)	(92)
Reversed unused	(250)	(16)	(52)	(21)	0	0	(161)
Unwinding of discount	13	6	0	0	0	0	7
Total at 31 March 2017	**13,966**	**2,544**	**1,463**	**0**	**6,489**	**121**	**3,349**
Expected timing of cashflows:							
– not later than one year (current)	3,227	221	1,463	0	1,298	121	124
– later than one year and not later than five years (non current)	7,201	884	0	0	5,191	0	1,126
– later than five years (non current)	3,538	1,439	0	0	0	0	2,099
Total	**13,966**	**2,544**	**1,463**	**0**	**6,489**	**121**	**3,349**

The 'Pensions relating to other staff' provision is the capitalised cost of early retirements as defined by the NHS Pensions Agency. This mainly relates to early retirements of staff resulting from the closure of long stay institutions, namely, Hill End, Leavesden, Cell Barnes and Harperbury Hospitals.

The 'Other legal claims' provision includes provisions in respect of the NHS FT's employer and public liabilities, the amount stated is subject to uncertainty about the outcome of legal proceedings. £20,713k (£21,212k as at 31 March 2016) is included in the provisions of the NHS Litigation Authority at 31 March 2017 in respect of clinical negligence liabilities of the NHS FT.

The 'Restructuring' provision is the estimated liability for the protected salary costs of staff affected by the transformation programme.

The 'Continuing Health Care' provision comprises the potential liability for claims to the NHS FT for the reimbursement of the costs of Continuing Health Care incurred by the claimant where the claimant considers the costs should have been met by the NHS FT.

The 'Redundancy' provision is the estimated liability for the costs directly related to the formal restructuring plan announced.

The 'Other' provision is the capitalised cost of injury benefits as defined by the NHS Pension scheme, for scheme members who have claimed that they are permanently incapable of fulfilling their duties effectively through injury, and a dilapidation provision for the cost to return leased buildings back to their original condition upon exit.

The very nature of these provisions means that there are uncertainties regarding timing and amount of settlement, though the amount provided is judged sufficient to meet these liabilities. See note 1.2.2 for details of the uncertainties about the amount and timing of outflows.

20.2 Provisions for liabilities and charges (held in current and non-current liabilities) 2015/16

2015/16	Total	Pensions relating to other staff	Other legal claims	Restructuring	Continuing Health Care	Redundancy	Other
	£000	£000	£000	£000	£000	£000	£000
At 1 April 2015	12,860	2,608	110	443	6,425	219	3,055
Arising during the year	3,085	323	128	106	2,305	199	24
Utilised during the year – accruals	(88)	(56)	0	0	0	0	(32)
Utilised during the year – cash	(978)	(159)	(8)	(164)	(347)	(218)	(82)
Reversed unused	(1,838)	(27)	(53)	(259)	(1,487)	0	(12)
Unwinding of discount	77	37	0	0	0	0	40
Total at 31 March 2016	**13,118**	**2,726**	**177**	**126**	**6,896**	**200**	**2,993**
Expected timing of cashflows:							
– not later than one year (current)	2,212	222	177	106	1,379	200	128
– later than one year and not later than five years (non current)	6,936	889	0	20	5,517	0	510
– later than five years (non current)	3,970	1,615	0	0	0	0	2,355
Total	**13,118**	**2,726**	**177**	**126**	**6,896**	**200**	**2,993**

The 'Pensions relating to other staff' provision is the capitalised cost of early retirements as defined by the NHS Pensions Agency. This mainly relates to early retirements of staff resulting from the closure of Hill End, Leavesden, Cell Barnes and Harperbury Hospitals.

The 'Other legal claims' provision includes provisions in respect of the NHS FT's employer and public liabilities, the amount stated is subject to uncertainty about the outcome of legal proceedings. £21,212k (£7,235k as at 31 March 2015) is included in the provisions of the NHS Litigation Authority at 31 March 2016 in respect of clinical negligence liabilities of the NHS FT.

The 'Restructuring' provision is the estimated liability for the protected salary costs of staff affected by the transformation programme.

The 'Continuing Health Care' provision comprises the potential liability for claims to the NHS FT for the reimbursement of the costs of Continuing Health Care incurred by the claimant where the claimant considers the costs should have been met by the NHS FT.

