



Derbyshire Healthcare **NHS**
NHS Foundation Trust

Derbyshire Healthcare NHS Foundation Trust's Annual Review 2015/16



**Better
together**



Welcome to Derbyshire Healthcare NHS Foundation Trust's Annual Review.

This provides a review of our work during the 2015/16 financial year. It also reflects the Trust's future plans and aspirations for the forthcoming year (2016/17).

The full Annual Report and Accounts for 2016/17 and the Trust's Quality Report can be accessed online at www.derbyshirehealthcareft.nhs.uk/about-us/publications/annual-report/

Contents

About us	4	External feedback and assessments	23
Our communities	5	Quality	26
Our services	6	Progress on our quality priorities for 2015/16	26
Vision and values	8	Our quality priorities for 2016/17	30
Trust strategy	11	New services	32
A partnership vision collaboration with our colleagues	12	A reflection on our achievements during 2015/16	33
Performance	14	Involving communities through our membership	38
Performance overview from the Acting Chief Executive	14	Membership highlights from our volunteers	40
Governance and regulatory events during the year	20	An overview of the Trust in 2015/16	41
Regulatory ratings	22	Where we received our money from and how we spent it	43
		Annual Governance Statement	44

About us

Derbyshire Healthcare NHS Foundation Trust (DHCFT) is a provider of community, children's and mental health services across the city of Derby and wider county of Derbyshire. We also provide a range of children's physical and mental health services in Derby, and specialist services across the county including substance misuse, eating disorders and learning disabilities.

Many of our services are provided in the community – through clinics, schools and within people's homes. We also have a range of hospital based services, providing more intensive support when it is needed.

We are a Foundation Trust, which means local residents, our patients and their carers can become members of the Trust and help shape our services and future developments.





Our communities

Within Derby and Derbyshire, we have...

- A population of approximately one million, which is growing
- Vibrant and diverse communities, where over 100 languages are spoken
- Areas of affluence and deprivation
- Urban and rural communities
- Significant health challenges and requirements, including:
 - High rates of dementia, self-harm and suicide, learning disabilities and childhood obesity
 - A large and active Deaf community
 - Growth in new migrant communities
 - A growing mortality gap between the general population and those with mental health problems.

Our services

On 1 April 2016 the Trust formally launched its **neighbourhood** teams. The neighbourhood teams provide the Trust's mental health care within the community for adults of all ages. The Trust is looking at how other services are integrated into this model.

Each neighbourhood works closely with other local health professionals and draws on local community resources, to assist people in rebuilding their lives and helping them to flourish.

There are eight neighbourhood areas within Derbyshire, as outlined on this map.

The Trust's **campus** services include the clinical support offered through our inpatient (bedded care) across Derby and Chesterfield.

Campus services include:

- The Radbourne Unit in Derby, which provides four acute mental health inpatient wards (including the Hope and Resilience Hub), an enhanced care ward, mental health and substance misuse liaison



services for the A&E department at Royal Derby Hospital, mental health crisis services, occupational therapy services and an ECT (Electro-Convulsive Therapy) suite

- Older people's mental health services; with two wards based at London Road Community Hospital in Derby, a specialist dementia ward on the Kingsway site in Derby and a Dementia Rapid Response Team to support people with dementia to remain in their community for as long as possible, as well as physiotherapy services
- Forensic and rehabilitation services, including gender specific low-secure services on the Kingsway site in Derby, prison in-reach and criminal justice liaison teams
- The Hartington Unit in Chesterfield, which provides three acute mental health inpatient wards, an outpatient unit, mental health crisis home treatment teams, and mental health and substance misuse liaison services for the A&E department at Chesterfield Royal Hospital.

The Trust's **central services** cover a number of specialist teams that operate across the Trust's neighbourhoods, including perinatal services, eating disorders, learning disabilities, substance misuse, physiotherapy, IAPT (Improving Access to Psychological Therapies), early intervention services, dietetics and management services.

Our **universal children's services** bring together CAMHS (Child and Adolescent Mental Health Services) with public health teams including health visitors, school nurses, therapy and complex needs, children in care and A&E liaison.



Vision and values

The Trust's vision and values were refreshed by our staff during 2016.

Our vision

“To provide services that meet the needs of the individuals and communities we serve, working with our people and partners to achieve a collaborative approach”.

Strategic priorities

We will deliver **quality** in everything we do providing safe, effective and person centred care.

- We will develop strong, effective, credible and sustainable **partnerships** with key stakeholders to deliver care in the right place at the right time.
- We will develop our **people** to allow them to be innovative, empowered, engaged and motivated. We will retain and attract the best staff.
- We will **transform** services to achieve long-term financial sustainability.

Our values

The Trust's vision is underpinned by four key values, which were developed in partnership with our patients, carers, staff and wider partners. These were also refreshed in 2016.

Derbyshire Healthcare is a values-led organisation and it is critical that our values are reflected through all that we do. We recruit our staff through values-based exercises and expect teams and individuals to be able to demonstrate how they meet the Trust values in their day to day work.

The Trust's values are:

- We put our patients at the centre of everything that we do – we are **respectful** and **responsive**
- We focus on our people – we work with **integrity** and **trust**
- We involve our people in making decisions – we encourage a culture of **honesty** and **openness**
- We aspire to deliver excellence – we work in **partnership** with service receivers and stakeholders. We will enable teams to be **effective** and **efficient**.





Trust strategy

The Trust's strategy 'Improving lives, strengthening communities, shaping a better future together' was refreshed for its final year (2015/16) in order to reflect today's agenda of integrated services, with partnerships of different providers from the NHS, social care and voluntary and private sectors, who are required to address the whole needs of our patients and service users and offer 'joined up' pathways of care.

A new Trust strategy was launched in April 2016. This new strategy has been shaped by a wide range of internal and external stakeholders, who have shared their vision for the future of the Trust and their aspirations for the new strategy.

