Northampton General Hospital NHS
NHS Trust

REPORT TO: TRUST BOARD
29 May 2014

Title	Approval of the 2013/14 Annual Report and Accounts and Quality Account
Agenda item	18
Sponsoring Director	Mr Simon Lazarus, Director of Finance Dr Mike Wilkinson, Interim Medical Director
Author(s)	**Annual Report** Sonia Swart, Chief Executive Sally Watts, Head of Communications **Accounts** Simon Lazarus, Director of Finance **Quality Account** Dr Mike Wilkinson, Interim Medical Director Caroline Corkerry, Deputy Director of Quality and Governance
Purpose	Annual Report, Accounts and Quality Account 2013/14 presented for approval

Executive summary

The Annual Report, Accounts and Quality Account 2013/14 are presented for approval.

The Quality Account was sent out for the statutory 30 day consultation by e-mail and post on 30 April 2014 to specific Stakeholders and their comments will be included in the final version prior to uploading onto NHS Choices.

Related strategic aim and corporate objective	All
Risk and assurance	Assurance on the delivery of the trust's strategy, objectives and statutory duties
Related Board Assurance Framework entries	ALL
Equality Impact Assessment	Is there potential for, or evidence that, the proposed decision/ policy will not promote equality of opportunity for all or promote good relations between different groups? (Y) Is there potential for or evidence that the proposed decision/policy will affect different population groups differently (including possibly discriminating against certain groups)?(Y)
Legal implications / regulatory requirements	Statutory duties to submit annual report and accounts.

Actions required by the Trust Board

The Board is asked to approve the Annual Report, Accounts and Quality Account for 2013/14.

Enclosure O

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Chairman and Chief Executive's Introduction

Throughout the year our staff have continued to demonstrate their commitment to providing our patients with the best possible care. Their efforts were recognised by the Care Quality Commission who found that, whilst our services required improvement, they were provided by caring staff who worked within an open and honest culture.

We had already recognised that investment was required in some key areas, notably urgent care, support for critically ill patients, consultant and nursing staff. During the year we have improved nurse staffing levels on our wards, recruited additional consultants and begun the work needed to improve the facilities in our emergency department. This work, and investment, will be taken forward during the coming year.

Leadership and governance are also areas that we have begun to address during 2012-13 and will continue to develop throughout 2013-14. Our response will be to address the challenges we face head on and embrace the opportunities afforded by critical examination of the way we work in order that we can meet and exceed our patients' expectations. We are rightly proud of our many achievements, but it is important for us to be accountable, open and honest, and acknowledge and act where we know we need to do better.

Three key appointments were made to the executive team during the year, Dr Sonia Swart was appointed chief executive in September 2013, Deborah Needham was appointed as Chief Operating Officer to start in April 2014 and we welcomed Simon Lazarus as our director of finance in March 2014. We are now looking to recruit to the medical director post and the director of nursing, midwifery and patient experience following Suzie Loader's departure. We are grateful to Dr Mike Wilkinson, our interim medical director since October 2013 and Jane Bradley who commenced as her role as interim director of nursing in April 2014 for their support.

Capacity remains a challenge for us, as does the rising demand for our emergency services. 2013-14 has seen unprecedented numbers of people attending our emergency department and we are treating more patients with more complex needs. The 'breaking the cycle' initiative, which was introduced in March 2014, has helped us to significantly improve our performance. We are confident that, by understanding and addressing the issues that are within our control whilst at the same time working in partnership with our colleagues in health and social care we will be able to sustain and build on what we have achieved. The demand on emergency services has put the whole hospital under pressure and had a negative impact on many of our elective services and we are determined to improve this in order to provide a better service for patients.

It would not be fair or possible to mention all the people – our staff, our shadow governors and our volunteers - who have worked so hard throughout the year on behalf of our patients. However, it is important that we acknowledge the very significant efforts that have been made and, on behalf of the Board, we would like to thank everyone for their contribution.

Our staff are the driving force behind patient care and we must thank them for their continued passion and commitment to NGH and its future. The past year has been difficult at times and there is still must we need to accomplish, but we are confident that, together, we will continue to provide the best possible care and make NGH a hospital that we are all proud of.

Paul Farenden
Chairman

Dr Sonia Swart
Chief executive

An introduction to Northampton General Hospital

Who We Are

Northampton General Hospital is an acute NHS hospital trust that offers a full range of hospital services from the main hospital site close to the centre of Northampton. Our staff also provide day case and outpatient services at Danetre hospital in Daventry, and an x-ray service from Weston Favell Health Centre in Northampton.

We have formally pledged our commitment to continuous improvements in the quality of care we provide and patient safety by strengthening our focus on corporate accountability for clinical performance. We are committed to providing the best possible care for all our patients and this is central to our strategy for the future.

What We Do

Northampton General Hospital NHS Trust provides general acute services for a population of 380,000 and hyper-acute stroke, vascular and renal services to 684,000 people living throughout whole of Northamptonshire. The trust is also an accredited cancer centre, providing services to a wider population of 880,000 who live in Northamptonshire and parts of Buckinghamshire. For one highly specialist urological treatment we serve an even wider catchment.

The principal activity of the Trust is the provision of free healthcare to eligible patients. We are a hospital that provides the full range of outpatients, diagnostics, inpatient and day case elective and emergency care and also a growing range of specialist treatments that distinguishes our services from many district general hospitals. We also provide a very small amount of healthcare to private patients.

We recognise that the landscape for the provision of acute healthcare is changing rapidly and so have focussed recent developments on developing our hyper-acute services' capacity on the main Northampton site as well as providing some services to the local community at Danetre hospital in Daventry.

We aim to grow our reputation as the hospital of choice by offering more services closer to the patient's home through developing more hyper-acute services and by offering more outreach services.

We are committed to training, teaching and development and provide training for a wide range of clinical staff including doctors, nurses, therapists, scientists and other professionals. Our training and development department offers a wide range of clinical and non-clinical training courses, accessed in a variety of ways through a range of media including e-learning. The Trust has excellent training facilities, which includes a simulation suite.

Our Vision and Values

Our vision is to provide the best possible care for all of our patients. This requires NGH to be recognised as a hospital that delivers safe, clinically effective acute services focused entirely on the needs of the patient, their relatives and carers. These services may be delivered from our hospital sites or by our staff in the community.

Our values underpin all we do and have been developed following discussion and consultation with our staff. They are:

- We put patient safety above all else
- We aspire to excellence
- We reflect, we learn, we improve
- We respect and support each another

Our Strategic Aims

We have five strategic aims that are aligned to our vision and values and are the foundation of our corporate objectives. They are:

1. **To focus on quality and safety**
   To be an organisation focussed on quality outcomes, effectiveness and safety
2. **To exceed our patients' expectations**
   Continuously improve our patient experience and satisfaction by delivering personalised care which is valued by patients
3 **To strengthen our local services**
   Provide a sustainable range of services delivered locally
4. **To enable excellence through our people**
   Develop, support and value our staff
5. **To ensure a sustainable future**
   To provide effective and commercially viable services for our patients, ensuring a sustainable future for NGH

For patients this means they can expect to

- Receive the right treatment at the right time and in the right place in line with national guidelines
- Be kept safe from avoidable harm
- Be treated as individuals and have their individual needs addressed
- Be treated with compassion, respect and dignity
- Be kept fully informed and share in decision making about their care
- Have any concerns addressed as early as possible
- Be cared for in a clean and safe environment

Northampton General Hospital NHS Trust defines quality as embracing three key components:

- Patient safety – there will be no avoidable harm to patients from the healthcare they receive, this means ensuring that the environment is clean and safe at all times and that harmful events never happen.
- Effectiveness of care – the most appropriate treatments, interventions, support and services will be provided at the right time and in the right place to those patients who will benefit. Our patients will have healthcare outcomes which achieve those described in the NHS Outcomes Framework and NICE Quality standards.
- Patient experience – patients will experience compassionate, caring and communicative staff who work in partnership with patients, relatives and their carers to achieve the best possible health outcomes.

Operating and Financial Performance Review

All NHS organisations are required to publish an annual report and financial statements at the end of each financial year. This report provides an overview of the work of Northampton General Hospital NHS Trust between 1st April 2013 and 31st March 2014.

The report is made up of four parts. The first covers our operational performance during the year and includes details of our performance, commentary on wider events that have shaped our business and priorities and information about some of the projects we have invested in over the year. The second is our quality report which describes the trust's performance against key quality indicators during 2013-14 and our plans for improvements against indicators for 2014-15. The third section covers our statutory obligations, a summary of financial statements for the year 2013-14 and the remuneration report. The final section covers our annual accounts, including our annual governance statement

Performance against our strategic objectives

During 2013-14 the trust achieved the following key standards:

- Trust-wide Referral To Treatment (RTT) standards for admitted and non-admitted patients across all specialties
- All two week wait cancer standards
- 31 day cancer standards for first treatment and all subsequent treatments
- 62 day standard from screening
- 6 week diagnostic waits
- C Diff trajectory

The following standards were not achieved:

- The quarterly and year end 62 day cancer standard from urgent GP referral
- The quarterly and year-end 4 hour A&E target

The 62 day standard from urgent GP referral to start of treatment remains a challenge to the Trust. We will focus on developing robust plans to achieve this standard quarterly, working closely with University Hospitals of Leicester NHS Trust.

Patient Activity

Activity Comparison	2013-14	2012-13	Diff	% Diff
Emergency Inpatients	35,907	32,379	3,528	11%
Elective Inpatients	7,329	7,087	242	3%
Elective Daycases	38,052	38,616	-564	-1%
New outpatient attendances - consultant led	77,973	75,387	2,586	3%
Follow-up outpatient attendances - consultant led	152,425	140,633	11,792	8%
New outpatient attendances - Nurse led	39,775	36,578	3,197	9%
Follow-up outpatient attendances - Nurse led	81,535	78,247	3,288	4%
Total number of outpatient DNAs	26,513	21,942	4,571	21%
Patients seen in Accident & Emergency	107,786	98,075	9,711	10%
Number of babies born	4,573	4,655	-82	-2%
Average length of stay (in days)	4.60	4.65	-0.05	-0.01%

18 weeks

During 2013-14 the trust continued to achieve the 18 week journey time for the sixth consecutive year, despite overall increases in the number of people requiring the trust's services. 95% of admitted patients and 90% of non-admitted patients received their first definitive treatment within 18 weeks.

Accident & Emergency

Over the past five years the trust has seen a 34% increase in the number of people attending our A&E department. Non-elective (emergency) admissions have also increased by 36% during the same period. The trust failed to achieve the 4 hour transmit time target throughout the year and during the final quarter we instigated a command and control approach which led to a significant improvement in performance. This work was followed up during April 2014 with the Breaking the Cycle initiative, which set out to understand the principal causes of the trust failing to achieve the target, establish one version of the truth, identify the issues giving rise to poor performance, implement the changes needed to consistently achieve the target and develop a new operational rhythm.

The initiative built on work already being done to address urgent care issues, where the trust is working collaboratively with commissioners and partners in health and social care. Six workstreams were set up to take the work forward:

- Keeping patients safe in A&E
- Keeping patients safe in EAU
- Safe care of patients on the wards
- Complex discharges
- Capacity management
- Care of the elderly pathway

Since mid-April 2014 there has been a step-change in our performance, whereby on most days more than 95% of patients are seen, treated, admitted or discharged. We continue to work through the issues identified through Breaking the Cycle as there is more to do. We know there will always be unexpected occasions when we see significantly high numbers of people attending our A&E department, but we are now better equipped to manage our response in a more effective way and return to business as usual far more quickly. This is important for all our patients and staff because poor emergency care flow affects all services in the trust either directly or indirectly.

Diagnostics

During 2013-14 the trust achieved the standard of no patients waiting more than 6 weeks for a diagnostic test.

Cancer Waiting Times

Despite achieving the majority of the national cancer targets, the trust continued to experience difficulties in achieving the 62 day standard and failed to achieve the target in all four quarters of the year.

The cancer waits recovery board, established in August 2013 following the failure to meet the 62 day cancer waits standard for quarter 1, has developed and implemented a robust recovery plan, but the trust has been unable to achieve the standard. This is for a number of reasons including patient choice, the treatment of complex patients and intra-trust referrals.

We are working closely with University Hospitals Leicester NHS Trust and have publically stated our plans to work together to achieve sustainability for oncology service in particular. We will be reviewing the clinical pathway and implementing the new action plan that has been developed. Progress will be monitored by the integrated healthcare governance committee and reported to the trust board.

The Trust's Estate

The 2013/14 Estates Capital plan continued to focus on reducing the impact of the growing backlog maintenance, ensuring our statutory obligations were met, minimising our carbon footprint and continually improving the patient environment.

The condition of Trust's estate is directly linked to patient safety and the ability to deliver quality healthcare. The Estates Capital Plan therefore prioritises high risk backlog maintenance to ensure the best use of the capital budget. Alongside the rolling programme of clinical area refurbishments and infection prevention works, significant schemes this year included replacement of Pharmacy critical cooling plant, substantial improvement and upgrade of the electrical infrastructure and resilience, refurbishment of student accommodation, front of house corridor upgrades, resurfacing of the Trust's roads, several areas of roof refurbishment and replacement of restaurant air handling plant.

As in previous years, there has been continued investment ensuring that the estate remains compliant with our statutory obligations. Successfully

completed schemes include new decontamination room facility in A&E, extension of the fire suppression system to include critical care access/egress routes, installation of electrical safety and resilience systems to Ophthalmic, Labour and Gynaecology theatres, improved roof access and protection systems and legionella works including replacement of non-compliant basins in a number of wards and departments.

We continued to take advantage of the Carbon Trust's Salix fund for improving energy efficiency in public sector buildings. Schemes this year again had the added benefit of addressing some of the backlog maintenance items. Schemes included replacement of pipework insulation, installation of variable speed drives to control and reduce the energy consumed by electrical motors, BMS (building management system) control improvements and the addition of automatic lighting controls.

In response to access surveys and assessments, improvement works to the environment and access for staff, patients and visitors with a disability were also completed.

Works carried out during 2013/2014 comprised of, sanitary improvements including grab rails and contrasting colour fittings to shower/WCs, raised zebra crossing at the south entrance to provide level wheelchair access, dementia improvements within clinical areas including addition of colours, signage and clocks, redecoration works including colours to walls and floors to aid partially sighted persons, new reception desks, widening of a door to one of the examination rooms in Medical Out Patients for bariatric patients, improved signage across site to Eye Casualty, fire alarm beacons to public WCs and corridor areas to indicate to persons who are hard of hearing, further hearing aid loops installed to receptions, additional automatic doors and external path modifications to enhance pedestrian routes.

We were also successful in securing additional Department of Health capital funding for two separate schemes.
An application to the Department of Health Improving the Birthing Environment fund enabled works to create a new Midwife Led Unit on Balmoral Ward, a new Maternity Assessment Unit on Sturtridge Ward and a full upgrade of the sanitary and washing facilities on Robert Watson Ward.
£2.7M was also secured from our successful bid to the Department of Health Energy Efficiency Fund which has financed the Trust's Green Energy Scheme to install new energy plant, including new combined heat and power unit, biomass boiler and waste heat boiler. The Green Energy Scheme will deliver the Trust savings in excess of £500K per annum, reduce CO^2 emissions by 3,000 tonnes and reduce the growing impact of backlog maintenance.

New developments on site over the past 12 months have included an extension to the urology department and alterations to create two new treatment rooms. In addition there have been alterations within endoscopy to address same sex accommodation issues and the development of a second data centre.

Service developments

Attendance at the emergency department (ED) has increased year on year, leading to a review of the nursing and medical staffing model to achieve an appropriate skill-mix which provides high quality, timely care to those patients who are attending. Additional nursing and medical staffing has been invested in the ED.

We invested in additional resources to increase our emergency assessment units, setting up a surgical assessment unit (SAU) and paediatric assessment unit (PAU) during the year. The units manage patients from the emergency department or their GP who need assessment, observation and investigations.

An Ambulatory Care Centre (ACC) was established in mid-September 2013 to support admission avoidance from the ED and early facilitated discharge from the assessment areas. The ACC is designed to accept ambulant patients from the ED who under the care of the medical on-take team. These patients can be assessed and investigated prior to going to the medical assessment units, providing a seamless and rapid service where patients are not placed in a bed unnecessarily.

Achieving the 4-hour transit time wait for patients attending the Emergency Department has continued to be a challenge during 2013-4.

A summary of progress made in redesigning the emergency pathway is as follows:

- Building, designing and implementing an Ambulatory Care Centre
- Development of an efficient assessment and discharge model with a 7 day ED consultant provision from January 2014.
- Recruiting additional A&E consultants to support provision of a 7 day a week ED service
- The recruitment of sufficiently trained ED nurses to support the provision of a safe, efficient 24 hour, 7 days a week ED service.
- Increased reporting and data resilience.

During 2013-14 two of the Trust's key developments were to increase the nursing establishment and to develop urgent care pathways.

A key focus during 2013-14 was the implementation of the nursing and midwifery staffing strategy. An additional £1.9m was invested in nursing during the year to bring the wards up to 95% establishment. Following successful recruitment open days and an overseas recruitment campaign, we have recruited additional nurses and midwives to bring the general wards up to planned levels.

In order to support the development of the urgent care pathway we also invested in additional medical and nursing staff in the emergency department, additional staffing to establish the surgical and paediatric assessment units and the ambulatory care centre.

The Trust is reviewing the following service developments for support during 2014-15:

- Second year implementation of the nursing and midwifery strategy
- Critical care developments to include additional staffing to support dedicated intensivist rotas and twp additional ITU beds
- 7-day working across the Trust

Risks and uncertainties

During the year the Trust has worked with our colleagues in NHS Nene Clinical Commissioning Group, NHS Corby Clinical Commissioning Group, Kettering General Hospital NHS Foundation Trust, Northamptonshire Healthcare NHS Foundation Trust and our local partners in health and social care as part of the Healthier Northamptonshire programme.

This is a whole health economy approach to how we address the issues of maintaining the quality of care in the county and the viability of its NHS and social care organisations.

We recognise demand for health and social care is growing, but funding is not. If we are to maintain good services for local people we need to work differently through strong partnership working. The Healthier Northamptonshire mission statement is 'A strong partnership committed to planning and delivering the best possible services and wellbeing for the people of Northamptonshire.

There are nine workstreams looking at:

- Service efficiency – viability and a good use of resources
- Frail elderly care – developing a multi-disciplinary crisis hub to quickly respond to older people's care needs
- Urgent care – reducing demand on acute hospital A&E departments
- Pathway-based care – developing excellent care journeys for patients, including where they cross from one provider to another
- Transforming GP practice – working differently with a 'big picture' view of how GPs operate in the county
- Health and social care integration – developing smoother transitions from health to community care
- Finance – making the best use of pooled resources
- Prevention – supporting key health education activities
- Acute service collaboration and reconfiguration – identifying ways in which Kettering and Northampton hospitals can work together to provide better care

The Trust is actively participating in the appropriate workstreams and working with health and social care to provide the best possible care.

Looking forward

Healthier Northamptonshire is the framework for key strategic changes to the provider landscape across Northamptonshire, involving all providers and commissioners plus Northamptonshire County Council.

The Trust is playing a full and active role in the delivery of this strategy with the development of the clinical strategy being the most important element from a service delivery and financial planning standpoint. From a strategic perspective the key developments for the Trust are seen as:

- Developing the partnership for oncology with University Hospitals of Leicester NHS Trust
- Enacting lead provider models for vascular, stroke and oncology services at NGH across Northamptonshire
- Developing a lead provider model with Northamptonshire Healthcare NHS Foundation Trust as the lead for community paediatric services across the county

- Developing a lead provider model for PCI services with Kettering General Hospital NHS Foundation Trust (KGH) as the lead for Northamptonshire

The development of these models is directly in line with the direction of travel for Healthier Northamptonshire and moves towards having fewer providers delivering services as standalone units, but without altering patient flows where possible.

During the course of 2014-15 we will develop our five year clinical strategy, which will require a clinical sustainability review of each service. Underpinning any service changes is the principle that this must not be at the expense of either quality or localism for our patients.

Patient and public involvement

A Patient and Public Involvement (PPI) Strategy was approved by the Patient Experience Board (PEB) in July 2013 and has offered direction to the steering group throughout the year.

A wide range of PPI activities take place across the trust and 19 groups/ forums are active, including:

- **Disability Advisory Partnership Group –** An audit carried out by Northamptonshire Association for the Blind (NAB) of the Eye Department indicated need for dedicated drop off point, clearer signage, better colour scheme and improved lighting
- **Maternity Focus Group –** Patients supported the design of the new Birth Centre by informing the colour scheme of the unit, birthing rooms, furniture, furnishings and amenities.
- **Infection Prevention Focus Group –** Following concerns regarding visitors' compliance with hand hygiene the group devised a questionnaire to identify the level of knowledge and awareness of infection prevention amongst patients and other hospital users. The results were fed back to the Infection Prevention team
- **Cancer Partnership Group –** The cancer partnership are evaluating the lung cancer patient/carer experience as a baseline for the lung project. They are working with patients who have gastro– intestinal problems on their experience of the diagnosis stage and also helping us develop a cancer survivorship event in June.
- **Dementia Focus Group –** Established in late 2013 the group is chaired by a shadow governor and made up of service users and carers with interest in or experience of people living with dementia. They work with members of the Trust's Dementia Action Committee to monitor and improve the experience of patients with dementia and their carers whilst at NGH. They are currently developing a project to explore the experiences of carers of patients with dementia within the hospital.
- **The NGH Black and Minority (BME) Sub-Regional Partnership Group** – Meets quarterly and, at their request, have received presentations on a variety of topics including elderly care, stroke, organ donation, sickle cell anaemia and A&E.

In addition to the groups and forums we set up two task and finish groups to look at noise at night and protected mealtimes. The noise at night group identified a number of environmental issues within the wards and direct changes were made as a result of their observations to reduce noise at night. Work in this area will continue into the coming year as part of the trust's wider focus on improving the patient experience.

Our shadow governors

The shadow council of governors has continued to meet regularly throughout the year. Following a review of its effectiveness, the trust and the shadow governors' council agreed to re-examine its role and functional activities to ensure that it remained fit for purpose for the needs of the trust, and to ensure the skills and experience of shadow governors was being utilised in the most effective way.

Following consultation, the role was re-defined to provide a greater focus on patient advocacy and experience. It was agreed that the role of the shadow governor should be based on three distinct areas of focus:

- Patient advocate
- Member representative
- Critical friend

The shadow governors discharge their duties through attendance at regular meetings of the council and participation in a variety of structured patient and member engagement activities and audits. The terms of reference for the council were reviewed to reflect agreed changes to their role. A skills audit will be carried out early in 2014-15 to ensure the trust best utilises the knowledge and skills of this pool of experienced and committed people.

During 2013-14 our shadow governors were very closely involved with the QuEST (Quality Effectiveness Safety Team) review programme by undertaking patient surveys and also through the Patient and Public Involvement Strategic Steering Group. Shadow governors also chair focus groups looking at specific aspects of patient care and the trust environment.

The infection prevention focus group set up a series of audits to measure the use of hand hygiene gels at ward entrances and the findings being fed back to staff. The Hotel Services group inspected food on the wards and surveyed patients' reactions to both the quality of the food and the way in which it is presented and served. There is also a group which looks at the care of patients within our trauma and orthopaedics department. Most recently a focus group was set up to focus on the care of patients with dementia.

We are most fortunate in that many of our governors have been actively involved in a series of audits undertaken to examine preventable noise at night and whether wards adhere to protected mealtimes. The information obtained from these audits was fed into an action plan which identified those areas where preventable noise could be reduced quickly and simply through either maintenance tasks or through the introduction of soft-close bins on the wards.

Our shadow governors continue to play an important role in helping us measure our success in providing the best possible care to our patients through the QuEST programme (see page 37).

During 2014-15 we plan to set up a series of task and finish groups to examine in detail various aspects of our services that we are striving to improve. These will be established in response to feedback from patient surveys where a need to improve and adapt the service has been identified.

Shadow governors have also offered their support in collecting results for the Friends and Family Test in A&E and eye casualty.

Through the communications sub-committee our shadow governors have contributed to members' newsletter and in the preparations for the AGM and festival. Their help and support is greatly appreciated and we are grateful for the time that they devote to the trust.

Membership report

We currently have 4,356 public members. This is a slight a reduction of 163 on 2012-13. The membership database is regularly reviewed to ensure that the information stored is as up-to-date as possible, and members are given the opportunity to step down, either through unsubscribing when contacted by us, or when they are invited to attend membership events and the Annual General Meeting.

When members join us they are sent a questionnaire which includes a section on age, gender and ethnicity. This information is used to provide a profile of our membership across those protected characteristics to enable us to identify if our membership is representative of the community we serve.

During 2013-14, there were no active campaigns to recruit new members aside from the AGM and NGH Festival. Instead, the membership office focussed its resources on looking at how members could contribute to the way the hospital reviews and develops its services.

Examples where members have been involved include being invited to join in focus groups that were set up, with shadow governors as chairs, and to join with the teams of auditors looking at preventable noise at night and how the protected meal times initiative was being implemented on the wards. Interest in both of groups has remained good, and the members involved have embraced the new way that inspections are carried out through the QuEST (Quality Effectiveness Safety Team) review process.

Partnership Working

Partnerships have been developed with other NHS organisations within the region that are developing their membership. Joint working has been explored, both in organising recruitment drives and in providing information for members, such as the Heartstart training provided through East Midlands Ambulance Service (EMAS), which was offered to members.

The Healthier Northamptonshire programme provides an opportunity to engage with our members as it gains momentum and members are canvassed for their views on the wider healthcare services offered throughout the county.

Plans for the future

Our members continue to be a valuable source of feedback and they will be invited to contribute where appropriate to help us define the needs of the population in terms of the services that we provide.

The members' newsletter is published as a quarterly magazine and sent out by email where possible in order to keep the costs of its production at a minimum.

We will continue to monitor the size and profile of our membership to ensure that it always reflects the community we serve.

Our Staff

Equality

The trust's commitment to equality and human rights is not simply to ensure legislative requirements are met, but to continuously improve its working practices so that it creates an organisation which is recognised both internally and externally for embracing diversity and human rights and demonstrating equality in practice.

We are committed to putting the principles of equality and human rights into practice, for our workforce and in the services we provide. We will:

- Promote equality and diversity and human rights and work towards eliminating all forms of discrimination
- Develop a culture that values individuals and groups regardless of their backgrounds
- Provide responsive and accessible services to the population it serves
- Forge partnerships with users, carers, staff and stakeholders so they can influence the development and improvement of services.

We will achieve this by:

- Developing and improving its services by mainstreaming equality and human rights into our policies, procedures and service planning
- Having a robust performance framework to monitor and assess progress
- Forging partnerships with users, carers, staff and stakeholders to influence the developing of its workforce through training
    - Transparency in decision making.

Our staff are our greatest resource. We actively promote a culture that encourages their richly diverse talents to lead services that deliver inclusive care.

The trust's equality and human rights strategy promotes inclusive employment practices because well supported staff can deliver better care for our patients. Northampton General Hospital has adopted the Equality Delivery System (EDS) which is a Department of Health initiative designed to support NHS organisations deliver better outcomes for patients and communities and better working environments for staff, which are personal, fair and diverse.

We are upgrading the Equality Delivery System to EDS2 with a re-assessment of the 18 outcomes grouped into four goals by June 2014. EDS2 is about making positive differences to healthy living and working lives so everyone counts. The outcomes focus on the issues of most concern to patients, carers, communities, NHS staff and Boards. It is against these outcomes that performance is analysed, graded and action determined. The goals are:

- Better health outcomes for all
- Improved patient access and experience
- Empowered, engaged and included staff
- Inclusive leadership at all levels.

The objectives of the trust's four year plan encourage an outcome focussed approach to setting challenging but measurable targets to improve service outcomes and the way we employ our staff.

The objectives address the biggest and most pressing issues facing the protected groups that we provide services for and employ, prioritising the most significant issues for the protected characteristics. Whilst the plan will be updated following the EDS2 re-assessment process it is currently as shown below:

Goals	Objective
1. Better health outcomes for all	Develop a programme of data collection and analysis to understand areas where there are health inequalities amongst protected groups. This will be completed in line with the Trust's quality programme and in conjunction with NHS Northamptonshire
2. Improved access and experience	Increase the engagement and involvement with representatives from protected groups. We aim to achieve representation from all the protected groups in 2 years.
3. Empowered, engaged and well supported staff	We will aim by 2014-15 to improve our staff satisfaction rates as reported in the annual staff survey so that we are in the top 25% of Trust's for response to the question regarding whether staff would recommend the Trust as place to work.
4. Inclusive leadership at all levels	To develop a management and leadership strategy and programme for all staff based on the standards set out in the NHS Leadership Framework and its supporting frameworks.

The detailed action plan of the Trust's equality objectives can be access via the Trust's website via the following link: www.northamptongeneral.nhs.uk/WorkforUs/Downloads/Equality-Objectives-2012-to-2016.pdf

Staff Survey

The trust undertook the 2013 NHS National Staff Survey during September to December 201. Capita were commissioned to manage the survey process on our behalf.

A total of 850 surveys were sent directly to a random sample of staff. A total of 351 completed surveys were returned, a 42.4% response rate. A presentation event, prepared by Capita Health Service Partners, was delivered to both management and staff side in May 2014. Further information about the results of the staff survey can be found on page 46.

The reference group set up last year to review the results and determine the approach we are taking has met regularly through the year to ensure our staff are engaged in the process and have the opportunity to feedback their suggestions, which has informed the actions we have taken to make the necessary improvements.

In 2013-14 we have completed a number of events and activities which have set the foundations for the Trust's overall commitment to improving staff engagement and development.

A series of open workshop events across the Trust invited staff to help us to shape

the NGH values and to determine the key themes for a Leadership framework.
We have strengthened our appraisal system to develop more meaningful conversations between managers and staff and ensured a focus on the appraisal process which led to a 72% of staff having received their appraisal by April 2014.
This work will continue throughout 2014-15, concentrating on promoting positive behaviours that reflect our values

We have created an organisational development team, dedicated to securing improvements in staff engagement and satisfaction. A trust-wide organisational effectiveness strategy will be presented to trust board in the Spring of 2014, followed by a detailed organisational development plan with the aim of ensuring our staff have the capability and capacity to deliver the best possible care for our patients.

Sickness absence

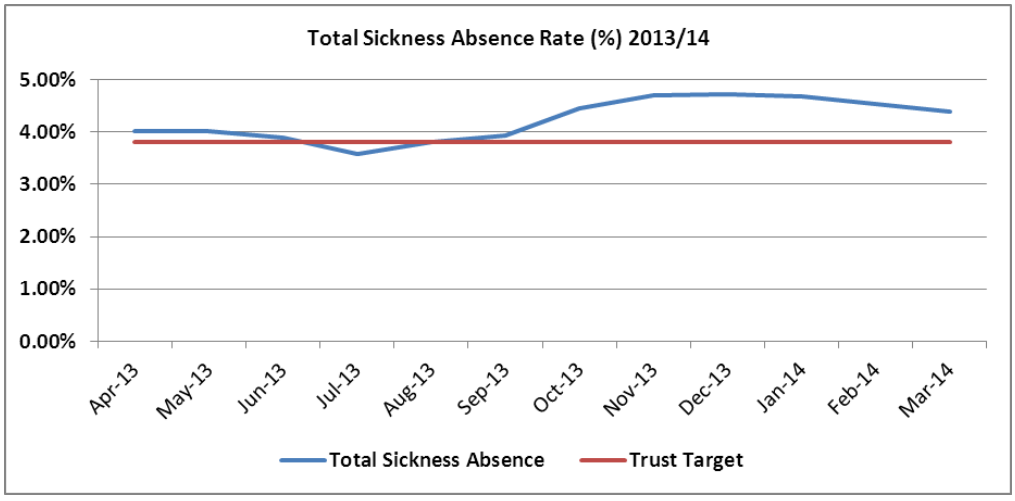
The positive management of sickness absence is a major priority within the trust and our aim is to ensure the attendance of all employees throughout the working week in order to maintain high standards of care, safety, security and service.

It is recognised that there will be a certain level of absence due to sickness and this will be treated sympathetically and support will be given to employees to facilitate their return to work. However, the Trust also has an obligation to consider the effects of such absence on the quality of care provided.

Throughout the trust senior managers are responsible for ensuring that every effort is made to achieve full attendance, whilst managers and supervisors are responsible for applying the procedures.

In the financial year 2013/2104 a training programme on sickness absence was delivered by the HR business partners and advisors, in conjunction with our union colleagues, to many managers and supervisors in the trust. Whilst this was a successful programme sickness absence rates continued to remain above our target of 3.8% with the total sickness absence average for the financial year at 4.22%.

	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14
Short Term Sickness Absence	1.81%	1.89%	2.08%	2.01%	2.13%	2.13%	2.64%	2.77%	2.33%	2.59%	2.58%	2.38%
Long Term Sickness Absence	2.21%	2.12%	1.81%	1.57%	1.67%	1.80%	1.81%	1.94%	2.39%	2.10%	1.95%	2.01%
Total Sickness Absence	4.02%	4.01%	3.90%	3.58%	3.80%	3.93%	4.45%	4.71%	4.72%	4.69%	4.53%	4.39%



Learning and development

Learning and development supports all staff in their continued professional development. The main areas of activity are mandatory training, covering everything specified to comply with Care Quality Commission requirements, apprenticeship frameworks and work experience. Skills and learning for registered staff is delivered in-house by the practice development team

We have reviewed mandatory training and redefined mandatory training for everyone and role-specific essential training for some staff groups. There is on-going development on mandatory training delivery and access to ensure that a blended approach, thus suiting individual learning needs, is available.

All new staff attend a trust induction programme which delivers mandatory training subjects. Patient-facing staff are then expected to attend additional training.

NGH subscribes to the East Midlands Leadership Academy, enabling staff to access leadership and management programmes, some of which are nationally led and delivered. Registered staff can also access modules from Universities across the East Midlands region at post-graduate degree and Masters Level to support service developments and provide continuing professional development.

All staff are encouraged to access ongoing development; this includes apprenticeship frameworks, NVQs and Foundation Degrees. Over the last year we have developed an in-house recruitment process for apprentices, which includes an assessment day where managers can identify potential candidates for posts. Apprentices are employed across most directorates within the Trust, in a variety of roles, and scoping is ongoing to explore new opportunities thus increasing this workforce. Many apprentices have gained successful employment within the Trust on completing their apprenticeship.

Report from the Director of Finance

Economic Outlook and Impact on the Trust

The UK economy may be recovering, but the impact on the public sector and the NHS of many years of recession and low growth is still pronounced. NGH, like many district general hospitals, continues to face significant financial challenges and this is likely to continue for the foreseeable future. This means that, at the same time as providing high quality patient care, the trust is required to improve its productivity and efficiency. We must also work with partner organisations to develop effective strategies to improve the financial resilience and viability of the local health economy for the future benefit of all patients.

Financial Duties

The Trust recorded a small surplus of £197,000 in 2013-14. This was, however, only possible as a result of non-recurrent financial support from the NHS Trust Development Authority of £4.5million and approximately £3.3m of non-recurrent financial measures undertaken by the Trust. This means that, going into the financial year 2014-15, the Trust is in a position where its underlying trading position is a deficit of £7.8m. In addition to this, like all NHS providers, the Trust has to save 4% due to efficiency targets imposed through the nationally set prices

The result of this is that the Trust must improve its financial efficiency by approximately 5% in 2014-15 in order to just maintain its underlying deficit position of £7.8m. The Trust must also develop a medium and longer-term plan of how it can work with partners to ensure its financial stability and get into a position to be able to break-even and generate small surpluses without relying on non-recurrent support or other non-recurrent financial measures.

Capital Expenditure

The Trust invested £14.168million in 2013-14 improving the Trust estate, medical equipment and information technology (IT) assets. In doing so the Trust met it duty not to exceed its Capital Resource Limit (CRL) of £14.221million, which is undershot by £0.053 million. In 2014-15 the Trust will continue to invest in its estate, equipment and IT to ensure its assets are in good condition to deliver quality patient care.

Charitable Funds

The charitable fund has continued to make valued contributions to the trust during 2013-14, including £0.2m for staff and patient benefit and £0.2m for building projects and medical equipment.

Of specific note during the year was the completion of the extension to the urology suite, which was fully funded by charitable donations from Mr Alfred Staden, a local retired businessman.

We are grateful to Mr Staden and to all our supporters of the charitable fund for their contributions.

Section 2 - Quality Account

Statement on quality from the chief executive

A Quality Account (QA) is a report produced annually by providers of healthcare in the NHS. It reflects the quality of the services they deliver when compared to national and local targets across a range of scoring systems. The process of producing a QA brings together a wide range of information that enables a broad assessment of quality standards and allows us to demonstrate our commitment to continuous quality improvement in order to provide optimum care.

This year has seen many changes in leadership at NGH and a significant change in the way we are monitored by the Care Quality Commission (CQC). Whilst we continue to focus on safety, effectiveness, and patient experience there have been challenges in respect of a 10% increase in emergency admissions and a consequent sustained pressure on inpatient beds.

A recent inspection by the CQC found our staff to be caring, that the hospital was clean and that infection prevention and control was good. The safety and effectiveness of services has been maintained, despite the overriding urgent care pressures. The report highlighted issues we knew we faced and were already working to address. Where there are problems we have recognised them and we know we have the capability to turn this round – we believe this is fundamentally a good hospital and is doing well to cope with the pressures that we have faced. We are a hospital that can improve and we are receptive to feedback from regulatory inspections, patients and the public alike.

This year we have seen huge improvements in the response rate to the Friends and Family test which means we have a better understanding of what you think of our services- and therefore we can work with you towards the continuous quality improvement we are trying to achieve.

This document celebrates our successes during the past year, and I very much hope you enjoy reading the account of NGH quality achievements and to welcome the exciting plans we have for further improvement in the coming year.

Dr Sonia Swart

To be reviewed by the CEO before publishing

Statement of directors' responsibilities in respect of the quality account

The directors are required under the Health Act (2009), National Health Service (Quality Accounts) Regulations (2010) and National Health Service (Quality Account) Amendment Regulation (2011 and 2012) to prepare a quality account for each financial year. The Department of Health (DH) has issued guidance on the form and content of the annual quality account (which incorporate the above legal requirements). In preparing the quality account, Directors are required to take steps to satisfy themselves that:

- The quality account presents a balanced picture of the Trust's performance over the period covered that is consistent with
    - Internal and external sources of information including Trust Board minutes and papers for the period April 2013 to March 2014
    - Papers relating to quality reported to the Trust Board over the same period
    - The Trust complaint reports published under regulation 18 of the Local Authority, Social Services and NHS Complaints Regulations (2009)
    - National Inpatient Survey (2013)
    - National A&E Survey (2013)
    - NHS Staff Survey (2013)
    - The CQC quality risk profiles and intelligence monitoring

- The performance information reported in the quality account is reliable and accurate

- There are systematic internal controls over the collection and reporting of the measures of performance included in the quality account, and these controls are subjct to review to confirm that they are working effectively in practice

- The data underpinning the measures of performance reported in the quality account is robust and reliable, conforms to specified data quality standards, prescribed detions and is subject to appropriate scrutiny and review
- The quality account has been prepared in accordance with Department of Health guidance.

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

By order of the Board

Date	Chairman
Date	Chief Executive

To be reviewed by the Chair before publishing

Our quality strategy 2012-15

The purpose of our quality strategy is to ensure we provide the very best care for all of our patients.

'Equity and Excellence: Liberating the NHS' (DoH, 2010) sets out a vision for the NHS focused on improving quality and achieving world-class outcomes by ensuring that care providers:

- Are genuinely centred on patients and carers
- Achieve quality outcomes that are among the best in the world
- Refuse to tolerate unsafe and substandard care
- Reduce mortality and morbidity

There are significant challenges in delivering reliable, responsive healthcare influenced by increased public expectation, lifestyle changes, an ageing population, developments in technology and the current and projected economic context (which continues to bring significant financial challenges).

Our strategy sets out how we will respond to these challenges, keep quality at the heart of everything we do, and provide excellent are to our patients in line with the NHS vision.