The 'Redundancy' provision is the estimated liability for the costs directly related to the formal restructuring plan announced.

The 'Other' provision is the capitalised cost of injury benefits as defined by the NHS Pension scheme, for scheme members who have claimed that they are permanently incapable of fulfilling their duties effectively through injury.

The very nature of these provisions means that there are uncertainties regarding timing and amount of settlement, though the amount provided is judged sufficient to meet these liabilities.

21 Trade and other payables

	31 March 2017	31 March 2016
	£000	£000
Current		
Receipts in advance	0	78
NHS payables – revenue	1,842	713
Amounts due to other related parties – revenue	2,021	1,776
Other trade payables – capital (including capital accruals)	447	1,592
Other trade payables – revenue	307	988
Social security costs	1,567	1,235
Other taxes payable	1,310	1,247
Other payables	5	0
Accruals	14,015	13,340
Total Trade and other payables	**21,514**	**20,969**

The increase in NHS payables is principally a contract discussion with one supplier that has been resolved and paid post 31 March 2017 (£846k).

The reduction in 'Other trade payables – capital' was a result of the completion of the larger Trust construction projects within the year.

Accruals are the charges from suppliers for goods or services that have not been paid at 31 March.

22 Other liabilities

	31 March 2017	31 March 2016
Current		
Other deferred income	4,623	4,661
Total Other liabilities	**4,623**	**4,661**

Other liabilities largely comprise income received from commissioners for a specific activity that will be delivered in a future period. As such, this income has been deferred and therefore not included in the Statement of Comprehensive Income in this reporting period.

23 Financial assets and liabilities

23.1 Financial assets by category

	31 March 2017	31 March 2016
	£000	£000
Trade and other receivables excluding non financial assets	6,606	3,184
Cash and cash equivalents (at bank and in hand) at 31 March	43,561	35,660
Total	**50,167**	**38,844**

23.2 Financial liabilities by category

	31 March 2017	31 March 2016
	£000	£000
Borrowings excluding Finance leases	17,908	18,438
Obligations under finance leases	94	138
Trade and other payables excluding non financial liabilities	21,514	20,969
Provisions	7,477	6,222
Total	**46,993**	**45,767**

23.3 Fair value of non-current financial liabilities

	Book value	Fair value
	£000	£000
Provisions	5,548	5,548
Loans	17,378	17,378
Other (Finance Leases)	53	53
Total at 31 March 2017	**22,979**	**22,979**

24 Reconciliation of operating surplus / (deficit) to net cash flow from operating activities

	2016/17		2015/16	
	£000	£000	£000	£000
Operating Surplus / (Deficit)		13,510		1,004
Non cash flow movements:				
Depreciation and amortisation	5,263		5,144	
Net Impairments	1,985		3,334	
		7,248		8,478
Movement in Working Capital:				
(Increase) / decrease in trade and other receivables	(4,961)		(459)	
Decrease / (increase) in inventories	(8)		1	
(Decrease) / increase in trade and other payables	1,690		(535)	
Increase / (decrease) in other liabilities	(38)		364	
		(3,317)		(629)
Increase / (decrease) in provisions		835		181
Net cash inflow from operating activities		**18,276**		**9,034**

25 Related party transactions

25.1 Related party transactions 2016/17

The NHS FT is a body corporate established by the Secretary of State for Health. The Department of Health is regarded as a related party as it exerts influence over a number of transactions and operating policies of the Trust. During the year ended 31 March 2017 the NHS FT had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department of those entities.

During the year none of the Board Members, Governors or members of the key management staff or parties related to them has undertaken any material transactions with the NHS FT.

Board Members, Governors and other key management staff take decisions on Charity and Exchequer matters but endeavour to keep the interests of each discrete and do not seek to benefit personally from such decisions. Declarations of personal interest have been made and are available for inspection on request from the Company Secretary.