The strategy outlines the changes the Trust expects to see over the life of the five year strategy and the measurements that will be used to determine its success. It also references anticipated outcomes for service receivers and staff.

To access the new strategy please visit www.derbyshirehealthcareft.nhs.uk/about-us/publications/

A partnership vision

Successful partnership working is key to the delivery of many of our services. The Trust works in close collaboration with our commissioners and fellow providers of local healthcare services, together with local authority colleagues at Derby City Council and Derbyshire County Council, and a range of voluntary and community sector organisations.

Healthcare services are increasingly integrating across providers. Over the last year the Trust has sought to work in collaboration with a range of different partners and was successful in this respect, with new contracts for Derby City children's services (with Ripplez CIC and Derby Teaching Hospitals NHS Foundation Trust) and substance misuse services (in partnership with Phoenix Futures and Aquarius).

In Derbyshire a similar substance misuse service model has been developed, working with partners that include

Phoenix Futures, Derbyshire Alcohol Advice Service and Intuitive Recovery. This builds on the Trust's long term partnership approach - for example with Derbyshire psychological therapies providers (Derwent Rural Counselling Services and Relate Derby and Southern Derbyshire) who complement our Improving Access to Psychological Services (IAPT) across Derbyshire. Our IAPT provision has also been enhanced with partnerships with Relate Derby and Relate Chesterfield to complement our existing service provision.

Collaboration with our colleagues

The Sustainability and Transformation Plan (STP) for Derbyshire outlines a county-wide approach to how the local health and care system will manage its key challenges over the next five years. This work has brought together all local NHS providers, commissioners, local authorities and the voluntary

sector, so we can develop a comprehensive and joined-up plan for the future.

The ethos of this plan is based on a collaborative approach across all partners to jointly tackle three key challenges, or 'gaps':

- The **health and wellbeing gap** - how can we prevent unnecessary ill-health and early death?
- The **care quality gap** - how can we ensure we continue to improve quality and meet care targets?
- The **finance gap** - how can we make sure that we do all of this with the money available?

At our respective Council of Governors' meetings in July 2016, both Derbyshire Healthcare NHS Foundation Trust and Derbyshire Community Health Services NHS Foundation Trust (DCHS) discussed initial ideas about how closer working between the two Trusts could have a positive impact and support the health and care system to meet these challenges.

There are a variety of options to define the level of collaboration and we are at the very early stages of considering these. Both Boards have agreed to work in partnership to develop a 'strategic options case' which considers the pros and cons of each option.

It is anticipated that this work will then be presented to both Boards towards the end of the calendar year for consideration.



Performance

Performance overview from the Acting Chief Executive

2015/16 has been a challenging year for the Trust in many respects. However, I am pleased to say that despite this, our performance overall has remained strong. We have ended the year being compliant with all performance targets set by Monitor (now called NHS Improvement) and with strong financial performance within a difficult economic climate.

Increase in demand

Throughout the year the Trust has performed in line with its various contracting agreements with local and specialist commissioners. It is clear that demand for our mental health and learning disability services continues to grow and that, in order to meet this increasing demand, large-scale transformation and investment is required. In addition to these pressures, the introduction of national access standards, which form part of Monitor's Risk Assessment Framework, presents further challenge for the organisation in evidencing the achievement of those standards.

Our most significant areas of growth in demand have been for IAPT (Improving Access to Psychological Therapies), adult mental health and learning disability services. We have seen an 8% growth in the numbers of service users open to our adult mental health and learning disability services from 2013/2014 to 2015/16, whilst demand for IAPT services has increased by 23% over the same period. We continue to experience sustained high levels of



demand for our acute adult inpatient beds which, despite every effort to minimise where possible, has had a resulting impact on the number of out-of-area placements for our patients.

The Trust has already undertaken significant transformation of services to meet these levels of demand. We intend to continue along this transformation journey, aligned to the development of the Derbyshire health and care system's STP, to deliver both a neighbourhood and campus model of care which provides the most effective services.

Given the significance of the transformation programme, the Trust Board wanted to ensure that our plans and assumptions were rigorously and independently tested. A company called Mental Health Strategies was commissioned to carry out independent simulation modelling of the assumptions within the programme, to give this assurance.

A number of key questions have been addressed through this process, including:

- How robust are the current plans and assumptions as to how many inpatient beds should be provided for local people with mental health problems?
- How robust are the current plans and assumptions as to how community services should be configured to deliver the right pathways for each care cluster (please see the Annual Report for more information on this)?
- What mix of staffing and skills are required to provide optimal services within available resources?
- What level of services is required to manage the impact of demographic change?
- Will our planned and proposed model of care be deliverable in practice?

During quarter 4 of 2014/15, Mental Health Strategies, through the use of their simulation modelling tool Sim:pathy, confirmed that the Trust's new neighbourhood model will be more effective than the system we have now. In addition, they have also confirmed that, when applying the resource reductions expected in future years, the neighbourhood model still works better than the current system.

However, despite the significant transformation of services to meet demand, there remains capacity issues associated with either the increase in demand or historic underinvestment across many services, the most substantial of which is within community mental health services.

The quality of the services we provide

The Trust prides itself on providing high quality clinical services. The Trust has met all Monitor targets as set out in the risk assessment framework by our regulator, we have improved performance against our quality priorities and have achieved our quality schedules as

part of our commissioning for quality and innovation agreements with commissioners. More detailed progress is set out in the Quality Report. One of our main areas to focus on in 2016/17 is to improve the quality of our care planning and personalised care.

Trust services have delivered high quality care throughout the year, which has been reflected in positive results in our inpatient survey, the community mental health survey, the Friends and Family Test and the PLACE (patient led assessment of the care environment) survey. It has also resulted in recognition on a national and regional level for our focus on compassionate care, our efforts to reduce restrictive practices on our inpatient wards and our commitment to the Duty of Candour – the latter demonstrated through the creation of a Family Liaison team to support families when serious incidents occur and ensure their concerns are heard and our duty of candour is discharged. Again, more detail can be found in the Quality Report.