We define quality as embracing three key components:

- Patient safety
- Effectiveness of care
- Patient experience

Our Quality Priorities 2014-15

A number of potential priorities were agreed by the trust board, following which they were subject to wide consultation and prioritisation with staff, patients, the public, our shadow governors, members and external stakeholders. Following review of the feedback received, the five work streams below were selected to demonstrate our commitment to quality in the coming year:

- Effective patient discharge – improving the process
- End of life care – using alternative care planning methods
- Learning from incidents – making better use of the information we collect to improve patient care and safety
- Pain management – focussing on the acute phase of care
- Patient experience – increase patient involvement in reviewing and planning services

Targets identified with the quality priorities have been compiled into a quality priority scorecard which we will use to measure incremental levels of progress through the year. This is reported quarterly to our integrated healthcare governance committee and included in the patient safety book reviewed by the trust board to enable ongoing corporate monitoring of progress in addition to providing local managerial oversight.

Effective Patient Discharge

Background

From feedback we receive from patients tells us there is room to improve on our processes for discharging patients from hospital. The factors influencing this are many and varied and we will be working hard during the coming year to ensure we fully understand the issues.

AIM: ***We will improve our information and implement robust planning and monitoring processes to achieve a reduction in complaints related to discharge and improve patient satisfaction.***

AIM	Targets for achievement by end of March 2015
Promote planned early discharge on all wards	Overall 25% increase from the baseline in the number of patients who have planned early discharge from the wards
Ensure accurate recording of delayed discharges	Utilise the shared tracking list to promote ownership of discharges by our community partners and demonstrate a reduction in delayed transfers of care against the agreed baseline **(25%)**
Improve patient experience by timely delivery of TTOs to enable patients to be discharged with their medication and enable staff to educate patients in regards to their TTO medications before discharge.	Pilots undertaken in the following areas prior to implementation: - TTO streaming in dispensary - Collingtree Pharmacist/prescriber early ward round (protected time) - Pre-pack medication introduced to Dryden and Eleanor - Pre-pack policy developed to make better use of existing pre-packs during working hours and speed up discharge - Streamline Sunday working hours to align with patients' needs Review data to determine if actions have supported a reduction in the number of patients who are discharged home without their medication and increased patient experience/ satisfaction with our services.

End of Life Care

Background

Half of the deaths that occurred in Northamptonshire during 2012 were in one of the two general hospitals, so NGH is one of the main providers of end of life care in the county.

In 2013 we agreed to participate in a national project, Transforming End of Life Care in the Acute Hospital - The Route to Success. This programme highlights best practice in care supported by the National End of Life Care Programme, which is now part of NHS Quality Improvement. The practical support it provides enables us to work towards providing the best possible service to patients approaching the end of their life.

The AMBER Care Bundle – **A**ssessment, **M**anagement, **B**est practice, **E**ngagement with patient and relatives, for patients whose **R**ecovery is uncertain. It was developed at Guys and St Thomas' hospital to improve the quality for care of people whose potential for

recovery is uncertain, for whom active medical care may still be appropriate but have a probable life expectancy of up to two months.

Evidence collected suggests that AMBER:

- improves decision making
- provides a positive impact on multi-professional team communication and working
- increases nurses' confidence about when to approach medical colleagues to discuss treatment plans
- ensures patients are treated with dignity and respect
- provides clarity around preferences and plans about how these can be met
- significantly lowers emergency readmission rates.

AIM: ***To improve End of Life Care and Care of the Dying***

AIM	Target for achievement by end of March 2015
Implementation of AMBER Care Bundle on an identified ward with a named consultant to lead	Project launched based on the AMBER Care Bundle outcomes for patients who died on the identified ward and those who died within 100 days of discharge from the identified ward. Action plan developed to roll out AMBER across the Trust.
Develop leadership in End of Life Care across the Trust through the Quality End of Life Care (QELCA) training programme	Present course content and design to be reviewed following participant feedback. NGH to liaise with Cynthia Spencer Hospice and identify a training course for 2014/2015 using existing NMET funds Five participants identified and training undertaken.

Learning from Incidents

A good reporting culture indicates an open and healthy environment where staff are willing to learn from their mistakes.

Background

When things go wrong we need to find out why they happened so we can take the necessary steps to avoid a recurrence and make Northampton General Hospital NHS Trust an even safer environment for patients and staff. We can only do that if we know about the things that might cause problems. That's why our staff are constantly encouraged to report all incidents or mistakes which may have a negative impact on safety or quality of care.

Evidence shows us that teams, departments, and organisations reporting more safety incidents are much more willing to learn from their mistakes and this promotes an open and healthy culture.

Whilst the incident reporting rate within NGH is slightly above the national average when compared to other medium sized acute trusts, there is room for improvement and we aim to be in the top 25% of reporters by the end of March 2015.

Through achieving this, our aim is to maximise the opportunities to learn from experience, which is a core part of any risk management strategy. The initiatives planned in the coming year will ensure that robust processes for both organisational and individual learning is in place, which if effective will result in an increase in the number of incidents being reported but a decrease in the number of incidents which result in harm to patients and staff.

AIM: ***Improve learning from patient safety incidents and ensure that lessons learnt are used to improve patient safety and quality of care***

AIM	Targets for achievement by end of March 2015
Ensure that patient safety incidents, where harm has occurred are robustly investigated, root causes are identified and appropriate actions are put in place to reduce the likelihood of reoccurrence.	Develop and implement training for staff on root cause analysis Agreement and roll out of action plan assurance pathway. All action plans from incidents where harm has occurred will be uploaded to HealthAssure Deliver root cause analysis (RCA) training Monitoring of action plan progress on HealthAssure and overseen by the serious incident group. Evaluation of RCA training that has taken place by quality checking incident investigations, identification of root causes and action plans developed and implemented. Evidence of completion presented to the Serious Incident Group. The Trust aims to be able to demonstrate that similar root causes are not being identified when harm occurs.
Ensure that lessons learnt from incidents where harm has occurred are shared across the organisation and the wider health economy as appropriate	The Trust aims to demonstrate that by sharing lessons learnt there will be a reduction in the number of similar incidents occurring within the Trust. By the end of March 2015 there will be an increase in the number of positive responses in relation to lessons learnt from incidents where harm has occurred in the QuEST audits

Pain Management

AIM: ***To improve the overall management of acute pain control across the trust and reduce incidents, poor patient and family feedback and complaints.***

AIM	Targets for achievement by end of March 2015
Gain an understanding of the factors affecting acute pain management in NGH and reduce number of incidents. To monitor improvements and compliance with KPI (as listed)	Benchmark position in respect of complaints and incidents relating to pain management including complaints/FFT/ Datix All relevant complaints and incidents to be forwarded to the pain team Ensure pain remains on the NEWS chart and is completed by all staff (training) in all departments. Pain management added to the monthly patient safety dashboard Incidents reduced each quarter by an agreed percentage
Ensure relevant materials are available to support staff	Review and revise pain assessment tools trust-wide, focussing on A&E, medicine and maternity, including patient-controlled oral analgesia (PCOA) in maternity. Revised documentation to be consulted upon, approved and disseminated.
To raise awareness of available material Increase use of link nurse network to raise awareness and ensure that all areas access available training	Website use to be promoted for acute pain support documents. Education leaflets to be developed for staff and patients Group clinical supervision to be developed, training level set and delivered Improvement in training levels to be evaluated
Increase resources available to the acute pain management team	Increase physical staff resources within the team by developing and submitting revised business case and recruiting relevant staff following approval. Prioritise service delivery within available resources.
To improve pain management resources available for patients To be able to provide/offer more comprehensive psychological assessment and treatment	Offer a more comprehensive psychological assessment and treatment to prevent recurring admissions with pain control issues, including patients with substance misuse issues. Identify alternative treatment and support options where appropriate. Consider the possibilities of referral to clinical psychology and substance misuse specialists where this is identified as being in the patient's best interest.

Patient experience

Background

The involvement of patients and the public is core to healthcare reform and achieving a patient led NGH. As a healthcare organisation we will listen to, understand and respond to patients and public opinion, perceptions and expectations to ensure their views continue to inform ongoing improvement work. Involving patients and the public in planning and development of health services became a statutory duty to NHS Trusts in January 2013, (S242 of the NHS Act 2006.) Within the last 6 months, the Trust has appointed a Patient Experience Lead who will co-ordinate and lead our patient experience agenda.

AIM: ***To co-ordinate, monitor, feedback and engage with our patients on their experiences, and work collaboratively to improve in areas where patients are voicing dissatisfaction***

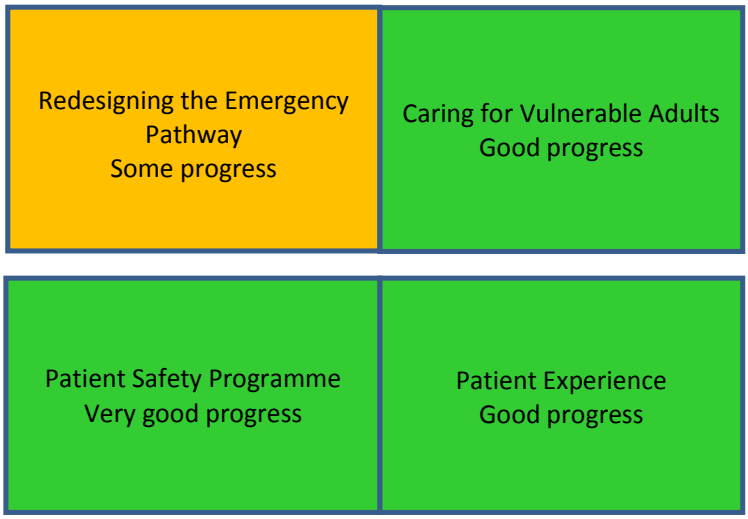
Aim	Targets for achievements by end of March 2015
Integrate current patient and public involvement with patient experience	Review Patient & Public Involvement activity and strategy Develop patient engagement network (PEN) Clarify roles and responsibilities for members of PEN
Ensure the patient experience strategy reflects partnerships with patient and public involvement	Review and revise patient experience strategy and develop patient experience and engagement strategy. Ratify new strategy through Patient Experience Board
Improve the patient experience at ward level	Ward sisters to be responsible for co-ordinating patient feedback and sharing with their staff. This will include: Patient story/complaints/compliment at the beginning of each ward meeting Share FFT, complaints and compliments with their ward team through ward meetings, huddles and 1:1 Review FFT scores and comments, and co-ordinate improvement plans to address areas of dissatisfaction Feedback to Patient Experience Lead work undertaken and outcomes
Improve the patient experience at directorate level	Engage PEN within service improvement/directorate work Develop the role of 'critical friend' with PEN to contribute to Trust Service Improvements
Improve the patient experience at a trust-wide level	Trust Board and senior forums to begin with patient story Corporate projects/workstreams to include PEN representative Patient experience projects to be fully supported by PEN Feedback and outcomes from patient experience activities co-ordinated and shared through patient experience lead.
Achieve National CQUIN	Work with HealthWatch, Age UK and other external agents to support the patient experience strategy Develop structured feedback from Task & Finish groups, audit engagement and project leads
Continue to roll out the Friends and Family Test to outpatients and day case areas	Identify an external technology solution for capturing FFT data throughout the organisation Roll out FFT in outpatients in line with CQUIN requirements

How progress will be monitored, measured and reported

The patient experience strategy and improvement plan will be monitored through the receipt of monthly reports on progress to the patient experience board and integrated healthcare governance committee.

Review of 2013-14 performance

The diagram below summarises the priority workstreams for quality innovation in 2013-14 and the progress achieved.



Quality Priority One - Emergency Care Pathway

Our aim

- **Improve patient care in A&E and throughout the patient journey**

Demonstrated by

- 95% of patients waiting less than 4 hours in A&E
- Assessment and treatment implemented promptly
- Introduction of ambulatory care pathways and admission avoidance schemes

We have achieved

- Ambulatory care centre opened in September 2013 - now seeing more than 100 patients/month
- Commenced 2 hour safety rounds
- Introduced a system to indicate seriously unwell patients (red flags)
- Implemented a rapid assessment model (FIT)

Our aim

- **Improve patient flow to reduce delay and improve clinical outomes**

Demonstrated by

- All patients being assessed, treated and discharged onward from A&E in a timely manner
- All patients having an initial assessment within 15 minutes of their arrival
- Radiology and pathology tests results being avialable within one hour
- 50% of hospital discharges happening before 1.00pm each day
- Planned discharge dates linked from wards to the visual hospital system

We have achieved

- An improvement due to better emergency department (ED) processes and rapid assessment. However, this was offset by increased numbers of patients seen in the department.
- Some improvement on the entire patient discharge process
- Dispensing of medicines to take home are prioritised by the pharmacy department
- electronic management system launched. At any one time approximately 90% of patients have an estimated date of discharge
- Development of improved handover documentation between wards

Our aim

- **Improve patient safety and experience**

Demonstrated by

- Improved discharge planning
- Reviewing performance and promoting multi-disciplinary working to reduce the number of patient interventions
- Patients having an estimated discharge date (EDD) recorded and shared with them
- Safety and experience - a reduction in infection and mortality rates

We have achieved

- Developed improved handover documentation between wards
- Changes to staff on-take rotas to ensure continuity of care
- Approximately 90% of patients have an expected discharge date recorded within the system at any given time
- A full range of measurements are recorded as part of the urgent care programme
- Reduction in fection and mortality rates

Our aim

- **Reduce bed occupancy to improve patient experience and reduce harm**

Demonstrated by

- Reduce bed occupany on all wards to below 90%
- Reduce the number of patients who had been in hospital for more than 10 days to less than 210

We have achieved

- Progress has not been as expected due to ongoing increased numbers of A&E attendances which have resulted in delays in patient flow
- High levels of bed occupancy has resulted in failure to meet A&E targets and a specific workstream is in place to break the cycle
- Availability of community beds is a critical factor and this matter is being addressed by the urgent care working group who meet weekly with all health partners attending

Quality Priority Two - Caring for Vulnerable Adults

Hospitals are very confusing places for patients with dementia and they may feel lost and frightened. The importance of a dementia friendly environment is recognised by the Trust and we have started to make some changes to our wards

Our aim

- **Deliver dementia training in line with our dementia training strategy**

Demonstrated by

- Training provided at an appropriate level for all staff who engage with and/or care for patients with dementia

We have achieved

- Dementia education strategy developed and training delivered throughout the year
- More than 50% of all registered nurses and healthcaes assistants working in the identified inpatient areas have received training in demntia care
- Improved the quality of care and experience for patients with a learning disability

Our aim

- **Improve the quality of care and experience for patients with a learning disability**

Demonstrated by

- Accessible feedback process developed to enable patients with a learning disability to provide feedback on their experience in a meaningful way
- Audit of the use of tools avialable to support the care of patients with learning disabilities, including the hospital passport
- Review of the learning disability awareness and communication training and evaluation of how attendance on the training influences practice in supporting patients with a learning disability

We have achieved

- Pilot of an accessible patient feedback tool that enables patients with a learning disability to give feedback on their experience of care in hospital. To be implemented across the trust following evaluation.
- Monthly audits undertaken to monitor compliance in relation to implementation of the Mental Capacity Act (MCA) in clinical areas. Current compliance is 80%.
- Learning disability awareness and communication training and evaluation completed

Our aim

- **Improve the quality of care and experience for patients with a learning disability**

Demonstrated by

- Accessible feedback process developed to enable patients with a learning disability to provide feedback on their experience in a meaningful way
- Audit of the use of tools avialable to support the care of patients with learning disabilities, including the hospital passport
- Review of the learning disability awareness and communication training and evaluation of how attendance on the training influences practice in supporting patients with a learning disability

We have achieved

- Pilot of an accessible patient feedback tool that enables patients with a learning disability to give feedback on their experience of care in hospital. To be implemented across the trust following evaluation.
- Monthly audits undertaken to monitor compliance in relation to implementation of the Mental Capacity Act (MCA) in clinical areas. Current compliance is 80%.
- Learning disability awareness and communication training and evaluation completed

Our aim

- **Improve the way we manage the care of people with dementia**

Demonstrated by

- Develop and implement a pathway of care for patients with dementia

We have achived

- New dementia focus group established, led by a trust governor, which consists of service users and staff working closely together. They have undertaken a dementi aaudit and carer interviews. The feedback will help us plan what changes we need to make.
- A dementia pathway has been developed to help staff understand the principles of dementia care and guides them regarding the care of their aptients.
- To help patients become familiar with the hospital environment we have introduced colour coding to identify different bays. Dementia-friendly clocks have been purchased for all wards, mounted on ward orientation boards. Work is underway to introduce pictorial signage for toilets and bathrooms.

Our aim

- **Improve the quality of care and experience for those with dementia**

Demonstrated by

- Dementia action committee agreed the trust action plan 2013-14
- Dementia care action committee has overseen implementation of the plan

What we have achieved

- The trust has adopted a butterfly symbol to identify patients with dementia on the wards, which alerts staff that those patients may require extra support. We have continued to develop and embed work around 'butterfly care' and introduced an additional outline butterly symbol to be used where patients do not have a dianosis of dementia on admittion, but have evidence of cognitive impairment.
- Each ward and department has identified a dementia champion who has received bespoke training and is kept up-to-date with developments in dementia care. This individual is the single point of contact for staff and acts as a role model, resource and support to promote best practice in dementia care.

Our aim

- **Develop patient and carer information in an appropriate format for patients with dementia and learning disabilities**

Demonstrated by

- Developing an integrated approach to the development of accessible information for different treatment options.

What we have achieved

- Easy-read leaflets developed for ultrasound scans, including those for pregnant women
- Easy-read quality outcomes developed.

Our aim

- **Deliver the dementia CQuIN (commissioning for quality and innovation) target**

Demonstrated by

- Improving awareness and diagnosis of dementia by raising the profile

What we achieved

- Improved our partnership working with carers when patients are admitted to hospital. We have developed an information leaflet that is available for carers of patients with dementia and signposts them to services they can access. We have undertaken a monthly audit of carers of patients with dementia to understand whether they feel supported and the results generally are very positive.
- We delivered the dementia CQuIN

Quality Priority Three - Patient Safety Programme

Our aim

- **Embed the safety strategy for improvement and the safety programme, which has a focus on sustaining and developing educationa and learning**

Demonstrated by

- Monitoring safety academy progress
- Monitoring progress against project objectives via monthly project plans
- Leadership for safety rounds for executive and non-executive board members
- Standardised safety boards introduced at all ward entrances displaying public and staff information on quality and safety, any areas of concern escalated and the monthly quality assurance audit
- Academy safety-based presentations for multi-disciplinary teams
- Increased simulation training for all staff disciplines

What we achieved

- Ongoing monitoring of progress against project objectives
- Currently 34 projects are encompassed within the safety academy's portfolio, with 138 measurements monitored and reported monthly to the board for further scrutiny and challenge
- Leadership safety rounds now part of the monthly board agenda. Executive and non-executive directors visit wards and talk to patients and staff, with a focus on a specific theme. Progress and outcomes from board to ward meeting are fed directly back to the clinical teams and reported via the quarterly patient safety clinical quality and governance report.
- Safety boards are on display at the entrance to all wards and audts are taking place
- The target of 8 presentations to multi-disciplinary teams has been achieved.
- The target of training 1,000 staff has been achieved.
- As part of the safety strategy, the target to recruit 70 patient safety champions was exceeded and as at March 2014 there were 240 multi-disciplinary safety champions in place at NGH.

Our aim

- Reduce harm from failure to plan care so that all patients and staff have an improved understanding of the plan of care in place and approriate action can be taken.

Demonstrated by

- All directorates submit data as part of the healthcare records audit
- An electronic handover system developed and embedded
- Time to conslutant review within 12 hours of emergency admission to be audited against the national target of 14 hours

What we achieved

- Improvement in data and an overall improvement in the reduction of inpatient death and avoidable harm
- Mortality and safety information provided by Dr Foster intelligence monitoring and measured via hospital standardised mortality ratio (HSMR). There is a detailed monitoring process in place to track HSMR and investigate individual diagnosis or areas for concern. HSMR for the first half of 2013-14 fell to 86 (516 deaths against 590 expected).
- Corporate roll-out of electronic handover system has taken place
- The consultant review target is consistently achieved

Our aim

- Reduce harm from failure to rescue so that every acutely ill or deteriorating patient is recognised immediately adn all appropriate actions taken

Demonstrated by

- A 50% improvement in measures relating to failure to rescue
- Early Warning Score (EWS) trust-wide monthly compliance
- Improved compliance with the sepsis care bundle and an audit in A&E of first hour time to antibiotics

What we achieved

- A focused escalation campaign has produced significant progress with regards to early dientification in escalation of the deteriorating patient. The 50% target has been exceeded and 60% compliance has been achieved.

Our aim

- **To learn from serious incidents (SI) and error and human factors safety science**

Demonstrated by

- Improved communication between clinical staff regarding learning from serious incidents and complaints
- A monthly compliance audit with the WHO safer surgery checklist
- Serious incident lessons learned and best practice presented at the patient safety learning forum
- A serious incident template established for local learning and sharing best practice

What we achieved

- A revised process for investigating serious incidents and learning from error was introduced during 2013-14 which has resulted in greater ownership and sharing of lessons learned. Action plans associated with serious incidents have a robust reporting, implementation and assurance process in place. Assurance is monitored via the care group governance team, which is overseen by the medical director.

Our aim

- **A reduction in harm resulting from failure to deliver care so that every patient receives improved essential care**

Demonstrated by

- Safety culture questionnaire developed which gives a baseline for local safety performance
- Monthly safety related questionnaire facilitated by the safety champions
- Point prevalence safety questionnaire undertaken to audit and measure performance, results analysed and shared trust-wide
- Bi-annual safety culture questionnaire

What we achieved

- Safety culture and climate questionnaires continue to be monitored by the aptient safety academy
- Safety champions gain the view of their colleague or audit practice in clinical areas
- Safety champions invited to attend the patient safety board where learning is discussed and shared

Quality Priority Four – The Patient Experience

Our aim

- **To produce a patient experience strategy for improvement and a patient experience programme outline to be approved by the board, including setting up a patient experience board**

Demonstrated by

- Patient experience board formed, with quarterly reporting in place
- Patients and shadow governors routinely involved in service design and development
- Second year of the patient experience strategy implemented and progress monitored monthly by the patient experience board
- Implementation of the patient experience plan
- Appointment of a full-time patient experience lad
- Developing patient experience champion and care group patient experience lead roles within clinical areas
- A serious of trust-wide projects to explore how the patient experience could be enhanced
- Bi-annual safety culture questionnaire
- Develop a serious incident emplate for local learning and sharing best practice

What we achieved

- Year 2 of patient experience strategy implemented and key objectives achieved. The strategy is now being reviewed to reflect the next steps in the patient experience journey
- Comprehensive analysis of all patient experience-related projects undertaken and a number of workstreams identified. These will shape the implementation plan for 2014-15.
- Substantive, ful-time patient experience lead joined the trust in September 2013
- Five patient experience champions identified to date from a range of services
- Dignity champion identified within each ward, supported by the patient experience lead
- Information regarding the patient experience collected via the Friends and Family Test, ward inspections, surveys in relation to maternity services and mealtime experience, as well as national surveys. In addition the trust has commissioned additional surveys within neonatal and outpatient surveys which will take place in 2014-15.
- Series of improvement projects to be developed and taken forward during 2014-15

Our aim

- **To ensure the experiences of our patients, their families and carers are positive, supportive and donducive to their health and wellbeing at every stage of our patients' care pathways in line with our aim to provide the best possible care**

Demonstrated by

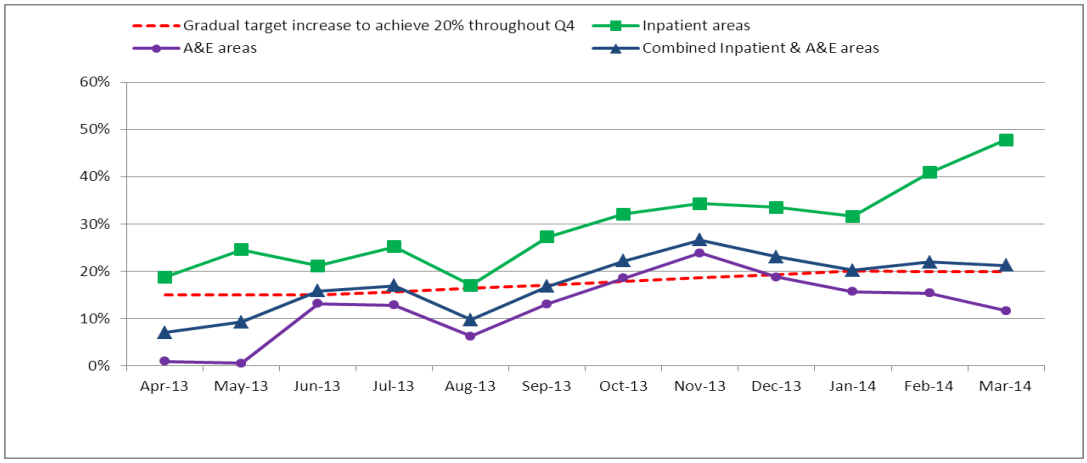
- Ensuring the patient experience is at the heart of planning and performance management, with related objectives in every business plan
- Real time monitoring of the patient experience at ward and department level
- Achieving a step change in our national survey of adult inpatient resuls over the next 3 years
- Establishing a baseline Friends and Family test response rate and achieving improvement from 10% to 20%
- Working with our Patient Advice and Liaison Service (PALS) to identify early detection of themes in relation to issues or concerns
- Identify themes and plan service changes accordingly

What we achieved

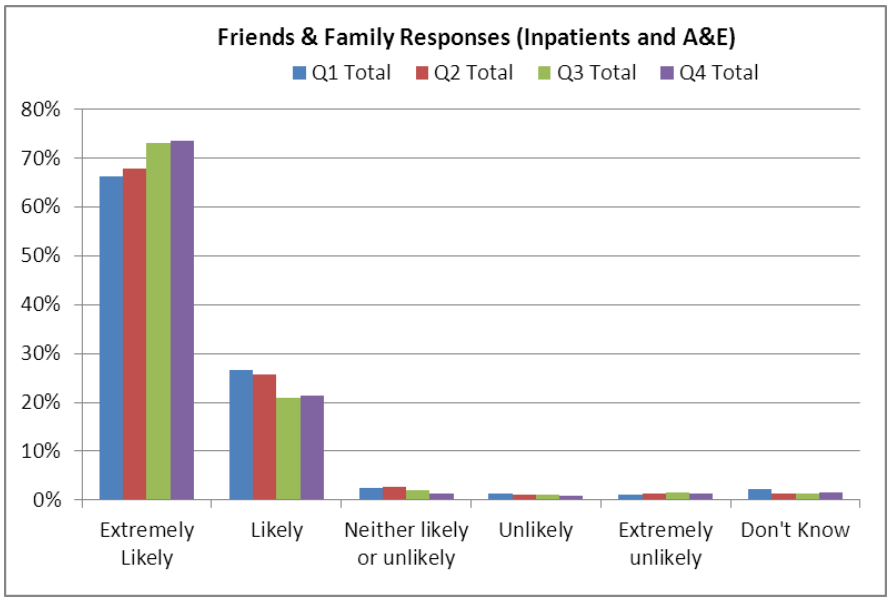
- 2013-14 has seen demonstrable changes in the Friends and Family Test collections, particularly through progress of response rates within inpatients and A&E. This is discussed in more detail below.

The Trust began the financial year obtaining a response rate for inpatient and A&E services combined of just 7.09%, however this has climbed greatly as can be seen through the chart and graph below, with the figures for March 2014 showing response rates of 21.27%. We achieved our highest scores in November 2013 of 26.67%, whilst in the same year August saw this figure drop steeply due to lack of responses from those using A&E services.

The source data from April to July 2013 was not available for review by the auditors (KPMG) but the annual position has been extrapolated from reports produced from the source data. From this it can be seen that between April 2013 and March 2014 the response rate demonstrates an overall combined increase of **14.18%.** For inpatients alone, there has been an increase of **22.09%** and for A&E **14.4%.** This means we are receiving more feedback about our services and what patients think about them, and have exceeded the improvement target we set for this year.



There has also been an increase in the number of people who would be 'extremely likely' to recommend NGH to their family and friends. This correlates with the work we have been undertaking to review the comments made by patients, encouraging the wards to make small changes to make big differences, and share good practice throughout the hospital.



SHOWCASING SERVICE IMPROVEMENTS

Service Quality and Safety

Our QuEST for excellence
To assure ourselves that we are delivering the high quality care our patients have a right to expect, during 2013-14 we introduced a new programme of internal inspections, QuEST (Quality, Effectiveness, Safety Team) reviews.

QuEST reviews are a comprehensive rolling programme of visits by teams of reviewers (staff, shadow governors and patient representatives/members of the trust) to every ward and clinical area in the hospital to assess how well each is performing against key standards of practice.

The reviews take the form of unannounced inspections. Each month our matrons review the wards as part of a peer review process. Each quarter a full QuEST review is undertaken by a team of three/4 people, which includes a patient representative or shadow governor. Key information is made available to the team in advance of the review such as performance data, any recorded serious incidents, complaints, Care Quality Commission notifications, safeguarding referrals etc.

The results of the QuEST reviews are shared with the ward and clinical area teams; areas of good practice and any improvements identified are then shared across the organisation in order to promote wider learning.

Nurse Staffing
In March 2013 the board approved an additional investment of £1.9 m to increase the number of nursing staff at the hospital as part of the wider nursing and midwifery strategy to address both nursing numbers and skill mix. To date this has resulted in more than 120 additional nurses being recruited.

The trust is committed to taking the strategy forward, with investment where needed, to ensure we have the staffing levels we need in order to provide the best possible care for our patients.

NGH Nurse Training Scheme – A model of best practice
In March 2013 the government endorsed a recommendation made in the Francis Report that nurses should work as healthcare assistants (HCAs) for at least a year in order to complete their training. The Open University (OU) requires all students to be an HCA before starting on their nurse training scheme and, when this was highlighted as good practice, the OU in turn recommended NGH as a successful site for Health Education England (HEE) to visit and speak with staff about their experiences.

Students at various stages of their transition from healthcare assistants to registered nurses, are positive about the scheme, which is known as The Open University Pre-Registration Nursing Programme.

One of the students commented: *'Since the Francis report there has been a lot of talk about compassionate care, but you can't teach somebody to be compassionate. You can use role models - It's an innate ability and by working as a healthcare assistant your managers can see somebody who is showing that compassion which is so important in nursing. Working as a healthcare assistant means you understand that basic nursing care and you develop that within your team.'*

Improving the ward round
One of our Patient Safety Academy workstreams has focused on making improvements to the ward round, utilising available skills with the overall aims of improving team and patient communication, expediting discharge of those who are ready and improving safety.

Some ward rounds now often consist of a consultant, junior doctor and nurse working to the ward round template. This assures a consistent approach and ensures ward rounds run efficiently, effectively and safely.

Technology plays a part in the new style round, with the use of digital dictation and a computer on a trolley. The junior doctor uses the computer to order tests, the consultant dictates the notes and these are printed off after being typed up rather than being hand-written. This frees up the doctor's time and has improved the content of the notes, which are more accurate and legible. Ordering tests at the time of the ward round means departments such as radiology can plan more efficiently.

Patient Experience

Friends and Family Test
The Friends & Family Test (FFT) asks patients at the point of discharge whether they would recommend the hospital ward, A&E department or maternity service to others if they needed similar care or treatment. This means every patient attending a ward or department at NGH is able to give their feedback on the quality of the care they received, providing the hospital with an opportunity to gain a better understanding of the views of patients, and helps to identify where changes need to be made. All the scores are tracked to see whether the areas are improving or if scores are decreasing, in which case this will be followed up. The response rates and scores are also available to the public via the NHS Choices website.

NGH has opted to include a free-text question 'What is the reason for the answer you have given? This then allows patients to leave a more detailed comment. These comments have proved very helpful and the information provided has meant we have been able to make immediate common themes across the services and link any working groups aimed at improving patient experience directly to the issues identified by our patients.

Sample comments from the Friends and Family Test:

- *Fantastic doctors and nurses. We have received excellent care and would like to say a big thank you. Truly wonderful staff who do a great job.*
- *Excellent service from staff. A bit of a wait but that is to be expected, and the treatment received easily made up for the wait. A great service. Many thanks*
- *Wonderful nurses, dedicated and kind - the long hours they work shows strain on them at times. Very well cleaned ward. Food served hot and palatable, good choice - would prefer more fruit (not hard apples!) Rather noisy - a can of machine oil on wheels would help.*
- *Staff were excellent day and night. I was taken for physio nearly every day. Every member of staff on the ward has been helpful and kind. I could not have received better treatment if I was at the London Hilton. Thank you to everybody.*
- *The ward staff are all so nice and work so hard to make your stay as pleasant as possible, under the circumstances. The only difficulty is how hard it is to sleep at night with all the activity and the challenges of non-cooperative patients. Your staff all deserve medals for their patience, kindness and cheerfulness.*

Developments in Public and Patient Involvement
Sir Bruce Keogh stated *'All trusts need to review their quality performance reporting to ensure it is measuring the right things, triangulated effectively to identify risk areas and is tested through systematic assurance programmes'.* At NGH we have created an effective way to triangulate information relating to our patients' experience across PALS, patient experience, complaints and incidents.

The National Inpatient Survey 2012 identified a number of areas where we needed to improve. Based on the survey findings, improvement and work has been undertaken throughout the year to address the issues of concern. The results from 2013 inpatient survey demonstrate areas of significant improvement when compared with the 2012 survey.

Public and Patient Involvement Strategy
The patient and public involvement (PPI) strategy approved by the patient experience board (PEB) in July 2013 provides direction to the steering group.

A number of user groups and forums are active within the Trust, including:

- Disability Advisory Partnership Group
- Maternity Focus Group Infection Prevention Focus Group
- Cancer Partnership Group
- Dementia Focus Group
- The NGH Black and Minority (BME) Sub Regional Partnership Group

In addition to the groups and forums there have been two task and finish groups established to review noise at night and protected mealtimes.

The noise at night group identified a number of environmental issues within the wards and direct changes were made as a result of their observations, such as introducing soft closing bins. However, we continue to have issues in relation to noise at night and we will continue to look at ways of addressing this and make further changes during the coming year.

Gosset Parents' Room
After a year of planning and fundraising, the Gosset ward parents' room has been officially opened. A mother who has used the room in the past was invited to cut the ribbon to formally open it in a ceremony attended by some of the fundraisers and medical staff. The room, which is the first step for parents when preparing to take their baby home, was refurbished from donations of over £15,000 and has been described as a 'home from home'.

Improvements in Cancer Services

Nurse-led skin cancer clinics
Nurse-led clinics began in the dermatology department in January 2012, supported by the skin cancer multi-disciplinary team. The original clinics were set up to see people who were coming back to receive their test results and diagnosis. The clinics enable many patients to be seen at this stage. They are provided with a clear understanding of their condition, introduced to the key worker role, receive written information and a thorough holistic assessment. Since the nurse-led clinics began, the number of patients referred to this service for face-to-face contact has increased by 15%, as the service has become better known by relevant staff.

To complement the clinics there is a nurse-led follow-up service for patients with a low risk condition. Patients are seen every three months over the year after their diagnosis. The nurse specialist has completed a Master's degree level training in Skin Lesion Recognition to prepare for this role. There is also ongoing nurse-led appointments for more intensive assessment and support for people through all stages of their illness.

Results of a survey sent to people seen over a six month period were favourable. Of 49 people surveyed, there was a 78% response rate, and 79% of respondents gave a maximum satisfaction score of 10. No-one surveyed said they would rather have seen a doctor than attend the nurse-led clinic.

Macmillan Cancer Support Service moves to a new home.
The hugely successful Macmillan cancer information and support service at the Northamptonshire centre for oncology has recently moved to a bigger and better centre provided by the Trust and are expanding the service they offer.

The service offers free, good quality, comprehensive information and support to people affected by cancer, their relatives, friends and carers. They have a huge resource library including books, leaflets, videos and audio tapes. The centre is staffed by a Macmillan information specialist and information assistant who are supported by volunteers, many of whom have personal experiences of cancer and are trained to provide appropriate emotional support.

The service has now moved to a larger area on the ground floor of the oncology department. The size of the new centre means there will now be appropriate space for Macmillan welfare benefits advisers to attend and offer a financial advice outreach service.

There are also plans to offer complementary therapies in the new centre and link in with the look good feel better workshops which teach women how to manage the visible side effects of cancer and its treatment.

Group Support for Cancer Patients
We see a large number of patients with colorectal cancer from Northampton and the surrounding area. Our clinical nurse specialists recognise that, because of the nature of colorectal cancer, many patients need support to come to terms with their diagnosis and the long-term effects of treatment. Patients tell us that they simply want someone with whom they can share their experience.

In response to patient feedback we sent out invitations to patients who had completed treatment but were still receiving follow-up care. The first meeting was very well attended and was used to let patients explain how they felt and find out what they wanted from a support group. The group agreed that meetings should be open not only to patients who had completed treatment, but also to those still receiving treatment and those whose cancer cannot be cured. The group now meets every two months and continues to grow. Each meeting begins with an informative talk from an external speaker and the remaining time is devoted to open discussion.

Managing Unscheduled Care

Ambulatory Care Centre Reduces Hospital Admissions
A new ambulatory care centre (ACC) opened during the year where some patients referred from their GP or A&E are seen, treated and sent home within a single day, thereby avoiding the need to be admitted to hospital.

We have received very positive feedback from patients who might previously have been kept in a hospital bed overnight for investigations and subsequent aftercare. The centre creates a better experience for the patient because their care needs can be met on an outpatient basis rather than them being admitted. We are trying to change the traditional thought that patients must be admitted in to a hospital bed to receive the best care. The ACC has the potential to provide high quality emergency care and a good patient experience in a cost effective way, which is becoming apparent through the results of our Friends and Family Test scores.

Number of A&E Consultants Doubles
The busy workload of A&E departments has been well documented by the media. Some areas are struggling to recruit consultants in emergency medicine but at NGH, while there is no doubt that our emergency department is seeing record numbers of patients, we have doubled the number of consultants employed.

Between November 2013 and February 2014 we welcomed four new consultants to our emergency department, bringing the total number to eight.

Cliftonville Ward Helps Us Make Best Use of Bed Capacity
Some NGH patients who have completed their hospital treatment and are awaiting community care packages or residential placements are transferred to Cliftonville ward – which is part of Cliftonville Care Centre next to the hospital site.

All patients remain under the care of NGH until they are ready to go home, with a dedicated consultant who performs two weekly rounds. The centre offers a varied leisure and recreation programme to our patients, a cinema and landscaped gardens. It also has a visiting hairdresser, barber and chiropodist, whose services are available to patients who are cared for in an excellent facility designed to help them prepare for discharge.

Intermediate Care Intravenous Service and Diabetic Foot Team
People with diabetes are prone to frequent and often severe foot infections requiring admission to hospital. Diabetic foot infections take up more bed days in the UK than all the other complications of diabetes combined. The intermediate care team and diabetic foot team work with our staff to either discharge patients home earlier on intravenous (IV) antibiotics or avoid a hospital admission.

The home IV service has become an increasingly important facility for our patients. Where possible it offers patients choices about where they receive their treatment. Over the last few years we have seen younger patients present with diabetic foot infections which we know will require many weeks of treatment. As patients often feel well they don't want to stay in hospital and we are delighted to be able to offer such a service.

Improvements in Specialist Services

End of Life Care
In March 2013 we signed up to the national transforming end of life care programme, route to success. By May 2013 the end of life care facilitator and Macmillan specialist palliative care clinical nurse specialist completed a train the trainer course to deliver QELCA (quality end of life care for all) training. We also published the end of life care workbook, which was written in partnership with the University of Northampton and provides nurses with a competency framework.

In September 2013 a training programme was developed in end of life and palliative care for nurses and healthcare assistants using theory and simulation learning. In October 2013 we completed a national care of the dying audit and will receive a report from the Royal College of Physicians. We will then develop a local action plan for quality improvement. In preparation for this work we undertook a baseline audit in March 2014 using a national Amber care bundle proforma. Our end of life care strategy is currently out for consultation. The final document will take account of the feedback received.