	Income from Related Party	Expenditure payments to Related Party	Receivables from Related Party	Payables to Related Party
	£000	£000	£000	£000
Central Government				
National Heath Service Pension Scheme	0	13,542	0	1,822
HMRC – VAT	0	0	229	0
HMRC – other taxes & duties	0	11,385	0	2,877
National Loans Fund	0	0	37,500	0
Other Central Government	2	9	0	5
NHS				
Department Of Health	875	0	108	436
NHS England – Core	6,688	0	5,713	0
Foundation Trusts				
Central and North West London NHS FT	2	174	0	69
Colchester Hospital University NHS Foundation Trust	0	51	0	4
Norfolk and Norwich University Hospitals NHS FT	73	133	11	45
South London and Maudsley NHS FT	0	167	0	43
Clinical Commissioning Groups				
NHS Camden CCG	231	0	1	0
NHS Chiltern CCG	2,337	0	17	9
NHS Ealing CCG	326	0	27	0
NHS East and North Hertfordshire CCG	685	2,249	41	54
NHS Great Yarmouth and Waveney CCG	400	0	1	0
NHS Harrow CCG	133	0	97	0

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	Income from Related Party	Expenditure payments to Related Party	Receivables from Related Party	Payables to Related Party
	£000	£000	£000	£000
Clinical Commissioning Groups				
NHS Herts Valleys CCG	18	15	0	410
NHS Hounslow CCG	327	0	28	0
NHS Mid Essex CCG	4,544	0	11	0
NHS North East Essex CCG	7,340	0	70	0
NHS North Norfolk CCG	603	0	0	0
NHS Norwich CCG	262	0	0	0
NHS South Norfolk CCG	672	0	0	0
NHS West Essex CCG	4,083	0	205	183
NHS West Norfolk CCG	239	0	0	0
NHS Trusts				
East and North Hertfordshire NHS Trust	103	1,427	116	1,101
Hertfordshire Community NHS Trust	634	262	294	982
West Hertfordshire Hospitals NHS Trust	814	1,032	175	623
NHS Other				
Health Education England	2,631	3	247	65
East of England Specialised Commissioning hub	18,831	0	0	0
NHS Litigation Authority	0	751	0	302
Other NHS	703	156	6,257	615
Local Government				
Barnet London Borough Council	1,339	0	111	0
Hertfordshire County Council	167,466	199	977	2,617
Hammersmith and Fulham London Borough Council	455	0	0	0
Norfolk County Council	867	0	0	0
Other Local Government	946	230	149	179
Totals	**224,629**	**31,785**	**52,385**	**12,441**

Income received from Hertfordshire County Council includes all income received from the Integrated Health and Care Commissioning Team which includes the two Hertfordshire Clinical Commissioning Groups.

The NHS FT has also received revenue payments from charitable funds, of which the Corporate Trustees are also members of the Trust Board. These transactions are not included in the Financial Statements of the Trust (see Note 1.24).

25.1 Related party transactions 2016/17

During the year none of the Board Members, Governors or members of the key management staff or parties related to them has undertaken any material transactions with the NHS FT.

Board members, Governors and other key management staff take decisions on Charity and Exchequer matters but endeavour to keep the interests of each discrete and do not seek to benefit personally from such decisions. Declarations of personal interest have been made and are available for inspection.

	Income from Related Party	Expenditure payments to Related Party	Receivables from Related Party	Payables to Related Party
	£000	£000	£000	£000
Central Government				
National Heath Service Pension Scheme	0	12,130	0	0
HMRC – VAT	0	0	431	0
HMRC – other taxes & duties	0	8,350	0	2,482
Other Central Government	0	11	1	1,706
NHS				
Department Of Health	594	0	133	712
NHS England – Core	5	0	4	0
Foundation Trusts				
Central and North West London NHS FT	22	539	22	117
Colchester Hospital University NHS Foundation Trust	0	62	0	1
Norfolk and Norwich University Hospitals NHS FT	78	105	0	47
South London and Maudsley NHS FT	19	209	0	94
Clinical Commissioning Groups				
NHS Barnet CCG	28	52	23	52
NHS Bedfordshire CCG	71	0	77	0
NHS Camden CCG	220	0	0	0
NHS Chiltern CCG	0	0	0	183
NHS Ealing CCG	312	0	23	0
NHS East and North Hertfordshire CCG	724	2,224	61	56