It is important to note that our service quality, patient feedback and financial stability have all been maintained throughout the last year.

This has been recognised by the CQC who assessed the Trust's band 4 risk rating, which indicates that the Trust poses the 'lowest perceived risk' of providing poor care as part of the CQC's 'intelligent monitoring' of NHS Trusts that deliver mental health services.

In addition the area quality surveillance group did not elevate monitoring on the organisation; this was in part due to our reflection and honesty about our challenges and solution-focused approach to quality issues.

This is thanks to the dedication and skills of our staff at all levels in the organisation.

Financial performance

In overview terms the financial performance of the Trust has been strong. The year-end surplus exceeded the planned level and financial regulatory risk ratings have been good as shown in the full Annual Report and Accounts.

The principal risks faced by the Trust are detailed in the Board Assurance Framework, considered by the Audit Committee and Board on a regular basis. A summary of major risks can also be found in the Annual Governance Statement, located at the end of this Annual Review.

We look forward to our June 2016 planned comprehensive inspection, which is an extensive review of our services, and welcome the scrutiny and diligence of the regulators' review of our services. We will respond to their feedback and put in place any actions outlined for improvement and build upon positive areas of practice.



Ifti Majid
Acting Chief Executive



Governance and regulatory events during the year

On 24 July 2015 Monitor (now called NHS Improvement), the Trust's regulator, launched an investigation into Derbyshire Healthcare NHS Foundation Trust after an employment tribunal involving members of the 2013 Board and wider senior staff highlighted concerns with how the Trust was run.

Following this, the Trust commissioned two independent investigations into the findings of the employment tribunal and associated correspondence. A number of recommendations were made as a result of these investigations and the Trust has a clear action plan to implement, in order to promptly resolve issues identified. This action plan continues into 2016/17 and focuses upon ensuring that the Trust effectively adheres to its own governance processes, improves the culture of the Trust and relationships between the Board and Council of Governors.

The investigations noted that patient care and the quality of Trust services had not been impacted upon by these occurrences.

In order for Monitor to examine whether the concerns indicated more widespread problems, the Trust participated in a focused well led review during the winter of 2015/16, which was led by the Care Quality Commission (CQC) and Deloitte LLP.

In its findings Monitor outlined requirements to improve the effectiveness of the Board, to address strategy, models and structure within the Human Resources (HR) team, to refresh the Trust values, improve relationships with the Council of Governors and to provide greater clarity in performance management processes during this period of transition. This resulted in regulatory action being announced on 25 February 2016, when Monitor imposed licence conditions in accordance with section 106 of the Health and Social Care Act 2012.

Additionally, on 25 February 2016, the CQC published two requirement notices that outline the need to ensure HR policies and procedures are followed and monitored for all staff and to ensure that, in line with national requirements, a fit and proper person review is undertaken for all directors.

The Trust is committed to working with its regulators throughout 2016/17 to ensure progress is made in all of these areas.

Regulatory ratings

The table below summarises the regulatory ratings assigned to Derbyshire Healthcare NHS Foundation Trust.

2015/16	Annual Plan	Q1	Q2	Q3	Q4
Continuity of service (finance)*	3	3	4	4	4
Governance rating	Green	Under review	Under review	Red	Red

*Ranges from 1 (worst) to 4 (best)

For finance - for each quarter the Trust has met or exceeded its planned ratings for finance and there has been no formal Monitor intervention from a financial perspective. As outlined in the performance section of this Annual Report, the Trust has performed well financially, hence the favourable variance to planned financial ratings.

With regard to governance - our rating has been adversely impacted by the governance issues described in detail in the Annual Governance Statement and earlier in this document and so our governance rating has been changed by Monitor to indicate formal intervention in 2015/16.

For further details, please see the Trust's Annual Report and Accounts.

External feedback and assessment

From our service receivers

One of the ways we find out about the experiences of people who receive care and treatment in our community is by taking part in the national community mental health survey. Based on the responses received, the Trust is awarded a score out of 10 for each area, as outlined below:

Area	Trust score	National average scores
Health and social care workers	7.8	7.6
Organising care	8.4	8.5
Planning care	7.0	7.0
Reviewing care	7.5	7.5
Changes in who people see	6.4	6.3
Crisis care	6.1	6.3
Treatments	7.4	7.2
Help with other areas of life	5.4	5.0
Overall views and experiences	7.2	7.2
Overall experience	7.0	6.9

When compared to other trusts our scores were broadly in line with other similar organisations that took part in the survey. The results of the patient survey are reported to the Trust's Patient Experience Committee, through which service receivers and their carers contribute to actions agreed in response to the survey.

The community survey is compulsory for all mental health trusts, however the **inpatient survey** is for trusts to choose to take part in, which we do year on year. Our results for 2015/16 reflect the following:

- More service receivers are telling us that they feel safe on our wards
- There have been improvements to hospital food, with increased service receiver satisfaction in 2015
- We have received high levels of satisfaction with our staff. For both psychiatrists and nurses in 2015, all the scores are higher than for our comparable trusts
- The availability of activities in the evening and weekends has improved
- Service receivers report that explanations are being given about their medicines.

On our environments

The aim of PLACE assessments is to provide a snapshot of how an organisation is performing against a range of non-clinical activities which impact on the patient experience of care. The criteria included in PLACE assessments are not standards, but they do represent both those aspects of care which patients and the public have identified as important, and good practice as identified by professional organisations whose members are responsible for the delivery of these services.

A patient-led inspection of the environment on the Trust's hospital wards resulted in positive results in August 2015 when the inspection, led by individuals from service user representative group Derbyshire Voice and carried out as part of the national PLACE survey, found that all our mental health and dementia wards were exceeding the national average for cleanliness, appearance, quality of food, and the level of privacy and dignity they provide. Satisfaction levels were particularly high around the cleanliness of the wards,

with ratings ranging from 98.56% to 99.35%.