Maternity Antenatal Pathway Redesign
We have redesigned our maternity antenatal pathway to improve safety. This includes longer opening hours for the maternity day unit and a maternity observation ward for higher risk women.

Barratt Birth Centre Gives Choice of Birth Options

With the opening of the new Barratt birth centre in December 2013, we now provide a complete range of choices women who are due to give birth. Our midwives and maternity care assistants with women and their families where appropriate to plan the labour and birth that women want.

Women at low risk of complications during pregnancy are given the choice of having their baby in their home or in the new birth centre, which bridges the gap between a home birth and an obstetric labour ward, providing pools, double beds, en-suite bathrooms and kitchenettes in an altogether more homely and calming environment, but with the benefit of having expert medical support close by should the need arise. While a majority of women experience a normal pregnancy and birth, our labour ward provides care for women and babies who need additional monitoring and care throughout labour and birth.

One of the first mums to use the centre commented:

'I couldn't have wished, planned or asked for a more perfect birth. I had complete faith in the NGH team and, although the birth was monitored closely from start to finish, it all felt so natural that it could have been just me and my husband in the room. I was allowed to make the decisions, and nothing was hurried or interfered with It didn't stop after our little bundle arrived either! I was lucky as I was the only lady in labour at the time, but the midwives cared for all of us intently after the birth, not leaving my side until I was completely recovered. After giving birth at 19:53, I was home by 23:30 that night – not because anyone was in a hurry for us to leave, but because everything was so calm and well that it felt right.'

Additional Special Care Baby Unit Cots

The SCBU has been open to 20 cots since the end of September 2013 following additional staff coming into post.

This has had a positive impact on the maternity service as well as for the community and the network in which we operate.

No parent wants their baby to need to be admitted to a Neonatal Unit. They certainly don't want to be advised that their baby will then need to be moved to another hospital elsewhere in the country and this is why having a cot capacity to suit the needs of our community is paramount. By increasing the capacity here at Northampton we have not only reduced the risk of family separation but are also able to accommodate babies from the network which reduces further distances for other families to travel.

Child Health Care

The consultant schedule has been rearranged to enable more senior medical staff input to be provided much earlier in the child's or young person's care pathway. We now have one consultant who takes responsibility for the inpatient activity, focussing on the ongoing care of the child or young person, and another consultant dedicated to the emergency care pathway, seeing children newly referred to us by their GP, A&E etc. This change led to investigations being undertaken earlier, thereby facilitating safe earlier discharge or a decision to admit for ongoing investigations or care being made much earlier.

Hysteroscopic Sterilisation

In 2013 a sterilisation procedure using the Essure device was introduced into the gynae endoscopy unit, providing a women with a choice between the traditional operative procedure and a minimally invasive one. Sterilisation using the Essure device requires no anaesthesia or abdominal surgery. This reduces risk to patients as the procedure can be carried out in an outpatient setting.

Photodynamic therapy in dermatology
We are grateful to a national charity that donated a most up-to-date PDT treatment lamp to our dermatology department in September 2013. Photodynamic therapy (PDT) is a treatment that uses a photosensitizer, and a special light source to produce a form of oxygen that kills cancer cells. A drug (photosensitizer) is applied as a cream, and the patient returns 3 hours later to have the light treatment. A review by NICE noted efficacy in precancerous skin conditions and non-melanoma skin cancers including basal cell carcinoma, Bowen's disease, and actinic keratosis following treatment.

PDT is a nurse-led service provided under the supervision of a consultant and as part of the work we do we collect information to enable future audit and potential research. Since November 2013, the department has treated over 40 patients. Most patients have tolerated the treatment well and with high patient satisfaction and good cosmetic outcomes.

New Dedicated Parkinson's Disease (PD) Service at NGH
Our aim is to provide the best possible care for PD patients in line with the national guidance, which includes holistic care with multiple disciplines being involved. The PD service has rapidly grown since its inception in April 2012 from about 50-60 patients seen in a general elderly medicine clinic to about 200 patients, 150 of whom are now regularly seen by the consultant. This is in addition to patients who are seen in the general neurology clinics.

After specialist medical assessments patients are referred onto other services like nurse clinics, physiotherapy, occupational therapy, SALT (speech and language therapy) assessments, memory clinics, Parkinson's UK and, if required, to the tertiary centres. The service is in line with NICE guidelines and the National Parkinson's disease audit outcome requirements, which NGH takes part in.

An inpatient service for PD is being developed and currently about 3-4 patients are being reviewed a week. However, this number is projected to increase over time. We expect the service to expand to about to about 300-350 patients in the next 3 years. This will mean we will need to provide more outpatient and nurse led clinics. Efforts are underway to develop a PD multi-disciplinary team, an advanced PD service with apomorphine and to pilot a PD dementia service, as well as improving the existing inpatient service to improve patient care and experience. A county wide Northamptonshire PD forum has been set up with a view to improving care for patients with PD and also to network, disseminate knowledge and provide training countywide with meetings being held twice a year.

Accolades

Midwives Shortlisted for 'Excellence in Maternity Care' Award.
Three midwives were shortlisted for an 'Excellence in Maternity Care' by the Royal College of Midwives' in January 2014. They planned and implemented a birth after caesarean (BAC) clinic to help reduce the number of women electing to have a caesarean section.

Regular clinics and workshops help women and their partners to make informed choices about their birth options. Out of women choosing to have a normal birth following a caesarean over 80% will be successful, which is higher than the national average. The risk associated with caesarean section is reduced, recovery time is quicker and there is usually a shorter hospital stay.

What Our Patients Say About Us

A summary of the results of the 2013 national inpatient survey is shown below:

Northampton General Hospital NHS Trust	%	Number
Responded	54	447
Did not respond-including opted out or ineligible	46	403
Eligible cases	100	850

The Care Quality Commission (CQC) has published the results of the 2013 survey of adult inpatients, which includes a random sample of Northampton General Hospital (NGH) inpatients treated between September 2013 and January 2014.

NGH achieved a rating of 'about the same' as all other NHS trusts in England in 58 scores, and a 'worse' rating in just two. But eight of the scores showed a statistically significant improvement on the last survey, including the overall patient experience result which increased from 7.6 to 8.1.

We are pleased to see that some important scores - including overall experience, privacy and dignity, answering of call buttons, and being involved in decisions about care and treatment - have shown a significant improvement. None of the scores showed a decline.

We would like to improve on the rating of 'about the same' as other hospitals, as we aim to provide the best possible care for our patients. We have an active patient experience strategy, and we are working very hard to ensure that the experience of all our patients now and in the future is 'better than other hospitals'.

We can see from the results of the 60 survey questions there is still a lot more we can do, particularly around patients being bothered by noise at night, and delays in being discharged from hospital. Various actions are under way to address these issues, and improvements are expected to be shown in the next annual survey.

Over recent years the hospital has continued to see a rise in the number of emergency admissions many of which are often complex cases. As these take place at all hours of the day and night, it can be difficult for us to always guarantee a quiet night's sleep on every ward, but we will continue to do all we can to help eliminate the noise situation.

Improving the safety and quality of care is the hospital's main priority. We fully understand that a patient's experience isn't just about whether their treatment was a clinical success. It also means listening to and acting on individual patient concerns, including such things as how we talk to patients, how clean the hospital is and the quality of the food. We won't rest until we get it right.

What Our Staff Say About Us

Results of the 2013-14 Staff Survey

NGH undertook the NHS National Staff Survey between October and December 2013. With a response rate of only 42% we recognise the increasing need to improve staff engagement and make positive changes.

The results show that we are above average in relevant training, which represents a significant improvement on the previous year. Reporting of errors and incidents is also above average, so we have a clearer picture of where mistakes are made which means they can be rectified. We have also significantly improved in our recommendation by staff as a place to work or receive treatment.

Key areas for improvement:

- Support from immediate managers
- Appraisal rates
- Health and Safety training
- Work related stress, work pressure and working extra hours,
- Effective team working,
- Witnessing potentially harmful errors, near misses or incidents,
- Fairness and effectiveness of incident reporting procedures
- Feeling pressure to attend work when feeling unwell
- Physical violence and harassment and bullying

Key issues identified by staff are:
Resources (staffing)

Staff involvement and communication

Pay and feeling valued

However there were a number of positive perceptions by staff who feel:

- they are trusted to do their job
- their role makes a difference to patients and service users
- they always know what their work responsibilities are
- their organisation does not blame or punish people who are involved in errors or incidents
- the Trust encourages an open culture of reporting errors and incidents
- they know who the senior managers are
- they are satisfied with the quality of care they give to patients and service users
- team members communicate closely with each other to achieve the team's objectives
- they are able to do their job to a standard they are personally pleased with
- they have clear, planned goals and objectives for their job.

What We Heard Through Complaints and Compliments

Our aim is to make local complaint handling a positive experience. Through the 4Cs (comments, concerns, complaints, compliments) members of the public are provided with a range of options to choose from.

Our front line staff provide initial support and advice, while further advice and information is available to patients, their families and carers from our Patient Advice and Liaison Service (PALS), or our Complaints Team. We are continually looking for ways in which we can improve our complaints handling arrangements in order to respond to our patients' dissatisfaction more effectively in terms of providing a high standard of customer service and good practice. Our aim is to:

- Offer more flexibility through providing a number of different options through the 4Cs (comments, concerns, complaints, compliments)
- Offer more local resolution meetings at an earlier stage
- Learn from complaints and concerns to improve our services

Upon receipt of a complaint our complaints team will identify the appropriate organisation who will take the lead in the investigation, which is undertaken in consultation with each complainant and a named contact is assigned to each person/family. In this way we ensure clear, effective communication takes place and good relationships are established from the outset.

We take pride in the way in which we manage our complaints as it is important to us that the process, the decision making and the way in which we communicate are as straight forward and effective as possible and meet the needs of the individuals accessing the service. We ensure that we agree the points to be investigated with the complainant at the earliest opportunity, and we often offer meetings on either a local or formal basis. Through our letter of response, which may involve a number of different clinical areas and/or other organisations, we aim to provide various remedies through the issuing of an apology, explanation or financial redress where appropriate.

All complaint responses are signed by the chief executive or deputy. This underpins our approach to complaints handling and because we wish to reassure the public that we take complaints very seriously. We always ensure that organisational learning is clearly identified in the response and that this is supported internally through evidential information to show that we have done what we said that we would do.

Gap analyses have been undertaken on the Francis and Clwyd/Hart reports and action plans developed to ensure we learn and develop moving forwards and changes are made. We want to learn from complaints and ensure they make a difference and help us further improve the services we provide.

Complaints Analysis

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Total number of complaints	430	467	517	533	*526
Response within the agreed timescale	86%	96%	100%	77%	*84%
Number of requests received for an Independent Review (Parliamentary & Health Service Ombudsman)	21 (including some from previous year)	18 (including some from previous year)	23 (including some from previous year)	11 (including some from previous year)	18 (including some from previous year)

**Figures as at 24th April 2014, the date this report was compiled*

Top 5 complaint categories

Category	2009-2010	2010-2011	2011-2012	2012-2013
Clinical care	251	215	226	*263
Communication	198	179	226	*52
Attitude & Behaviour	70	76	61	*63
Delays/Cancellations	48	46	103	*93
Discharge	29	38	55	*47

The Trust is required to categorise the outcome of all complaints. The information is included in our annual complaints report and provided to the Department of Health. We are required to collate action plans for all complaints where learning has been identified. Learning from complaints and incidents is a quality priority for the year 2014-15.

Compliments

As part of the 4Cs process members of the public are also encouraged to tell us when they believe that we have 'got it right'. This feedback is monitored through the Trust's quarterly reporting schedule (along with complaints).

What Our Patients Say About Us

(Source: 4Cs compliment forms)

'I would just like to say that having been in your hospital 4 times in the last year Hawthorn ward, where I am now, is run by wonderful nurses who are professional, cheerful and a total credit to the NHS'.

'We have found Northampton General to be very efficient i.e. tests and results have been carried out quickly. There has always been a doctor to answer any questions we have had. All staff are very friendly and kind and extremely hard working. We would like to say how clean the ward and areas are. We were also quite surprised at the choice and quality of food'.

'Thank you for listening to me rant and putting up with my crying. Thank you for listening to my concerns and putting my mind at ease. You've an amazing ward and an amazing team of staff. We will never be able to thank you enough'

"The staff have been wonderful and looked after my sister in law so well. Even though they have been very busy they have taken all the time that was needed to explain to all of us the treatment and outcome, making a very distressing hard time more bearable. Thank you so much".

Care Quality Commission (CQC)

Northampton General Hospital NHS Trust (NGH) is registered with the CQC with no conditions. The CQC inspected the Trust in January 2014 and reviewed services against the following questions:

- Are services safe?
- Are services caring?
- Are services responsive to people's needs?
- Are services effective?
- Are services well -led?

The CQC inspected this hospital as part of an in-depth hospital inspection programme. NGH was chosen because it represented the variation in hospital care according to the new intelligent monitoring model. This looks at a wide range of data, including patient and staff surveys, hospital performance information and the views of the public and local partner organisations. Using this model, Northampton General Hospital was considered to be one of a number of high-risk service providers across the country.

Before visiting, the CQC looked at a wide range of information about the trust and asked other organisations to share their views about the organisation. They carried out an announced visit in January 2014 and before visiting the Trust they held a public listening event where patients and members of the public shared their views and experiences of the trust. During the inspection they held focus groups with different staff groups and individuals from all areas of the hospital.

The inspectors reviewed the personal care or treatment records of patients, observed how staff were caring for people and talked with patients, carers, family members and staff. In addition, they continued to request, receive and review information from various sources during and after the inspection.

They found that:

NGH appeared to be very clean throughout. In a national survey the trust was noted to have been performing well in relation to infection prevention and control.

The trust had a recent history of poor staffing levels on some wards but they saw that action taken had begun to address staffing issues. Staff stated that improvements in staffing levels were already having a positive impact on services.

Some of the executive post holders were either new to post or in interim positions. This had an impact on the trust's leadership as staff reported that senior leaders were rarely visible on wards. Recruitment to these key posts was already underway.

There were areas of poor performance in relation to the management and maintenance of equipment, and to the dispensing of medications to patients on discharge, were identified during the inspection. The inspection revealed that end of life care was an area where the trust required more focus and commitment to improve.

They also identified areas of good practice:

- The A&E department was commended for its contribution to a trauma audit and research network.
- The maternity unit had one of the highest home birth rates nationally.
- The hospital had excellent facilities where simulation exercises take place to investigate the cause(s) of and learn from serious incidents.

The CQC raised some concerns at the immediate feedback session on 17th January 2014, following which the trust took immediate action to rectify those issues.

The formal report was received during March 2014 and an action plan drawn up to address the key areas of concern raised by the CQC.

The action plan identifies actions to work towards:

Improving the emergency care pathway and bed capacity management

In order to:

- improve patient experience and outcomes by ensuring patients are admitted to and treated in the right place, first time, without having to wait longer than four hours for treatment.
- minimise the number of patients moves and ensure patients do not stay in hospital longer than necessary.
- support the trusts values of putting patient safety above all else, aspiring to excellence and we reflect, re learn, we improve

Actions:

- Review the emergency care flow issues and improve all processes from admission through to discharge
- Track patient moves
- Risk assess all patient moves
- Work to understand those areas where maximum impact will be required
- Work in partnership with the health and social care economy
- Use electronic systems to assist our processes
- Understand the blocks in the system

Improving the robustness of our governance processes

In order to:

- ensure we identify and mitigate risks to patients, learn from experience, in line with our value of 'putting patient safety above all else'.

Actions:

- Review our quality governance arrangements
- Clarify the accountability and assurance mechanisms underpinning the Care Group structure
- Review risk management arrangements
- Obtain external support and challenge
- Develop an implementation plan for improvement

Improving leadership from Board to ward

In order to:

- ensure staff are confident the organisation is well led and that the leaders are driving improvements in care
- support our values of 'we reflect, we learn, we improve' and 'we respect and support each other'

Actions:

- Accelerate a Board development programme
- Recruit a substantive Executive Team
- Clarify our Director's key responsibilities for ourselves and our stakeholders
- Support a clinical leadership programme for senior medical staff and clinical leads
- Accelerate the implementation of the trust's organisational development strategy

Making changes to 'Do not attempt cardio pulmonary resuscitation' paperwork so it is clearer

In order to:

- ensure that paperwork is completed consistently to mitigate any risks to patients in line with our value of 'putting patient safety above all else'.

Actions:

- Withdraw the existing documentation
- Implement a redesigned document
- Support the implementation of the new documentation with a programme of training and audit to ensure understanding

Ensuring that all equipment is maintained and available in clinical areas where required

In order to:

- ensure we identify and mitigate risks to patients, learn from experience, in line with our value of 'putting patient safety above all else'.

Actions:

- Ensure all medical equipment has been serviced by a qualified safety engineer
- Implement a centralised medical equipment maintenance strategy
- Develop a planned maintenance register and forward plan

Implement a robust process to ensure that medication is dispensed to patients before they have left hospital

In order to:

- identify and mitigate risks to patients, learn from experience, in line with our value of 'putting patient safety above all else'.

Actions:

- Cease the practice of discharging patients home without their prescribed medication

Improving arrangements for children's care in the A&E department

In order to:

- improve patient experience and outcomes for children and their families when they attend A&E by ensuring the environment is appropriate to their needs.

This supports the trusts values of 'we put patient safety above all else'.

Actions:

- Ensure 24 hour access to an RSCN for A&E
- Designated an area within the A&E department for use solely by children
- Ensure children are appropriately prioritised in A&E

Increasing compliance with mandatory and essential to role training and appraisal

In order to:

- deliver improved outcomes to patients through the development of staff, enabling excellence though out people to deliver our values of 'we put patient safety above all else', 'we aspire to excellence' 'we reflect, we learn, we improve', and 'we respect and support each other'.

Actions:

- Accelerate current programmes for improving training compliance
- Accelerate current programme for improving essential to role training compliance
- Accelerate current programmes for improving appraisal compliance
- Report on these to the Board monthly

Progress against all of the actions will be monitored at Trust Board.

Statements of Assurance from the Board relating to the Quality of NHS services provided by Northampton General Hospital NHS Trust

Review of Services

During 2013-14 NGH provided and/or sub-contracted 52 NHS services. The trust has reviewed all the data available to them on the quality of care in all of these services during the year, through external review reports, national clinical audit reports, local clinical audit, scorecards and performance reports.

The income generated by the NHS services reviewed in 2013-14 represents 100% of the total income generated from the provision of NHS services by NGH for the reporting period 2013-14.

Managing Quality in NGH

The trust manages and monitors quality on an ongoing basis day to day through the management arrangements and formally through its committee structure.

The Clinical Quality Effectiveness Group (CQEG) meets monthly and receives reports on aspects of quality, both from individual directorates and on a trust-wide basis including quarterly directorate reports, infection control, pathology, compliance with NICE guidance, clinical effectiveness and audit, external reviews, risk management, incidents, complaints, PALS and claims management, CQC compliance, mandatory training, safeguarding, along with reports from its sub-committees, which include transfusion, consent, pharmacy, resuscitation, radiation protection, etc.

CQEG reports and escalates issues to the Integrated Healthcare Governance Committee (IHGC), which is a trust board subcommittee and meets monthly. The committee receives performance and assurance reports on the quality of care provided at NGH. Of particular note is the quarterly Patient Safety, Clinical Quality & Governance Progress Report. This comprehensive report incorporates an overview of performance across the trust in nine key sections: Introduction and executive summary, ongoing trust-wide priorities, failure to plan, failure to rescue, failures of care, learning from error, emergency care, assurance with national standards, directorate reports and quality scorecards. HGC reports and escalates issues to the trust board.

Never Events
Never events, first introduced in 2010, are a list of events described as ‘serious, largely preventable patient safety incidents that should not occur if the available preventative measures have been implemented by healthcare providers’ (National Patient Safety Authority, 2010). These can be used as an indicator of how safe an organisation is and the patient safety culture within that setting.

During the 2013-14 reporting period, there were no ‘never events’ reported in NGH.

Participation in Clinical Audits

Participation in National Clinical Audits is a high priority at Northampton General Hospital. During 2013/14, Northampton General Hospital participated in 100% of National Clinical Audits and 100% National Confidential Enquires which were relevant to the services provided (36 National Clinical Audits and 3 National Confidential Enquiries).

The Department of Clinical Audit, Safety and Effectiveness support the clinical teams to identify and participate in the relevant audits. The audit reports are reviewed and discussed within the relevant specialty and across the Trust where appropriate.

Northampton General Hospital uses the audit reports to support Trust objectives and to deliver best possible care.

In 2013-14, data from selected National Clinical Audits in which the trust participates was used to publish individual consultant-level outcome data. This demonstrated that there were no areas for concern at Northampton General Hospital.

The National Clinical Audits and National Confidential Enquiries that Northampton General Hospital participated in, and for which data collection was completed during 2013-14, are listed below alongside the percentage participation.

National Clinical Audits and Confidential Enquiries	Percentage Participation
Perinatal Mortality (MBRRACH)	100%
Neonatal intensive and special care (NNAP)	100%
Paediatric bronchiectasis (British Thoracic Society)	No cases at NGH
Paediatric asthma (British Thoracic Society)	100%
Moderate or severe asthma in children (College of Emergency Medicine)	Data collection in progress
Childhood epilepsy (RCPH National Childhood Epilepsy Audit)	100%
Child health reviews (CHR-UK)	100%
Diabetes (RCPH National Paediatric Diabetes Audit)	100%
Chronic obstructive pulmonary disease (British Thoracic Society)	Data collection in progress
Emergency use of oxygen (British Thoracic Society)	100%
Cardiac arrest (National Cardiac Arrest Audit)	100%
Adult critical care (Case Mix Programme)	100%
National emergency laparotomy audit	Data collection in progress
Diabetes (National Adult Diabetes Audit)	(Snapshot audit only) 100%
	NPID 95%
	Continous Audit – NGH not currently entering data
Paracetamol overdose (College of Emergency Medicine)	Data collection in progress
Rheumatoid and early inflammatory arthritis	Data collection in progress
Ulcerative colitis round 4 (UK IBD Audit)	100%
Hip, knee and ankle replacements (National Joint Registry)	100%
Elective surgery (National PROMs Programme)	93.7% (2012/13 data)
Coronary angioplasty (NICOR Adult cardiac interventions audit)	100%
National vascular surgery, including CIA elements of NVD	100%
National audit of seizure management (NASH 2)	100%
Severe sepsis & septic shock (College of emergency Medicine)	Data collection in progress
Acute Myocardial Infarction and other ACS (MINAP)	100%
Heart failure (Heart Failure Audit)	68.9% (target 70%)
Stroke National Audit Programme (Sentinel & SINAP)*	100%
Cardiac arrhythmia (Cardiac Rhythm Management Audit)	Ongoing data collection

Renal Replacement Therapy (Renal Registry)*	Ongoing data collection
Lung cancer (National Lung Cancer Audit)	Ongoing data collection
Bowel cancer (National Bowel Cancer Audit Programme)	85%
Head & Neck Cancer (DAHNO)	98.2%
Oesophago-gastric cancer (National O-G Cancer Audit)	Ongoing data Collection
Falls & fragility fracture programme, includes National Hip Fracture Database	NHFD 99% Inpatient Falls pilot 100%
Severe trauma (Trauma Audit & Research Network)	53.6%
Audit of patient information and consent (National Comparative Audit of Blood Transfusion)	Data collection in progress
Audit of the use of anti -D (National Comparative Audit of Blood Transfusion	100%
National Confidential Enquiry into Patient Outcome & Death (NCEPOD) – Lower Limb Amputation	100%
National Confidential Enquiry into Patient Outcome & Death (NCEPOD) – Tracheostomy	100%
National Confidential Enquiry into Patient Outcome & Death (NCEPOD) – Gastrointestinal Bleed	Data collection in progress

Northampton General Hospital does not provide the following primary or specialist services and therefore data was not entered for the audits listed below.

Adult Cardiac Surgery (ACS)
Congenital Heart Disease (Paediatric Cardiac Surgery)
National Audit of Schizophrenia
Paediatric Intensive Care
POMH-UK (Prescribing in Mental Health Services)
Pulmonary Hypertension
Suicide & Homicide in Mental Health (NCISH)

The reports of 33 national clinical audits were reviewed by the provider in 2013-2014 and Northampton General Hospital intends to take the following actions to improve the quality of healthcare provided:

National Clinical Audits	Actions
1. Neonatal intensive and special care (NNAP)	• Continue to work with midwifery services to increase the number of babies who have their temperature measured in the first hour. • Promote the use of antenatal steroids where appropriate. • Continue to promote breastfeeding and expression of breast milk. • Continue to update parents as soon as possible after admission and record the conversation. • Establish system for recording two year neurodevelopmental outcomes.
2. National Paediatric Diabetes (RCPH)	• Embed the use of the “Twinkle” database into routine use. • Recruitment of a Paediatric Diabetes Specialist Nurse. • Increase available clinic space for MDT. • Recruitment of a new specialist consultant (Business case approved). • Aim to further increase the percentage of children who meet target HbA1C levels.

National Clinical Audits	Actions
3. National Audit of Seizure Management in Hospitals (NASH2)	• Report received in January 2014. • An initial self-assessment has been performed and the report will be discussed in more detail at the directorate governance meeting.
4. Paediatric Asthma Audit	• Promote use of written asthma management plans for all children admitted with asthma.
5. Paediatric Pneumonia Audit	• Continue to encourage current practice.
6. Feverish Children Audit (College of Emergency Medicine)	• Development of Emergency Department Analgesia Guidelines. • Notes audit for Emergency Department Medical and Nursing Staff. • Implementation of the Paediatric Observation Priority Scoring System.
7. Fractured Neck of Femur (College of Emergency Medicine	• Notes audit for Emergency Department Medical and Nursing Staff. • Design and implementation of a pro-forma for patients attending with suspected Fractured Neck of Femur. • 2 hourly Patient Safety rounds.
8. Renal Colic (College of Emergency Medicine)	• Notes audits for Emergency Department Medical staff. • Development of Ambulatory Care Pathway for Renal Colic. • A Pro-forma has been designed and will be implemented once the pathway has been finalised.
9. Adult Critical Care (ICNARC)	• Continue quarterly monitoring of outcomes compared to national benchmarking figures. • Review areas for concern e.g. sepsis, “trauma, perforation or rupture” and “emergency surgical admissions”. • Review of all late and early deaths following discharge from ITU. • Monthly reviews of all deaths. • Discussion of certain cases at joint speciality meetings.
10. Child Health Reviews - UK	• Design a care plan for all children with epilepsy which links to the protocol for treatment. • Consider linking the care plan to a patient held record or passport. • Implementation of a new dose of buccal midazolam. • Reinforcement of systems already in place to make sure Epilepsy consultant is aware of all relevant patients. • Continue with Child Death reviews. • Reinforce process for peer-review to support Epilepsy consultant.
11. Cardiac Arrest (ICNARC)	• During 2013, this audit started to publish benchmarking figures for the first time. The reports are reviewed by the Resuscitation Team and included in the Patient Safety workstream.
12. Parkinson’s Disease	• Improve documentation of motor, non-motor and ADL assessment.
13. National Vascular Database	• Quarterly reports are compiled and used to monitor activity and outcomes [mortality, length of stay, Dr Foster case-mix adjusted outcomes]. • Cases are cross-checked against theatre ledgers to ensure 100% participation [104%infra-renal AAA report] and monthly coding checks of NVD data are carried out to ensure consistency with HES data. • Performance against the Key Service Outcomes for Specialised Vascular Services is also monitored quarterly. This includes minimum cases required for each procedure.

National Clinical Audits	Actions
14. Carotid Endarterectomies	• Quarterly reports are compiled and used to monitor activity and outcome data outcomes [mortality, length of stay, Dr Foster case-mix adjusted outcomes]. • Carotid specific indicators required for monitoring compliance with NICE standards and the Key Service Outcomes for specialised commissioning are also monitored quarterly. These include 1. Stroke rate within 30 days 2. Delay from symptom to surgery 3. Delay from referral to surgery • Continue to ensure 100% participation by theatre ledger and coding checks monthly. [104% participation Round 5 carotid audit]. • Friday morning emergency list to ensure theatre capacity for carotid surgery within 3 days of referral. • Feedback to be sought from patients undergoing carotid surgery.
15. Elective Surgery (National PROMs Programme)	• Continue to encourage completion of initial patient questionnaire • Continue to review the results.
16. Heart Failure (Heart Failure Audit)	• Submit a business case for more administrative support. • Continue to monitor BNP for identification of patients. • Appointment of a new Heart Failure Nurse. • Continue working as MDT and liaising with community team. • We aim to identify patients who are for palliative care and liaise with Primecare and palliative care teams to ensure appropriate care and treatment in preferred place care.
17. Sentinel Stroke National Audit Programme (SSNAP)	• Development of mood assessment pathways and intervention with support from the CCG. • Development of continence improvement programme. • Continue to work closely with other local hospitals to provide high quality care. Countywide meetings are held to ensure all patients with a stroke are managed at NGH. Data from SSNAP is shared and discussed at these meetings. • Improvement of the imaging pathway for stroke patients.
18. Lung Cancer	• Report received in January 2014. • The report will be discussed in more detail at the directorate governance meeting.
19. Bowel Cancer	• MDT Lead and team to work with Cancer Services Audit Officer to ensure data input and submission are accurate. Sign off with MDT lead prior to uploading the data. • Recording of detail offering laparoscopic surgery to patients.
20. Head and Neck Cancer (DAHNO)	• Continue to improve capture of key data items on Somerset database via the MDT. • Education of SHO's re importance of clear documentation of dental assessment. • Development of a standard proforma to help improve documentation of co-morbidities.

National Clinical Audits	Actions
21. Severe trauma (Trauma Audit & Research Network)	• Review of Major Haemorrhage Protocol and transfer Pack. • Review of Trauma Team leadership. • Review protocol for repatriation of patients. • Review of process for return of X-rays when patients are repatriated. • Develop a system for identification of patients for discussion at trauma group meetings. • Work to ensure all data is captured on TARN. • Improving documentation of trauma reviews by all grades and specialities of doctors, including during transfers. • Established a system for reporting governance issues back to CETN. • Participated in a trauma network peer review. • Developed a system for monthly review of patients transferred to UHCW. • Developed a system for review of patients not transferred from NGH to ensure appropriate management.
22. Emergency Oxygen Audit	• Enhance use of posters explaining appropriate delivery systems for oxygen. • Develop guidance for use of non – rebreathe masks including recommended length of use. • Clarification of rules for signature of oxygen use on drug rounds. • Further education across the trust regarding the prescription and administration of oxygen. • High performance wards to share good practice. • Review anaesthetic prescribing of oxygen. • Local audit in 2014 to assure sustained improvement.
23. Non Invasive Ventilation Audit (NIV)	• The flow chart devised for A&E for the decision making about commencing NIV is to be adapted across the organisation. • With HDU's input review the guidance and produce up to date guidance on settings for NIV. • To review and agree what process will be in place for patient's discharged on oxygen therapy.
24. Hip knee and ankle replacements (National Joint Registry)	• NJR has produced leaflets for circulation to patients which outlines the work and findings of the NJR these leaflets should be available in clinic for patients to see. • Consultants to continue to enter full and accurate data to the NJR • A data quality audit representative has been appointed.
25. National Hip Fracture Database	• All deaths are reviewed. • Monthly data captured for the NHFD is discussed at directorate meetings. • Morbidity is also captured on the T&O M&M database. • Root cause analysis of all cases of post-op infection. • A locum consultant geriatrician has been appointed who will take responsibility for the BPT.
26. Bronchiectasis Audit	• Develop a Bronchiectasis patient information leaflet.
27. Adult Asthma Audit	• Review guidelines according to BTS. • Inhaler technique checklist will be reviewed to determine if applicable, however a process that checking inhaler technique is documented will be implemented. • Mini audit of asthma admissions will be conducted.

National Clinical Audits	Actions
28. National Audit of Dementia	• Targets for Dementia training for all ward staff agreed. • Work has commenced on a draft Care Pathway for patients admitted with dementia and a consultant has been nominated as responsible for the implementation and review of the care pathway. • Dementia champions will be identified for each ward/outpatient department. • Development of monthly audit regarding the support received by carers of people with dementia. Results will be reported to the Trust Board. • Improve access to written information on wards and outpatient departments. • Improve the discharge process and notification so it is more appropriate to the needs of the patients with dementia and their carers. • Full implementation of the NGH Carers Policy. • Review of guidelines for assessment of patients aged 75 and over presenting as an emergency with dementia or other causes of cognitive impairment. (including use of Butterfly Patient Profile) • All patients with a diagnosis of dementia, in whom behavioural changes are reported, will be assessed for the presence of delirium. • Information about patients with dementia will be sought from carers and next of kin. • MDT assessment and specialist assessments will be available for all patients with dementia. • Development of appropriate End of Life guidance for patients with dementia. • For those patients who have cognitive impairment but do not have a diagnosis of dementia, the “outline butterfly” magnets will be used to indicate the need for further assessment of dementia. • Development of Guidelines for the use of anti-psychotic drugs. • Determine service level agreement for liaison psychiatry to meet required standards for patients with dementia. • Monitor inpatient falls in this group of patients. • Monitor readmissions, delayed transfers, use of intermediate care, complaints and feedback from patient forums and focus groups.
29. Cardiac Arrythmia	• Report received in January 2014. • The report will be discussed in detail at the directorate governance meeting.
30. Upper GI Cancer (AUGIS)	• The recommendations of the report have been reviewed.
31. IBD Biological Therapies Audit	• Register as a user on Biologics Audit website and familiarise with Biological Therapies Audit Report and dataset. • To seek clarification from information Governance and Royal College of Physicians about of the amount of patient identifiable data required in the audit. • Commence data input with effect from 01/01/14 in with a view to retrospective data entry.
32. MINAP	• The reports have been reviewed and discussed. • Continue high standard of data entry and compliance with targets.
33. Coronary Angioplasty (NICOR Adult cardiac interventions audit)	• Report received in January 2014. • The report will be discussed in detail at the directorate governance meeting.

The reports of 2 Confidential Enquiries were reviewed by the provider in 2012/2013 and Northampton General Hospital intends to take the following actions to improve the quality of healthcare provided:

Enquiry	Actions
1.National Confidential Enquiry into Patient Outcome & Death (NCEPOD) – Too Lean a Service (October 2012)	• Self- assessment checklist reviewed. • NGH does not provide a bariatric service. On occasion patients with complications of bariatric surgery are admitted as an emergency.
2.National Confidential Enquiry into Patient Outcome & Death (NCEPOD) – Measuring the units (June 2013)	• Self – assessment checklist reviewed. • Highlight issue of need for multidisciplinary alcohol care team and specialist nurse with CCG. • Development of guidelines for 1) Acute decompensated liver disease (1st presentation) 2) Acute Alcoholic Hepatitis 3) Chronic decompensated liver disease • Clarify Indications for ascitic tap, include in the guidelines • Use the guidelines to outline the full set of investigations that are required for a patient who presents acutely with decompensated liver disease. • Further develop "Every Contact Counts" across the trust to screen for alcohol misuse. • Review the potential use of assessment tools and withdrawal scales. • Ensure gastroenterology team are notified of all relevant patients as soon as possible after admission. • Local audit to check adherence to standards for treatment of alcohol – related liver disease. • Continue mortality review.

The reports of 25 local clinical audits, including Safety Academy initiatives were reviewed by the provider in 2013-2014 and Northampton General Hospital intends to take the following actions to improve the quality of healthcare provided:

Local Clinical Audits	Actions
1. Patient Identification	• Wards notified where patients did not have any wristband identification • Results reported to the Operational Meeting • Where some wristbands were hand written, continued education of staff regarding the policy on the use of electronic wristbands • Annual re audit in 2014
2. Fluid Balance Chart Audit	• New format for the Fluid Balance Chart will be introduced • Plan, Do, Study, Act (PDSA) will be undertaken to trial new documentation • Review the need for education for all staff involved in fluid measurement and incorporate where possible into existing training. • Ensure that the Trust's signage is used to raise awareness of fluid balance in general and individual patients' fluid restrictions specifically. • Report all fluid balance-related incidents in line with the trust protocol for incident reporting
3. Protected Meal Times Audit	• Report to Nursing & Midwifery Board • Matrons to cascade the information back to their areas of responsibility • Include observational audit of PMT into the monthly and quarterly QUEST

	Local Clinical Audits	Actions
4.	Nutritional care audits	• Revised 'whiteboard' guidance and magnet ordering process to be sent to all wards • Feedback of 'Nutritional Care' audit findings, to wards and Nutrition Link Nurses • Revise current care plan alongside central venous catheter care plan • Training re nasogastric tube insertion to continue reinforcing appropriate use of documentation • Screensaver to be produced to remind staff of pH testing and documentation
5.	The Electronic Handover System	• Incorporate training on the Electronic Handover System into the induction for all juniors (Foundation Year 1 to Specialty Registrars). • Incorporate reviewing and updating tasks on the electronic handover system into the 'hospital at night' handover. • Consultants must support juniors to recognise patients at risk out of hours and formulate clear management plans for the on-call team.
6.	5 Steps to Safer Surgery	• Team leader's role to extend to overseeing 'The 5 steps to Safer surgery' • Unless the 'first' step is carried out, there should be a refusal to move on to the 'second' step and so on • Full attention and engagement by all members of the team to be expected • Importance of above needs to be emphasised and reiterated to all ODPs, nurses, anaesthetists and surgeons • Continual re-auditing
7.	Audit of the initiation, prescription and administration of opioid analgesia to adult palliative cancer patients in an acute hospital	• Tailor the NICE Opioids in Palliative Care education resource pack to meet the needs of NGH. • Work with practice educators to incorporate guidance into drug administration competencies and training. • Develop formative assessments to be conducted in the ward environment by Ward Managers following completion of training. • Liaise with the Hospital Trusts Medication Safety Group to review the current Medicines Management Policy and Controlled Drugs Procedure. • Identification of errors, including omissions, to be linked with education and competences to measure ongoing areas of concern. • Task/finish group to produce a patient information leaflet and identify a process to ensure this is effectively implemented into clinical practice. • Task/finish group to produce local guidance on both prescription and administration of opioids • Task/finish group to review the current Trust Pain Assessment and Core Care Plan to reflect NICE (2012) guidance.
8.	Re-audit of Management of Head Injury in Children	• Minor amendments to be made to ICP • Training of new doctors and nurses to be included in Induction training and discussed at paediatric audit department meeting • ICP to be loaded on NGH intranet.
9.	Audit of Wet Age Related Macular Degeneration Service at NGH	• Continue to ensure compliance with college standard of seeing (and treating) all new patients within 2 weeks.
10.	Audit of temporal arteritis referrals to the Rheumatology department at Northampton General Hospital and evaluation of temporal artery biopsies.	• Continue improvement in biopsy positivity following changes to referral pathway. • Re-audit in 2014/15.
11.	An audit of the use of Image Guided Percutaneous Lung biopsy in the management and diagnosis of primary bronchial carcinoma	• Continue to use cytology or histopathological sampling as appropriate for final diagnosis.