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	Income from Related Party	Expenditure payments to Related Party	Receivables from Related Party	Payables to Related Party
	£000	£000	£000	£000
Clinical Commissioning Groups				
NHS Great Yarmouth and Waveney CCG	269	0	1	0
NHS Herts Valleys CCG	280	0	253	246
NHS Hounslow CCG	314	0	36	0
NHS Mid Essex CCG	4,566	0	9	0
NHS Nene CCG	105	0	103	0
NHS North East Essex CCG	7,217	0	9	0
NHS North Norfolk CCG	423	0	0	0
NHS Norwich CCG	450	0	0	0
NHS South Norfolk CCG	500	0	3	0
NHS West Essex CCG	3,582	0	119	0
NHS West Norfolk CCG	442	0	39	0
NHS Trusts				
East and North Hertfordshire NHS Trust	12	1,468	0	254
Hertfordshire Community NHS Trust	536	135	326	387
West Hertfordshire Hospitals NHS Trust	993	901	281	687
NHS Other				
Health Education England	2,322	3	174	1,169
East Anglia Local Area Team	18,754	0	438	0
NHS Litigation Authority	0	583	0	0
East Local Office (Merger of Q56 & Q57)	0	372	56	63
Other NHS	624	216	455	273
Local Government				
Barnet London Borough Council	1,305	0	423	0
Hertfordshire County Council	158,379	458	539	2,641
Hammersmith and Fulham London Borough Council	445	0	1	0
Other Local Government	869	214	89	230
Totals	**204,460**	**28,032**	**4,129**	**11,400**

Income received from Hertfordshire County Council includes all income received from the Hertfordshire Joint Commissioning Team which includes the two Hertfordshire Clinical Commissioning Groups.

The NHS FT has also received revenue payments from charitable funds, of which the Corporate Trustees are also members of the Trust Board. These transactions are not included in the Financial Statements of the Trust (see Note 1.24).

26 Losses and special payments

There were 35 cases (28 cases in 2015/16) of losses and special payments totalling £23k (£55k in 2015/16) during 1 April 2016 to 31 March 2017. These are reported on an accruals basis but exclude provisions for future losses.

	2016/17		2015/16	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000's	Number	£000's
Losses				
Losses of cash due to:				
– theft, fraud	0	0	1	45
– other causes	6	1	3	1
Fruitless payments and constructive losses	0	0	0	0
Bad debts and claims abandoned	2	15	1	1
Damage to buildings, property etc. (including stores losses) due to:				
– theft, fraud etc.	0	0	0	0
– stores losses	0	0	0	0
– other	1	0	4	2
Total losses	**9**	**16**	**9**	**49**
Special Payments				
Compensation under legal obligation	0	0	0	0
Ex gratia payments in respect of:				
– loss of personal effects	26	7	19	6
– other negligence and injury	0	0	0	0
– other	0	0	0	0
Total Special Payments	**26**	**7**	**19**	**6**
Total losses and special payments	**35**	**23**	**28**	**55**

27 Third party assets

The NHS FT held £3,392k cash at bank and in hand at 31 March 2017 (£3,172k at 31 March 2016) which relates to monies held by the NHS FT on behalf of service users.

This has been excluded from the cash and cash equivalents figure reported in the accounts.

28 Post balance sheet events

There are no such events to be reported.

29 Contingencies

There are no contingent assets (recoverable values from third parties).

Contingent liabilities are a possible obligation depending on whether some uncertain future event occurs, or a present obligation but payment is not probable or the amount cannot be measured reliably.

The contingent liability is in respect of the potential to pay excesses to the NHS Litigation Authority in respect of current and ongoing LTPS scheme claims and is per the advice received from the NHS Litigation Authority, and legal claims where there is a possible obligation.

	31 March 2017	31 March 2016
	£000	£000
Value of contingent liabilities	**274**	**109**

30. Commitments under capital expenditure contracts

	31 March 2017	31 March 2016
	£000	£000
Property, Plant and Equipment	447	1,592
Intangible Assets	0	0
Total	**447**	**1,592**

The capital commitments as at 31 March 2017 relate principally to the agreement of the final account on Logandene refurbishment and retention payments against a number of completed projects.

The capital commitments as at 31 March 2016 relate principally to capital works at Lambourn Grove and Logandene refurbishment.

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Hertfordshire Partnership University NHS Foundation Trust
Head Office: The Colonnades, Beaconsfield Road, Hatfield, Hertfordshire AL10 8YE