For the first time ever, the 2015 assessments were extended to include criteria on how well hospitals are equipped to meet the needs of caring for patients with dementia. The Trust's dementia wards on the Kingsway site in Derby achieved satisfaction levels of 96.09%, while the average satisfaction level for hospitals across the country was 74.51%.

For a fourth consecutive year the Trust was also awarded a five star food hygiene rating, following an unannounced visit to the Ashbourne Centre Restaurant on the Kingsway Site in Derby by the Food Standards Agency in February 2016.

Information governance

The Trust has increased its compliance with the information governance toolkit to 97% which keeps us at the forefront of our category and maintained our overall rating of 'satisfactory' demonstrating that we have reached level 2 or above in all attainments.

The information governance toolkit is the national standard and measures the policies, processes and procedures that we have in place to ensure compliance with the information governance agenda and effectively and lawfully manage information correctly.



Quality

Each year the Trust produces a Quality Report, which identifies a number of key priority areas to improve the quality of our services. Priorities are developed with our partners in response to the feedback we receive and to incorporate any new ideas to improve local services and care.

This Quality Report is an annual report on the quality of care delivered in the services we provide. The Trust Board is committed to continuous, evidence-based quality improvement and we will continue to focus on the quality of our services and on developing our staff to meet the challenges in our health sector as well as meeting the needs of our population.

We are proud of the progress our staff have made to achieve our quality priorities for 2015/16, which demonstrates sustained commitment and focus on patient care.

Progress on our quality priorities for 2015/16

1. Suicide prevention through patient safety planning

- Pilots of a new safety plan have been completed in the Kedleston Unit (the setting of our gender-specific low secure service for males) and our substance misuse service. Service user feedback has informed this development, an updated policy has now been ratified and an e-learning package has been developed.

2. Think! Family

- The Trust's Health Visiting Service has been awarded the Baby Friendly Initiative (Stage 3), which is an excellent achievement. The standards have been designed to support pregnant women



to recognise the importance of breastfeeding and early relationships for the health and well-being of their baby.

- Our Child and Adolescent Mental Health teams had another clinically effective year. The teams continue to provide parenting interventions in line with the children and young people's Improving Access to Psychological Therapies (IAPT), which focus on the family outcomes and goals.
- Further training on safeguarding children (level 2) and Think! Family has been provided to staff.

3. Physical healthcare

- We have focused our intervention around key lifestyle factors such as smoking cessation, substance misuse, alcohol intake, diet/weight gain, exercise, risk of diabetes and cholesterol levels.
- We have extended our smoke-free commitments by becoming a smoke-free Trust, resulting in cleaner and healthy environments for everyone

involved with the Trust. Staff have worked with service receivers who want to stop smoking, to identify a support method that works best for each individual.

- We have completed a comprehensive training programme for staff assessing the physical health of our service receivers and we have raised awareness of the importance of assessing the physical health of our service receivers on admission at junior doctor's sessions and at induction. This is also included in the revised doctor's handbook.
- We have provided new medical equipment for checking and monitoring physical health – for example, new blood pressure and ECG (electrocardiogram) machines.

4. Positive and safe including Safewards

- We have reviewed our policies that may impact on restrictive behaviours in line with the code of practice.

- We have fully implemented Safewards in the Radbourne Unit, and we are in the post-assessment implementation phase at the Hartington Unit across adult acute inpatient services. Implementation across older adults and forensic services has commenced. Safewards is based upon a randomised control trial on inpatient nursing interventions, with a focus on ten core interventions such as mutual expectations and 'calm down' methods as demonstrated by our nurses.
- Our staff were invited to Denmark to showcase their work at a Danish national conference, presenting their work, running workshops and visiting clinical services.

5. Recovery principles

- Our neighbourhood model of delivering community mental health services have placed a greater focus on recovery through social inclusion.

- We have developed a new Recovery and Wellbeing Centre online.
- All neighbourhood teams are being asked to look at what they can offer people in their recovery journey; we encourage teams to think about what our core areas of work are, what partnership working is available and what community resources are available.

Patient reported outcome measures

This was a quality priority for 2014/15. Although it was not selected as a quality priority for 2015/16, work continued on this area within the Trust alongside the rollout of our electronic patient record.

Our quality priorities for 2016/17

Safe services:

- To improve the physical healthcare care of our service receivers through checking various aspects of their physical health
- To minimise the risks of suicide through the implementation of the safety plan approach
- Implementing our Positive and Safe Strategy to minimise and reduce restrictive practices.

Effective services:

- To embed our Think! Family principles across the Trust. Think! Family is about thinking about the wider family in everything we do, and co-ordinating the support they receive across all services
- To become a person centred and recovery-focused organisation
- Developing and maintaining personalised care planning
- To ensure that clinical variation in the assessment and recording of capacity and consent is minimised.

Well led services:

- To develop clinical leadership through our Quality Leadership Team (QLT) structures.

Caring services:

- To improve the health and wellbeing of NHS Staff.

Progress against these quality priorities will be outlined in the Annual Report and Quality Report for 2016/17, which will be available in Summer 2017.

For further details on our quality priorities, why they have been selected and how progress will be measured, please see the Trust's Quality Report, which can be accessed via www.derbyshirehealthcareft.nhs.uk/about-us/publications/annual-report/

New services

New services developed this year include:

- The new **Derby integrated drug and alcohol service**, provided from 1 April 2015 in partnership with Phoenix Futures and Aquarius – with a dedicated single point of entry and IT system creating a seamless treatment system addressing all levels of drug misuse (including New Psychoactive Substances) and alcohol misuse.
- The Trust has also been commissioned by Public Health to provide new **Specialist Substance Misuse Prescribing within Derby**. This includes a pilot scheme to provide Naloxone for high-risk individuals, to help prevent heroin overdoses within the city.
- **CAMHS RISE** - a newly redesigned CAMHS service to ensure that children and young people who are in urgent need of care due to self-harming or suicidal thoughts get the support they require (fully operational from 21 March 2016).
- **Adult health checks for adoption and fostering services** – this service started on 1 February 2016 at the request of commissioners; we are working with a GP practice to deliver the service (0.5 PA [programmed activity] of a GP a week).