Local Clinical Audits	Actions
12. Velcade Audit [NICE TA228]	• Review inconsistencies in data between cancer registry and pharmacy data.
13. Allergy Documentation Audit	• Teaching session for Junior Doctors on allergy documentation and Penicillin reactions
14. Audit of the sensitivity of Double Contrast Barium Enema examinations for Colorectal Cancer	• Double reporting of DCBE to be continued as the diagnosis rate was increased. • For re-audit in 2014/15.
15. Prescription of extended VTE prophylaxis	• A prompt for eVTE prophylaxis to be added to the EDN prescribing section. • To raise awareness, include in induction for all junior doctors.
16. Accuracy of MRI for Endometrial Cancer Staging	• MRI reporting should be standardised. • MRIs should continue to reviewed in Gynaecological MDTs and be subject to double reporting.
17. Audit of Documentation of FIGO Staging Data for Gynaecological Cancers 01/04/2012–31/03/2013	• Ensure that all staging is discussed, agreed and entered onto the Somerset database at the MDT. • Contact the Somerset Database team to clarify how to document stage for patients with recurrent cancer and for those who do not have surgery where a surgical stage is required by FIGO. • Re audit in 12 months as required by the CLE in Peer Review.
18. Renal Biopsy	• Develop a biopsy referral pathway • Establish criteria for Day case renal biopsies • Acquire a dissecting microscope to reduce negative biopsies
19. Code Red Audit	• All staff who have direct patient contact receive Code Red within all resuscitation training appointments. • All adult wards have code red magnets (including obstetrics,) • Paediatric wards to have code red magnets issued with PEWS launch early summer. • Team leader arm bands are in all emergency trolleys to be worn by the most appropriately trained person at an emergency, and this is embedded within all resuscitation training appointments. • Code red protocol is included within the Resuscitation policy. The paediatric element is being drafted and will be forwarded for ratification by April 2014 • PDSA project regarding giving timely factual feedback regarding EWS is on track for commencing in May 2014. • There is presently no system available for collecting telephone data for code red patients. However this will hopefully be possible once VitalPac has been launched.
20. Ward round standardisation and practice audit	• Ward round stickers have been introduced within Medicine and now need roll out to other specialities • The ward round project won 1st prize at NGH Hospital Audit competition as well as 1st prize at the Royal Society of Medicine. • Meetings are underway within General Surgery and T&O to facilitate usage of the productive ward round. There is a trial underway currently to ascertain patient satisfaction within acute surgical ward rounds • Trial sticker and process as PDSA within urology for weekend plan of care • Introduce into the emergency areas within medicine as PDSA • Facilitate correct clinical coding • Create feedback form for colleagues • Re audit practice and share findings with PDSB and clinical teams

Local Clinical Audits	Actions
21. Failures of Care	Much work has been undertaken which addresses aspects of care which are set as basic standards within our regulatory frameworks. Eg: • Training staff into oxygen prescription awareness is included within all resuscitation training appointments. The Trust is now seeing an improvement in the BTS audit. • An audit conducted last year demonstrated 100% compliance with MRSA decolonisation protocols in the relevant wards. Surgical site infection results are 0% for patients who have had caesarean sections, hip replacements or knee replacements. • Incidence of omitted medicines in December was 6%, with only one ward with > 25% of patients having a medicine omitted. This is the lowest since May 2012. • E learning package for falls prevention introduced. • Internal QuEST audit has demonstrated compliance with pressure ulcer prevention documentation (aggregate of 5 measures relating to care planning documentation was 88.9%). • Re-decoration of selected wards in a way as to assist patients with dementia to find their way around the ward is underway. Funding to purchase 50 wall clocks obtained from charitable funds. Work commenced to replace signage on toilet and bathroom doors in selected wards • New food intake charts are currently being developed.
22. Failure to Plan	• Nursing documentation is now reviewed via the internal QuEST audit inspections. • The question data set for reviewing medical documentation has been streamlined in order to ensure continuity and reproducibility. There is a focus on the current episode rather than the whole documentation. • New focus on the surgical non-elective admission proforma. The audits within the medical directorate continue to have promising results. • There is much work underway on our eDN including the formation of a multidisciplinary T&F group. • There is a refreshed focus on communication with GP's & Primary care. This includes the GP issues log which has been reinstated. The work stream safety lead has attended the Central & West PLT to discuss this, eDN and pneumonia discharge information. An early evening drop-in session for GP's to have an audience with members of the Safety Academy is planned as a pilot. • The Trust overall HSMR remains satisfactory for pneumonia. A new CURB sticker is due for launch soon along with a patient discharge information leaflet.
23. Failure to Rescue	• EWS audits have been extended to the inpatient community sites, obstetric and paediatric wards. Since October 2013 the Safety Academy has worked on one joint campaign, the EWS escalation campaign. The campaign has focussed on supporting and educating staff in their workplace with all aspects of the EWS system. The campaign so far has demonstrated increases in: ➢ Patient safety leaflets issued to patients has risen from 10 to 90% ➢ Safety board compliance has risen from 42 to 93% ➢ Staff knowledge – on campaign visits, 79% of staff have been confident on questioning, with 21% of staff requiring some input/education • VitaPac is on target for roll out from March 2014. This will enable data to be available to CCOT, doctors and for audit purposes identifying the location of patients who are deteriorating within the Trust. • All resuscitation training appointments / courses include; cardiac arrest prevention; oxygen prescription; sepsis (pneumonia bundle for all Doctors); BLS.

Local Clinical Audits	Actions
24.	• The Maternity Service has launched a sepsis care pathway and the Paediatric wards have been asked to address having a pathway for their specialty. • DNACPR & TEP forms have been re-launched in January 2014 to clarify when a TEP should be completed and by whom. • A project to reduce in patient ward cardiac arrests by at least 50% utilising a score will start in May 2014. A trust-wide PDSA will be undertaken for a month. This will facilitate learning from situations where there have been failures to recognise or act upon deterioration and enable new approaches to be adopted.
25. Learning from Serious Incidents	• The management of incidents including SI's policy has been rewritten and is now out for consultation. Training and allocation of suitable investigators has been agreed. All closed SI action plans will be reviewed by the Safety Academy and is now a standard agenda item every two months. • A review of all serious incidents within Medicine and Emergency care over the past year has been developed into a newsletter called SIN (Serious Investigation News), shared with all relevant consultants. A review of all action plans from the previous 2 years is also incorporated into the SIN discussion. • Weekend and out of hours support - the additional support on 2 evenings and at weekends is now embedded within the out of hours rota, and its success has now led to other departments looking at the same model. • The Patient Safety Learning Forum now has a refreshed agenda which includes all attendees sharing one aspect of learning that has occurred as a result of a recent incident /SI / complaint. The Governance leads also feedback within this group the active incidents within the Care Groups that they are responsible for.
26. Human Factors	• The Trust currently has 260.Safety Champions from all areas in the Trust (clinical & non-clinical). All champions receive 3 monthly updates and are asked to communicate key messages to their teams and get involved with project work as appropriate. Ward based champions names are displayed on the Safety & Quality boards. • There is now a plan to run educational sessions linked to recent SI's to help with embedding lessons learnt. It is envisaged that video's will be taken to assist with wider dissemination of these key messages. • All attendee's within the Sim Centre receive Human Factors awareness training.

Participation in Clinical Research

The number of patients receiving NHS services provided by Northampton General Hospital NHS Trust from April 2013 to March 2014 that were recruited during that period to participate in research approved by a research ethics committee was around 2000. 1308 patients were recruited to studies on the National Institute of Health Research portfolio.

Participation in clinical research demonstrates NGH's commitment to improving the quality of care we offer and to making our contribution to wider health improvement. Our clinical staff stay abreast of the latest possible treatment possibilities and active participation in research leads to successful patient outcomes.

Clinical staff across the Trust participated in research approved by a research ethics committee at NGH during April 2013 to March 2014. In the last year there has continues to be a lot of studies in newly research active areas such as dermatology and renal. Recently studies in ITU, accident and emergency have contributed many patients into the recruitment figures.

In the last three years, we have demonstrated our engagement with the National Institute for Health Research (NIHR) by participating in over fifty clinical trials, which shows our commitment to transparency and desire to improve patient outcomes and experience across the NHS. Our engagement with clinical research also demonstrates NGH's commitment to testing and offering the latest medical treatments and techniques to our patients.

Goals Agreed with Commissioners

A proportion of NGH income in 2013/14 was conditional on achieving agreed quality improvement and innovation goals as part of the commissioning contract. In 2013/14 the two lead commissioning bodies were Nene Clinical Commissioning Group and Specialised Commissioning (Leicester and Lincolnshire Area Team) NHS England. The table below summarises our targets and outcomes for 2013/14

CQUIN 2013-14	Final
NATIONAL CQUINS	
1.VTE	
1a. 95% of all adult inpatients to have a VTE risk assessment	
1b. VTE Root Cause Analysis.	
3. Improve awareness and diagnosis of dementia, using risk assessment, in an acute hospital setting	
3a.Dementia case finding	
3b.initial diagnostic assessment	
3c. referral for specialist diagnosis	
3d.Lead clinician and appropriate training of staff	
3e.Supporting Carers of People with Dementia (monthly audit)	
LOCAL CQUINS	
1. Develop and implement AECP	
1a AECP for Chest Pain	
1b. AECP for Pulmonary Embolism	
1c. AECP for Supraventricular Tachycardia	
1d. AECP for Pleural Effusion	
1e..AECP for Painless Jaundice	
2. Development of HOT Clinic	
2a. HOT Clinic for Paediatrics	
2b. HOT Clinic for Surgery	
2c. HOT Clinic for Medicine	
NHS ENGLAND CQUINS	
1. Friends & Family	
1a. Phased expansion of Friends and Family Test (maternity services)	
1b. increase response rate to at least 20%	
1c. Improve performance on staff Friends & Family Test	
2. 50% reduction in all new Pressure Ulcers that are avoidable.	
3. Quality Dashboards	
4. Timely Simple Discharge	
5. Improved access to breast Milk -% of babies less than 33wks discharged on breast milk	
6. Acute Kidney Injury	

CQUIN key

GREEN	Full payment
AMBER	Partial payment
RED	No payment

Explanation of red area: 50% Reduction in all new pressure ulcers that are avoidable. Recent recruitment of a new tissue viability teams means that more accurate assessment and reporting across the Trust has resulted in achieving a clearer picture of the true position. A significant work stream is now in place to increase training, improving nursing documentation and implementing the SSKIN care bundle as a local CQUIN for 2014.

Goals Agreed with Commissioners for 2014/15

The tables below indicate the targets agreed for the current year.

	CQUINS
National 1 Friends and Family Test Staff	1a Implementation of staff FFT as per guidance, according to the national timetable
	1b Early implementation
Friends and family Test Patients	2 Increased or Maintained Response Rate
	3 Decreasing negative responses in patient FFT or maintaining zero negative responses
National 2 NHS Safety Thermometer	2.1 Reduction in the incidents of avoidable hospital acquired Grade 2 pressure tissue damage
	2.2 Reduction in the incidents of avoidable hospital acquired Grade 3 pressure tissue damage
	2.3 Reduction in the incidents of avoidable hospital acquired Grade 4 pressure tissue damage
National 3 Dementia	3.1 Dementia – Find, Assess, Investigate and Refer
	3.2 Dementia – Clinical Leadership
	3.3 Dementia – Supporting Carers of People with Dementia
Local 1	Standardised approach to morbidity & mortality review
Local 2	7 day working
Local 3	Effective Discharge Arrangements
Local 4	SSKIN Care Bundle Implementation
Local 5	Indwelling urethral urinary catheter, insertion and on-going care. (CRUTI)
Local 6	Care Bundles – Heart failure
Local 7	Care Bundle - COPD
Specialist Local 1	Specialised Services Quality Dashboards

Local Quality requirements NGH Quality Schedule

Quality Requirement
Making Every Contact Count
End of Life care
Enhanced Recovery
Ambulatory Care Pathways
Patient Safety
Learning
Quality care for Patients with a Learning Disability
Patient Experience
MUST Assessments
WHO surgical checklist
National Early Warning Score (NEWS)
Safeguarding
Cost Improvement Programmes
Workforce
VTE

Audit and Quality Assurance

The audit committee commissions an annual programme of internal audit to ensure the robustness of information provided to the Trust board and the Integrated Healthcare Governance Committee. In order to be able to give wider assurance the audit committee also commissions an external auditor to undertake a review of the quality account and to specifically test two performance indicators included in the 2013/14 quality account. These were agreed as the FFT results and Infection Control reporting for Clostridium Difficile.

NHS Number and General Medical Practice Code (GMPC) Validity

The Trust submitted records between April 2013 and December 2013 to the Secondary Users Service for inclusion in the Hospital Episode Statistics which are included in the latest published data as below and compared to the previous years' results:

Period: Apr 12 - Dec 12	Valid NHS Number	Valid GMPC
Admitted Patient Care	99.6%	100%
Outpatient Care	99.8%	100%
Accident & Emergency Care	94.9%	100%
Period: Apr 13 - Dec 13	Valid NHS Number	Valid GMPC
Admitted Patient Care	99.6%	100%
Outpatient Care	99.8%	100%
Accident & Emergency Care	97.3%	98.7%
Comparison	Valid NHS Number	Valid GMPC
Admitted Patient Care	0.0%	0.0%
Outpatient Care	0.0%	0.0%
Accident & Emergency Care	2.4%	-1.3%

Information Governance Toolkit Attainment Levels

The Information Governance (IG) Toolkit was completed and submitted on 31st March 2014 with an overall score of 80% and a return of 'Satisfactory'. There are three main areas which require ongoing improvement. These are:

- 112 Information governance mandatory training – the Trust is required to achieve 95% staff compliance in IG training within a year's cycle. This has been a continuous struggle to achieve however the IG Team will be implementing new initiatives to improve the Trust's Compliance figures.
- 300's Information Security Assurance - further work is required to ensure that our processes are robust in identifying and managing risks. The Trust will build an up-to-date Information Asset register with detailed system risk assessments and Information Asset owners
- 604 Corporate Records Management – the Trust is required to carry out corporate records audit in at least 4 corporate areas annually. The aim of this requirement is to have all corporate areas audited within a 3 to 4 year cycle. This has not been properly implemented for previous submissions.

Action plans and a work schedule are being developed for a more proactive and robust approach to the Information Governance Toolkit, with particular attention paid to the above areas. This is monitored through the IG Leads Board chaired by the Head of Information and Data Quality

Clinical Coding Error Rate

Objective/Method

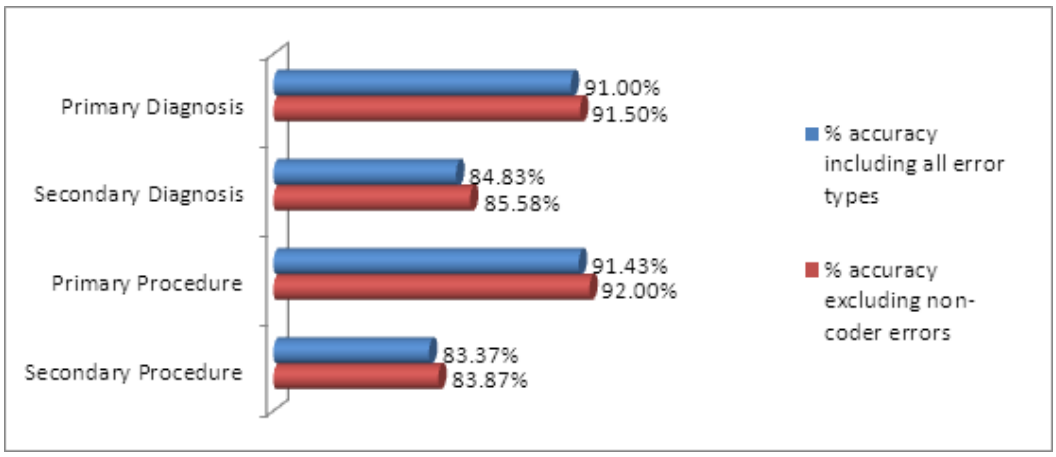
To assess Northampton General Hospital NHS Trust surgical care group coding performance against recommended achievement levels for Information Governance Toolkit Requirement 505. Exactly 200 surgical episodes were audited using the NHS Classification Service Clinical Coding Audit Methodology Version 6.0.

Findings

The figures in the table below outline the percentage accuracy scores for the 200 episodes. As the table demonstrates, both the diagnostic and the procedural coding were found to be sufficient to reach level 2 IG requirements.

	% Accuracy	IG Level 2 Requirements	IG Level 3 Requirements
Primary Diagnosis	**91.00%**	90.00%	95.00%
Secondary Diagnoses	**84.83%**	80.00%	90.00%
Primary Procedure	**91.43%**	90.00%	95.00%
Secondary Procedures	**83.37%**	80.00%	90.00%

The majority of error source could be attributed to the coder though there were instances of non-coder errors found. A comparison of the overall percentages with and without non-coder errors is seen in the chart below.



Core Quality Indicators

In 2009, the Department of Health established the National Quality Board (NQB) bringing the DH, the CQC, Monitor, the National Institute for Health and Clinical Excellence (NICE) and the National Patients Safety Agency (NPSA) together to look at the risk and opportunities for quality and safety across the whole health system. The NQB requires reporting against a small, core set of quality indicators for the 2013/14 reporting period, aligned with the NHS Outcomes Framework.

The performance of data for NGH is shown for 2013/14 and the previous year (2012/13), along with the national average for 2012/13 where this is available. NGH considers that this data is as described because it has been verified by internal and external quality checking.

NHS Outcomes Framework Domain	NGH Performance		National Average
	2013/14	2012/13	2012/13
Domain 1 – Preventing people from dying prematurely			
The value and banding of the Summary Hospital-Level Mortality Indicator (SHMI) for the Trust	110 (Most recent data Oct 12 to Sept13)	116	100
The percentage of patient deaths with palliative care coded at either diagnosis or specialty level for the Trust			
Domain 2 – Enhancing quality of life for people with long term conditions			
The value and banding of the Summary Hospital-Level Mortality Indicator (SHMI) for the Trust	110 (Most recent data Oct 12 to Sept 13)	116	100
The percentage of patient deaths with palliative care coded at either diagnosis or specialty level for the Trust	32% (inclusive of community wards)		
Domain 3 – Helping people to recover from episodes of ill health or following injury			
Patient reported outcome scores (PROMS) (participation) for: • Groin hernia surgery	**Apr-Sep 2013** 81.9%	**2012/13** 86.3%	**2012/13** 61.3%
• Varicose vein surgery	48.0%	69.9%	44.0%
• Hip replacement surgery	61.0%	97.6%	82.6%
• Knee replacement surgery	68.5%	114.0%	89.6%
Emergency readmission to hospital within 28 days of discharge (Dr Foster)	**Apr-Dec 2013** 7.5%	**Apr-Dec 2012** 7.0%	**National comparison** Significantly higher than expected (Apr-Dec'13)
• Emergency readmission to hospital within 28 days (age 0-14)	10.9%	9.6%	Significantly higher than expected (Apr-Dec'13)
• Emergency readmission to hospital within 28 days (age 15+)	6.9%	6.6%	As expected (Apr-Dec'13)

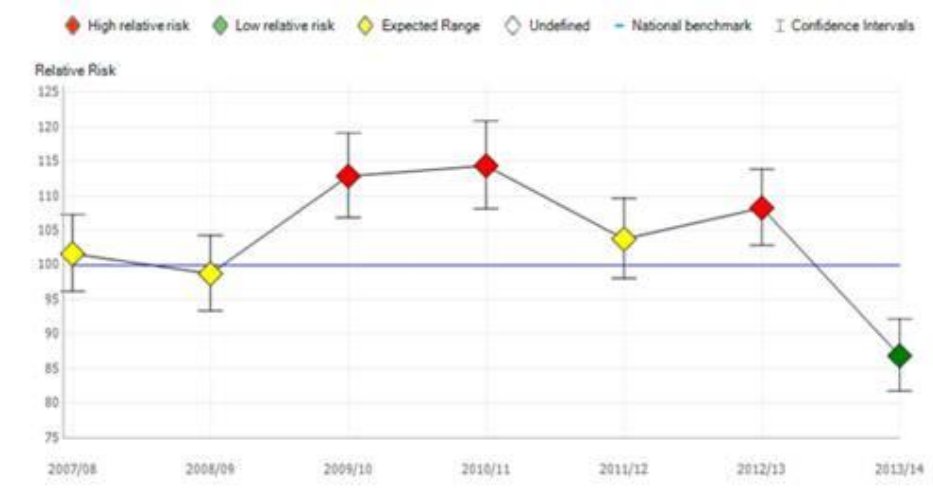
Domain 4 – Ensuring that people have a positive experience of care			
Responsiveness to inpatients' personal needs * • Wait to be allocated a bed on a ward	7.3	7.4	About the same as other Trusts.
• Noise at night (patients)	5.1	5.1	About the same as other Trusts
• Noise at night (staff)	7.4	7.3	Worse than other Trusts
• Patients involved in decisions about their discharge from hospital	6.9	6.6	About the same as other Trusts
• Explanations around side effects of medications following discharge	4.3	4.3	About the same as other Trusts
Staff recommendation of the Trust as a place to work or receive treatment (NHS staff survey) **	3.52	3.35	3.68
Domain 5 – Treating and caring for people in a safe environment and protecting them from avoidable harm			
Percentage of admitted patients risk-assessed for Venous Thromboembolism (VTE)	96.75 %	93%	
Rate of C. Difficile (number of cases)	26	30	
Number of incidents reported in the financial year	3,980 (NRLS Apr 13 to Sep 13)	6,760 (NRLS)	Middle 50% of reporters (NRLS)
Rate of patient safety incidents per 100 admissions (as defined by National Reporting Learning System (NRLS)	8.27 (NRLS Mar 13 to Sep 13)	7.60 (NRLS Oct 12 to Mar 13)	7.23 (NRLS Mar 13 to Sep 13)
Number and percentage resulting in severe harm or death	13 0.30% (NRLS Mar 13 to Sep 13)	11 0.30% (NRLS Oct 12 to Mar 13)	0.20% (NRLS Mar 13 to Sep 13)

Hospital Mortality Monitoring

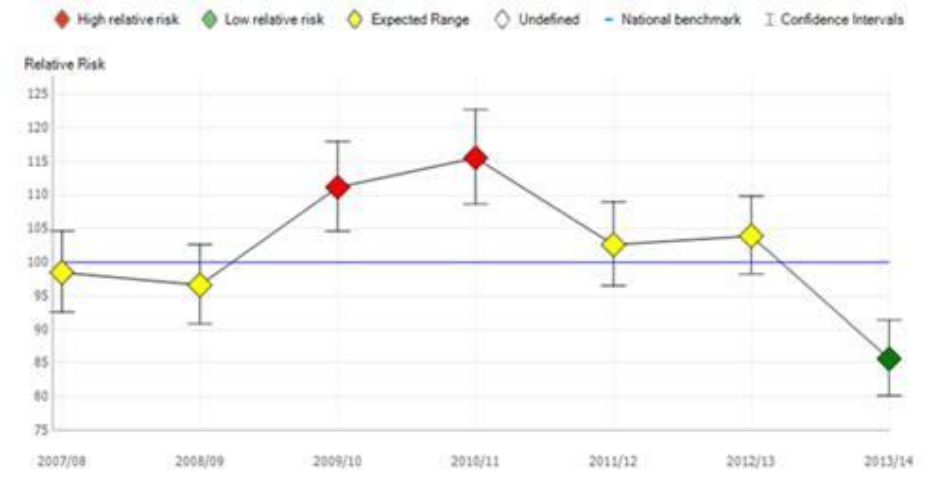
NGH uses 3 headline mortality monitoring tools which are benchmarked against all other hospitals in England and examine inpatient mortality rates. 2 indicators [HSMR and HSMR 100] are provided to the Trust by Dr Foster™ 2 months in arrears.

HSMR [Hospital Standardised Mortality Ratio] measures mortality from the 56 most common and serious conditions causing >80% hospital deaths: HSMR 100 looks at all hospital deaths. Both mortality indicators are adjusted, taking into account the age of each patient and their general health before their admission. These indicators can be analysed in detail to identify areas of care which require further analysis and investigation. The information is reviewed in detail each month by the Associate Medical Director, and a structured report is presented to the Medical Director and discussed at CQEG and Trust Board. The findings and planned actions for any areas of concern are presented bimonthly to the Mortality & Coding Review Group.

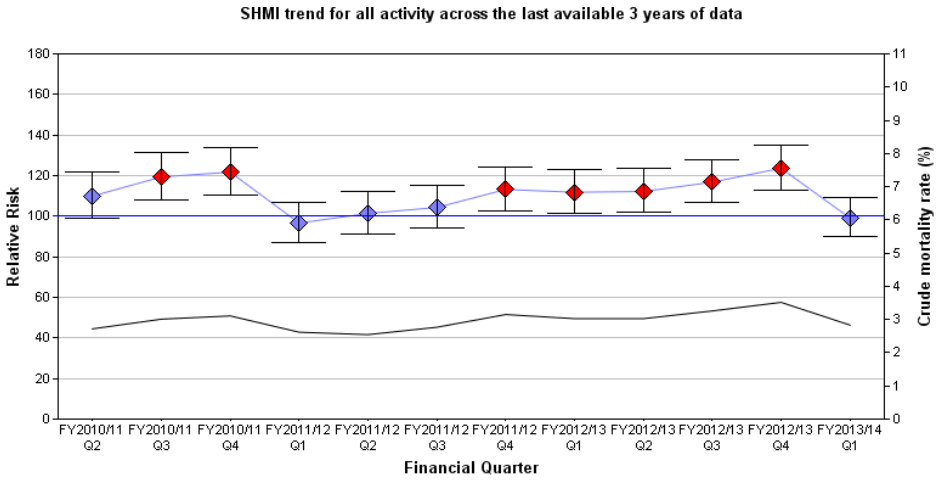
HSMR 100



HSMR 56



Both of the above measures show improvement since 2008. Performance during 2012-13 was as expected; performance to January 2014 shows continuing improvement.
A third metric, SHMI [Summary Hospital-level Mortality Indicator] is also used, provided by DH 9 months in arrears since 2010. It looks not only at hospital mortality, but also deaths that occur within a month of discharge, which may therefore reflect the care received outside the hospital. It also has a different casemix adjustment method, and so is not directly comparable to HSMR. Trust performance assessed by this method has been less satisfactory during 2012-13, but is now showing signs of substantial improvement and is expected to return to normal by the end of 2013-2014.



The Trust is currently rolling out a programme to enable clinicians to monitor performance in their own specialty and review all deaths to ensure that standards of care are appropriate.

Improving Patient Safety by Reducing Infections

The Infection Prevention Team is pleased to confirm that the 2013-14 target set by our commissioners for the number of hospital-attributable (post-3 days after admission) cases of C.difficile infection was met. We have reported a total of 26 cases against a target of 29. This was achieved by prudent antibiotic prescribing and applying appropriate infection control measures to all patients with symptoms of diarrhoea while carefully ensuring appropriate laboratory testing. C.difficile infection remains a significant issue for patients. The trust managed 48 cases of C.difficile infection, including 22 cases diagnosed in primary care or in the first 3 days of admission.

By focussing on the care and management of patients with central venous catheters we have successfully reduced the number of hospital acquired (post-48 hours after admission) methicillin-sensitive Staph. aureus bloodstream infections from 12 in 2011-12 and 11 in 2012-13 to just 6 in 2013-14.

We were disappointed to have to report a case of hospital-attributable MRSA bacteraemia. A case review was undertaken to ensure lessons were learnt from this incident.

Corporate scorecard report 2013/14

The Trust continually monitors its performance against various indicators which are used to inform the Trust and external organisations of progress and to inform decisions about service improvement. The corporate scorecard for year end March 2014 is shown as an example below.

Corporate Scorecard 2013-14	Target 2013-14	Final	Final RAG Rating
Patient Safety			
HQU01: HCAI measure (MRSA)	0	0	
HQU02: HCAI measure (CDI)	29 per year	2	
HQU08: MSSA Numbers	No national ceiling set	0	
E Coli ESBL Quarterly Average	7 per month	1	
VTE Risk Assessment completed	95% month on month	97.2%	
High risk patients receive appropriate treatment	95% Month on month	100%	
MRSA Screening Elective Patients	100% month on month	99.6%	
MRSA Screening Non-Elective Patients	100% month on month	96.9%	
Ward Traceability Compliance Number of Unfated Units	0 month on month	15	
Incidence of pressure ulcers			
Grade 3 - New avoidable pressure ulcer		7	
Grade 3 - New unavoidable pressure ulcer		1	
Total Grade 3 - New pressure ulcer		8	
Grade 4 - New avoidable pressure ulcer		0	
Grade 4 - New unavoidable pressure ulcer		0	
Total Grade 4 - New pressure ulcer		0	
Total Grade 3 & 4 Pressure Ulcers		8	
Reduce harm from falls			
Catastrophic	0	0	
Major/Severe	0	1	
Moderate	0	0	
Mandatory Training compliance Full Year Impact			
Primary Levels Excluding B&H	80%	75.5%	
Attendance at Trust Induction	80%	88.1%	
Number of surgical site infections			
Fracture neck of femur - Number of Operations	-	3	
Number of infections	-	0	
% infection rate (monthly)		0.0%	
% of surgical site infections (Quarterly HPA submission)	Nat. Ave 1.6%	Awaiting quarterly report	
Total hip replacements - Number of Operations	-	18	
Number of infections	-	0	
% infection rate (monthly)		0.0%	

Corporate Scorecard 2013-14	Target 2013-14	Final	Final RAG Rating
% of surgical site infections (Quarterly HPA submission)	Nat. Ave 1.6%	Awaiting quarterly report	
Total knee replacements - Number of Operations	-	21	
Number of infections	-	0	
% infection rate (monthly)		0.0%	
% of surgical site infections (Quarterly HPA submission)	Nat. Ave 1.6%	Awaiting quarterly report	
Full implementation of patient safety alerts e.g. NPSA, CAS, Medical Device Alerts etc			
Open Central Alert System (CAS) Alerts	0	0	
NICE clinical practice guidelines and TAG compliance	80%	81.1%	
Serious Untoward Incidents	-	12	
Never Events	0	0	
WHO Surgical Safety Checklist	100%	100%	
Healthcare Notes Audit			
Q.1 Does the front page of every sheet contain an addressograph label	100%	64%	
Q.2 Does addressograph include the NHS Number?	100%	97%	
Q.3 If there is NO addressograph label does the page contain: Patient's Full Name	100%	75%	
Q.4 If there is NO addressograph label does the page contain: Date of Birth	100%	61%	
Q.5 If there is NO addressograph label does the page contain: Hospital Number	100%	58%	
Q.6 If there is NO addressograph label does the page contain: NHS Number	100%	21%	
Q.7 Is record legibly written	100%	97%	
Q.8 Written in blue/black ink	100%	100%	
Q.9 Is record Contemporaneous i.e. Written in chronological order and within 24 hours of care event	100%	97%	
Q.10 Is date recorded for each entry	100%	86%	
Q.11 Is time recorded for each entry	100%	86%	
Q.12 Is there a signature of the person making the entry	100%	92%	
Q.13 Is surname printed in block capitals	100%	64%	
Q.14 Is the staff designation recorded	100%	62%	
Q.15 Medical Records Audit only: Is the GMC number present	100%	50%	
Q.16 Are any alterations / deletions scored through with a single line	100%	46%	
Q.17 Is there a signature recorded next to any alterations/deletions	100%	43%	
Q.18 Is there a date recorded next to any alterations/deletions	100%	43%	
Q.19 Is there a time recorded next to any alterations/deletions	100%	16%	
Q.20 Medical Records Audit only: Is there evidence of a clear plan of care/treatment	100%	97%	
Q.21 Medical Records Audit only: Is there evidence of communication to relatives and teams	100%	57%	
Q.22 Medical Records Audit only: Is there evidence of an entry by medical staff at least once a day	100%	96%	

Corporate Scorecard 2013-14	Target 2013-14	Final	Final RAG Rating
Q.23 Are there any loose sheets in the Healthcare record	0%	6%	
Patient Experience	Target 2013-14		
Cancelled Operations not rebooked within 28 days	0	1	
Hospital Cancelled Operations	6.0%	N/Avail	
Number of written complaints received	-	52	
Complaints Responded to within agreed timescales	100%	N/Avail	
Referral to Treatment waits			
Admitted Patients	90.00%	95.18%	
Non Admitted Patients	95.00%	98.57%	
Ongoing Patients	92.00%	97.05%	
A&E Quality Indicators (5 measures)			
Time Spent in A&E (Month on Month)	95%	90.43%	
Time Spent in A&E (Cumulative)	95%	90.47%	
Total time in A&E (95th percentile)	95th	05:42	
Time to initial assessment (95th percentile) patients arriving by ambulance	<15 mins	00:59	
Time to treatment decision (median)	<60 mins	00:51	
Unplanned re-attendance rate	=<5%	6.24%	
Left without being seen	>1% and <5%	0.25%	
Ambulance handover times > 15 minutes	0	1165	
Ambulance handover times > 60 minutes	0	90	
Cancer Wait Times			
2 week GP referral to 1st outpatient	93%	90.9%	
2 week GP referral to 1st outpatient - breast symptoms	93%	86.0%	
31 Day	96%	93.2%	
31 day second or subsequent treatment - surgery	94%	100.0%	
31 day second or subsequent treatment - drug	98%	100.0%	
31 day second or subsequent treatment - radiotherapy	94%	96.2%	
62 day referral to treatment from screening	90%	94.4%	
62 day referral to treatment from hospital specialist	80% (local target)	92.9%	
62 days urgent referral to treatment of all cancers	85%	79.2%	
SRS08: Length of Stay (Acute & MH)			
Elective	3.20	3.9	
Non-Elective	5.30	4.7	
SRS09: Daycase Rate	85%	N/Avail	
SQU11: PROMS Scores - Pre Operative participation rates			
Groin Hernia - Participation Rate	Eng.Ave 57.6% (target 80%)	81.9%	
Hip Replacement - Participation Rate	Eng.Ave 79.2% (target 80%)	61.0%	
Knee Replacement - Participation Rate	Eng.Ave 90.5% (target 80%)	68.5%	
Varicose Vein - Participation Rate	Eng.Ave 39.9% (target 80%)	48.0%	
All Procedures - Participation Rate	Eng.Ave 72.7% (target 80%)	69.8%	

Corporate Scorecard 2013-14	Target 2013-14	Final	Final RAG Rating
Clinical Outcomes	Target 2013-14		
HSMR - monthly position for 2013-14 (YTD)	<100	N/Avail	
HSMR - 12 Monthly cumulative position		N/Avail	
HSMR- cumulative position for 2013-14			
Pneumonia	<100	N/Avail	
Fracture of neck of femur (hip)	<100	N/Avail	
Acute Cerebrovascular disease	<100	N/Avail	
Congestive heart failure, nonhypertensive	<100	N/Avail	
Acute myocardial infarction	<100	N/Avail	
SHMI (based upon date of SHMI report publication)	<100	N/Avail	
SQU12: Maternity 12 weeks	90%	81.0%	
SRS10: Delayed Transfers of Care – Acute & MH	3.0%	N/Avail	
Fractured neck of Femur			
Patients fit for surgery within 36hrs	-	28	
Number of patients admitted with FNOF who were operated on within 36 hrs	-	24	
% of patients admitted with FNOF who were operated on within 36 hrs of being fit for surgery	100%	85.7%	
Patients admitted as Emergency with GI Bleed scoped within 24 hours	100%	93.0%	
50% of suspected stroke patients given CT scan within 1 hour of arrival	50%	49%	
100% of suspected stroke patients given CT scan within 24 hours of arrival	100%	100%	
Percentage Transient Ischaemic Attack (TIA) cases with a higher risk of stroke who are treated within 24 hours	60%	76.9%	
Patients who spend at least 90% of their time on a stroke unit	80%	63.0%	
Breast Feeding initiation	75%	81.4%	
Caesarean Section Rates - Total	<25%	29.2%	
Caesarean Section Rates - Emergency	14.98%	16.8%	
Caesarean Section Rates - Elective	12.00%	12.4%	
Home Birth Rate	>=3%	4.3%	
Number of readmissions within 28 days (Adult)	-	Not Avail	
Number of readmissions within 28 days (Children)	-	Not Avail	
CQUIN 2013-14	Target 2013-14		
NATIONAL CQUINS			
1.VTE			
1a. 95% of all adult inpatients to have a VTE risk assessment	95% month on month CQUIN payment to be received if both 1a and 1b are achieved. 60% of all root cause analyses completed	97.2%	
1b. VTE Root Cause Analysis.		On track	
3. Improve awareness and diagnosis of dementia, using risk assessment, in an acute hospital setting			
3a.Dementia case finding	90% 3 consecutive months	90.7%	

Corporate Scorecard 2013-14	Target 2013-14	Final	Final RAG Rating
3b.initial diagnostic assessment	90% 3 consecutive months	95.5%	
3c. referral for specialist diagnosis	90% 3 consecutive months	95.0%	
3d.Lead clinician and appropriate training of staff	Yes	On track	
3e.Supporting Carers of People with Dementia (monthly audit)	Yes	On track	
LOCAL CQUINS			
1. Develop and implement AECP			
1a AECP for Chest Pain		On track	
1b. AECP for Pulmonary Embolism		On track	
1c. AECP for Supraventricular Tachycardia		On track	
1d. AECP for Pleural Effusion		On track	
1e..AECP for Painless Jaundice		On track	
2. Development of HOT Clinic			
2a. HOT Clinic for Paediatrics		On track	
2b. HOT Clinic for Surgery		On track	
2c. HOT Clinic for Medicine		On track	
NHS ENGLAND CQUINS			
1. Friends & Family			
1a. Phased expansion of Friends and Family Test (maternity services)	Implementation by Oct 2013	39.88%	
1b. increase response rate to at least 20%	=>20% by Yr End	21.27%	
1c. Improve performance on staff Friends & Family Test		CQUIN requirement achieved	
2. 50% reduction in all new Pressure Ulcers that are avoidable.	Max 3 incidents p/m	9	
3. Quality Dashboards		On track	
4. Timely Simple Discharge	Improvement on baseline (37%)	0.0%	
5. Improved access to breast Milk -% of babies less than 33wks discharged on breast milk	Improvement on baseline	20.0%	
6. Acute Kidney Injury	Q1 Process recorded and definition in place	On track	

To be added following consultation

CCG NENE /CORBY

NCC HOSC

HEALTHWATCH

AUDITORS REPORT

Abbreviations List

A
AAA- Abdominal Aortic Aneurism
A&E –Accident & Emergency
ACC- Ambulatory Care Centre
ACS – Acute Coronary Syndrome
ADL- Activities of Daily Living
AECP – Advanced and Emergency Care Pathway
AUGIS – Association of Upper Gastrointestinal Surgeons of Great Britain and Ireland

B
BCIS – British Cardiovascular Intervention Society
BLS – Basic Life Support
BME – Black and Mnority Ethnic
BNP – Brain natriuretic peptide
BP – Blood pressure
BPT – Best practice tariff
BTS – British Thoracic Society

C
CCG – Clinical Commissioning Group
CCOT – Critical Care Outreach Team
CEPOD– Confidential Enquiry into Patient Outcome and Death
CETN – Central England Trauma Network
CHD- Coronary Heart Disease
CHC – Continuing Helathcare
CHR – Child Health Review
CNS – Central Nervous System
CT – Computerised Tomography
CQC – Care Quality Commission
CQEG – Clinical Quality and Effectiveness Group
CQUIN - Commissioning for Quality and Innovation
CURB – Confusion, Urea, Respiratory, Blood pressure

D
DAHNO – Data for Head and Neck Oncologist
DCA –Dementia care action Committee
DNA –Did Not Attend
DNACPR –Do Not Attempt Resuscitation
DH/DoH – Department of Health
DTOC – Delayed Transfers of Care

E
ECG – Electrocardiograph
EDD –Estimated Date of Discharge
EDN's – Electronic Discharge Notification
EMCN –East Midlands Cancer Network
EWS – Early Warning Score

F
FFT - Friends and Family Test
FIGO – International Federation of Gynaecology and Obstetrics
FIT- Fast Intervention Team
F/U appointments – Follow up

G
GP-General Practitioner
GI –Gastro Intestinal

H
HCA – Health Care Assistant
HDR - High Dose Rate
HDU - High Dependency Unit
HEE – Health Education England
HRG – Healthcare Resource Group
HOT – Healthy Options Team
HSMR – Hospital Standardised Mortality and Ratio

I
ICD -10 – International Statistical Classification of Diseases and related Health Problems.
ICE – Integrated Clinical Environment
ICNARC – Intensive Care National Audit and Research Centre
IDB – Inflammatory Bowel Disease
IHGC - Integrated Healthcare Governance Committee
ITU – Intensive Therapy Unit

M
MBRRACH –Perinatal Mortality
MCA – Mental Capacity Assessment
MINAP – Myocardial Ischemia National Audit Project
MDT – Multi-Disciplinary Team
M&M – Morbidity and Mortality
MRI – Magnetic Resonance Imaging
MRSA - meticillin-resistant staphylococcus aureusis

N
NAB - Northamptonshire Association for the Blind
NCC – Northamptonshire County Council
NCEPOd– National confidential Enquiry into Patient Outcome and Death
NEWS – Northampton Early Warning Score
NGHT- Northampton General Hospital NHS Trust
NHS- National Health Servcie
NICE – National Institute for Health and Excellence
NICOR – National Institute for Cardiovascular Outcome Research
NIHR - National Institute for Health Research
NIV- Non Invasive Ventilation
NJR –National Joint Review
NMC – Nursing Midwifery Council
NNAP – National Neonatal Audit Programme
NPSA – National Patient Safety Agency
NRLS – National Reporting and Learning System
NSTEMI – Non-ST-Segment-evaluation Myocardial Infarction
NVD – National Vascular Database

O
ODP – Operating department practitioner
O-G – Oesophago- Gastirc

P
PALS – Patient Advice and Liaison Service
PAS – Patient Admissions System
PbR – Payment by Results
PCI – Percutaneous Coronary Intervention
PD – Parkinsons Disease
PDSA – Plan, Do, Study, Act
PDT - Photodynamic therapy
PEN –Patient Experience Network
PET – Position Emissions Tomography
PEWS – Paediatric Early Warning Score
POA appointments – Pre-operative Assessment
PPI – Patient and Public Involvement
PROMs – Patient Reported Outcome Measures

Q
QA –Quality Account
QELCA - Quality End of Life Care for All
QuEST – Quality Effectiveness Safety Team

R
RCPH – Royal College of Paediatrics and Child Care
RESTART – Respiratory Therapy Acute Response Team
RGN –Registered General Nurse

S
SABR – Stereotactic Ablative Radiotherapy
SALT –Speech and Language Therapy
SHO – Senior House Officer
SI –Serious Incident
SINAP – Stoke Improvement National audit Programme
SSNAP - Sentinel Stroke National Audit Programme
ST3 – ST9 Doctors specialist Training
SUS – Secondary Users Service

T
TARN – Trauma audit and Research Network
TEP – Treatment Escalation Plan
T&O – Trauma & Orthopaedic
TTO – To Take Out
TVN – Tissue Viability Nurse

U
UHCW – University Hospitals Coventry and Warwickshire NHS Trust

V
VSGBI – Vascular Society of Great Britain and Ireland
VTE – Venous Thromboembolism

W
WHO – World Health Organisation

Section 3 – Statutory Information

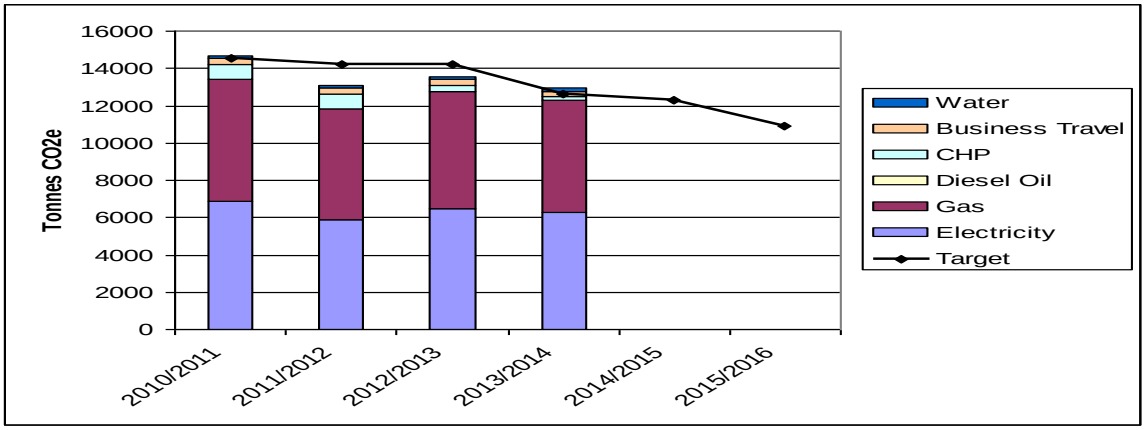
Sustainability

Carbon Management Plan

Having already achieved the government targets of a 10% reduction in carbon emissions by 2015, NGH was accepted onto the Carbon Trust programme and developed a plan to reduce emissions to a more challenging target of 25% by 2015 relative to the 2010 baseline.