A reflection on our achievements during 2015/16

April

In April, for the third consecutive year, Derbyshire Healthcare NHS Foundation Trust was named the best mental health and community trust in England for the way it stores confidential information about its patients.

The Trust has topped the national charts for ensuring that confidential information, such as patient records, is stored and managed safely, by achieving 96% compliance and an initial grading of satisfactory (the highest grading available).

May

In May, Angling 4 Health - a Derbyshire Healthcare scheme which enables people to benefit from the therapeutic and social benefits of fishing – was given financial backing by the Angling Trust to develop a training programme so that angling coaches nationwide can learn to offer similar opportunities to people with mental health problems in their area.

June

In June the Trust was recognised by the Carers Trust for its commitment to local people caring for loved ones with health problems.

The Trust has been awarded a gold star for its efforts in promoting the 'Triangle of Care', a set of standards for how mental health services should identify, welcome, involve and support carers.

July

In July Derbyshire Healthcare NHS Foundation Trust received a vote of confidence from the Care Quality Commission (CQC) for the second consecutive year after being named as one of only 11 mental health providers in England most likely to be providing good or satisfactory care to patients.

August

In August results of a patient-led inspection of the care environment (PLACE) on hospital wards run by Derbyshire Healthcare NHS Foundation Trust were published, resulting in positive outcomes across the board. The survey found that all the Trust's mental health and dementia wards exceeded the national average for cleanliness, appearance, quality of food, and the level of privacy and dignity they provide. Satisfaction levels were particularly high around the cleanliness of the wards, with ratings ranging from 98.56% to 99.35%.

For the first time ever, the 2015 assessments were extended to include criteria on how well hospitals are equipped to meet the needs of caring for patients with dementia. Here, the Trust's dementia wards on its Kingsway site in Derby achieved satisfaction levels of 96.09%, while the average satisfaction level for hospitals across the country was 74.51%.

September

People with experience of mental health problems came together at a special event in Chesterfield in September to learn about support available in the local community.

Derbyshire Healthcare, along with Derbyshire County Council and Chesterfield College welcomed individuals recovering from mental ill health to Connect 5, an event designed to show how doing five things in everyday life and in the local community can support mental health and wellbeing.

October

A host of local organisations came together on 9 October to promote World Mental Health Day and to encourage people to think about the human dimension of mental health.

The Trust teamed up with the University of Derby and local charities to encourage students and residents to listen to the personal stories of people who've experienced mental ill health at a 'human library' event in the university atrium.

November

The Trust held its Delivering Excellence Awards ceremony in November to celebrate some of the outstanding achievements of our staff and volunteers, who were nominated by their colleagues for their amazing work over the last year.

Attendees were inspired by heart-warming stories about the efforts of the shortlisted nominees in delivering the Trust values.

December

In December, Derbyshire Healthcare welcomed a new Interim Chairman, Richard Gregory.

An experienced non-executive director, senior independent director and chairman, Richard has a particular interest in developing effective risk and quality governance systems and board accountability for customer experience.

On his appointment, Richard said:

"I am looking forward very much to working with the board, governors and staff of Derbyshire Healthcare. It is a Trust whose services to the residents of Derbyshire I have admired and respected for many years and it is an honour to be asked to join the team."

January

In January Breakout, the Trust's young person's substance misuse service for Derby, teamed up with Derby City Council to raise awareness of the dangers of new psychoactive substances (NPS) – previously known as 'legal highs' – with a series of messages on social media.

The Breakout team encouraged young people to remember that these substances lead to 'lethal lows'. They reminded young people about the number of residents who have ended up in Royal Derby Hospital as a result of taking NPS.

February

In February Derbyshire Healthcare urged the county's residents to start a conversation with friends and family about their emotions and mental wellbeing as part of Time to Talk Day - a national campaign aimed to get as many people as possible across England talking about mental health.

March

In March Derbyshire Healthcare extended its smoke-free commitments by becoming a smoke-free Trust, resulting in cleaner and healthy environments for everyone involved with the Trust.

We understand that becoming a smoke-free Trust has an impact on some of the people who use our services. To help people who do smoke to stop smoking for a period of time, or quit for good, our staff will be there to support them every step of the way. They will also identify a smoking cessation care plan which includes alternatives that work best for the individual.



Involving communities through our membership

Foundation Trusts have greater freedom to develop services that meet the needs of local communities. Local people are invited to become a member of Derbyshire Healthcare NHS Foundation Trust, to work with the Trust to provide the most suitable services for the local population.

Membership strengthens the links between healthcare services and the local community. It is voluntary and free of charge and obligation. Members are able to give their views on relevant issues for governors to act on, as well as helping to reduce stigma and discrimination regarding the services offered by the Trust.

Members' views are represented at the Council of Governors, by governors who are appointed for specific groups of members known as constituencies. Constituencies cover service users, staff, partner organisations and public members.

Public governors are elected to represent their particular geographical area and have a duty to engage with local members. Appointed governors sit on the Council of Governors to represent the views of their particular organisation and staff governors represent the different staff groups that work for the Trust.

This year we have welcomed a number of new governors.

Particular achievements this year include:

- Governor/public engagement with PPGs (patient participation groups) throughout Derbyshire offering a meeting between the PPGs, the Trust and their local governor
- Improving the visibility of local governors by providing a poster, with contact details, to display in GP surgery waiting areas
- We also held our first 'Membership Week', coinciding with World Mental Health Day, to create a platform for governors to better engage with their members and members of the public.