The carbon management plan required a step change in emissions for the year 2013-14 to meet this stretch target, which the Trust missed by a small margin. The majority of the additional emissions occurred in the summer months, whereas the effect of the lighting improvements and changes to the building management systems, combined with a milder winter meant that the targets for the final 4 months of the year were met. We finished the year an estimated 2.4% above our target for the year.

The addition of the new energy infrastructure through the Green Energy Scheme will ensure we meet our longer term target of a 34% reduction in emissions up to 2020.



	2011/2012	2012/2013	2013/2014
***GHG Emissions tCO2e**			
Gas (incl. CHP)	6688	6593	6207**
Fuel Oil	9	0	9
Purchased Electricity	5921	6469	6262
Business Travel	342	345	320
Water	141	145	144
Total tCO2e	13805	13551	12993
Target tCO2e	14203	14219	12635
Consumption Data			
Gas kWh	35,714,581	35,350,409	33,558,241**
Electricity kWh	13,029,199	14,061,500	14,055,794
Water m3	133,484	137,355	136,369
Business Travel miles	1,090,702	1,140,495	1,079,683
Financial Data £			
Gas	978,787	1,204,028	1,113,481**
Electricity	1,136073	1,317,918	1,465,853
**Water	258,278	271,875	270,316**
Business Mileage	379,555	406,762	449,155

* calculated using revised Defra Conversion factors as advised by DEFRA.

** Final month's figures not available at time of going to press, interpolated figures used

Investment

We applied for and were selected to receive £2.7million from a Department of Health Energy Efficiency fund. The scheme will save over £500,000 in energy-related costs and 3000 tonnes of carbon each year. The biomass boiler, new combined heat and power plant and economiser fitted to one of the remaining steam boilers will start to produce savings through 2014/2015.

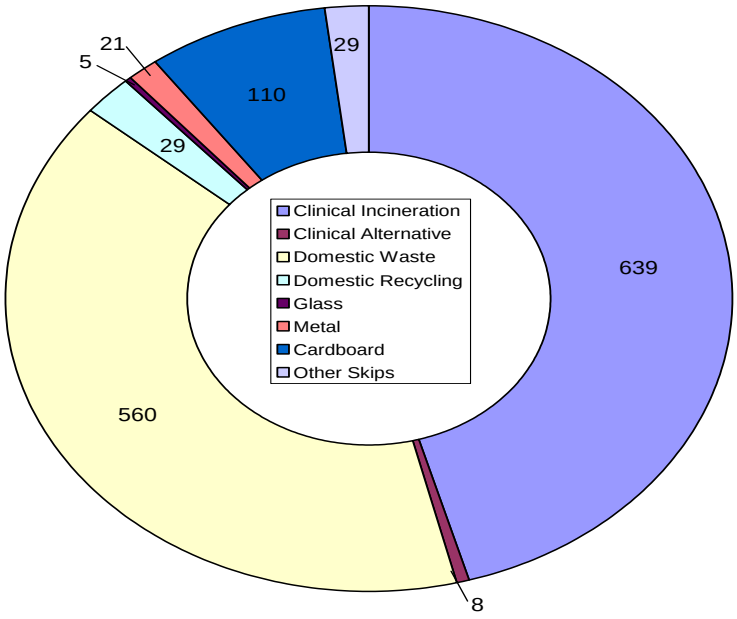
In addition we received £370,000 in Salix funding to continue the upgrade of insulation, lighting and building controls. This will continue into the next year with a further £121,000 loan already agreed.

Water, Waste and Recycling

Despite increased activity on site, water usage has shown a slight reduction compared to the previous year. This has been achieved through closer monitoring of daily use combined with some initial work with Anglian Water to reduce usage in non-clinical areas.

This work will continue into 2014/15 and should lead to further water reductions.

The level of waste produced at NGH unfortunately continues to increase but without additional increases in the proportion of domestic waste diverted from landfill. The increase in total waste was 7% compared to the previous year spread across clinical, domestic and recycling streams, although all of the increase in recycling was a result of additional cardboard, most likely as a result of increased activity and deliveries to supplies. However, over 100 additional bins have been put out across the hospital site. Half of our theatres are now recycling within the clinical area and we have created in excess of £25,000 additional revenue for the trust through the recycling of pallets, x-rays and metal. The pallets and x-rays also resulted in the recycling of 71 tonnes of wood, 20 tonnes of plastic and 13 tonnes of card in addition to the amounts shown below.



* Figures are approximated due to lack of reliable data from one of the contractors for the final quarter of the year.

The Phoenix Centre

NGH has also commenced some work with a local charity which redistributes unwanted items locally and in the developing world. To date they have taken unwanted curtains, crutches and medical consumable samples and sent them to Syria, Sierra Leone and India for reuse. In addition to reducing the cost of landfill of approximately ten vans of goods, NGH also benefitted from some free bird boxes for children to paint at the NGH festival which the Phoenix Centre provided.

Freebay

Following allocation of a grant from the former Strategic Health Authority, NGH worked with a team of developers to create a site to advertise items for reuse across the Trust. Based on the domestic Freegle idea it is hoped this will reduce the amount of product going to landfill. Any items not rehomed will be donated or recycled as appropriate.

Global Green and Healthy Hospitals Network Connect

As a founder member of GGHH we are one of three trusts participating in the trial of GGHH Connect prior to full roll out. This is an online forum where members can share information or seek advice about their sustainability work in healthcare.

NHS Sustainability Day

We continue to participate in the NHS-wide Sustainability Day to promote the work we do. As a result a further 22 champions have signed up to help promote sustainability in their areas, bringing the total number to 59.

Next Year

Work in the coming 12 months will have a number of different areas of focus. As well as continuing work on the carbon management plan through technical solutions and employee engagement, we will be work towards achieving 'Investors In the Environment' Accreditation to gain external verification and recognition of our environmental improvements.

We will also be working through our new Sustainable Development Action Plan looking at areas as diverse as food packaging, sustainable procurement, and green spaces.

Risk management

The trust board reviews risks against the trust's principal objectives on a regular basis and an agreed system of internal control is in place. This is described in the Annual Governance Statement, which also discloses details of serious untoward incidents involving data loss or breaches of confidentiality. The Annual Governance Statement can be found on page xxx

Counter-fraud policies

The trust has taken all reasonable steps to comply with the requirements set out in the code of conduct for NHS managers, and has appointed CEAC (Central England Audit Consortium) to provide an accredited counter-fraud specialist service. Their remit also includes compliance with the Bribery Act.

Information technology

Provision of new and ground-breaking clinical IT systems must be underpinned by a robust infrastructure and our Infrastructure Improvement Programme carried on this year with a focus on resilience. Our new network capacity has been developed to cope with increasing demands and resilience has been built-in to avoid major interruptions to our clinicians' access to those vital clinical IT systems. We are delighted that our IT project to build a secondary data centre to provide failover and disaster recovery for our systems was completed on time and within budget and work is now underway with the hardware installation and technicalities of individual systems.
We have made good progress with our 'best of breed' approach to electronic patient records. The ward workspace system is now in use throughout the Trust. This system helps with patient flow and management of beds, and also provides a patient-centric view of clinical information with a single sign-on with context management in the coming year.

We were fortunate to receive additional central funding from the Safer Hospitals Safer Wards fund and the Nurse Technology fund, introduced by NHS England this year. This has enabled us to move forward with three projects more quickly than would otherwise have been possible. They are:

1. Implementing the VitalPac system, which records patients' observations and vital signs on handheld devices, enabling escalation of the sickest patients at a glance. Full roll out of the system will be complete in 2014-15, but early indications are that patient safety will be much improved by its use.
2. Implementation of electronic prescribing which will also bring with it many safety improvements in the issuing of medicines.
3. Mobility in the community, which has enabled our community midwives and community stroke team to access essential IT systems at the point of caring for their patients.

We are now planning for the end of the National Programme for IT contracts and are members of the East Midlands PACS consortium. This includes seven Trusts in the East Midlands undergoing an OJEU tendering exercise to procure a new system for radiology and other imaging which enables better sharing across the boundaries of care settings for the benefit of our patients. In the coming year we will begin the process of replacing our core patient administration and laboratory systems, before national contracts end in July 2016.

This has been an exceptionally busy year for ICT in the trust and our capital programme was delivered as planned. The next year brings with it further significant challenges in both the number and complexity of systems developments, but challenges which our improved infrastructure will allow us to tackle in our move towards more efficient, safer ways of IT enabled, digitised patient care.

Emergency preparedness

The Trust has a major incident plan that is tested on a regular basis. Our emergency response plans are developed in collaboration with other agencies involved in emergency planning, including the police, fire service, ambulance service, local clinical commissioning group and CB Local Area Team and the county emergency planning office to ensure we provide a cohesive response.

During the past 12 months we have:

- Trained key staff from across the Trust in Major Incident and CBRN response
- Responded to internal and external incidents
- Reviewed and updated the A+E Major Incident Plan
- Engaged with Health partners to develop Mass Casualty Planning, Pandemic Planning and to ensure a joined up response following the changes to the health sector
- Finalised local business continuity plans

In the next 12 months we will:

- Engage in training and exercising of all local plans
- Develop and deliver a trust-wide 'live' exercise
- Continue to engage with health and other response partners to deliver the best possible response to incidents in the county.

Charges for information

Northampton General Hospital has complied with HM Treasury's guidance on setting charges for information, as outlined in Appendix 6.3, to HM Treasury's guidance 'Managing Public Money'. This includes the use of charges in relation to requests for information as in accordance with relevant legislation, including the Freedom of information Act 2000; Environmental Information Regulations 2004; Data Protection Act 1998; and the Access to Health Records Act 1990. Standard charges are published on the NGH website together with contact information if a special request is to be made.

Compliance with the NHS Constitution

Based on the reports it receives, the Board is able to provide reasonable assurance that it is compliant with the rights and pledges within the NHS Constitution and has had regard to the NHS Constitution in carrying out its function.

The Trust Board

]

Introduction

Led by the chairman, Paul Farenden, the trust board comprises executive and non-executive directors who are responsible for determining the strategic direction of the trust, agreeing its policy framework and monitoring the trust's performance. Its statutory obligations are set out in the codes of conduct and accountability, published by the Department of Health.

The trust board discharges its responsibilities through monthly board meetings, an annual public meeting and formal subcommittees. The supporting committee structure is designed to:

- Deliver the Board's collective responsibility for the exercise of the powers and performance of the Trust
- Assess and manage financial and quality risk
- Ensure compliance with Department of Health guidance, relevant statutory requirements and contractual obligations.

The current composition of the Board is:

- Chairman
- Five non-executive directors (one of whom is vice-chairman)
- Five executive directors with voting rights
- Three executive directors

The directors do not have material interests in organisations where those organisations or related parties are likely to do business, or are possibly seeking to do business with Northampton General Hospital NHS Trust.

The directors are not aware of any relevant audit information of which the trust's auditors are unaware and they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the trust's auditors are aware of that information.

Directors during 2013-14

Job title	Name	Comments
Chairman*	Paul Farenden	
Chief Executive*	Christine Allen (acting) Dr Sonia Swart (interim) Dr Sonia Swart (substantive)	Resigned From: 30.06.2013 From: 01.07.2013 From: 23.09.2013
Non-Executive Directors*	Graham Kershaw David Noble Nicholas Robertson Elizabeth Searle Phil Zeidler	
Medical Director*	Dr Sonia Swart Dr Mike Wilkinson (Interim)	To: 23.10.2013 From: 23.10.2013
Chief Operating Officer*	Clive Walsh (Interim) Debbie Needham (Acting) Rebecca Brown (Acting)	From 29.03.2013 To: 28.10.2013 From: 28.10.2013
Director of Nursing, Midwifery and Patient Services*	Suzie Loader	
Director of Finance*	Andrew Foster (Acting) Simon Lazarus	From:01.04.2013 To: 10.03.2014 From: 11.03.2014
Director of Facilities and Capital Development	Charles Abolins	
Director of Strategy and Partnerships	Chris Pallot	
Director of Workforce and Transformation	Janine Brennan	

N.B. * denotes voting members of the Trust Board.

Board Members

Paul Farenden, CIPFA, MBA
Chairman
Paul was appointed as Chairman on 1st March 20123. A local man, who was previously chief executive at the Dudley Group of Hospitals NHS Foundation Trust, Paul has some 40 years' experience in healthcare finance, management and leadership. A qualified accountant, Paul has been chief executive in three NHS Trusts over the last 20 years, where he has led large-scale organisational change. Paul's experience has provided him with an in-depth understanding of both the NHS and the wider healthcare system.

Phil Zeidler
Vice Chairman
Phil had a successful career as an entrepreneur in financial services, building three businesses, the most recent becoming the largest independent outsourced distributor of general insurance in the UK. Currently Chairman of an insurance business, a music fund and board member of the charity Pilotlight, his core skills lie in strategic planning, innovation and developing strategic relationships. He is married to a consultant paediatrician.

Graham Kershaw
Non-executive director
Graham holds a first class honours degree in business from Leeds Metropolitan University and an MBA. He is a fellow of both the Chartered Institute of Secretaries and Administrators and the Chartered Institute of Personnel and Development. Graham also holds a professional marketing qualification. Graham has been a main board director of a number of major UK retail companies including Lloyds Pharmacy, Capio UK and Joshua Tetley's. He is currently managing director of Cogniscence Ltd a business providing change management and business turnaround input mainly to the public sector.

David Noble
Non-executive director
David Noble's career has been in finance covering both the public and private sectors. Most recently David has spent nine years as Finance Director of the Equipment Procurement and Support sector of the Ministry of Defence, leading change programmes to improve the performance of the organisation.

Nicholas Robertson, MA, FCA
Non-executive director
Nick left Royal Dutch Shell in 2009 after 32 years, in which he worked in many countries, mainly in finance roles but also in general management and HR. From 2000 he was Vice President, Group Risk Management and Insurance. He is now acting as a consultant; on risk management for industrial companies and on finance for smaller oil and gas companies. He is a trustee director of Mental Health Matters, a charity. Nick has a degree in engineering and economics and is a chartered accountant. Nick chairs the audit committee.

Elizabeth Searle
Non-executive director
After qualifying as a nurse and working in cancer and palliative care, Liz Searle held posts in higher education developing palliative care courses, with Macmillan as Director of Education Development and Support, and at Sue Ryder Care as Head of Palliative Care working with their hospices.

Dr Sonia Swart, MA, MB, BCh, MD, FRCP, FRCPath
Chief Executive
Sonia qualified from the University of Cambridge and went on to train in general medicine and clinical haematology. She worked as a consultant haematologist in North Warwickshire before taking up her post at Northampton General Hospital in 1994. She has combined an active clinical role with a number of managerial activities including head of pathology, clinical director for diagnostics, and clinical lead for the foundation trust application before becoming medical director in September 2007.

Sonia was appointed Deputy Chief Executive in March 2013 and became Interim CEO in July 2013 before taking up her substantive CEO role in October 2013. She has made a commitment to align the trust's aims, values, objectives and corporate governance to support a clinically-led quality agenda.

Suzie Loader, RN, DipM, MSc
Director of Nursing, Midwifery and Patient Services
Suzie is responsible for providing professional nursing & midwifery advice to the Board and for the facilitation of quality management issues, patient and public involvement, and ensuring effective complaints systems are in place. Suzie is also the Director of Infection Prevention and Control and provides the Board with regular updates in this area. She also shares responsibility for clinical governance.

Suzie joined the Trust in April 2012 from the United Lincolnshire Hospitals NHS Trust where she was interim nurse advisor leading the turnaround in the quality of nursing care. Previously she was head of case management at the Nursing and Midwifery Council relating to fitness to practice, joint lead in support of the Prime Minister's Commission on the Future of Nursing and Midwifery, Project Director for Modernising Nursing Careers at the DH, and Director of Nursing at Heatherwood and Wexham Park NHS Foundation Trust.

Dr Mike Wilkinson
Interim Medical Director
Mike was appointed Interim Medical Director in October 2013. He is responsible for providing medical advice to the Board, medical manpower and training, clinical audit, research and development and developing clinical driven issues with both the consultant and junior medical staff. He also shares responsibility for clinical governance and has responsibility for quality governance/ assurance.

Having been to Medical School in London Mike undertook a varied training path incorporating London, Newcastle and the United States of America.

He is a consultant anaesthetist and has worked at the trust since 1996. During Mike's time here he has been the College Tutor for Anaesthetics for 5 years, Clinical Director and latterly Care Group Chair for Surgery. His desire to ensure we train our trainees to a high standard led him to undertake a postgraduate medical education qualification in 1999 and obtained funding to introduce simulation to the hospital in 2000.

Externally Mike has been a College Examiner for 10 years and is currently Chairman of the Royal College of Anaesthetists Examination.

Simon Lazarus
Director of Finance
Simon joined the Trust in March 2014 from the Oxford University Hospitals NHS Trust where he was the Deputy Director of Finance.

Simon has held a number of senior roles in NHS hospital finance since joining the NHS in 1993. He has a special interest in improving hospital finances, financial planning and major capital projects. Simon is a chartered accountant and has a degree in natural sciences from Cambridge University. Simon started his career in the private sector working in London before joining the NHS.

Deborah Needham
Chief Operating Officer
Deborah was appointed Chief Operating Officer in March 2014. She trained as a registered general nurse in Lancashire, where she held positions in both respiratory and emergency medicine units before moving to London in 1998 as a ward manager. Moving from nursing into management in 1999 she has experience in operational and strategic management. Deborah joined NGH in 2008 as a directorate manager and has held the posts of deputy director of operations, acting director of operations, medical care group director and, most recently, was Joint Interim Chief Operating Officer.

Charles Abolins, FBIFM, MHCIMA
Director of Facilities and Capital Development (non-voting)
Responsible for the Trust's estates and facilities, procurement and capital development, purchasing and supply. After graduating in hospitality management from Birmingham College of Food and Tourism, Charles has held a number of facilities management posts in the NHS. Since joining NGH, Charles has been responsible for leading and implementing complex, major capital building programmes and managing a wide range of facilities support services. He is the Trust's lead for sustainability.

Janine Brennan
Director of Workforce and Transformation (non-voting)
Janine was appointed as Director of Workforce & Transformation on 2nd April 2013, having worked previously as Director of Workforce and Organisational Development at Royal Berkshire NHS Foundation Trust. She qualified in law and human resources management and has worked in a number of acute Trusts, as well as the public sector and not for profit organisations.

Janine's special interest is in developing staff commitment and engagement in ways that lead to improvements in the care we give to patients.

Chris Pallot MSc, BA (Hons), DipHSM, DipM
Director of Strategy and Partnerships (non-voting)
Chris came to work for the Trust in January 2010, initially on secondment from NHS Northamptonshire, before being appointed as the Trust's director of planning and performance in September 2010. He joined the NHS Management Training Scheme in 1995 after graduating from university and since then has gained a postgraduate Diploma in Marketing and an MSc in Management. During his career, Chris has held positions at Kettering General Hospital, the NHS Modernisation Agency and NHS Northamptonshire. In previous roles he has been responsible for operational management, service improvement and commissioning & contracting. As Director of Strategy and Partnerships, he has responsibility for contracting, market development, cancer services, clinical coding, medical records, information management and service improvement provision.

Table of Attendance 2013-2014

A = Maximum number of meetings the director could have attended
B = Number of meetings the director actually attended

	Board Meetings x Meetings		Audit Committee x Meetings		Healthcare Governance Committee x Meetings		Finance and Performance Committee x Meetings		Remuneration Committee X Meetings		Nomination Committee X Meetings	
Name	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**
Chairman	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**
Paul Farenden	10	7			12	10	12	11				
Chief Executive	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**
Christine Allen	3	2			3	2	3	2				
Dr Sonia Swart	10	10			12	7	12	10				
Non-Executive Directors	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**
Graham Kershaw	10	8	5	5	12	10	12	3*				
David Noble	10	10	5	4	12	10	12	11				
Nicholas Robertson	10	9	5	5								
Elizabeth Searle	10	8			12	10						
Phil Zeidler	10	7	5	2								
Executive Directors	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**
Suzie Loader	10	9			12	8	12	4*				
Andrew Foster	10	8					12	12				
Simon Lazarus	1	1					1	1				
Clive Walsh	5	4			3	3	6	5				
Rebecca Brown	5	5			9	7	12	8				
Deborah Needham	5	4			9	5	12	7				
Charles Abolins	10	9			12	2*	12	7*				
Chris Pallot	5	5			7	3*	7	6*				
Janine Brennan	10	9			12	8	12	10				
Dr Mike Wilkinson	5	5			9	4						

**denotes those officers no longer required to attend following the revision to Terms of Reference and membership in May 2013*

Board Meetings
The Board meets each month, the first part of which is held in public. Information about Board meetings, including agenda and papers, is posted on the trust's website – www.ngh.nhs.uk

Audit Committee
The Audit Committee meets around six times per year. Its purpose is to review the systems of integrated governance, risk management and internal control, to ensure that there is an effective internal audit function, to review the findings of the external auditor, to review the findings of other significant assurance functions and considers the draft annual report and financial statements before submission to the Board.

Finance Committee[1]

The Finance Committee meets monthly. On behalf of the Board, it monitors the trust's financial position with particular regard to the achievement of its statutory duties and the continuing progress being made with regard to its Improving Quality and Efficiency Programme.

Integrated Healthcare Governance Committee[2]

The Integrated Healthcare Governance Committee meets monthly. On behalf of the Board, the committee monitors, reviews and provides assurance on the quality of services provided by the Trust, patient safety, patient experience, workforce, operational performance and on the quality of the Trust's risk management processes and arrangements.

[1] The membership and terms of reference of the Finance Committee were revised in May 2013

[2] The membership and terms of reference of the Integrated Healthcare Governance Committee were revised in May 2013

Remuneration Report

Off-payroll engagements Table 1

For all off-payroll engagements as of 31 March 2014, for more than £220 per day and that last longer than six months:

Narrative	Number
Number of existing engagements as of 31 March 2014	4
Of which, the number that have existed:	
for less than one year at the time of reporting	0
for between 1 and 2 years at the time of reporting	0
for between 2 and 3 years at the time of reporting	0
for between 3 and 4 years at the time of reporting	1
for 4 or more years at the time of reporting	3

Assurance has been received for all existing off-payroll engagements confirming that all income earned is declared for taxation purposes.

Off-payroll engagements Table 2

For all new off-payroll engagements between 1 April 2013 and 31 March 2014, for more than £220 per day and that last longer than six months:

Narrative	Number
Number of new engagements, or those that have reached six months in duration, between 1 April 2013 and 31 March 2014	0
Number of new engagements which include contractual clauses giving the Trust the right to request assurance in relation to income tax and National Insurance obligations	0
Number for whom assurance has been requested	0
Of which:	
assurance has been received	0
assurance has not been received	0
engagements terminated as a result of assurance not being received, or ended before assurance received.	0

Number of off-payroll engagements of board members, and/ or senior officers with significant financial responsibility, during year	0
Number of individuals that have been deemed "board members, and/or senior officers with significant financial responsibility" during the financial year. This figure includes both off-payroll and on-payroll engagements	9

Salary and Pension entitlements of senior managers

Remuneration 2013-14

Name and title	2013-14 Salary (bands of £5,000) £000	Other Remuneration (bands of £5,000) £000	Performance Pay and Bonuses (bands of £5,000) £000	Expense payments (taxable) total to nearest £100 £	All Pension-related Benefits (bands of £2,500) £000	Total - Salary & Benefits (bands of £5,000) £000
Paul Farenden - Chairman	20-25			2,500		20 - 25
Dr Sonia Swart - Chief Executive (23 Sept 2013 onwards)/Acting Chief Executive (July 2013- 22 Sept 2013)/Medical Director (April 2013- 22 Sept 2013)	205-210	10-15			0	215 - 220
Christine Allen - Acting Chief Executive (April - June 2013)	45-50				477.5 - 480	525 - 530
Suzie Loader - Director of Nursing, Midwifery & Patient Services	110-115				20 - 22.5	130 - 135
Andrew Foster - Acting Director of Finance (April 2013 - 10 March 2014)	105-110				187.5 - 190	290 - 295
Simon Lazarus - Director of Finance (from 11 March 2014)	5-10				25 - 27.5	30 - 35
Dr Mike Wilkinson - Acting Medical Director (Oct 2013 onwards)	45-50	20-25	10-15		5 - 7.5	90 - 95
Charles Abolins - Director of Facilities & Capital Development	85-90				0 - 2.5	85 - 90
Chris Pallot - Director of Strategy & Partnerships	95-100				45 - 47.5	140 - 145
Deborah Needham - Joint Acting Chief Operating Officer (28 Oct 2013 onwards)	5-10	30-35			55 - 57.5	95 -100
Rebecca Brown - Joint Acting Chief Operating Officer (28 Oct 2013 onwards)	5-10	30-35			55 - 57.5	95 - 100
Janine Brennan - Director of Workforce and Transformation	110-115			0	30 - 32.5	140 - 145
Clive Walsh - Interim Chief Operating Officer (April 2013 - 28 Oct 2013)	140-145					140 - 145
Phil Zeidler - Non-Executive Director (Vice Chairman)	5-10					5 - 10
Nicholas Robertson - Non-Executive Director	5-10			900		5 - 10
Graham Kershaw - Non-Executive Director	5-10			1,300		5 - 10
David Noble - Non-Executive Director	5-10					5 - 10
Elizabeth Searle - Non-Executive Director	5-10					5 - 10

Remuneration 2012-13

Name and title	Salary (bands of £5,000) £000	Other Remuneration (bands of £5,000) £000	Performance Pay and Bonuses (bands of £5,000) £000	Expense payments (taxable) total to nearest £100 £	All Pension-related Benefits (bands of £2,500) £000	Total (bands of £5,000) £000
Paul Farenden - Chairman	20-25			2,000		20 - 25
Dr Sonia Swart - Chief Executive (23 Sept 2013 onwards) / Acting Chief Executive (July 2013 - 22 Sept 2013) / Medical Director (April 2013 - 22 Sept 2013)	110-115	75-80	15-20		0	205 - 210
Christine Allen - Acting Chief Executive (April - June 2013)	125-130				67.5 - 70	195 - 200
Suzie Loader - Director of Nursing, Midwifery & Patient Services	105-110				112.5 - 115	215 - 220
Andrew Foster - Acting Director of Finance (April 2013 - 10 March 2014)						
Simon Lazarus - Director of Finance (from 11 March 2014)						
Dr Mike Wilkinson - Acting Medical Director (Oct 2013 onwards)						
Charles Abolins - Director of Facilities & Capital Development	85-90				0	85 - 90
Chris Pallot - Director of Strategy & Partnerships	90-95				30 - 32.5	120 - 125
Deborah Needham - Joint Acting Chief Operating Officer (28 Oct 2013 onwards)						
Rebecca Brown - Joint Acting Chief Operating Officer (28 Oct 2013 onwards)						
Janine Brennan - Director of Workforce and Transformation						
Clive Walsh - Interim Chief Operating Officer (April 2013 - 28 Oct 2013)						
Phil Zeidler - Non-Executive Director (Vice Chairman)	5-10			200		5 - 10
Nicholas Robertson - Non-Executive Director	5-10			500		5 - 10
Graham Kershaw - Non-Executive Director	5-10			1,200		5 - 10
David Noble - Non-Executive Director	0-5					0 - 5
Elizabeth Searle - Non-Executive Director	0-5					0 - 5

Salary Notes

Dr Sonia Swart's 'Other Remuneration' includes Clinical Work. 'Performance Pay & Bonuses' represents Clinical Excellence Award. 2013/14 represents April - June 13 only, 2012/13 represents full year as Medical Director and March 2013 only as Deputy Chief Executive

Christine Allen - 2012-13 salary represents full year

Dr Mike Wilkinson's 'Other Remuneration' includes Clinical Work, 'Performance Pay & Bonuses' represents Clinical Excellence Award

Deborah Needham & Rebecca Brown's 'Other Remuneration' represents salary paid as Care Group Manager

Janine Brennan received a relocation package of £8k. This was paid exempt of Tax & NICs in accordance with HMRC guidelines.

Clive Walsh had a service contract with NGH whilst Interim Chief Operating Officer - salary is fee paid to Interim Partners Ltd

David Noble & Elizabeth Searle - 2012/13 salary represents January - March only

The benefits paid to Non-Executives and Chairman above relate to travel and subsistence between home & office

All pension related benefits represents the annual increase in pension entitlement. This represents the values payable at the beginning and end of the financial year, adjusted for inflation, irrespective of whether or not the position was held for full or part year and length of NHS service. Where this value is negative a nil balance is shown

Pay Multiples

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest paid director in the Trust in the financial year 2013-14 was £215-220k (2012-13, £205-210k). This was 9.41 times (2012-13, 8.77 times) the median remuneration of the workforce, which was £23k (2012-13, £24k).

In 2013-14 and 2012-13 no employees received remuneration in excess of the highest-paid director.

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

The ratio has increased in 2013/14 by 0.64. The highest-paid director's salary has increased due to the change in position held. Healthcare assistants and other support staff represent the largest increase in Total Average Staff Numbers. This has contributed to the reduction in the overall median remuneration of the workforce.

Pension benefits

Name & Title	Real increase/ decrease in pension at age 60 (bands of £2,500)	Real increase/ decrease in Lump sum at age 60 (bands of £2,500)	Total accrued pension at age 60 at 31 March 2014 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2014 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2014	Cash Equivalent Transfer Value at 31 March 2013	Real increase/ decrease in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
	£000	£000	£000	£000	£000	£000	£000	£000
Dr Sonia Swart - Chief Executive (23 Sept 2013 onwards) / Acting Chief Executive (July 2013 - 22 Sept 2013) / Medical Director (April 2013 - 22 Sept 2013)	(92.5) - (95)	(305) - (307.5)	N/A	N/A	N/A	N/A	N/A	0
Christine Allen - Acting Chief Executive (April - June 2013)	5 - 7.5	15 - 17.5	60 - 65	190 - 195	1,102	702	96	0
Suzie Loader - Director of Nursing, Midwifery & Patient Services	0 - 2.5	2.5 - 5	35 - 40	105 - 110	644	598	33	0
Andrew Foster - Acting Director of Finance (April 2013 - 10 March 2014)	7.5 - 10	22.5 - 25	25 -30	75 - 80	416	273	129	0
Simon Lazarus - Director of Finance (from 11 March 2014)	0 - 2.5	0 - 2.5	20 - 25	70 - 75	398	361	2	0
Dr Mike Wilkinson - Acting Medical Director (Oct 2013 onwards)	0 - 2.5	0 - 2.5	40 - 45	120 - 125	805	759	22	0
Charles Abolins - Director of Facilities & Capital Development	0 - 2.5	0 - 2.5	45 - 50	140 - 145	N/A	N/A	N/A	0
Chris Pallot - Director of Strategy & Partnerships	0 - 2.5	5 - 7.5	20 -25	65 - 70	328	285	36	0
Deborah Needham - Joint Acting Chief Operating Officer (28 Oct 2013 onwards)	0 - 2.5	2.5 - 5	25 - 30	75 - 80	342	294	18	0
Rebecca Brown - Joint Acting Chief Operating Officer (28 Oct 2013 onwards)	0 - 2.5	2.5 - 5	20 - 25	70 - 75	392	336	20	0
Janine Brennan Director of Workforce and Transformation	0 - 2.5	2.5 - 5	40 - 45	130 - 135	784	723	45	0
Clive Walsh- Interim Chief Operating Officer (April 2013 - 28 Oct 2013)								

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

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with the Occupational Pensions Schemes (Transfer Values) Regulations 2008.

The NHS Pensions Agency has used the most recent set of actuarial factors produced by the Government Actuary's Department (GAD) with effect from 8 December 2011. Therefore, the GAD factors used for calculation of CETV as at 31 March 2012 are different from those used as at 31 March 2011. This is not in strict compliance with the Manual for Accounts for NHS bodies which requires the real increase in the CETV to be calculated using common market valuation factors for the start and end of the period.

Real Increase in CETV - This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.
A rate of 2.20% Consumer Price Index (CPI) annual inflation has been used to calculate the real increases/decreases. This is the current CPI applied to pensions from 8th April 2013

No lump sum is shown for employees who only have membership in the 2008 Section of the NHS Pension Scheme. No CETV is shown for pensioners, members over 60 (1995 Section) or members over 65 (2008 Section)

Annual Accounts

STATEMENT OF THE CHIEF EXECUTIVE'S RESPONSIBILITIES AS THE ACCOUNTABLE OFFICER OF THE TRUST

The Chief Executive of the NHS has designated that the Chief Executive should be the Accountable Officer to the trust. The relevant responsibilities of Accountable Officers are set out in the Accountable Officers Memorandum issued by the Department of Health. These include ensuring that:

- there are effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance;
- value for money is achieved from the resources available to the trust;
- the expenditure and income of the trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them;
- effective and sound financial management systems are in place; and
- annual statutory accounts are prepared in a format directed by the Secretary of State with the approval of the Treasury to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, recognised gains and losses and cash flows for the year.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an Accountable Officer.

Dr Sonia Swart
Chief Executive

Date:

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The Directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the trust and of the income and expenditure, recognised gains and losses and cash flows for the year. In preparing those accounts, directors are required to:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the accounts.

By order of the Board

Dr Sonia Swart
Chief Executive

Date

Simon Lazarus
Director of Finance

Date

Annual Governance Statement 2013-14

1. Scope of Responsibility

As Accountable Officer, I am responsible for maintaining a sound system of internal control that supports the achievement of the NHS 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 Trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the Accountable Officer Memorandum.

2. The Governance Framework of Northampton General Hospital NHS Trust

Northampton General Hospital NHS Trust has a Board of Directors (the Board), which compromises both Executive and Non-Executive Directors. The Board's function is to:

- Ensure all stakeholders have an understanding of Northampton General Hospital NHS Trust's purpose;
- Set the values for the organisation including the strategic direction;
- Hold management to account for the success and safety of the organisation.
- Shape a culture for the organisation that supports its vision and values and encourages openness, honesty and integrity

Through its strategic aims, vision, values and goals, the Board is committed to delivering a strong, financially viable and sustainable organisation with quality of service at the heart of its business.

To enable the Board to discharge its duties effectively, it resolved to formally constitute a number of Board committees with delegated responsibilities as set out within the Trust Scheme of Reservation and Delegation. A review of the committee structure took place in May 2013 which recommended the establishment of the Integrated Healthcare Governance Committee and the Finance Committee to further enhance the assurance systems and process of the Trust.

Northampton General Hospital NHS Trust's governance structure is based on a rationale that Board Committees' purpose is to receive assurance and hold the executive team to account, advising the Board of its findings. The key features of the committee structure include:

- All Board committees are chaired by a Non-Executive member of the Board.
- Streamlined and effective administration of the Board Committees with structured reports, forward planning, schemes of delegation and escalation processes.
- All Board committees work closely with others to ensure that all governance issues relating to quality, finance, risk management and internal control are considered in a holistic and integrated way.
- All Board committees report regularly the findings, issues and assurances discussed at each of their meetings to the Board.

The established Board committees, alongside their respective delegated responsibilities are detailed below:

Audit Committee
The Audit Committee is appointed from amongst the Non-Executive Directors of the Trust.

The Director of Finance, Head of Internal Audit, Head of External Audit and the Local Counter Fraud Specialist, attend meetings. Other individuals with specialist knowledge attend for specific items with the prior consent of the Chairman.

The purpose of the Audit Committee is to:

- Seek assurance that the financial reporting, risk management and internal control principles are applied;
- Maintain an appropriate relationship with the Trusts auditors, both internal and external; and
- Offer advice and assurance to the Trust Board about the reliability and robustness of the process of internal control.

As is appropriate, the Board requests the Audit Committee to review specific issues where it requires additional assurance about the effectiveness of systems of internal control or areas where risk management reports highlight concerns.