Thank you to all our volunteers, governors, members and membership champions for their support during 2015/16.

To become a member of Derbyshire Healthcare NHS Foundation Trust, or if you are interested in becoming a governor, please visit www.derbyshirehealthcareft.nhs.uk/membership, telephone 01332 623700 or email: membership@derbyshcft.nhs.uk

Members can find their local governor representative via the Derbyshire Healthcare website www.derbyshirehealthcareft.nhs.uk/membership and can contact the Trust's governors by emailing governors@derbyshcft.nhs.uk

Membership highlights from our volunteers

"In April Richard Morrow – Head of Nursing for Specialist Services – talked to us about taking time for ourselves, showing us relaxation techniques and how we can bring mindfulness into our day-to-day lives. There was a tremendous turnout and it was a surprise to see how many members of the public were interested in this way of life".

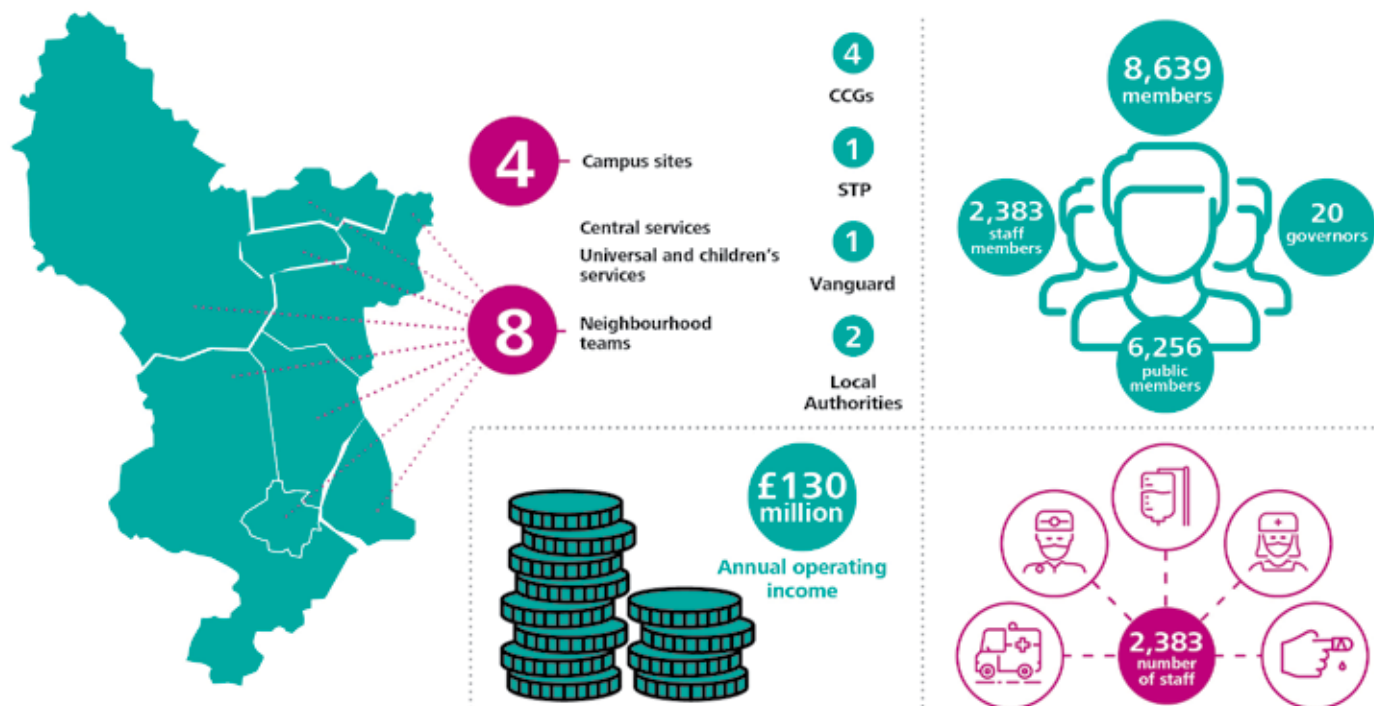
"The nicest thing for me was two people who saw me at a similar event the previous year came to our stall and thanked us for the information we gave them. They said it had changed their lives for the better, as we signposted them to the correct people".

"On World Mental Health Day we signed up 66 new members. The whole event was a triumph, with people telling their stories of how they have overcome and are still dealing with mental ill-health".

"I go into the community and make people aware of all the hard work the Trust does and how dedicated the people are that work there; I feel that sometimes that is not said enough".

An overview of the Trust in 2015/16

During 2015/16



Activity data during 2015/16

1,630
patient
admissions



74,897
referrals
received



The Trust cared for



3,755
babies

born in
Derby City



39,504



adults treated at
any one time



70,571

children treated at
any one time

4,586

face to face follow
ups for those in our
LD services



311
inpatients
beds

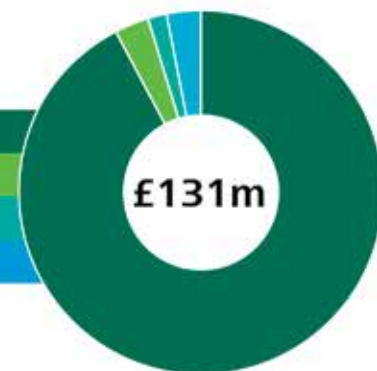
520,843
attended
contacts



Who we received our money from and how we spent it

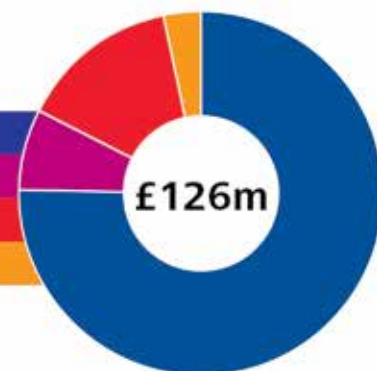
2015/16 operating income

Clinical income	£121m
Education and training	£4m
Pharmacy sales	£2m
Other operating income	£4m



2015/16 operating expenditure

Employee expenses	£95m
Services from other bodies	£9m
Non pay	£18m
Depreciation and impairments	£4m



Annual Governance Statement (1 April 2015 - 31 March 2016)

Scope of responsibility

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Derbyshire Healthcare NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Derbyshire Healthcare NHS Foundation Trust for the year ended 31 March 2016 and up to the date of approval of the Annual Report and Accounts.

Capacity to handle risk

The Trust continues to deliver high quality care and to provide strong leadership with respect to risk management processes. Responsibility for risk is distributed throughout the Trust, reflecting that all colleagues have a responsibility for managing and mitigating the risks that arise within their area of responsibility.

The Board has the ultimate responsibility for managing risk within the Trust, both through setting out clear and appropriate policies for risk management, and by monitoring strategic risks to the Trust through the Board Assurance Framework. They are supported in this by the Audit Committee and the Internal Audit service, whose work provides assurance (positive or negative) as to the adequacy of controls in place for the Trust, and actions to be taken to increase the assurance available.

The Board is also responsible for giving strategic leadership to the organisation on risk matters, and in particular in setting out the level of risk acceptable to

the organisation; recognising that this may vary for different aspects of the Trust's work. There are key roles on the Board of Directors in relation to risk. The Executive Director of Nursing and Patient Experience and the Medical Director have joint responsibility for risk and quality on behalf of the Board of Directors, supported by a range of Board committees and associated work programmes. The Director of Finance has responsibility for financial risk and financial control systems. The Director of Corporate and Legal Affairs has responsibility for the Board Assurance Framework.

The Board has set out a clear strategic approach to ensure that risks are managed and controlled, within the Quality Strategy and Framework 2015 -18, published in February 2015. This document sets out the Trust's strategic direction to sustain and improve the quality of care in our Trust, the Trust's governance arrangements to support delivery of high quality care, and the mechanisms in place to ensure the Trust meets its regulatory compliance with the Care Quality Commission and Monitor.

The Quality Strategy and Framework sets out a clear strategic approach to ensure that risks are managed and controlled, the key points that these set out include:

- The identification of risks, including the adding of risks to the register by all staff, the review and approval process, and identification of management and mitigation factors
- Arrangements for the regular review and oversight of risks, dependent on both the risk level and the reliability of the controls in place
- Procedures for the escalation of risk, including the escalation of risk to the Board for consideration for inclusion in the Board Assurance Framework.

The Trust has embraced an organisational culture of being open, continuing to publish increasingly transparent information such as performance data and information on safer staffing levels both on the Trust website and in ward areas.

The Trust provides a range of compulsory and role specific training, detailed in the Trust's Training Framework, to equip staff to manage risk in a way that is appropriate with their authority and duties. Examples of specific risk-based training undertaken during 2015/16 include: incident and risk awareness for managers; general risk assessment; investigating incidents, investigations and claims; 'Datix' (patient safety software) surgeries and team based updates. Furthermore the Board undertook a facilitated session on the Board Assurance Framework in February 2016. Much of the wide range of clinical training undertaken by staff also equips staff to manage risk, the detail of which is outlined in the Training Framework. Training is supported by a range of procedural guidance and direction from specialist staff. All training includes examples of learning from best practice.



The risk and control framework

Key elements of the quality risk management strategy

The Quality Strategy and Framework 2015 -18 encompasses the Trust's Risk Management Framework which is supported by a range of policies and procedures. These include: Risk assessment procedure; untoward incident reporting and investigation policy and procedures; and being open and duty of candour policy and procedures.

Risk identification is undertaken both proactively via risk assessments and project plans and reactively via incidents, complaints, claims analysis, internal and external inspection and audit reports.

Risk evaluation is completed using a single risk matrix to determine impact and likelihood of risk realisation with grading of risk resulting from the overall matrix score.

Risk control and treatment plans identify responsibility and authority for determining effectiveness of controls and development of risk treatment plans and actions.

The Trust holds a single electronic Trust wide risk register (on Datix) incorporating all operational and strategic risks, with inbuilt ward/team, divisional and corporate level risk registers reporting from this central hub. The Board Assurance Framework details key risks and mitigating actions taken in order to achieve the Trust's strategic objectives, and is held as part of the Trust-wide risk register. During 2015/16 the Audit Committee has continued to be responsible for ensuring appropriate assurances are sought for key controls which manage strategic risks.

Previous developments of the Board Assurance Framework have been further embedded during the year with the named responsible committee for each risk taking responsibility to ensure the assurances and controls for each risk is challenged

though a programme of 'deep dives' presented by the responsible director. During 2015/16 the Board Assurance Framework has been scrutinised by the Audit Committee three times, prior to submission to the Board. The Board of Directors determines risk appetite by obtaining assurance from controls in place and review of mitigation plans, relative to the level of risk identified.

Incident reporting is openly encouraged and supported by an online incident reporting form (on Datix), accessible to all staff. Incident investigation involves robust systems for reporting and investigating incidents to identify areas for organisational learning and good practice. All serious incidents are overseen by the Executive Director led Serious Incident Group and summary reports are provided to the Quality Committee on a monthly basis, including assurance of action plans being completed.

A 'Blue Light' system of alert notifications is used to rapidly communicate information on significant risks that required immediate action to be taken and a

'Practice Matters' newsletter is used to communicate good practice and actions that have been taken throughout the organisation.

The monthly issued 'Policy Bulletin' informs staff of key messages within new or updated policies and procedures. Furthermore, clinical advisory podcasts have been further developed during 2015/16 to communicate to staff learning from i.e. deprivation of liberty (DoLs) safeguarding update from the Medical Director.