Integrated Healthcare Governance Committee
The Trust Board has established the Integrated Healthcare Governance Committee, which, on behalf of the Board, monitors, reviews and provides assurance on the quality of services provided by the Trust, patient safety, patient experience, workforce, operational performance and on the quality of the Trust's risk management processes and arrangements.

The committee is appointed by the Board from amongst the non-executive directors of the Trust. The Director of Nursing, Midwifery and Patient Services, Medical Director, Director of Workforce and Transformation, Chief Executive and Chief Operating Officer attend meetings. Other individuals with specialist knowledge attend for specific items with the prior consent of the committee Chairman. In particular and where appropriate, the Committee invites clinical leads to attend its meetings to provide assurance on key governance and risk issues.

Finance Committee
The Trust Board has established the Finance Committee, which, on behalf of the Board, monitors, reviews and provides assurance on the medium and long term financial strategy of the Trust, scrutinises the development of the Trust's IBP, reviews the Trusts monthly and forecast financial performance and identify the key issues and risks requiring discussion or decision by the Trust Board, review the Trust's short and medium term financial performance of the Transformation Programme, review the Trust's liquidity strategy and cash forecasts against performance and review the development of the rolling capital programme.

The committee is appointed by the Board from amongst the Non-Executive Directors of the Trust. The Director of Finance, Director of Strategy and Partnerships, Director of Workforce and Transformation and the Chief Executive and Chief Operating Officer attend meetings. Other individuals with specialist knowledge attend for specific items with the prior consent of the committee Chairman. In particular and where appropriate, the Committee invites leads to attend its meetings to provide assurance on key financial governance and risk issues.

Remuneration and Appointments Committee
The Trust Board has established the Remuneration and Appointments Committee. The primary role of the Remuneration and Appointments Committee is to establish a formal process for developing policy on executive remuneration and to oversee the appointment process for executive directors.

The Remuneration and Appointments Committee determines the Remuneration and terms of service for the Chief Executive and executive directors, acting in accordance with the scheme of delegation and reservation of powers to the Board and approve any non-contractual benefits in relation to the termination of employment for executive directors.
The Remuneration & Appointments Committee oversees the process for the appointment of new members to the Trust board of directors ensuring that there is a formal, lawful procedure in place.

The Chair of the Trust Board is the Chair of the Remuneration Appointments Committee. The membership of the committee includes all Non-Executive Directors of the Trust. The Chief Executive and Director of Workforce and Transformation will also normally attend meetings, except where matters relating to them are under discussion.

Charitable Funds Committee
The Charitable Funds Committee is appointed by the Board from amongst the Non-Executive Directors of the Trust. The Director of Finance, Financial Controller and Patient and Service Representatives also attend the committee.

The Charitable Funds Committee acts on behalf of the Corporate Trustee, in accordance with the Northampton General Hospital NHS Trust Standing Orders to oversee the charity's operation and to ensure that the administration of charitable funds is distinct from its exchequer funds.

The Audit Committee, Integrated Health Governance Committee and the Finance, Committee report the findings, issues and assurances discussed at each of its meeting to the Board on a regular basis.

Throughout the whole of 2013/14, the Board and its committee have met whilst quorate, with a minimum of 75% attendance by standing members with the exception of the March 2014 Audit Committee meeting.

The Board is actively participating in a structured programme of Board development. A key component of Board development work will be the detailed appraisal of the Board's performance and effectiveness due to take place in April 2014 as part of the review of governance . The outputs from this exercise will inform the existing Board development programme for 2014/15.

Quality Governance is the combination of structures & 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
- identifying and managing risks to quality of care.

Quality Governance arrangements in Northampton General Hospital are structured to provide assurance that the systems and processes in place are robust to safeguard patients and staff and in turn provide the basis for the preparation of the annual Quality Account.

A summary of the trust's quality governance arrangements is provided below:

The executive leads for quality, patient safety, patient experience and clinical governance are the Medical Director and the Director of Nursing, Midwifery and Patient Services.

The Trust Board agenda is structured to ensure that quality and patient safety are the first key items for discussion. Standing Items on the 2013/14 Trust Board agendas relating to quality and patient safety are:

- Patient Story
- Medical Director's Quality Report
- Patient Experience Report
- Infection Prevention Report

The Trust Board has established the Integrated Healthcare Governance Committee, which, on behalf of the Board, monitors, reviews and provides assurance on the quality of services provided by the Trust, patient safety, patient experience, workforce, operational performance and on the quality of the Trust's risk management processes and arrangements.

The Clinical Quality and Effectiveness Group, a sub-committee of the Integrated Healthcare Governance Committee, was established providing assurance to Integrated Healthcare Governance Committee and the Strategic Management Board that operational governance processes are in place and effective to deliver high quality clinical services and ensure appropriate patient and staff safety.

The Trust has identified three quality goals which link to the strategic aims. The quality goals have been chosen to improve each of the three key components of quality and form part of the driver diagrams contained in the next sections of this strategy.

The Trust's quality goals are:

1. Reduce all avoidable harm and save every life we can (reduce harm by 50% over 3 years)
2. Improve the Patient Experience Friends and Family Test Score by 10 points each year
3. Patients will receive high quality evidenced based care

All Board members participate in a range of quality and safety visits to clinical and non-clinical areas, these include:

- Board to Ward Visits following each meeting of the Board (monthly)
- Beat the Bug, Stop the Clot, Save the Skin Inspections (Infection prevention Ward Rounds)
- Involvement in the QuEST review process.

The scheduled visits by Board members are supplemented by regular ad-hoc visits to wards and departments from executive directors and senior managers. The outcomes of each visit inform focus and reporting at subsequent Board and committee meetings.

A self-assessment against the Monitor Quality Governance Framework was undertaken in November 2013 and was subject to a confirm and challenge exercise with the Board at a Development Session on the 2 December 2013. There were a number of agreed improvement actions which were suggested and actions taken to rectify those identified improvement areas.

In my position as Accountable Officer, I am aware that effective governance is a fundamental cornerstone for the success of the Trust. The challenges placed on the Trust by the journey to become a Foundation Trust, the reform of Healthcare, the Trust's public service purpose and the fact that NHS trusts are entrusted with public funds demand that their Boards operate according to the highest corporate standards. To this end, the Board formally signed up to the Code of Conduct and Code of Accountability for NHS Boards and the Standards for Members of NHS Boards in England. As an aspirant Foundation Trust, Northampton General Hospital NHS Trust is compliant with those aspects of Monitor's Code of Governance for which it can within its current legal constitution.

3. Risk Assessment

As Chief Executive I have overall responsibility for risk management. Specific responsibilities are delegated to senior managers throughout the organisation. The Board plays a key role in overseeing risks, establishing risk appetite for high level risks on a risk by risk basis and in encouraging proactive identification and mitigation of risks.

Risk identification, prioritisation, mitigation or elimination occurs through assessment and grading using a nationally-recognised matrix of impact and likelihood. Incident reporting is a factor in the ongoing assessment of risk and results in the instigation of changes in practice. Complaints and other forms of user and stakeholder feedback are also used and reported to the Board. Risk management is incorporated in objective setting and appraisals.

Leadership and co-ordination of risk management activities is provided by the Medical Director and their team with support from all members of the Executive Team. Operational responsibility rests with all staff aligned to their individual roles. Risk assessment forms part of induction and training updates for existing staff are also available.

At its January 2014 meeting, the Board ratified the latest iteration of the Northampton General Hospital NHS Trust Risk Management Strategy. The Trust is continuing the implementation and embedding of the principles contained within the Strategy.

The top risks identified through the risk management process that have a significant impact on the ability of the Trust to deliver its strategic goals are documented on the Board Assurance Framework. During 2013/14 there has been a significant amount of work undertaken to manage, rationalise and ensure consistency of the risks identified through the risk management process.

The strategic risk profile of risks relating to the achievement of strategic objectives that were identified through business planning processes and approved by the Board during 2013/14 is attached at appendix 1 of this statement.

These risks will continue to be managed through the risk management and assurance processes throughout 2014/15. Where appropriate, the Trust will discuss risks which threaten the achievement of objectives with our commissioners, our partners in healthcare and social services, the local authority, voluntary bodies and through involvement of public and patients' representatives in Trust business.

At the time of writing this statement, there were no serious incidents requiring investigation involving personal data identified during 2013/14.

4. The Risk and Control Framework

The Board takes responsibility for oversight and assurance of risk management systems throughout the Trust and receives the Board Assurance Framework quarterly at its meetings.

The Trust has an approved Risk Management Strategy which is available to all staff on the Trust's intranet site. The purpose of this strategy is to ensure that the Trust manages risks in all areas using a systematic and consistent approach. The objectives of the Risk Management Strategy are stated as follows:

- Ensure understanding at all levels of the organisation of the processes and responsibilities for incident reporting; risk assessment, identification and management;
- Cultivate and foster an 'open culture' in which risk management is identified as part of continuous improvement of patient care and staff well-being;
- Integrate risk management into all our business decision making, planning, performance reporting and delivery processes to achieve a confident and rigorous basis for decision-making;
- Ensure a systematic approach to the identification, assessment and analysis of risk and the allocation of resources to eliminate, reduce and/or control them in order that the Board of Directors can meet its objectives;
- Encourage learning (individual and organisational) from all incidents, mistakes, accidents and 'near misses' be they related to clinical, financial, environmental or organisational events;
- Minimise damage and financial losses that arise from avoidable, unplanned events;
- Ensure the Trust complies with relevant statutory, mandatory and professional requirements.

The Risk Management Strategy provides the framework for a robust risk management process throughout the Trust. The document describes the Trust's overall risk management process and the Trust's risk identification, evaluation and control system. Risk appetite is covered in the Policy for Assessment and Management of Risk. The Trust's major risks are identified in the Board Assurance Framework and the Trust's Corporate Risk Register.

The Trust's strategic aims form the basis of the Board Assurance Framework. The strategic aims are linked to key risks, internal controls and assurance sources. Mitigating controls and assurances are recorded and monitored. The control mechanisms in place minimise the risk of failure to deliver business objectives, including robust corporate and performance management frameworks, service level agreements and contract monitoring, policies and procedures.

The Board delegated detailed oversight of the Board Assurance Framework to the Audit Committee. This Committee assesses the effectiveness of risk management by: managing and monitoring the implementation of the Risk Management Strategy; considering findings from internal and external audit reviews; calling Executive Directors to account for their risk portfolios and monitoring the Board Assurance Framework at each of its meetings.

The Board is committed to a culture of continual learning and quality improvement from risk related issues, incidents, complaints, claims and significant events and these are key to maintaining the risk management culture of Northampton General Hospital NHS Trust. The Integrated Healthcare Governance Committee, supporting by the Clinical Quality and Effectiveness Group and Patient Safety Academy assures the Board of key areas of learning through the Investigating, Analysing and Learning from Incidents, Complaints and Claims policy. Learning is acquired from a variety of sources, including:

- Analysis of incidents, complaints and claims and acting on root cause analysis reports at directorate level and thematically at organisation level
- External reviews and inspections
- Health and Safety issues
- Organisation Patient Safety Incident Reports from National Reporting and Learning System (NRLS)
- Weekly Serious Incident Group meetings
- Assurance from Internal and External audit reports and monitoring of action plans to address recommendations
- Clinical Audit reports
- Directorate and executive team review of risks, risk assessments and action plans to mitigate
- Patient Safety Learning Forum – e.g. there is a patient safety academy work stream focussed on learning from error which is led by a consultant.

The Integrated Healthcare Governance Committee provides assurance to the Board in relation to meeting quality standards and the management of clinical risks.

Specialised risk management activities, for example information governance, emergency planning and business continuity, health & safety and fire are undertaken by specialist groups reporting the Clinical Quality and Effectiveness Group which is accountable to the Integrated Healthcare Governance Committee.

The Audit Committee received regular reports from the Local Counter Fraud Specialist which identified specific fraud risks and investigated whether there was evidence of those being exploited. No significant risks or classes of transactions or account balances had been identified. However, the committee was alerted to potential under reporting of fraud and a Counter Fraud Plan agreed with a substantial proactive component to promote an anti-fraud culture.

Data security risks are managed and monitored within the overall risk management framework overseen by an Information Security Manager to ensure security threats are followed up and appropriately managed.

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

The Trust involves its key public stakeholders with managing the risks that affect them through the following mechanisms:

- Engagement with the local Health Overview and Scrutiny Committee
- Engagement with Healthwatch
- The Shadow Council of Governors are consulted on key issues and risks
- Annual members meeting
- Engagement with User Groups and Support Groups

Northampton General Hospital NHS Trust has undertaken risk assessments and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with. Adaptation reporting uses a risk assessment approach in conjunction with resilience planning founded on weather-based risks e.g. heat wave, extreme cold, drought, flood.

5. Review of the Effectiveness of Risk Management and Internal Control

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of risk management and internal control. My review is informed in a number of ways.

In his report, the Head of Internal Audit stated that satisfactory assurance could be given as there was a generally sound system of internal control in place, designed to meet the organisation's objectives, and controls were generally being applied consistently and effectively. However, some areas for improvement were identified.

Director compliance statements from executive directors and senior managers within the organisation who have responsibility for the development and maintenance of the system of internal control provide me with assurance. The Board Assurance Framework provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed and addressed.

End of year review of the Board Assurance Framework by the Head of Internal Audit provided 'good assurance' that there was generally a sound system of internal control in place relating to the Board Assurance Framework. This is a significant improvement on 2012/13.

To assure ourselves that we are delivering the high quality care our patients have a right to expect, during 2013/14 the Trust established a new programme of internal inspections which have been named QuEST (Quality, Effectiveness, and Safety Team) reviews. These are a comprehensive rolling programme of visits by teams of reviewers to every ward and clinical area in the hospital to assess how well each is performing against key standards of practice. The outputs from the visits are reported, challenges and outcomes shared with peers to the Integrated Healthcare

Governance Committee. All Board members also participate in a range of quality and safety visits to clinical and non-clinical areas. The scheduled visits by Board members are supplemented by regular ad-hoc visits to wards and departments from executive directors and senior managers. The outcomes of each visit inform focus and reporting at subsequent Board and committee meetings.

Compliance with the Care Quality Commission (CQC) essential standards of quality and safety are a key component of the organisation's risk management process. The Trust is registered with the CQC.

During January 2014, the Trust was subject to a Chief Inspector of Hospital's Inspection led by the CQC. The overall rating for the Trust provided by the CQC was 'Requires Improvement' and a Warning Notice for failure to comply with the relevant requirements of the Health and Social Care Act 2008 (Regulated Activities) Regulations 2010 (the Regulated Activities Regulations 2010) was issued. Immediate actions in response to the Warning Notice and the overall findings was developed, the details of which are presented under section 6 of this statement, significant issues.

During 2013/14, a total of 13 internal audit reports were issued of which six provided good assurance, four provided satisfactory assurance and three provided limited assurance. There is a clear, dynamic process for monitoring progress against audit recommendations with oversight by the Audit Committee. Recommendations from reports providing limited assurance are prioritised.

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

I have drawn on the content of the Quality Account and the 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.

My review is also informed by:

- Work of the Trust's Audit Committee, Finance Committee and Integrated Healthcare Governance Committee
- CQC Registration requirements
- Patient and staff surveys
- QuEST Inspections
- PLACE inspections
- Internal sources such as clinical audit, performance management reports, benchmarking and self-assessment reports
- Assessment of key findings of external enquiries (where appropriate)
- Assessment of key findings of external reviews commissioned by the Trust.

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 supported by the Audit Committee, Integrated Healthcare Governance Committee and Finance Committee.

Processes are in place to maintain and review the effectiveness of the system of internal control by:

- The Board providing overall leadership for the management of risk against the achievement of organisational objectives;
- The Board's receipt of the Board Assurance Framework at its meetings
- The Audit Committee, Integrated Healthcare Governance Committee and the Finance Committee providing assurance on the effective operation of the risk management system;
- Each level of management being responsible for the risks in their areas, regularly reviewing them and the controls in place to mitigate them;
- The internal assurance process used to monitor compliance with the Care Quality Commission's Essential Standards.

6. Significant Issues

Significant Issue Description	Remedial Action Taken/To be Taken
CQC Concerns raised relating to governance and performance management (CQC Report)	The trust commissioned a review of the it's governance systems with external specialist support to ensure that there is a robust framework in place and the appropriate skills for embedding are transferred to the relevant officers within the trust. Phase 1 of the work to be completed by 1 May 2014.
Patients discharged without medication (CQC Warning Notice) The CQC inspection observed patients being discharged without their medication prescribed by the hospital, which was later sent to the patient in a taxi. On review of the governance arrangements in place, it was found that the trust had not ensured that the practice was clearly set out in contemporary policy and guidance documentation.	The process of discharging patients without medication and allowing delivery by taxi ceased immediately when the trust was notified of the CQC's concerns. There are no plans to re-introduce this practice.
Mandatory Training and Appraisal Compliance (CQC Warning Notice) Significant numbers of trust staff had not received relevant mandatory training. Limited reporting and scoping of what training is Role Specific Essential Training across staff groups and areas	The trust is accelerating current programmes for improving mandatory training compliance, essential to role training compliance, appraisal compliance and introducing a robust performance management regime with reporting to the Board monthly.
Ward Moves (CQC Warning Notice) The CQC inspection noted that patients were on occasion transferred between wards late at night, including those patients diagnosed with dementia. There was no evidence available to the inspectors to provide assurance that risk assessments related to the health and well-being of patients and the subsequent impact on staffing levels were undertaken. It was found that ward transfer records did not record the times at which patients were transferred, nor were the number of patients moved at night documented.	• Review the emergency care flow issues and improve all processes from admission through to discharge • Track and report patient moves • Risk assess all patient moves • Work to understand those areas where maximum impact will be required • Work in partnership with the health and social care economy • Use electronic systems to assist our processes • Understand all blocks in the system

Stroke Pathways (CQC Warning Notice) Concerns were raised to the CQC inspection team regarding understanding of the stroke imaging pathway and confusion between the radiology and medical departments.	The trust has mandated clarification of the the pathway amongst relevant staff with agreed roles and responsibilities and agreed how we will measure this and report exceptions/issues.
Compliance with Intensive Care Society Core Standards for Intensive Care (CQC Warning Notice) It was noted that a self-assessment of the Intensive Care Society Core Standards for Intensive Care had been undertaken, but it was felt by the CQC Inspection team that the assessment was not a robust assessment as it actions to address identified gaps to comply with the standards were not evident.	The self-assessment was undertaken in December 2013. A summary report on the findings, actions and progress to be presented to the IHGC in May 2014.
Action of the ECIST Report into A&E (CQC Warning Notice) The CQC found no evidence that conclusions from the local Emergency Care Intensive Support Team report into A&E had resulted in changes to treatment of the care provided.	An assessment of the findings was completed and reported to the Board in October 2013.Significant actions were taken and programmes of work were in place. This ECIST Report related to the Health Economy and will be revisited by the Health Economy Urgent Care Group to ensure that any further actions required are expedited. The Trust is currently strengthening its urgent care programme with external support
Follow-Up of Action Plans – Learning from Experience (CQC Warning Notice) The trust has identified a concern regarding the follow-up of action plans; however there was no record of how the trust planned to address the issue, and no evidence that the associated risks would be identified, assessed and managed.	• Continue to develop the improvement plan in place for action plans resulting from serious incidents • Continue to develop the mortality and morbidity analysis meetings • Continue to develop the quality metrics • Improve the action plan monitoring from complaints and improve the triangulation of issues from complaints , patient experience feedback and incidents

Performance Development Plan Compliance (CQC Warning Notice) The percentage of staff that had an up to date PDP in place on the 16 January 2014 was 29.77%.	An audit has commenced across all areas where there is no up-to-date information on staff appraisals. This required managers to provide appropriate evidence to the HR & L&D teams that staff have had an appraisal. If the appraisal has not been done prior to April 2014 as it was not aligned to an increment date this year, managers must carry out an appraisal immediately by April 30. It may then be necessary to do a further review within the 12 month period if the increment date is due so that Staff can be assured of appropriate incremental progression
Summary Hospital-Level Mortality Indicator The Trust's Standardised Hospital Mortality Indicator (SHMI) rate was higher than expected. The most recent data release [to end September2013] shows SHMI for the rolling year to be at **110,** a noticeable fall from the previous **115.8** due to the marked fall for Q1 and Q2 of 2013-4, as previously predicted. This value falls within the ' as expected ' category. HSMR(100) for the same period was **98.** The divergence between the 2 remains of concern particularly because SHMI data is not easily available for further analysis to identify areas of poor performance, but both indicators continue to improve	Dashboard for alerts (12 months and one month), Identification of new adverse performance, Tracking of previous adverse performance, Forward scanning for deteriorating performance, Report to Medical Director Reporting to Trust Board. The Trust wide mortality review group is scheduled to meet 6 times in January/February to review 50 random selected case notes of those patients who died during July. Twelve consultants/specialty doctors of different specialties are currently undertaking case note reviews for presentation and discussion. The final report from the trust wide mortality review group, available in April 2014, will influence the forward programme of work for the Patient Safety Academy. Participation in the group has enabled consultants to develop their mortality review skills for use within their own directorates. The most recent SHMI for the last two quarters of data is well within expected limits .

Elective C-Section Rates The caesarean section rate at NGH has remained consistently above the UK national average of 24%. In 2012/13, the overall caesarean section rate for NGH was 28%. Following a review of both Elective and Emergency Caesarean Sections carried out in 2011, it was noted that the emergency caesarean section rate was below the national average and that it was the elective operations that were responsible for the Trust being an outlier.	NGH has further developed and fully implemented a pathway for vaginal birth after caesarean section (VBAC), finally agreed and ratified by the Maternity Clinical Effectiveness Group in January 2013. All women are debriefed following caesarean section and offered advice regarding their future birth options. Compliance is audited by reviewing maternity records for evidence of the debrief monthly and monitored by the Obstetric Governance Group. In October compliance was 100% which was a significant improvement. This monitoring will move to quarterly once assurance of sustained improvement is demonstrated. The Barratt Birth Centre has now been completed. Women with low risk pregnancies are being referred and it is aimed that 1000 births will take place annually. In order to be able to demonstrate that the indications for all elective caesarean sections at NGH are compliant with NICE CG 132 recommendations, a monthly audit is completed and monitored at the Obstetric Governance Meetings.
NHS Staff Survey Results Staff survey scores highlighted evaluated risk in relation to support from immediate managers. Below average returns of the staff survey are also reported.	• Conducting a survey on communications: Focussing on asking staff how they feel that communications can be improved. • Engaging staff in developing a values & behaviour framework: Developing the trust values that should guide our behaviours at work. • Established an OD reference group to contribute to the on-going programme bringing local expertise and organisational insight • Sharing the results of the staff survey through managers discussing the findings with staff and reporting back on staff ides for change • Developing a training programme to build the capability of line managers to undertake staff engagement as part of their day to day role, using the Listening into Action methodology. This will start to embed staff engagement as a key part of manager's responsibility. • The survey results have been re-profiled by Care Group and Occupational Group and the results are being shared with the Care Group Boards so that they may develop local responses to local issues

ESR and Staff Registration In October 2013 CQC highlighted an elevated risk regarding the composite risk rating of ESR items relating to the recording of staff registration.	• A process for recording and monitoring professional registrations with the Health and Care Professions Council (HCPC) and General Pharmacy Council (GPC) had not been identified prior to this date and as a result any information regarding this within ESR was only at point of recruitment and therefore not updated. • October 2013: a report from ESR suggested that whilst the monitoring had not taken place all staff employed that required HCPC and GPC registration were up-to-date with their registrations. • The process already in place for monitoring NMC and GMC registrations was adopted; therefore reports are run and managers are informed if their staff have out of date registrations. • The ESR system was updated with the correct information on registration status. • A subsequent audit into registrations undertaken by the trust's internal auditors provided satisfactory assurance that internal control systems and processes in place were generally sound and was generally being applied consistently and effectively.

Whistleblowing Alerts A member of staff contacted the CQC to raise safeguarding concerns regarding the quality of care on Cedar Ward (Trauma & Orthopaedics). A member of staff from Allebone ward (General Medicine) contacted the CQC regarding nurse staffing concerns. This was followed a week later, by a former patient raising concerns with the CQC regarding quality of care and leadership issues on Allebone Ward. Quality of care issues on Brampton Ward (Care of the Frail Elderly) were raised with the CQC	• The quality of care on Cedar Ward has improved significantly since the initial concerns were raised. Two weekly meetings were held with the staff and a number of actions implemented. The Trust awaits the outcome from the multi-agency safeguarding investigation led by Northamptonshire County Council (NCC) in conjunction with the CCG and the Trust. • The quality of care on Allebone Ward is improving slowly as a result of 2 weekly meetings with staff. • The issues identified on Brampton Ward are being addressed by the team, and being monitored via 2 weekly meetings with staff. The outcome of the internal investigation is awaited. • Matrons conducted a series of 15 step peer review audits across the Trust following the Cedar safeguarding notification to identify if there were any other safeguarding areas of concern. None were identified. • The audits originally undertaken by the Matrons have been streamlined into one 15 step audit, conducted on a monthly basis. The results are fed into a refined Nursing & Midwifery Quality Dashboard, with the aim that these are shared with ward staff and used as an improvement tool • The 15 step audit methodology has been expanded considerably to provide the Trust with its new Chief Inspector of Hospitals mock self-assessment audit, entitled QuEST (Quality Effectiveness Safety Team) • There has been a re-defining of the Director of Nursing, Midwifery & Patient Services' portfolio to enable her to focus on enhancing the standards of nursing/midwifery care delivered across the Trust

Urgent Care Northampton General Hospital has not achieved the national maximum 4hr A&E waiting time (with the exception of May 2013) for the past two years. This is due to a number of factors: • A&E attendances have significantly increased since the same time the previous year • A high number of ambulance conveyances (particularly at night) of patients who did not require acute hospital intervention however, local alternatives are not available. • Securing Senior A&E Consultant cover has proved to be difficult and there are gaps in the rota • The Medical and Surgical Assessment units are heavily used and patient throughput is slower than required in order to enable A&E patients to be admitted in a timely manner • Discharge planning needs to commence as early as possible in a patient's admission • The community hospital bed throughput is slower than required to maintain effective patient flow from acute setting into community beds • General Practice appointments do not enable sufficient patients to see their GP on the same day or within 48hrs. This prompts people to self-present at the A&E for primary care health concerns	• An Urgent Care Board has been set up with Work streams and sub-groups (ensuring there is no overlap or duplication with the Transformation IQEG Programme) and recommendations from ECIS and other external reports have been incorporated into these work programmes which are specifically focussed on patient safety • Visits have been carried out to peer organisations who are achieving the target to understand what the key processes are and to develop and implement changes at NGH. • Ambulatory Care pathways have been set up and a new Ambulatory Care centre has been established adjacent to majors in A&E • Data collection is being streamlined to reduce duplication, clarify accountability and take a proactive approach on a weekly basis • A medical workforce development plan is in place and there are 5.9WTE A&E Consultants with new appointments x 2 coming on board early next year • ANPs are being recruited in A&E • A&E Triage is being changed to expedite patient throughput and have senior clinician review at the front end • A&E and Assessment Unit Professional Standards are being developed • Nurse-led discharge has commenced (early November) and therapy led discharge is being rolled out • Estimated Day of Discharge is being rolled out across all wards and is being embedded • The current Discharge Lounge is being reviewed with a view to relocated it and change key processes to increase the number of patients who leave their ward beds before 10am • Discharge to Access has been rolled out and widely publicised • Community Hospitals are undertaking nurse-led discharge and reviewing referral / acceptance criteria • The Visual Hospital is being rolled out and all wards have now been trained. This will enable the site management team to place A&E patients swiftly and to collate bed occupancy / availability reports in real time • External support has been sought to re-energise the trust's internal urgent care programme.

National Audit Office Report A National Audit Office Report into the recording of waiting times for non-emergency operations found wrong and inconsistent recording after reviewing 650 cases in seven trusts it reviewed, one of which was NGH. The evidence given within the NAO report suggested that there was no deliberate mis-recording of waiting times but that the systems surrounding the recording of information were complex and time consuming as a result of a mixture of manual and electronic systems and certain complexities relating to interpretation of the guidance on this matter. It was clear that there could be improvements in the information given to patients and that hospitals will be required to improve the accuracy of data and undertake regular audits of data quality .	There are a number of assurance processes in-place in relation to the elective waiting list but these must be improved. At present these consist of: • Weekly performance meetings chaired by the COO • Data is not formally signed off, but it is checked via these meetings and reported to IHGC • Training is undertaken by the Information Department • An audit has been undertaken into Cancer Waiting Times • Some automated validation checks are in-place • Other validation is undertaken but only into patients who are waiting in excess of the standard These processes need to be improved and will be performance managed by the TDA. Immediate actions include: • Inclusion of annual audit into elective waiting lists in the external audit programme • Formal sign-off of waiting list data by the COO • Formalisation of training by the Information Department • Monthly data quality report to IQEG as part of the performance report to include a range of metrics that formalise the process • Data Quality Group to oversee the process of data quality improvement • Publication of patient friendly information on the website to inform the patients of their expectations
Financial Sustainability The financial challenge facing the Trust remains significant and the development of a medium term financial recovery plan remains paramount.	Ongoing development a revised approach for Healthier Northamptonshire that defines a county-wide approach to clinical and financial sustainability.

With the exception of the internal control issues that I have outlined in this statement, my review confirms that Northampton General Hospital NHS Trust has a generally sound system of internal control that supports the achievement of its goals, vision, values, policies, aims and objectives and that those control issues have been or are being addressed. The statements issued are in line with compliance against governance standards as required by the HM Treasury/Cabinet Office Corporate Governance Code,

Signed…… Date……

Dr Sonia Swart
Chief Executive
Northampton General Hospital

Appendix 1. Strategic Risk Profile 2013/14

Risk Description	Initial Risk Rating	Revised Risk Rating
There is a risk that the Trust will be unable to sustain improvements in line with external standards, regulatory bodies and to learn from incidents and complaints. This would ultimately result in failing to deliver its Quality Strategy, impacting on the safety and experience of patients. Due to delays in recruitment to essential posts resulting in workforce pressures leading to underdeveloped governance systems and processes.	**16**	**20**
Risk of increased mortality rates due to failure to rapidly investigate and instigate improvement plans for any area of concern indicated by HSMR /SHMI data.	**20**	**15**
Risk of failure to follow up patients with serious eye disease resulting in blindness.	**20**	**10**
Risk of failure to adequately address recommendations of external reports.	**16**	**16**
Failure of the estate infrastructure due to the age profile of the estate and limited capital funding for statutory maintenance, replacement infrastructure, patient environment improvements and infection control which would adversely impact on health and safety, patient experience and quality of care.	**20**	**20**
The Trusts inability to effectively develop and implement its workforce plans due to the changing workforce profile. The Trust is unable to recruit to a safe establishment which will impact on the safety of care provided and reduce staff satisfaction. This has a knock on effect on education commissioning.	**16**	**12**
Continued high use of bank and agency staff due to existing vacancies, specialing requirements, some rostering issues and high sickness rates.	**15**	**12**
The Trust is failing to meet its C.Diff trajectory due to inappropriate sampling and not always taking samples early enough (i.e. within the first 72 hours). This poses a significant risk to the Trust if the Trust's trajectory is exceeded.	**15**	**12**
Non elective activity levels exceeding plan leading to inability to safely manage urgent care patients, urgent care standards and achieve 95% of patients seen within 4 hours. This in turn increases pressure on the workforce due to insufficient physical and staffing resources available.	**20**	**20**
Failure to meet contractual requirements or breach of targets leading to financial penalties	**20**	**20**
Inability to develop revised business strategy due to Healthier Together local partnership work, external environment and commissioning intentions. The Trust is currently unable to develop a Strategic Outline Case which identifies safe sustainable savings meaning the Trust may not be able to maintain financial stability and long term financial viability which will impact on service delivery, patient experience, liquidity and quality unless this is mitigated through external support	**12** **20**	**12** **20**

Risk Description	Initial Risk Rating	Revised Risk Rating
Failure to deliver a successful FT application leading to loss of strategic direction and organisational stability.	**16**	**16**
Failure to develop strategic relationships with Commissioners constrains our ability to redesign services to provide innovative patient pathway and a decline in reputation with local commissioners.	**9**	**9**
There is a risk to the Trust's cancer centre status as the population served will not be at the required level of one million particularly as overall minimum standards increase. The Trust is struggling to recruit and retain consultant oncologists which will impact on patient pathways and will put the service at risk.	**16**	**12**
The accuracy and quality of management information should be at the optimum level, failure to deliver could lead to financial risk/penalty, failure to deliver corporate objectives or damage to organisation reputation.	**16**	**16**
Inability to fund investment required in Organisational Development capacity and capability to drive this agenda forward.	**16**	**8**
Instability within the senior management team due to high turnover impacts on the continuity of leadership of the Trust. This could adversely affect staff satisfaction and morale, the ability to recruit and retain staff and the culture of the Trust.	**16**	**6**
Inability to fund investment in leadership and management Development.	**16**	**12**
Current financial position and projections fail to deliver Monitor requirements for authorisation as a FT. TDA have not approved financial plan and have requested Trust to develop a Financial Recovery Plan to deliver a breakeven financial position for 2013/14. The CCG will not commit to reinvesting fines, penalties or any of the 2% strategic reserve back into the Trust, citing a significant financial deficit.	**20**	**20**
Failure to generate sufficient cash balances to meet operational requirements and to make half yearly PDC dividend payments to HMT.	**20**	**20**
The I&E plan for 2013-14 highlights a deficit of £4.8m including delivery of 5% CIPs amounting to £13m. The Transformation Programme has identified CIP schemes of £10.3m for delivery with further schemes identified but red rated giving rise to significant risk of a financial deficit in 2013-14. Transformation team and process requires significant refocus and prioritisation. LTF for in year savings delivery slipping.	**20**	**20**
Nene CCG is highlighting significant financial pressures in 2013-14 and slippage in delivery of QiPP plans. CCG financial pressures may give rise to restrictions in accessing the CCGs 2% Strategic reserve and lead to the requirement for additional CCG QIPPS to be implemented. Slippage in the CCG QiPP schemes may lead to a higher propensity for performance notices and fines to be issued for contract compliance breeches.	**20**	**20**

Risk Description	Initial Risk Rating	Revised Risk Rating
The latest iteration of the QIPP plan from commissioners shows an anticipated reduction in volume for NGH, equating to £3.6m, £2.2m of which is from reduced A&E and emergency admissions. This is not demonstrated in actual attendances and presents significant financial risks.		
NGH has an ageing profile of Radiology and Radiotherapy equipment which requires replacement. The Trust has embarked on a project to deliver replacement of existing equipment through a MES arrangement. Work is well advanced (as at Sep 13) with invitation to submit final bids is due for circulation to four potential suppliers. Preferred bidder selection is expected in October 13 with planned service commencement in April 14. The complex commercial and financial nature of the proposed MES arrangement give rise to specific risks which require understanding, expert advice and mitigation. For the Trust to proceed TDA approval of the business case is also required given the financial value associated with the investment (Circa £40m).	**20**	**15**

Independent Auditor's Report to the Directors of

Northampton General Hospital NHS Trust

To Be Tabled at the Meeting

Data entered below will be used throughout the workbook:

Trust name	Northampton General Hospital NHS Trust
This year	2013-14
Last year	2012-13
This year ended	31 March 2014
Last year ended	31 March 2013
This year commencing:	1 April 2013
Last year commencing:	1 April 2012

DRAFT Accounts 2013-14

N.B. These include all adjustments as agreed with KPMG as at 16 May 2014

N.B. These highlighted notes will be updated once finalised with KPMG

Statement of Comprehensive Income for year ended 31 March 2014

	NOTE	2013-14 £000s	2012-13 £000s
Gross employee benefits	10.1	**(179,692)**	(175,717)
Other operating costs	8	**(90,924)**	(92,047)
Revenue from patient care activities	5	**247,359**	236,321
Other Operating revenue	6	**29,535**	34,974
Operating surplus/(deficit)		**6,278**	3,531
Investment revenue	12	**33**	24
Other gains and (losses)	13	**6**	15
Finance costs	14	**(26)**	(78)
Surplus/(deficit) for the financial year		**6,291**	3,492
Public dividend capital dividends payable		**(4,188)**	(4,256)
Transfers by absorption - gains		**0**	0
Transfers by absorption - (losses)		**0**	0
Net Gain/(loss) on transfers by absorption		**0**	0
Retained surplus/(deficit) for the year		**2,103**	(764)

Other Comprehensive Income

	2013-14 £000s	2012-13 £000s
Impairments and reversals taken to the Revaluation Reserve	**0**	(2,839)
Net gain/(loss) on revaluation of property, plant & equipment	**3,712**	1,962
Net gain/(loss) on revaluation of intangibles	**0**	0
Net gain/(loss) on revaluation of financial assets	**0**	0
Other gain /(loss) (explain in footnote below)	**0**	0
Net gain/(loss) on revaluation of available for sale financial assets	**0**	0
Net actuarial gain/(loss) on pension schemes	**0**	0
Other Pension Remeasurements	**0**	0
Reclassification Adjustments		
On disposal of available for sale financial assets	**0**	0
Total Comprehensive Income for the year	**5,815**	(1,641)

Financial performance for the year

Retained surplus/(deficit) for the year	**2,103**	(764)
Prior period adjustment to correct errors and other performance adjustments	**0**	0
IFRIC 12 adjustment (including IFRIC 12 impairments)	**0**	0
Impairments (excluding IFRIC 12 impairments)	**(2,257)**	899
Adjustments in respect of donated gov't grant asset reserve elimination *[if required]*	**351**	264
Adjustment re Absorption accounting	**0**	0
Adjusted retained surplus/(deficit)	**197**	399

Impairments of buildings related to a reversal of previous impairment of £2,257k applied as a result of a change in the economic value and is excluded from retained surplus and statutory breakeven in accordance with the DH Manual for Accounts, note 17 refers.

Donated asset net benefit of £351k (consisting of £554k donated depreciation and £203k donated additions) is excluded from retained surplus and statutory breakeven duty in accordance with the DH Manual for Accounts.

Revenue from patient care activities includes £4,500k funding from NHS England relating to specific non-recurrent items in 2013/14.

Statement of Financial Position as at 31 March 2014

	NOTE	31 March 2014 £000s	31 March 2013 £000s
Non-current assets:			
Property, plant and equipment	15	**141,113**	130,749
Intangible assets	16	**2,346**	2,794
Investment property	18	**0**	0
Other financial assets		**0**	0
Trade and other receivables	22.1	**236**	246
Total non-current assets		**143,695**	133,789
Current assets:			
Inventories	21	**5,136**	4,934
Trade and other receivables	22.1	**12,501**	10,149
Other financial assets	23	**0**	0
Other current assets	24	**0**	0
Cash and cash equivalents	25	**4,445**	4,341
Total current assets		**22,082**	19,424
Non-current assets held for sale	26	**0**	0
Total current assets		**22,082**	19,424
Total assets		**165,777**	153,213
Current liabilities			
Trade and other payables	27	**(18,402)**	(14,071)
Other liabilities	28	**(811)**	(786)
Provisions	34	**(2,338)**	(3,501)
Borrowings	29	**(285)**	(285)
Other financial liabilities	30	**0**	0
Working capital loan from Department		**0**	0
Capital loan from Department		**0**	0
Total current liabilities		**(21,836)**	(18,643)
Net current assets/(liabilities)		**246**	781
Non-current assets plus/less net current assets/liabilities		**143,941**	134,570
Non-current liabilities			
Trade and other payables	27	**0**	0
Other Liabilities	28	**0**	0
Provisions	34	**(1,384)**	(1,281)
Borrowings	29	**(341)**	(384)
Other financial liabilities	30	**0**	0
Working capital loan from Department		**0**	0
Capital loan from Department		**0**	0
Total non-current liabilities		**(1,725)**	(1,665)
Total Assets Employed:		**142,216**	132,905
FINANCED BY:			
TAXPAYERS' EQUITY			
Public Dividend Capital		**103,611**	100,115
Retained earnings		**2,878**	(306)
Revaluation reserve		**35,727**	32,487
Other reserves		**0**	609
Total Taxpayers' Equity:		**142,216**	132,905

Notes ***1 to 41*** which commence on page ***TBC*** form part of these accounts

The financial statements on pages ***TBC*** were approved by the Board on ***TBC*** and signed on its behalf by

Chief Executive: Date:

SOFP

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

	Public Dividend capital	Retained earnings	Revaluation reserve	Other reserves	Total reserves
	£000s	£000s	£000s	£000s	£000s
Balance at 1 April 2013	**100,115**	**(306)**	**32,487**	**609**	**132,905**
Changes in taxpayers' equity for 2013-14					
Retained surplus/(deficit) for the year	0	2,103	**0**	0	**2,103**
Net gain / (loss) on revaluation of property, plant, equipment	0	0	3,712	0	**3,712**
Net gain / (loss) on revaluation of intangible assets	0	0	0	0	**0**
Net gain / (loss) on revaluation of financial assets	0	0	0	0	**0**
Net gain / (loss) on revaluation of available for sale financial assets	0	0	0	0	**0**
Impairments and reversals	0	0	0	0	**0**
Other gains/(loss) (provide details below)	0	0	0	0	**0**
Transfers between reserves	0	1,081	(472)	(609)	**0**
Transfers under Modified Absorption Accounting - PCTs & SHAs	0	0	0	0	**0**
Transfers under Modified Absorption Accounting - Other Bodies	0	0	0	0	**0**
Reclassification Adjustments					
Transfers to/(from) Other Bodies within the Resource Account Boundary	0	0	0	0	**0**
Transfers between Revaluation Reserve & Retained Earnings in respect of assets transferred under absorption	0	0	0	0	**0**
On Disposal of Available for Sale financial Assets	0	0	0	0	**0**
Reserves eliminated on dissolution	0	0	0	0	**0**
Originating capital for Trust established in year	0	0	0	0	**0**
New PDC Received - Cash	3,496	0	0	0	**3,496**
New PDC Received/(Repaid) - PCTs and SHAs Legacy items paid for by Department of Health	0	0	0	0	**0**
PDC Repaid In Year	0	0	0	0	**0**
PDC Written Off	0	0	0	0	**0**
Transferred to NHS Foundation Trust	0	0	0	0	**0**
Other Movements	0	0	0	0	**0**
Net Actuarial Gain/(Loss) on Pension	0	0	0	0	**0**
Other Pensions Remeasurement	0	0	0	0	**0**
Net recognised revenue/(expense) for the year	**3,496**	**3,184**	**3,240**	**(609)**	**9,311**
Transfers between reserves in respect of modified absorption - PCTs & SHAs	0	0	0	0	**0**
Transfers between reserves in respect of modified absorption - Other Bodies	0	0	0	0	**0**
Balance at 31 March 2014	**103,611**	**2,878**	**35,727**	**0**	**142,216**
Balance at 1 April 2012	**99,635**	**(225)**	**34,047**	**609**	**134,066**
Changes in taxpayers' equity for the year ended 31 March 2013					
Retained surplus/(deficit) for the year	0	(764)	0	0	(764)
Net gain / (loss) on revaluation of property, plant, equipment	0	0	1,962	0	1,962
Net gain / (loss) on revaluation of intangible assets	0	0	0	0	0
Net gain / (loss) on revaluation of financial assets	0	0	0	0	0
Net gain / (loss) on revaluation of assets held for sale	0	0	0	0	0
Impairments and reversals	0	0	(2,839)	0	(2,839)
Movements in other reserves	0	0	0	0	0
Transfers between reserves	0	683	(683)	0	0
Release of reserves to Statement of Comprehensive Income	0	0	0	0	0
Reclassification Adjustments					
Transfers to/(from) Other Bodies within the Resource Account Boundary	0	0	0	0	0
Transfers between Revaluation Reserve & Retained Earnings Reserve in respect of assets transferred under absorption	0	0	0	0	0
On Disposal of Available for Sale financial Assets	0	0	0	0	0
Reserves eliminated on dissolution	0	0	0	0	0
Originating capital for Trust established in year	0	0	0	0	0
New PDC Received	4,480	0	0	0	4,480
PDC Repaid In Year	(4,000)	0	0	0	(4,000)
PDC Written Off	0	0	0	0	0
Transferred to NHS Foundation Trust	0	0	0	0	0
Other Movements in PDC In Year	0	0	0	0	0
Net Actuarial Gain/(Loss) on Pension	0	0	0	0	0
Net recognised revenue/(expense) for the year	**480**	**(81)**	**(1,560)**	**0**	**(1,161)**
Balance at 31 March 2013	**100,115**	**(306)**	**32,487**	**609**	**132,905**

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED

31 March 2014

	NOTE	**2013-14 £000s**	2012-13 £000s
Cash Flows from Operating Activities			
Operating Surplus/(Deficit)		**6,278**	3,531
Depreciation and Amortisation		**10,425**	9,738
Impairments and Reversals		**(2,257)**	899
Other Gains/(Losses) on foreign exchange		**0**	0
Donated Assets received credited to revenue but non-cash		**(203)**	(300)
Government Granted Assets received credited to revenue but non-cash		**0**	0
Interest Paid		**0**	(1)
Dividend (Paid)/Refunded		**(4,246)**	(4,164)
Release of PFI/deferred credit		**0**	0
(Increase)/Decrease in Inventories		**(202)**	(211)
(Increase)/Decrease in Trade and Other Receivables		**(2,342)**	786
(Increase)/Decrease in Other Current Assets		**0**	0
Increase/(Decrease) in Trade and Other Payables		**2,869**	(2,826)
(Increase)/Decrease in Other Current Liabilities		**25**	157
Provisions Utilised		**(2,599)**	(1,239)
Increase/(Decrease) in Provisions		**1,516**	4,019
Net Cash Inflow/(Outflow) from Operating Activities		**9,264**	10,389
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received		**33**	24
(Payments) for Property, Plant and Equipment		**(11,794)**	(9,916)
(Payments) for Intangible Assets		**(858)**	(1,038)
(Payments) for Investments with DH		**0**	0
(Payments) for Other Financial Assets		**0**	0
(Payments) for Financial Assets (LIFT)		**0**	0
Proceeds of disposal of assets held for sale (PPE)		**6**	315
Proceeds of disposal of assets held for sale (Intangible)		**0**	0
Proceeds from Disposal of Investment with DH		**0**	0
Proceeds from Disposal of Other Financial Assets		**0**	0
Proceeds from the disposal of Financial Assets (LIFT)		**0**	0
Loans Made in Respect of LIFT		**0**	0
Loans Repaid in Respect of LIFT		**0**	0
Rental Revenue		**0**	0
Net Cash Inflow/(Outflow) from Investing Activities		**(12,613)**	(10,615)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING		**(3,349)**	(226)
CASH FLOWS FROM FINANCING ACTIVITIES			
Public Dividend Capital Received		**3,496**	4,480
Public Dividend Capital Repaid		**0**	(4,000)
Loans received from DH - New Capital Investment Loans		**0**	0
Loans received from DH - New Revenue Support Loans		**0**	0
Other Loans Received		**277**	381
Loans repaid to DH - Capital Investment Loans Repayment of Principal		**0**	0
Loans repaid to DH - Revenue Support Loans		**0**	0
Other Loans Repaid		**(320)**	(238)
Cash transferred to NHS Foundation Trusts		**0**	0
Capital Element of Payments in Respect of Finance Leases and On-SoFP PFI and LIFT		**0**	0
Capital grants and other capital receipts (excluding donated / government granted cash receipts)		**0**	0
Net Cash Inflow/(Outflow) from Financing Activities		**3,453**	623
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**104**	397
Cash and Cash Equivalents (and Bank Overdraft) at Beginning of the Period		**4,341**	3,944
Effect of Exchange Rate Changes in the Balance of Cash Held in Foreign Currencies		**0**	0
Cash and Cash Equivalents (and Bank Overdraft) at year end		**4,445**	4,341

NOTES TO THE ACCOUNTS

1. Accounting Policies

The Secretary of State for Health has directed that the financial statements of NHS trusts shall meet the accounting requirements of the NHS Trusts Manual for Accounts, which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the 2013-14 NHS Trusts Manual for Accounts issued by the Department of Health. The accounting policies contained in that manual follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the NHS Trusts Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the trust for the purpose of giving a true and fair view has been selected. The particular policies adopted by the trust are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

1.1.1 Basis of accounting – going concern

As described in the Directors' Report of the Annual Report, the current economic environment for all NHS Trusts remains challenging. Whilst the Trust is aiming for a break even psition for the year ended 31 March 2014, the recurrent nature of the financial position has led the Board to agree a deficit plan of £8.9m for the 2014/15 financial year. In so doing, the Directors have considered the impact of incurring a deficit in terms of cash flow and have included a requirement for additional cash borrowing of £8m in the annual NHS Trust Development Agency (NTDA) plan submission.

The Board of Directors has concluded that the Trust is able to demonstrate that it is a going concern on the following basis;

- Agreement of the 2014/15 annual plan and key assumptions with the NHS Trust Development Authority.
- The Trust has signed service contracts with CCGs for 2014/15 which demonstrate the continuation of the provision of a service in the future. Importantly the Trust has agreement with its lead Clinical Commissioning Group to the reinvestment of fines and penalties (in accordance with prevailing Payment by Results guidance) that are not currently factored into the planned position for 2014/15.
- The Department of Health and NHS Trust Development Agency will confirm to the Trust arrangements for accessing cash financing for organisations that have submitted a deficit plan for 2014/15. The NTDA's Accountability Framework sets out the process where an NHS Trust will be assisted to develop and agreement of a formal recovery plan to address deficit positions.
- The NTDA have issued guidance to the NHS Trusts stating that the reporting of an actual or planned deficit should not; in themselves trigger difficulties in respect of the concept of going concern. The NTDA has put in place arrangements to ensure that organisations can demonstrate continuity of service through the contract agreement process with NHS England. Where organisations have reported a deficit, an escalation process is in place. Access to cash financing will also be available in certain circumstances, this will also, provide further assurance of the continuing nature of funding available to the organisation.
- Robust arrangements are in place for the delivery of cost improvement plans through a formal Transformation Programme established in the Trust.
- For the period ended 31st March 2014, the Trust has a cumulative surplus of £7.2m (2.59%) for the purposes of calculating the statutory NHS breakeven duty.

In preparing the annual plan for 2014/15 the Directors have considered a range of risks to the financial position, notably the identification of cthe requirement to develop a medium term financial recovery plan. The Board remains reasonably confident that the plan will be delivered, enabling on-going operations to continue. After making enquiries, and considering the uncertainties described above, the Directors have a reasonable expectation that the Trust will have access to adequate resources to continue in operational existence for the foreseeable future.

Notes to the Accounts - 1. Accounting Policies (Continued)

1.2 Acquisitions and discontinued operations

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

1.3 Movement of assets within the DH Group

Transfers as part of reorganisation fall to be accounted for by use of absorption accounting in line with the Treasury FReM. The FReM does not require retrospective adoption, so prior year transactions (which have been accounted for under merger accounting) have not been restated. Absorption accounting requires that entities account for their transactions in the period in which they took place, with no restatement of performance required when functions transfer within the public sector. Where assets and liabilities transfer, the gain or loss resulting is recognised in the SOCNE/SOCNI, and is disclosed separately from operating costs.

Other transfers of assets and liabilities within the Group are accounted for in line with IAS20 and similarly give rise to income and expentiture entries.

For transfers of assets and liabilities from those NHS bodies that closed on 1 April 2013, Treasury has agreed that a modified absorption approach should be applied. For these transactions only, gains and losses are recognised in reserves rather than the SOCNE/SOCNI.

There are no asset transfers applicable to the Trust in the current financial.

1.4 Charitable Funds

For 2013-14, the divergence from the FReM that NHS Charitable Funds are not consolidated with bodies' own returns is removed. Under the provisions of IAS 27 *Consolidated and Separate Financial Statements*, those Charitable Funds that fall under comon control with NHS bodies are consolidated within the entities' returns. In accordance with IAS 1 *Presentation of Financial Statements*, restated prior period accounts are presented where the adoption of the new policy has a material impact.

The Trust has decided not to consolidate the charity accounts on the basis of materiality.

1.5 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. 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 current and future periods.

1.5.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below) that management has made in the process of applying the Trust's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

It's ongoing status as a going concern;
That no major service discontinuation is anticipated;
Selection of indices for land and building valuations;
All lease liabilities have been identified through a review of contract documentation.

1.5.2 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and 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

Provisions - estimation provided to assess likelihood of possible financial obligations;
Partially completed spells - estimation required regarding length of stay and case mix;
Employee Benefits - estimate of levels of employee benefits not fully paid in year;
Receivables - including injury cost recovery and other accounts receivable - estimation required to assess the level of where it is probable that the debt is irrecoverable

Further details of these estimations are given with each related note to the Accounts.

1.6 Revenue

Revenue 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 revenue for the trust is from commissioners for healthcare services. Revenue relating to patient care spells that are part-completed at the year end are apportioned across the financial years on the basis of length of stay at the end of the reporting period compared to expected total length of stay using the financial year's case-mix and tariff rules.

Where income is received for a specific activity that is to be delivered in the following year, that income is deferred.

The Trust receives income under the NHS Injury Cost Recovery Scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid e.g. by an insurer. The Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit that the individual has lodged a compensation claim. The income is measured at the agreed tariff for the treatments provided to the injured individual, less a provision for unsuccessful compensation claims and doubtful debts.

The majority of income from sale of goods relates to the resale of pharmaceuticals. These are sold in accordance with individual service level agreements or other specific arrangements.

1.7 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. This is calculated on a sample based estimation of accrued leave not taken and permitted to be carried forward into the following financial year.

Retirement benefit costs

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

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the Trust commits itself to the retirement, regardless of the method of payment.

1.8 Other expenses

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.

Note 1 cont 2

1.9 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 Trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. All assets are measured subsequently at fair value.

Land and buildings used for the Trust's services or for administrative purposes are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

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

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.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

Fixtures and equipment are carried at fair value, with the carrying value of existing assets written off over their remaining useful lives. The Trust only indexes equipment where the asset life is greater than 5 years, using the CHAZ index, which is RPI less housing costs.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive income in the Statement of Comprehensive Income.

Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

Note 1 cont 3

Notes to the Accounts - 1. Accounting Policies (Continued)

1.10 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the Trust; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use
- the intention to complete the intangible asset and use it
- the ability to sell or use the intangible asset
- how the intangible asset will generate probable future economic benefits or service potential
- the availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it
- the ability to measure reliably the expenditure attributable to the intangible asset during its development

Measurement

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. All assets, both licenses and Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

1.11 Depreciation, amortisation and impairments

Freehold land, properties under construction, and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the Trust expects to obtain economic benefits or service potential from the asset. This is specific to the Trust and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over their estimated useful lives

At each reporting period end, the Trust considers whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to expenditure to the extent of the decrease previously charged there and thereafter to the revaluation reserve.

Note 1 cont 4

1.11 (cont'd) Impairments are analysed between Departmental Expenditure Limits (DEL) and Annually Managed Expenditure (AME). This is necessary to comply with Treasury's budgeting guidance. DEL limits are set in the Spending Review and Departments may not exceed the limits that they have been set.AME budgets are set by the Treasury and may be reviewed with departments in the run-up to the Budget. Departments need to monitor AME closely and inform Treasury if they expect AME spending to rise above forecast. Whilst Treasury accepts that in some areas of AME inherent volatility may mean departments do not have the ability to manage the spending within budgets in that financial year, any expected increases in AME require Treasury approval.

1.12 Donated assets

Donated non-current assets are capitalised at their fair value on receipt, with a matching credit to Income. They are valued, depreciated and impaired as described above for purchased assets. Gains and losses on revaluations, impairments and sales are as described above for purchased assets. Deferred income is recognised only where conditions attached to the donation preclude immediate recognition of the gain.

1.13 Government grants

The value of assets received by means of a government grant are credited directly to income. Deferred income is recognised only where conditions attached to the grant preclude immediate recognition of the gain. The Trust does not have any assets under this category.

1.14 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Income. On disposal, the balance for the asset on the revaluation reserve is transferred to retained earnings. For donated and government-granted assets, a transfer is made to or from the relevant reserve to the profit/loss on disposal account so that no profit or loss is recognised in income or expenses. The remaining surplus or deficit in the donated asset or government grant reserve is then transferred to retained earnings.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead, it is retained as an operational asset and its economic life is adjusted. The asset is de-recognised when it is scrapped or demolished.

1.15 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

The Trust as lessee

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate on interest on the remaining balance of the liability. Finance charges are recognised in calculating the trust's surplus/deficit.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Where a lease is for land and buildings, the land and building components are separated and individually assessed as to whether they are operating or finance leases.

The Trust as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the trust's net investment outstanding in respect of the leases.

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.

Note 1 cont 5

1.16 Inventories

Drugs and consumables are valued at current replacement costs, this is considered to be a reasonable approximation to fair value due to the high turnover of stocks. Fuel Oil is valued at the lower of cost and net realisable value, recognising that it has limited commercial value.

1.17 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management.

1.18 Provisions

Provisions are recognised when the Trust has a present legal or constructive obligation as a result of a past event, it is probable that the Trust will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured *using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury's applicable discount rate in real terms (1.8% for employee early departure obligations).*

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

A restructuring provision is recognised when the Trust 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 expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.19 Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the Trust pays an annual contribution to the NHSLA which in return settles all clinical negligence claims. The contribution is charged to expenditure. Although the NHSLA is administratively responsible for all clinical negligence cases the legal liability remains with the Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the trust is disclosed at note 34.

1.20 Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to the NHS Litigation Authority and, in return, receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses as and when they become due.

Note 1 cont 6

1.21 Carbon Reduction Commitment Scheme (CRC)

CRC and similar allowances are accounted for as government grant funded intangible assets if they are not expected to be realised within twelve months, and otherwise as other current assets. They are valued at open market value. As the NHS body makes emissions, a provision is recognised with an offsetting transfer from deferred income. The provision is settled on surrender of the allowances. The asset, provision and deferred income amounts are valued at fair value at the end of the reporting period.

1.22 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

1.23 Financial assets

Financial assets are recognised when the Trust becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

Financial assets are classified into the following categories: financial assets at fair value through profit and loss; held to maturity investments; available for sale financial assets, and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets at fair value through profit and loss

The Trust has not identified any Financial Assets at fair value through profit and loss. Should any of these be identified in the future, further disclosures will be given.

Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Available for sale financial assets

The Trust has not identified any Available for sale financial assets. Should any of these be identified in the future, further disclosures will be given.

1.24 Financial liabilities

Financial liabilities are recognised on the statement of financial position when the trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

Loans from the Department of Health are recognised at historical cost. Otherwise, financial liabilities are initially recognised at fair value.

Note 1 cont 7

Notes to the Accounts - 1. Accounting Policies (Continued)

1.25 Value Added Tax

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.26 Foreign currencies

The Trust's functional currency and presentational currency is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March. Resulting exchange gains and losses for either of these are recognised in the trust's surplus/deficit in the period in which they arise.

1.27 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the trust has no beneficial interest in them. Details of third party assets are given in note **41** to the accounts.

1.28 Public Dividend Capital (PDC) and PDC dividend

Public dividend capital represents taxpayers' equity in the NHS Trust. At any time the Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received. As PDC is issued under legislation rather than under contract, it is not treated as an equity financial instrument.

An annual charge, reflecting the cost of capital utilised by the Trust, is payable to the Department of Health as public dividend capital dividend. The charge is calculated at the real rate set by HM Treasury (currently 3.5%) on the average carrying amount of all assets less liabilities, except for donated assets, net assets transferred from NHS bodies dissolved on 1 April 2013 and cash balances with the Government Banking Service). The average carrying amount of assets is calculated as a simple average of opening and closing relevant net assets.

1.29 Losses and Special Payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way 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 Trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses and compensations register which reports amounts on an accruals basis with the exception of provisions for future losses.

Note 1 cont 8

1.30 Subsidiaries

Material entities over which the Trust has the power to exercise control so as to obtain economic or other benefits are classified as subsidiaries and are consolidated. Their income and expenses; gains and losses; assets, liabilities and reserves; and cash flows are consolidated in full into the appropriate financial statement lines. Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with the Trust's or where the subsidiary's accounting date is not co-terminus.

Subsidiaries that are classified as 'held for sale' are measured at the lower of their carrying amount or 'fair value less costs to sell'

From 2013-14, there is a requirement for Trust's to consolidate the results of Charitable Funds over which it is deemed to exercise control, under IAS27 requirements, however the Trust has decided not to consolidate on the basis of materiality.

1.31 Joint operations

Joint operations are activities undertaken by the Trust in conjunction with one or more other parties but which are not performed through a separate entity. The Trust records its share of the income and expenditure; gains and losses; assets and liabilities; and cashflows.

1.32 Accounting Standards that have been issued but have not yet been adopted

The Treasury FReM does not require the following Standards and Interpretations to be applied in 2013-14. The application of the Standards as revised would not have a material impact on the accounts for 2013-14, were they applied in that year:

IAS 27 Separate Financial Statements - subject to consultation
IAS 28 Investments in Associates and Joint Ventures - subject to consultation
IFRS 9 Financial Instruments - subject to consultation - subject to consultation
IFRS 10 Consolidated Financial Statements - subject to consultation
IFRS 11 Joint Arrangements - subject to consultation
IFRS 12 Disclosure of Interests in Other Entities - subject to consultation
IFRS 13 Fair Value Measurement - subject to consultation
IPSAS 32 - Service Concession Arrangement - subject to consultation

Note 1 cont 9

2. Pooled budgets

Northampton General Hospital NHS Trust does not have any pooled budget arrangements.

3. Operating segments

The Trust Board considers all of its operations to be the provision of Healthcare operated as a single segment.

Note 2 & 3

4. Income generation activities

The Trust has no formal registered income generation schemes.

For the purpose of reporting Catering and Non-staff car parking are treated as income generation activities. The combined income and costs of these schemes are shown below.

Summary Table - aggregate of all schemes	**2013-14 £000s**	2012-13 £000s
Income	**2,273**	2,027
Full cost	**1,085**	965
Surplus/(deficit)	**1,188**	1,062

5. Revenue from patient care activities

	2013-14 £000s	2012-13 £000s
NHS Trusts	**0**	0
NHS England	**46,717**	0
Clinical Commissioning Groups	**197,455**	0
Primary Care Trusts	**0**	233,085
Strategic Health Authorities	**0**	107
NHS Foundation Trusts	**276**	255
Department of Health	**0**	0
NHS Other (including Public Health England and Prop Co)	**107**	0
Non-NHS:		
Local Authorities	**0**	0
Private patients	**1,097**	1,334
Overseas patients (non-reciprocal)	**280**	192
Injury costs recovery	**1,427**	1,348
Other	**0**	0
Total Revenue from patient care activities	**247,359**	236,321

Following the NHS health service reorganisation in April 2013, Primary Care Trusts and Strategic Health Authorities were abolished and replaced by Clinical Commissioning Groups and NHS England which includes Specialised Commissioners and Local Area Teams

Revenue from patient care activities includes £4,500k funding from NHS England relating to specific non-recurrent items in 2013/14.

6. Other operating revenue

	2013-14 £000s	2012-13 £000s
Recoveries in respect of employee benefits	**3,661**	4,290
Patient transport services	**0**	0
Education, training and research	**10,370**	11,388
Charitable and other contributions to revenue expenditure - NHS	**166**	407
Charitable and other contributions to revenue expenditure -non- NHS	**0**	0
Receipt of donations for capital acquisitions - NHS Charity	**203**	300
Receipt of Government grants for capital acquisitions	**0**	0
Non-patient care services to other bodies	**2,126**	1,765
Income generation	**2,273**	2,027
Rental revenue from finance leases	**18**	19
Rental revenue from operating leases	**34**	26
Other revenue	**10,684**	14,752
Total Other Operating Revenue	**29,535**	34,974
Total operating revenue	**276,894**	271,295

Other revenue includes :
Pharmacy Sales £7,081k (£6,423k)
Accommodation Charges £427k (£458k)
Provision of Services to private hospitals £395k (£320k)
Transformation Funds £0k (£3,000k)
Emergency Care Project £0k (1,000k)

7. Revenue

	2013-14 £000	2012-13 £000
From rendering of services	**269,625**	264,214
From sale of goods	**7,269**	7,081

Pharmacy sales and drugs recharges to other organisations are treated as sale of goods.

8. Operating expenses

	2013-14 £000s	2012-13 £000s
Services from other NHS Trusts	**61**	0
Services from CCGs/NHS England	**0**	0
Services from other NHS bodies	**0**	0
Services from NHS Foundation Trusts	**956**	1,071
Services from Primary Care Trusts	0	5
Total Services from NHS bodies*	**1,017**	1,076
Purchase of healthcare from non-NHS bodies	**2,026**	1,206
Trust Chair and Non-executive Directors	**55**	49
Supplies and services - clinical	**55,512**	52,245
Supplies and services - general	**3,269**	3,167
Consultancy services	**548**	1,211
Establishment	**2,941**	2,910
Transport	**179**	175
Premises	**8,261**	9,160
Hospitality	**15**	20
Insurance	**227**	171
Legal Fees	**306**	455
Impairments and Reversals of Receivables	**845**	758
Inventories write down	**73**	168
Depreciation	**9,459**	8,907
Amortisation	**966**	831
Impairments and reversals of property, plant and equipment	**(2,257)**	899
Impairments and reversals of intangible assets	**0**	0
Impairments and reversals of financial assets [by class]	**0**	0
Impairments and reversals of non current assets held for sale	**0**	0
Impairments and reversals of investment properties	0	0
Audit fees	**93**	84
Other auditor's remuneration [detail]	**51**	28
Clinical negligence	**5,913**	5,604
Research and development (excluding staff costs)	**0**	0
Education and Training	**647**	663
Change in Discount Rate	**8**	21
Other	**770**	2,239
Total Operating expenses (excluding employee benefits)	**90,924**	92,047

Supplies & services clinical includes value of drugs including gases of £26,905k (£25,304k)

Other auditors remuneration includes :
KPMG £51k (£20k) - consultancy in relation to Salary Sacrifice Schemes

Other expenditure includes :
Translation Services £89k (£76k)
Internal Audit Fees £188k (£135k)
Home Oxygen Service £129k (£116k)
Professional Subscriptions £170k (£148k)
Includes £10k credit in respect of Audit Commission refund re. 12/13 audit fee

Employee Benefits		
Employee benefits excluding Board members	**178,504**	174,312
Board members	**1,188**	1,405
Total Employee Benefits	**179,692**	175,717
Total Operating Expenses	**270,616**	267,764

*Services from NHS bodies does not include expenditure which falls into a category below

9 Operating Leases

The Trust has a variety of operating leases, the majority of which when considered on an individual basis are of non material value. These include medical equipment, leased cars, photocopiers and pathology systems.

9.1 Trust as lessee

	Land £000s	Buildings £000s	Other £000s	2013-14 Total £000s	2012-13 £000s
Payments recognised as an expense					
Minimum lease payments				**511**	558
Contingent rents				**0**	0
Sub-lease payments				**0**	0
Total				**511**	558
Payable:					
No later than one year	0	0	456	**456**	462
Between one and five years	0	0	1,243	**1,243**	1,029
After five years	0	0	0	**0**	0
Total	**0**	**0**	**1,699**	**1,699**	1,491

9.2 Trust as lessor

An optician's shop operates on the Trust's site under an operating lease.
Catering provision provided in the Cripps Post Graduate Centre is also under terms of an operating lease - ceased Dec -13.

	2013-14 £000	2012-13 £000s
Recognised as revenue		
Rental revenue	34	26
Contingent rents	0	0
Total	**34**	26
Receivable:		
No later than one year	34	26
Between one and five years	0	0
After five years	0	0
Total	**34**	26

A nursery is situated on the hospital site, the building being originally funded by the childcare provider, with the land being leased at a peppercorn rent. At the end of the lease the building has the potential to transfer to the Trust, this is currently assumed to have a zero fair value.

10 Employee benefits and staff numbers

10.1 Employee benefits

	2013-14		
	Total £000s	**Permanently employed £000s**	**Other £000s**
Employee Benefits - Gross Expenditure			
Salaries and wages	**152,258**	141,119	11,139
Social security costs	**11,586**	11,586	0
Employer Contributions to NHS BSA - Pensions Division	**15,758**	15,758	0
Other pension costs	**0**	0	0
Termination benefits	**90**	90	0
Total employee benefits	**179,692**	**168,553**	**11,139**
Employee costs capitalised	**0**	0	0
Gross Employee Benefits excluding capitalised costs	**179,692**	**168,553**	**11,139**

Employee Benefits - Gross Expenditure 2012-13	**Total £000s**	**Permanently employed £000s**	**Other £000s**
Salaries and wages	149,393	138,168	11,225
Social security costs	10,502	10,502	0
Employer Contributions to NHS BSA - Pensions Division	15,010	15,010	0
Other pension costs	0	0	0
Termination benefits	916	916	0
TOTAL - including capitalised costs	175,821	164,596	11,225
Employee costs capitalised	104	104	0
Gross Employee Benefits excluding capitalised costs	175,717	164,492	11,225

In 2012-13 there were rows for 'other post-employment benefits' and 'other employment benefits'. These are now included within the 'Salaries and wages' row.

10.2 Staff Numbers

	2013-14			2012-13
	Total Number	**Permanently employed Number**	**Other Number**	Total Number
Average Staff Numbers				
Medical and dental	**485**	464	21	467
Ambulance staff	**0**	0	0	0
Administration and estates	**938**	902	36	862
Healthcare assistants and other support staff	**883**	841	42	796
Nursing, midwifery and health visiting staff	**1,400**	1,341	59	1,369
Nursing, midwifery and health visiting learners	**0**	0	0	0
Scientific, therapeutic and technical staff	**654**	639	15	655
Social Care Staff	**0**	0	0	0
Other	**0**	0	0	0
TOTAL	**4,360**	**4,187**	**173**	4,149
Of the above - staff engaged on capital projects	**0**	0	0	2

10.3 Staff Sickness absence and ill health retirements

	2013-14 Number	2012-13 Number
Total Days Lost	37,517	39,370
Total Staff Years	4,005	3,845
Average working Days Lost	9.37	10.24

	2013-14 Number	2012-13 Number
Number of persons retired early on ill health grounds	**6**	4
	£000s	£000s
Total additional pensions liabilities accrued in the year	**153**	155

10.4 Exit Packages agreed in 2013-14

	2013-14			2012-13		
Exit package cost band (including any special payment element)	***Number of compulsory redundancies**	***Number of other departures agreed**	**Total number of exit packages by cost band**	*Number of compulsory redundancies	*Number of other departures agreed	Total number of exit packages by cost band
	Number	**Number**	**Number**	Number	Number	Number
Less than £10,000	0	0	0	1	14	15
£10,000-£25,000	1	0	1	0	16	16
£25,001-£50,000	0	0	0	0	3	3
£50,001-£100,000	1	0	1	3	0	3
£100,001 - £150,000	0	0	0	0	0	0
£150,001 - £200,000	0	0	0	1	0	1
>£200,000	0	0	0	0	0	0
Total number of exit packages by type (total cost	**2**	**0**	**2**	5	33	38
Total resource cost (£000s)	**109**	**0**	**109**	435	480	915

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Scheme. Exit costs in this note are accounted for in full in the year of departure. Where the Trust has agreed early retirements, the additional costs are met by the Trust and not by the NHS pensions scheme. Ill-health retirement costs are met by the NHS pensions scheme and are not included in the table.

This disclosure reports the number and value of exit packages agreed in the year. Note: The expense associated with these departures may have been recognised in part or in full in a previous period.

10.5 Exit packages - Other Departures analysis

	2013-14		2012-13	
	Agreements	**Total value of agreements**	**Agreements**	**Total value of agreements**
	Number	**£000s**	**Number**	**£000s**
Voluntary redundancies including early retirement contractual costs	0	0	0	0
Mutually agreed resignations (MARS) contractual costs	0	0	0	0
Early retirements in the efficiency of the service contractual costs	0	0	0	0
Contractual payments in lieu of notice	0	0	0	0
Exit payments following Employment Tribunals or court orders	0	0	0	0
Non-contractual payments requiring HMT approval*	0	0	0	0
Total	0	0	0	0

This disclosure reports the number and value of exit packages agreed in the year. Note: the expense associated with these departures may have been recognised in part or in full in a previous period

As a single exit packages can be made up of several components each of which will be counted separately in this Note, the total number above will not necessarily match the total numbers in Note 10.4 which will be the number of individuals.

10.6 Pension costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The scheme is an unfunded, defined benefit scheme that covers NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS Body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

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 the scheme liability is carried out annually by the scheme actuary 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 the scheme liability as at 31 March 2014, is based on valuation data as 31 March 2013, updated to 31 March 2014 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, published annually. These accounts can be viewed on the NHS Pensions website. 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 scheme (taking into account its recent demographic experience), and to recommend the contribution rates.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2004. Consequently, a formal actuarial valuation would have been due for the year ending 31 March 2008. However, formal actuarial valuations for unfunded public service schemes were suspended by HM Treasury on value for money grounds while consideration is given to recent changes to public service pensions, and while future scheme terms are developed as part of the reforms to public service pension provision due in 2015.

The Scheme Regulations were changed to allow contribution rates to be set 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 formal valuation to be used for funding purposes will be carried out at as at March 2012 and will be used to inform the contribution rates to be used from 1 April 2015.

c) Scheme provisions

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained:

The Scheme is a "final salary" scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as "pension commutation".

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) has been used and replaced the Retail Prices Index (RPI).

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC's run by the Scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

11 Better Payment Practice Code

11.1 Measure of compliance

	2013-14 Number	2013-14 £000s	2012-13 Number	2012-13 £000s
Non-NHS Payables				
Total Non-NHS Trade Invoices Paid in the Year	**81,899**	**92,882**	77,253	86,299
Total Non-NHS Trade Invoices Paid Within Target	**74,920**	**87,974**	66,146	56,341
Percentage of NHS Trade Invoices Paid Within Target	**91.48%**	**94.72%**	85.62%	65.29%
NHS Payables				
Total NHS Trade Invoices Paid in the Year	**2,341**	**20,478**	2,137	**17,700**
Total NHS Trade Invoices Paid Within Target	**1,680**	**18,359**	1,245	**3,353**
Percentage of NHS Trade Invoices Paid Within Target	**71.76%**	**89.65%**	58.26%	18.94%

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

11.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2013-14 £000s	2012-13 £000s
Amounts included in finance costs from claims made under this legislation	**0**	1
Compensation paid to cover debt recovery costs under this legislation	**0**	0
Total	**0**	1

12 Investment Revenue

	2013-14 £000s	2012-13 £000s
Rental revenue		
PFI finance lease revenue (planned)	**0**	0
PFI finance lease revenue (contingent)	**0**	0
Other finance lease revenue	**0**	0
Subtotal	**0**	0
Interest revenue		
LIFT: equity dividends receivable	**0**	0
LIFT: loan interest receivable	**0**	0
Bank interest	**33**	24
Other loans and receivables	**0**	0
Impaired financial assets	**0**	0
Other financial assets	**0**	0
Subtotal	**33**	24
Total investment revenue	**33**	24

13 Other Gains and Losses

	2013-14 £000s	2012-13 £000s
Gain/(Loss) on disposal of assets other than by sale (PPE)	**6**	15
Gain/(Loss) on disposal of assets other than by sale (intangibles)	**0**	0
Gain/(Loss) on disposal of Financial Assets other then held for sale	**0**	0
Gain (Loss) on disposal of assets held for sale	**0**	0
Gain/(loss) on foreign exchange	**0**	0
Change in fair value of financial assets carried at fair value through the SoCI	**0**	0
Change in fair value of financial liabilities carried at fair value through the SoCI	**0**	0
Change in fair value of investment property	**0**	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	**0**	0
Total	**6**	15

14 Finance Costs

	2013-14 £000s	2012-13 £000s
Interest		
Interest on loans and overdrafts	**0**	0
Interest on obligations under finance leases	**0**	0
Interest on obligations under PFI contracts:		
- main finance cost	**0**	0
- contingent finance cost	**0**	0
Interest on obligations under LIFT contracts:		
- main finance cost	**0**	0
- contingent finance cost	**0**	0
Interest on late payment of commercial debt	**0**	1
Total interest expense	**0**	1
Other finance costs	**11**	9
Provisions - unwinding of discount	**15**	68
Total	**26**	78

15.1 Property, plant and equipment

2013-14	Land	Buildings excluding dwellings	Dwellings	Assets under construction & payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Cost or valuation:									
At 1 April 2013	**20,100**	**97,950**	**553**	**546**	**38,217**	**87**	**13,727**	**509**	**171,689**
Transfers under Modified Absorption Accounting - PCTs & SHAs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Transfers under Modified Absorption Accounting - Other Bodies	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Additions of Assets Under Construction	0	0	0	6,243	0	0	0	0	**6,243**
Additions Purchased	0	4,098	0	0	2,028	0	1,270	12	**7,408**
Additions Donated	0	159	0	2	42	0	0	0	**203**
Additions Government Granted	0	0	0	0	0	0	0	0	**0**
Additions Leased	0	0	0	0	0	0	0	0	**0**
Reclassifications	0	333	0	(1,617)	187	0	1,097	0	**0**
Reclassifications as Held for Sale and reversals	0	0	0	0	0	0	0	0	**0**
Disposals other than for sale	0	0	0	0	(1,764)	(34)	(1,769)	(130)	**(3,697)**
Upward revaluation/positive indexation	0	3,748	33	0	1,035	3	0	0	**4,819**
Impairments/negative indexation	0	0	0	0	0	0	0	0	**0**
Reversal of Impairments	0	0	0	0	0	0	0	0	**0**
Transfers to NHS Foundation Trust	0	0	0	0	0	0	0	0	**0**
Transfers (to)/from Other Public Sector Bodies under Absorption Accounting	0	0	0	0	0	0	0	0	**0**
At 31 March 2014	**20,100**	**106,288**	**586**	**5,174**	**39,745**	**56**	**14,325**	**391**	**186,665**
Depreciation									
At 1 April 2013	**0**	**4,708**	**40**	**0**	**26,453**	**56**	**9,286**	**397**	**40,940**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Reclassifications as Held for Sale and reversals	0	0	0	0	0	0	0	0	**0**
Disposals other than for sale	0	0	0	0	(1,764)	(34)	(1,769)	(130)	**(3,697)**
Upward revaluation/positive indexation	0	408	3	0	694	2	0	0	**1,107**
Impairments	0	0	0	0	0	0	0	0	**0**
Reversal of Impairments	0	(2,257)	0	0	0	0	0	0	**(2,257)**
Charged During the Year	0	4,345	36	0	3,292	17	1,738	31	**9,459**
Transfers to NHS Foundation Trust	0	0	0	0	0	0	0	0	**0**
Transfers (to)/from Other Public Sector Bodies under Absorption Accounting	0	0	0	0	0	0	0	0	**0**
At 31 March 2014	**0**	**7,204**	**79**	**0**	**28,675**	**41**	**9,255**	**298**	**45,552**
Net Book Value at 31 March 2014	**20,100**	**99,084**	**507**	**5,174**	**11,070**	**15**	**5,070**	**93**	**141,113**
Asset financing:									
Owned - Purchased	20,100	92,040	507	5,172	10,532	13	5,058	20	**133,442**
Owned - Donated	0	7,044	0	2	538	2	12	73	**7,671**
Owned - Government Granted	0	0	0	0	0	0	0	0	**0**
Held on finance lease	0	0	0	0	0	0	0	0	**0**
On-SOFP PFI contracts	0	0	0	0	0	0	0	0	**0**
PFI residual: interests	0	0	0	0	0	0	0	0	**0**
Total at 31 March 2014	**20,100**	**99,084**	**507**	**5,174**	**11,070**	**15**	**5,070**	**93**	**141,113**

Revaluation Reserve Balance for Property, Plant & Equipment

	Land	Buildings	Dwellings	Assets under construction & payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
At 1 April 2013	**£000's**	**£000's**	**£000's**	**£000's**	**£000's**	**£000's**	**£000's**	**£000's**	**£000's**
Movements (specify)	11,241	20,017	0	0	1,225	1	0	3	**32,487**
At 31 March 2014	0	3,371	0	0	(132)	1	0	0	**3,240**
	11,241	**23,388**	**0**	**0**	**1,093**	**2**	**0**	**3**	**35,727**

Additions to Assets Under Construction in 2013/14

	£000's
Land	0
Buildings excl Dwellings	4,594
Dwellings	0
Plant & Machinery	1,649
Balance as at YTD	**6,243**

15.2 Property, plant and equipment prior-year

2012-13	Land	Buildings excluding dwellings	Dwellings	Assets under construction & payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Cost or valuation:									
At 1 April 2012	20,100	94,365	556	525	35,766	83	11,992	716	164,103
Additions - Assets Under Construction	0	0	0	663	0	0	0	0	663
Additions - purchased	0	4,303	3	0	2,283	0	1,649	0	8,238
Additions - donated	0	31	0	83	174	0	0	12	300
Additions - government granted	0	0	0	0	0	0	0	0	0
Reclassifications	0	543	0	(725)	0	0	159	0	(23)
Reclassifications as Held for Sale and reversals	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	(1,194)	0	(73)	(219)	(1,486)
Revaluation & indexation gains	0	1,526	15	0	1,188	4	0	0	2,733
Impairments	0	(2,818)	(21)	0	0	0	0	0	(2,839)
Reversals of impairments	0	0	0	0	0	0	0	0	0
Transfer to NHS Foundation Trust	0	0	0	0	0	0	0	0	0
Transfers (to)/from Other Public Sector Bodies under absorption accounting	0	0	0	0	0	0	0	0	0
At 31 March 2013	**20,100**	**97,950**	**553**	**546**	**38,217**	**87**	**13,727**	**509**	**171,689**
Depreciation									
At 1 April 2012	0	0	0	0	23,390	45	7,827	587	31,849
Reclassifications	0	0	0	0	0	0	0	0	0
Reclassifications as Held for Sale and reversals	0	0	0	0	0	0	0	0	0
Disposals other than for sale	0	0	0	0	(1,194)	0	(73)	(219)	(1,486)
Upward revaluation/positive indexation	0	0	0	0	769	2	0	0	771
Impairments	0	892	7	0	0	0	0	0	899
Reversal of Impairments	0	0	0	0	0	0	0	0	0
Charged During the Year	0	3,816	33	0	3,488	9	1,532	29	8,907
Transfer to NHS Foundation Trust	0	0	0	0	0	0	0	0	0
Transfers (to)/from Other Public Sector Bodies under absorption accounting	0	0	0	0	0	0	0	0	0
At 31 March 2013	**0**	**4,708**	**40**	**0**	**26,453**	**56**	**9,286**	**397**	**40,940**
Net book value at 31 March 2013	**20,100**	**93,242**	**513**	**546**	**11,764**	**31**	**4,441**	**112**	**130,749**
Purchased	20,100	86,477	513	546	11,062	16	4,419	15	123,148
Donated	0	6,765	0	0	702	15	22	97	7,601
Government Granted	0	0	0	0	0	0	0	0	0
Total at 31 March 2013	**20,100**	**93,242**	**513**	**546**	**11,764**	**31**	**4,441**	**112**	**130,749**
Asset financing:									
Owned	20,100	93,242	513	546	11,764	31	4,441	112	130,749
Held on finance lease	0	0	0	0	0	0	0	0	0
On-SOFP PFI contracts	0	0	0	0	0	0	0	0	0
PFI residual: interests	0	0	0	0	0	0	0	0	0
Total at 31 March 2013	**20,100**	**93,242**	**513**	**546**	**11,764**	**31**	**4,441**	**112**	**130,749**

15.3 (cont). Property, plant and equipment

Donated equipment to the value of £42k & other minor building work to the value of £161k were funded by NGH Charitable Fund.

Professional valuations are carried out by the District Valuers of the Revenue and Customs Government Dept.

The valuations are carried out in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual, in so far as these terms are consistent with the agreed requirements of the Department of Health and HM Treasury.

A site revaluation exercise was undertaken in the 2011-12 financial year with an effective date of 1 April 2012 for land and buildings and this valuation, the next revaluation exercise is due in April 2015.

Equipment is depreciated on current cost evenly over the estimated life of the asset.

Plant & Machinery	5 - 15 years
Transport	7 years
I.T.	5 years
Furniture & Fittings	5 years

Where the useful economic life of an asset is reduced from that initially estimated due to the revaluation of an asset for sale, depreciation is charged to bring the value of the asset to its value at the point of sale.

The gross carrying amount of fully depreciated assets still in use is £24,901k.

16.1 Intangible non-current assets

2013-14	IT - in-house & 3rd party software	Computer Licenses	Licenses and Trademarks	Patents	Development Expenditure - Internally Generated	Total
	£000's	£000's	£000's	£000's	£000's	£000's
At 1 April 2013	**395**	**7,290**	**0**	**0**	**0**	**7,685**
Transfers under Modified Absorption Accounting - PCTs & SHAs	**0**	**0**	**0**	**0**	**0**	**0**
Transfers under Modified Absorption Accounting - Other Bodies	**0**	**0**	**0**	**0**	**0**	**0**
Additions - purchased	0	518	0	0	0	**518**
Additions - internally generated	0	0	0	0	0	**0**
Additions - donated	0	0	0	0	0	**0**
Additions - government granted	0	0	0	0	0	**0**
Additions - leased	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	**0**
Reclassified as Held for Sale and Reversals	0	0	0	0	0	**0**
Disposals other than by sale	(21)	(74)	0	0	0	**(95)**
Revaluation & indexation gains	0	0	0	0	0	**0**
Impairments charged to reserves	0	0	0	0	0	**0**
Reversal of impairments charged to reserves	0	0	0	0	0	**0**
Transfer to NHS Foundation Trust	0	0	0	0	0	**0**
Transfer (to)/from Other Public Sector bodies under Absorption Accounting	0	0	0	0	0	**0**
At 31 March 2014	**374**	**7,734**	**0**	**0**	**0**	**8,108**
Amortisation						
At 1 April 2013	**124**	**4,767**	**0**	**0**	**0**	**4,891**
Reclassifications	0	0	0	0	0	**0**
Reclassified as Held for Sale and Reversals	0	0	0	0	0	**0**
Disposals other than by sale	(21)	(74)	0	0	0	**(95)**
Revaluation or indexation gains	0	0	0	0	0	**0**
Impairments charged to operating expenses	0	0	0	0	0	**0**
Reversal of impairments charged to operating expenses	0	0	0	0	0	**0**
Charged during the year	78	888	0	0	0	**966**
Transfer to NHS Foundation Trust	0	0	0	0	0	**0**
Transfer (to)/from Other Public Sector bodies under Absorption Accounting	0	0	0	0	0	**0**
At 31 March 2014	**181**	**5,581**	**0**	**0**	**0**	**5,762**
Net Book Value at 31 March 2014	**193**	**2,153**	**0**	**0**	**0**	**2,346**
Asset Financing: Net book value at 31 March 2014 comprises:						
Purchased	193	2,153	0	0	0	**2,346**
Donated	0	0	0	0	0	**0**
Government Granted	0	0	0	0	0	**0**
Finance Leased	0	0	0	0	0	**0**
On-balance Sheet PFIs	0	0	0	0	0	**0**
Total at 31 March 2014	**193**	**2,153**	**0**	**0**	**0**	**2,346**

Revaluation reserve balance for intangible non-current assets

	£000's	£000's	£000's	£000's	£000's	£000's
At 1 April 2013	0	0	0	0	0	**0**
Movements (specify)	0	0	0	0	0	**0**
At 31 March 2014	**0**	**0**	**0**	**0**	**0**	**0**

16.2 Intangible non-current assets prior year

2012-13	IT - in-house & 3rd party software	Computer Licenses	Licenses and Trademarks	Patents	Development Expenditure - Internally Generated	Total
	£000s	£000s	£000s	£000s	£000s	£000s
Cost or valuation:						
At 1 April 2012	395	6,274	0	0	0	6,669
Additions - purchased	0	1,038	0	0	0	1,038
Additions - internally generated	0	0	0	0	0	0
Additions - donated	0	0	0	0	0	0
Additions - government granted	0	0	0	0	0	0
Reclassifications	0	23	0	0	0	23
Reclassified as held for sale	0	0	0	0	0	0
Disposals other than by sale	0	(45)	0	0	0	(45)
Revaluation & indexation gains	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0
Transfer to NHS Foundation Trust	0	0	0	0	0	0
Transfer (to)/from Other Public Sector bodies under Absorption Accounting	0	0	0	0	0	0
At 31 March 2013	395	7,290	0	0	0	7,685
Amortisation						
At 1 April 2012	124	3,981	0	0	0	4,105
Reclassifications	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0
Disposals other than by sale	0	(45)	0	0	0	(45)
Revaluation or indexation gains	0	0	0	0	0	0
Impairments charged to operating expenses	0	0	0	0	0	0
Reversal of impairments charged to operating expenses	0	0	0	0	0	0
Charged during the year	0	831	0	0	0	831
Transfer to NHS Foundation Trust	0	0	0	0	0	0
Transfer (to)/from Other Public Sector bodies under Absorption Accounting	0	0	0	0	0	0
At 31 March 2013	124	4,767	0	0	0	4,891
Net book value at 31 March 2013	271	2,523	0	0	0	2,794
Net book value at 31 March 2013 comprises:						
Purchased	271	2,523	0	0	0	2,794
Donated	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0
Total at 31 March 2013	271	2,523	0	0	0	2,794

16.3 Intangible non-current assets

Intangible assets, software licenses and application software development are capitalised when they are capable of being used in a Trust's activities for more than one year; they can be valued; and they have a cost of at least £5,000.

Intangible assets held for operational use are valued at historical cost and are depreciated over the estimated life of the asset on a straight line basis. The carrying value of intangible assets is reviewed for impairment at the end of the first full year following acquisition and in other periods if events or changes in circumstances indicate the carrying value may not be recoverable.

For the purpose of determining fair value historical cost is considered to be the most accurate basis considering the nature of software evolution and development.

Intangible Assets are depreciated on current cost evenly over the estimated life of the asset, which is determined on a case by case basis between 3 and 5 years.

17 Analysis of impairments and reversals recognised in 2013-14

	2013-14 Total £000s
Property, Plant and Equipment impairments and reversals taken to SoCI	
Loss or damage resulting from normal operations	0
Over-specification of assets	0
Abandonment of assets in the course of construction	0
Total charged to Departmental Expenditure Limit	**0**
Unforeseen obsolescence	0
Loss as a result of catastrophe	0
Other	0
Changes in market price	(2,257)
Total charged to Annually Managed Expenditure	**(2,257)**
Total Impairments of Property, Plant and Equipment changed to SoCI	**(2,257)**
Intangible assets impairments and reversals charged to SoCI	
Loss or damage resulting from normal operations	0
Over-specification of assets	0
Abandonment of assets in the course of construction	0
Total charged to Departmental Expenditure Limit	**0**
Unforeseen obsolescence	0
Loss as a result of catastrophe	0
Other	0
Changes in market price	0
Total charged to Annually Managed Expenditure	**0**
Total Impairments of Intangibles charged to SoCI	**0**
Financial Assets charged to SoCI	
Loss or damage resulting from normal operations	0
Total charged to Departmental Expenditure Limit	**0**
Loss as a result of catastrophe	0
Other	0
Total charged to Annually Managed Expenditure	**0**
Total Impairments of Financial Assets charged to SoCI	**0**
Non-current assets held for sale - impairments and reversals charged to SoCI.	
Loss or damage resulting from normal operations	0
Abandonment of assets in the course of construction	0
Total charged to Departmental Expenditure Limit	**0**
Unforeseen obsolescence	0
Loss as a result of catastrophe	0
Other	0
Changes in market price	0
Total charged to Annually Managed Expenditure	**0**
Total impairments of non-current assets held for sale charged to SoCI	**0**
Total Impairments charged to SoCI - DEL	**0**
Total Impairments charged to SoCI - AME	**(2,257)**
Overall Total Impairments	**(2,257)**

Donated and Gov Granted Assets, included above	
PPE - Donated and Government Granted Asset Impairments: amount charged to SOCI - DEL	(47)
Intangibles - Donated and Government Granted Asset Impairments: amount charged to SOCI - DEL	0

Note 17

17 Analysis of impairments and reversals recognised in 2013-14

	Total	Property Plant and Equipment	Intangible Assets	Financial Assets	Non-Current Assets Held for Sale
	£000s	£000s	£000s	£000s	£000s
Impairments and reversals taken to SoCI					
Loss or damage resulting from normal operations	**0**	0	0	0	0
Over-specification of assets	**0**	0	0	0	0
Abandonment of assets in the course of construction	**0**	0	0	0	0
Total charged to Departmental Expenditure Limit	**0**	**0**	**0**	**0**	**0**
Unforeseen obsolescence	**0**	0	0	0	0
Loss as a result of catastrophe	**0**	0	0	0	0
Other	**0**	0	0	0	0
Changes in market price	**(2,257)**	(2,257)	0	0	0
Total charged to Annually Managed Expenditure	**(2,257)**	**(2,257)**	**0**	**0**	**0**
Total Impairments of Property, Plant and Equipment changed to SoCI	**(2,257)**	**(2,257)**	**0**	**0**	**0**

Donated and Gov Granted Assets, included above	**£000s**
PPE - Donated and Government Granted Asset Impairments: amount charged to SOCI - DEL	**(47)**
Intangibles - Donated and Government Granted Asset Impairments: amount charged to SOCI - DEL	**0**

18 Investment property

	31 March 2014 £000s	31 March 2013 £000s
At fair value		
Balance at 1 April 2013	**0**	0
Transfers under Modified Absorption Accounting - PCTs & SHAs	**0**	0
Transfers under Modified Absorption Accounting - Other Bodies	**0**	0
Additions Through Subsequent Expenditure	**0**	0
Other Acquisitions	**0**	0
Disposals	**0**	0
Property Reclassified as Held for Sale	**0**	0
Loss from Fair Value Adjustments - Impairments	**0**	0
Loss from Fair Value Adjustments - Reversal of Impairments	**0**	0
Gain from Fair Value Adjustments	**0**	0
Transfer to other NHS Foundation Trust	**0**	0
Transfers (to) / from Other Public Sector Bodies under absorption accounting	**0**	0
Other Changes	**0**	0
Balance at 31 March 2014	**0**	0

19 Commitments

19.1 Capital commitments

Contracted capital commitments at 31 March not otherwise included in these financial statements:

	31 March 2014 £000s	31 March 2013 £000s
Property, plant and equipment	**1,450**	1,189
Intangible assets	**87**	282
Total	**1,537**	1,471

19.2 Other financial commitments

The trust has entered into non-cancellable contracts (which are not leases or PFI contracts or other service

	31 March 2014 £000s	31 March 2013 £000s
Not later than one year	**0**	0
Later than one year and not later than five year	**0**	0
Later than five years	**0**	0
Total	**0**	**0**

20 Intra-Government and other balances

	Current receivables £000s	Non-current receivables £000s	Current payables £000s	Non-current payables £000s
Balances with other Central Government Bodies	5,838	0	5,738	0
Balances with Local Authorities	0	0	0	0
Balances with NHS bodies outside the Departmental Group	24	0	0	0
Balances with NHS Trusts and Foundation Trusts	1,494	0	535	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with bodies external to government	5,145	236	12,129	0
At 31 March 2014	**12,501**	**236**	**18,402**	**0**
prior period:				
Balances with other Central Government Bodies	4,234	0	3,844	0
Balances with Local Authorities	1	0	0	0
Balances with NHS bodies outside the Departmental Group	0	0	164	0
Balances with NHS Trusts and Foundation Trusts	795	0	400	0
Balances with Public Corporations and Trading Funds	0	0	0	0
Balances with bodies external to government	5,119	246	9,663	0
At 31 March 2013	**10,149**	**246**	**14,071**	**0**

21 Inventories

	Drugs £000s	Consumables £000s	Work in Progress £000s	Energy £000s	Loan Equipment £000s	Other £000s	Total £000s	Of which held at NRV £000s
Balance at 1 April 2013	**2,052**	**2,810**	**0**	**72**	**0**	**0**	**4,934**	4,862
Transfers under Modified Absorption Accounting - PCTs & SHAs	0	0	0	0	0	0		0
Transfers under Modified Absorption Accounting - Other Bodies	0	0	0	0	0	0		0
Additions	26,880	23,514	0	0	0	0	**50,394**	50,394
Inventories recognised as an expense in the period	(26,680)	(23,437)	0	(2)	0	0	**(50,119)**	(50,117)
Write-down of inventories (including losses)	(73)	0	0	0	0	0	**(73)**	(73)
Reversal of write-down previously taken to SOCI	0	0	0	0	0	0	**0**	0
Transfers (to) Foundation Trusts	0	0	0	0	0	0	**0**	0
Transfers (to)/from Other Public Sector Bodies under Absorption Accounting	0	0	0	0	0	0	**0**	0
Balance at 31 March 2014	**2,179**	**2,887**	**0**	**70**	**0**	**0**	**5,136**	**5,066**

22.1 Trade and other receivables

	Current		Non-current	
	31 March 2014 £000s	31 March 2013 £000s	**31 March 2014 £000s**	31 March 2013 £000s
NHS receivables - revenue	**6,902**	4,103	**0**	0
NHS receivables - capital	**0**	0	**0**	0
NHS prepayments and accrued income	**0**	0	**0**	0
Non-NHS receivables - revenue	**1,710**	2,295	**0**	0
Non-NHS receivables - capital	**0**	0	**0**	0
Non-NHS prepayments and accrued income	**1,124**	1,388	**0**	0
Provision for the impairment of receivables	**(1,223)**	(958)	**0**	0
VAT	**454**	196	**0**	0
Current/non-current part of PFI and other PPP arrangements prepayments and accrued income	**0**	0	**0**	0
Interest receivables	**0**	0	**0**	0
Finance lease receivables	**0**	0	**236**	246
Operating lease receivables	**0**	0	**0**	0
Other receivables	**3,534**	3,125	**0**	0
Total	**12,501**	10,149	**236**	246
Total current and non current	**12,737**	10,395		
Included in NHS receivables are prepaid pension contributions:	**0**			

NHS receivables - revenue

- Estimated value of partially completed spells £1,569k (£1,031k)

Other receivables include:

- Injury Cost Recovery claims (ICR) £2,694k (£2,514k)
- Salary overpayments/other recoverable pay £275k (£433k)

The great majority of trade is with Clinical Commissioning Groups, as commissioners for NHS patient care services. As Clinical Commissioning Groups are funded by Government to buy NHS patient care services, no credit scoring of them is considered necessary.

22.2 Receivables past their due date but not impaired

	31 March 2014 £000s	31 March 2013 £000s
By up to three months	**914**	365
By three to six months	**591**	192
By more than six months	**145**	0
Total	**1,650**	557

This includes £690k relating to invoices raised to Clinical Commissioning Groups for Non Contracted Activity for which there were issues in confirmation of activity data

22.3 Provision for impairment of receivables

	2013-14 £000s	2012-13 £000s
Balance at 1 April 2013	**(958)**	(432)
Transfers under Modified Absorption Accounting - PCTs & SHAs	**0**	0
Transfers under Modified Absorption Accounting - Other Bodies	**0**	0
Amount written off during the year	**580**	232
Amount recovered during the year	**0**	0
(Increase)/decrease in receivables impaired	**(845)**	(758)
Transfer to NHS Foundation Trust	**0**	0
Transfers (to)/from Other Public Sector Bodies under Absorption Accounting	**0**	0
Balance at 31 March 2014	**(1,223)**	**(958)**

The Trust provides for non recovery of receivables as follows:
All Non-NHS Trade receivables over 3 months old from date of invoice unless known reason for payment delay.
15% of recognised Injury Cost Recovery claims are provided for as per DH guidance.
All salary overpayments that occurred prior to 31 March 2013, for which no recovery plan is in place, are provided for in full.

23 Other Financial Assets - Current

	31 March 2014 £000s	31 March 2013 £000s
Opening balance 1 April	0	0
Transfers (to)/from Other Public Sector Bodies in year	0	0
Other Movements	0	0
Closing balance 31 March	**0**	0

24 Other current assets

	31 March 2014 £000s	31 March 2013 £000s
EU Emissions Trading Scheme Allowance	**0**	0
Other Assets	**0**	0
Total	**0**	0

25 Cash and Cash Equivalents

	31 March 2014 £000s	31 March 2013 £000s
Opening balance	**4,341**	3,944
Net change in year	**104**	397
Closing balance	**4,445**	4,341
Made up of		
Cash with Government Banking Service	**4,333**	4,253
Commercial banks	**104**	80
Cash in hand	**8**	8
Current investments	**0**	0
Cash and cash equivalents as in statement of financial position	**4,445**	4,341
Bank overdraft - Government Banking Service	**0**	0
Bank overdraft - Commercial banks	**0**	0
Cash and cash equivalents as in statement of cash flows	**4,445**	4,341
Patients' money held by the Trust, not included above	**0**	3

26 Non-current assets held for sale

	Land	Buildings, excl. dwellings	Dwellings	Asset Under Construction and Payments on Account	Plant and Machinery	Transport and Equipment	Information Technology	Furniture and Fittings	Intangible Assets	Financial Assets	Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Balance at 1 April 2013	0	0	0	0	0	0	0	0	0	0	**0**
Transfers under Modified Absorption Accounting - PCTs & SHAs	0	0			0	0	0	0	0	0	**0**
Transfers under Modified Absorption Accounting - Other Bodies	0	0	0	0	0	0	0	0	0	0	**0**
Plus assets classified as held for sale in the year	0	0	0	0	0	0	0	0	0	0	**0**
Less assets sold in the year	0	0	0	0	0	0	0	0	0	0	**0**
Less impairment of assets held for sale	0	0	0	0	0	0	0	0	0	0	**0**
Plus reversal of impairment of assets held for sale	0	0	0	0	0	0	0	0	0	0	**0**
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	0	0	0	0	0	**0**
Transfers to Foundation Trust	0	0	0	0	0	0	0	0	0	0	**0**
Transfers (to)/from Other Public Sector Bodies under Absorption Accounting	0	0	0	0	0	0	0	0	0	0	**0**
Balance at 31 March 2014	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Liabilities associated with assets held for sale at 31 March 2014	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Balance at 1 April 2012	0	300	0	0	0	0	0	0	0	0	**300**
Plus assets classified as held for sale in the year	0	0	0	0	0	0	0	0	0	0	**0**
Less assets sold in the year	0	(300)	0	0	0	0	0	0	0	0	**(300)**
Less impairment of assets held for sale	0	0	0	0	0	0	0	0	0	0	**0**
Plus reversal of impairment of assets held for sale	0	0	0	0	0	0	0	0	0	0	**0**
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	0	0	0	0	0	**0**
Transfers to Foundation Trust	0	0	0	0	0	0	0	0	0	0	**0**
Transfers (to)/from other public sector bodies	0	0	0	0	0	0	0	0	0	0	**0**
Revaluation	0	0	0	0	0	0	0	0	0	0	**0**
Balance at 31 March 2013	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Liabilities associated with assets held for sale at 31 March 2013	0	0	0	0	0	0	0	0	0	0	0

The above relates to the sale of Sunnyside, which was a free standing property located on a corner of the hospital site, which has ceased to be used since the transfer of the CAMH service to Northamptonshire Healthcare NHS Foundation Trust. The property was sold for £300k on 13th December 2012 to an unrelated third party.

27 Trade and other payables

	Current		Non-current	
	31 March 2014 £000s	31 March 2013 £000s	**31 March 2014 £000s**	31 March 2013 £000s
NHS payables - revenue	**637**	628	**0**	0
NHS payables - capital	**0**	0	**0**	0
NHS accruals and deferred income	**0**	0	**0**	0
Non-NHS payables - revenue	**1,301**	1,256	**0**	0
Non-NHS payables - capital	**3,261**	1,744	**0**	0
Non-NHS accruals and deferred income	**7,192**	6,132	**0**	0
Social security costs	**3,435**	1,769	**0**	0
VAT	**0**	0	**0**	0
Tax	**0**	0	**0**	0
Payments received on account	**0**	0	**0**	0
Other	**2,576**	2,542	**0**	0
Total	**18,402**	14,071	**0**	0
Total payables (current and non-current)	**18,402**	**14,071**		
Included above:				
to Buy Out the Liability for Early Retirements Over 5 Years	**0**	0		
number of Cases Involved (number)	**0**	0		
outstanding Pension Contributions at the year end	**(2,201)**	(2,011)		

28 Other liabilities

	Current		Non-current	
	31 March 2014 £000s	31 March 2013 £000s	**31 March 2014 £000s**	31 March 2013 £000s
PFI/LIFT deferred credit	**0**	0	**0**	0
Lease incentives	**0**	0	**0**	0
Other - Employee Benefits	**811**	786	**0**	0
Total	**811**	786	**0**	0
Total other liabilities (current and non-current)	**811**	**786**		

29 Borrowings

	Current		Non-current	
	31 March 2014 £000s	31 March 2013 £000s	**31 March 2014 £000s**	31 March 2013 £000s
Bank overdraft - Government Banking Service	**0**	0	**0**	0
Bank overdraft - commercial banks	**0**	0	**0**	0
Loans from Department of Health	**0**	0	**0**	0
Loans from other entities	**285**	285	**341**	384
PFI liabilities:				
Main liability	**0**	0	**0**	0
Lifecycle replacement received in advance	**0**	0	**0**	0
LIFT liabilities:				
Main liability	**0**	0	**0**	0
Lifecycle replacement received in advance	**0**	0	**0**	0
Finance lease liabilities	**0**	0	**0**	0
Other (describe)	**0**	0	**0**	0
Total	**285**	**285**	**341**	**384**
Total other liabilities (current and non-current)	**626**	**669**		

Loans - repayment of principal falling due in:

	31 March 2014		
	DH £000s	**Other £000s**	**Total £000s**
0-1 Years	0	285	**285**
1 - 2 Years	0	190	**190**
2 - 5 Years	0	151	**151**
Over 5 Years	0	0	**0**
TOTAL	**0**	**626**	**626**

The Trust has taken advantage of participating in the Energy Efficiency Loan Scheme operated by Salix Finance Ltd.
The loan is subject to zero interest and is repayable over 4 years in equal instalments.

30 Other financial liabilities

	Current		Non-current	
	31 March 2014 £000s	31 March 2013 £000s	**31 March 2014 £000s**	31 March 2013 £000s
Embedded Derivatives at Fair Value through SoCI	**0**	0	**0**	0
Financial liabilities carried at fair value through profit and loss	**0**	0	**0**	0
Amortised Cost	**0**	0	**0**	0
Total	**0**	0	**0**	0
Total other financial liabilities (current and non-current)	**0**	0		

31 Deferred revenue

	Current		Non-current	
	31 March 2014 £000s	31 March 2013 £000s	**31 March 2014 £000s**	31 March 2013 £000s
Opening balance at 1 April 2013	**51**	45	**0**	0
Deferred revenue addition	**591**	33	**0**	0
Transfer of deferred revenue	**(107)**	(27)	**0**	0
Current deferred Income at 31 March 2014	**535**	51	**0**	0
Total deferred income (current and non-current)	**535**	51		

32 Finance lease obligations as lessee

The Trust has no finance lease obligations as a lessee.

33 Finance lease receivables as lessor

Northamptonshire Healthcare NHS Foundation Trust occupies Battle House under a Finance Lease arrangement.

Amounts receivable under finance leases (buildings)	**Gross investments in leases**		**Present value of minimum**	
Of minimum lease payments	**31 March 2014 £000s**	31 March 2013 £000s	**31 March 2014 £000s**	31 March 2013 £000s
Within one year	**10**	10	**10**	10
Between one and five years	**40**	40	**40**	40
After five years	**186**	196	**186**	196
Less future finance charges	**0**	0	**0**	0
Gross Investment in Leases / Present Value of Minimum Lease Payments	**236**	246	**236**	246
Less allowance for uncollectible lease payments:	**0**	0	0	0
Total finance lease receivable recognised in the statement of financial position	**236**	246	**236**	246
Included in:				
Current finance lease receivables			**0**	0
Non-current finance lease receivables			**236**	246
			236	246

Rental revenue	**31 March 2014**	31 March 2013
Contingent rent	**18**	19
Other	**0**	0
Total rental revenue	**18**	19
Finance lease commitments	0	0

34 Provisions

Comprising:

	Total	Early Departure Costs	Legal Claims	Restructuring	Continuing Care	Equal Pay (incl. Agenda for Change	Other	Redundancy
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Balance at 1 April 2013	**4,782**	0	0	0	0	0	4,688	94
Transfers under Modified Absorption Accounting - PCTs & SHAs	**0**	0	0	0	0	0	0	0
Transfers under Modified Absorption Accounting - Other Bodies	**0**	0	0	0	0	0	0	0
Arising During the Year	**3,295**	0	0	0	0	0	3,295	0
Utilised During the Year	**(2,599)**	0	0	0	0	0	(2,505)	(94)
Reversed Unused	**(1,779)**	0	0	0	0	0	(1,779)	0
Unwinding of Discount	**15**	0	0	0	0	0	15	0
Change in Discount Rate	**8**	0	0	0	0	0	8	0
Transfers to NHS Foundation Trusts (for Trusts becoming FTs only)	**0**	0	0	0	0	0	0	0
Transfers (to)/from Other Public Sector Bodies under Absorption Accounting	**0**	0	0	0	0	0	0	0
Balance at 31 March 2014	**3,722**	**0**	**0**	**0**	**0**	**0**	**3,722**	**0**
Expected Timing of Cash Flows:								
No Later than One Year	**2,338**	0	0	0	0	0	2,338	0
Later than One Year and not later than Five Years	**1,184**	0	0	0	0	0	1,184	0
Later than Five Years	**200**	0	0	0	0	0	200	0

Amount Included in the Provisions of the NHS Litigation Authority in Respect of Clinical Negligence Liabilities:

As at 31 March 2014	45,653
As at 31 March 2013	35,221

Pension provisions are based on expected lives and current levels of payment.
Provisions arising in year relate to service level agreements, payments in respect of notice period on protected earnings, injury retirement, legal and associated employment claims.
Redundancy and severance costs relate to active transformation initiatives.

35 Contingencies

	31 March 2014 £000s	31 March 2013 £000s
Contingent liabilities		
Equal Pay	**0**	0
Other	**(203)**	0
Amounts Recoverable Against Contingent Liabilities	**0**	0
Net Value of Contingent Liabilities	**(203)**	0
Contingent Assets		
Contingent Assets *[give details]*	**0**	0
Net Value of Contingent Assets	**0**	0

Share of redundancy costs in relation to internal audit (CEAC) - Accrual invoice disputed as part of AOB exercise

36 Financial Instruments

36.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the NHS Trust has with Clinical Commissioning Groups and the way those Clinical Commissioning Groups are financed, the NHS Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS [organisation] in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the [organisation]'s standing financial instructions and policies agreed by the board of directors. Trust treasury activity is subject to review by the Trust's internal auditors.

Currency risk
The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Interest rate risk
The Trust borrows from government for capital expenditure, subject to affordability as confirmed by the strategic health authority. The borrowings are for 1 – 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. The Trust therefore has low exposure to interest rate fluctuations.

Credit risk
Because the majority of the Trust's revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2014 are in receivables from customers, as disclosed in the trade and other receivables note.

Liquidity risk
The Trust's operating costs are incurred under contracts with primary care, Clinical Care Groups, which are financed from resources voted annually by Parliament . The Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. The Trust is not, therefore, exposed to significant liquidity risks.

36.2 Financial Assets

	At 'fair value through profit and loss' £000s	Loans and receivables £000s	Available for sale £000s	Total £000s
Embedded derivatives	0	0	0	**0**
Receivables - NHS	0	6,902	0	**6,902**
Receivables - non-NHS	0	5,145	0	**5,145**
Cash at bank and in hand	0	4,445	0	**4,445**
Other financial assets	0	236	0	**236**
Total at 31 March 2014	**0**	**16,728**	**0**	**16,728**
Embedded derivatives	0	0	0	0
Receivables - NHS	0	4,103	0	4,103
Receivables - non-NHS	0	5,850	0	5,850
Cash at bank and in hand	0	4,341	0	4,341
Other financial assets	0	246	0	246
Total at 31 March 2013	0	14,540	0	14,540

36.3 Financial Liabilities

	At 'fair value through profit and loss' £000s	Other £000s	Total £000s
Embedded derivatives	0	0	**0**
NHS payables	0	637	**637**
Non-NHS payables	0	14,330	**14,330**
Other borrowings	0	626	**626**
PFI & finance lease obligations	0	0	**0**
Other financial liabilities	0	811	**811**
Total at 31 March 2014	**0**	**16,404**	**16,404**
Embedded derivatives	0	0	0
NHS payables	0	628	628
Non-NHS payables	0	11,674	11,674
Other borrowings	0	669	669
PFI & finance lease obligations	0	0	0
Other financial liabilities	0	786	786
Total at 31 March 2013	0	13,757	13,757

37 Events after the end of the reporting period

There are no material events after the reporting date of 31 March 2014 which effect the financial position. - **TBC after Audit Exercise**

38 Related party transactions

During the year none of the Department of Health Ministers, Trust board members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with Northampton General Hospital NHS Trust.

The Department of Health is regarded as a related party. During the year Northampton General Hospital NHS Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. For example :

Revenue Transactions
Health Education England £9.8m
Nene Clinical Commissioning Group £188.1m
Corby Clinical Commissioning Group £4.0m
Milton Keynes Clinical Commissioning Group £3.3m
Leicestershire & Lincolnshire Area Team £37.3m
Hertfordshire & South Midlands Area Team £8.8m
Northamptonshire Healthcare NHS Foundation Trust £7.3m (£6.6m)

N.B. Some of these bodies have no prior year comparators as a result of the NHS service reorganisation in April 2013

Expenditure Transactions
NHS Litigation Authority £6.1m (£5.8m)
Northamptonshire Healthcare NHS Foundation Trust £1.9m (£2.2m)
NHS Blood and Transplant £1.7m (£1.7m)

In addition, the Trust has had a number of material transactions with other government departments and other central and local government bodies. Most of these transactions have been with Northampton Borough Council (Business Rates £726k (£588k)), Northamptonshire County Council (Pathology Services £151k (£151k)) and HM Revenue & Customs (Employers National Insurance contribution £11.6m (£11.4m)), National Health Service Pension Fund Scheme £15.8m (£15.0m) .

The Trust has also received revenue and capital payments from Northamptonshire Health Charitable fund. The corporate trustee of the Northamptonshire Health Charitable fund is the Trust Board.

Grants totalling £166k (£378k), which were received from the Charity, have been treated in the Trust's Accounts as income and have primarily contributed towards staff and patients welfare. The Charity also funded £203k (£287k) of Building Works & Medical Equipment.

The Charitable Fund produces separate Trustees Report and Accounts which are available from the Finance Department of the Trust or on the Charity Commission website www.charity-commision.gov.uk. Should you wish to learn more about the Charitable Fund's activities and current initiatives visit www.nghgreenheart.co.uk or contact the Fundraising Team on 01604 545857 or E-mail greenheart@ngh.nhs.uk

39 Losses and special payments

The total number of losses cases in 2013-14 and their total value was as follows:

	Total Value of Cases £s	Total Number of Cases
Losses	285,058	330
Special payments	99,103	67
Total losses and special payments	384,161	397

The total number of losses cases in 2012-13 and their total value was as follows:

	Total Value of Cases £s	Total Number of Cases
Losses	247,665	355
Special payments	187,685	58
Total losses and special payments	435,350	413

40. Financial performance targets

The figures given for periods prior to 2009-10 are on a UK GAAP basis as that is the basis on which the targets were set for those years.

40.1 Breakeven performance	2005-06 £000s	2006-07 £000s	2007-08 £000s	2008-09 £000s	2009-10 £000s	2010-11 £000s	2011-12 £000s	2012-13 £000s	2013-14 £000s
Turnover	164,673	174,041	187,379	206,926	227,805	236,260	255,481	271,295	**276,894**
Retained surplus/(deficit) for the year	(2,907)	156	1,834	2,100	(4,958)	1,109	(1,917)	(764)	**2,103**
Adjustment for:									
Timing/non-cash impacting distortions:									
Pre FDL(97)24 Agreements	0	0	0	0	0	0	0	0	**0**
2006/07 PPA (relating to 1997/98 to 2005/06)	0	0	0	0	0	0	0	0	0
2007/08 PPA (relating to 1997/98 to 2006/07)	0	0	0	0	0	0	0	0	0
2008/09 PPA (relating to 1997/98 to 2007/08)	0	0	0	0	0	0	0	0	0
Adjustments for Impairments	0	0	0	729	7,039	0	3,453	899	**(2,257)**
Adjustments for impact of policy change re donated/government grants assets	0	0	0	0	0	0	(1,032)	264	**351**
Consolidated Budgetary Guidance - Adjustment for Dual Accounting under IFRIC12*	0	0	0	0	0	0	0	0	**0**
Adsorption Accounting Adjustment	0	0	0	0	0	0	0	0	**0**
Other agreed adjustments	0	0	0	0	0	0	0	**0**	**0**
Break-even in-year position	**(2,907)**	**156**	**1,834**	**2,829**	**2,081**	**1,109**	**504**	**399**	**197**
Break-even cumulative position	**(1,927)**	**(1,771)**	**63**	**2,892**	**4,973**	**6,082**	**6,586**	**6,985**	**7,182**

* Due to the introduction of International Financial Reporting Standards (IFRS) accounting in 2009-10, NHS Trust's financial performance measurement needs to be aligned with the guidance issued by HM Treasury measuring Departmental expenditure. Therefore, the incremental revenue expenditure resulting from the application of IFRS to IFRIC 12 schemes (which would include PFI schemes), which has no cash impact and is not chargeable for overall budgeting purposes, is excluded when measuring Breakeven performance. Other adjustments are made in respect of accounting policy changes (impairments and the removal of the donated asset and government grant reserves) to maintain comparability year to year.

	2005-06 %	2006-07 %	2007-08 %	2008-09 %	2009-10 %	2010-11 %	2011-12 %	2012-13 %	2013-14 %
Materiality test (I.e. is it equal to or less than 0.5%):									
Break-even in-year position as a percentage of turnover	-1.77	0.09	0.98	1.37	0.91	0.47	0.20	0.15	0.07
Break-even cumulative position as a percentage of turnover	-1.17	-1.02	0.03	1.40	2.18	2.57	2.58	2.57	2.59

The amounts in the above tables in respect of financial years 2005/06 to 2008/09 inclusive have **not** been restated to IFRS and remain on a UK GAAP basis.

40.2 Capital cost absorption rate

The dividend payable on public dividend capital is based on the actual (rather than forecast) average relevant net assets and therefore the actual capital cost absorption rate is automatically 3.5%.

40.3 External financing

The Trust is given an external financing limit which it is permitted to undershoot.

	2013-14 £000s	2012-13 £000s
External financing limit (EFL)	**3,413**	1,000
Cash flow financing	**3,349**	226
Unwinding of Discount Adjustment	**15**	0
Finance leases taken out in the year	**0**	0
Other capital receipts	**0**	0
External financing requirement	**3,364**	226
Under/(Over) Spend against EFL	**49**	774

40.4 Capital resource limit

The Trust is given a capital resource limit which it is not permitted to exceed.

	2013-14 £000s	2012-13 £000s
Gross capital expenditure	**14,371**	10,239
Less: book value of assets disposed of	**0**	(300)
Less: capital grants	**0**	0
Less: donations towards the acquisition of non-current assets	**(203)**	(300)
Charge against the capital resource limit	**14,168**	9,639
Capital resource limit	**14,221**	9,795
(Over)/underspend against the capital resource limit	**53**	156

41 Third party assets

The Trust held cash and cash equivalents which relate to monies held by the NHS Trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	2013-14 £000s	2012-13 £000s
Third party assets held by the Trust	**0**	3

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