Quality governance arrangements

Overall responsibility for quality governance lies with the Board, as part of their responsibility for the direction and operation of the Trust. The Board is supported in its role regarding quality governance by the Quality Committee which has been constituted as a Committee of the Board, led by a Non-Executive Director chair and with both Executive and Non-Executive Directors in membership.

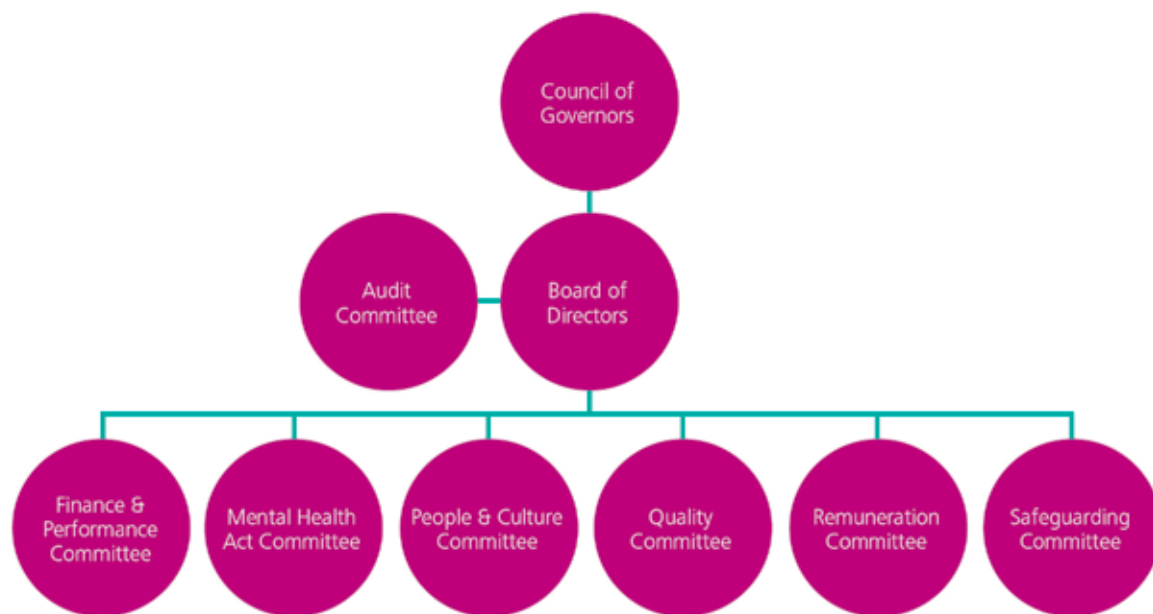
Day-to-day oversight of quality governance is the responsibility of the Executive Leadership Team, with the leadership role in this area taken by the Medical Director and the Director of Nursing and Patient Experience.

They are supported by the Clinical Directors and the Professional Heads from within the senior Nursing and Patient Experience team. The Trust has a Nursing and Patient Experience Directorate which is the central resource supporting quality governance in the Trust. Quality dashboards have been redesigned during 2015/16 by the Operations and Nursing teams to design dashboards that monitor key aspects of clinical performance and intelligence to enable staff across all levels of the organisation to identify areas for improvement.



Early warning signs of service failure due to capacity and or patient experience will be implemented during the forthcoming year.

The Trust's Quality Governance structure is shown in the diagram below, and includes additional detail on all committees which report to the Quality Committee. Assurances are received by the Board from other board subcommittees, the reporting lines of which are not shown here.



Key responsibilities of the Board committees are detailed below.

The **Finance and Performance Committee** oversees and gains assurance on all aspects of financial management and operational performance, including contract compliance, commercial decisions and cost improvement reporting. The committee also oversees the Trust's business development, commercial and marketing strategies and its workforce resource planning (prior to the People Committee). It is responsible for agreeing terms of reference and annual work programmes for its supporting sub-committees. It also receives agreed assurance and escalation reports as defined in the forward plan for the committee.

The **Audit Committee** (now Audit and Risk) is the principal committee for seeking independent assurance on the general effectiveness of the Trust's internal control and risk management systems and for reviewing the structures and processes for identifying and managing key risks. It is responsible for

reviewing the adequacy of all risk and control related statements prior to approval by the Board and for seeking assurances on these controls. In discharging its responsibilities, the committee takes independent advice from the internal auditor.

The **Mental Health Act Committee** monitors and obtains assurance on behalf of the Hospital Managers and the Trust, as the detaining authority, that the safeguards of the Mental Health Act and Mental Capacity Act are upheld. This specifically includes the proactive and active management of the prevention of deprivation of liberty and ensuring DoLS applications as a managing authority are appropriately applied. It also monitors related statute and guidance and reviews the reports following inspections by the Care Quality Commission.

The **Quality Committee** obtains assurance that high standards of care are provided and that adequate and appropriate governance structures, processes and controls are in place to promote safety and

excellence in patient care. The committee monitors risks arising from clinical care and ensures the effective and efficient use of resources through evidence-based clinical practice. The Quality Committee is responsible for agreeing terms of reference and annual work programmes for its supporting sub-committees. It also receives agreed assurance and escalation reports as defined in the forward plan for the committee. The committee has continued to meet monthly throughout 2015/16.

The **Remuneration Committee** (now Remuneration and Appointments) decides and reviews the terms and conditions of office of the Foundation Trust's executive directors [and senior managers on locally-determined pay] in accordance with all relevant Foundation Trust policies. The Committee also appoints the Chief Executive of the Trust.

The **Safeguarding Committee**, which became a Board committee in April 2015, sets the Safeguarding Quality Strategy providing quality governance to all aspects of the safeguarding agenda. It provides

assurance to the Board that the organisation is effectively discharging and fulfilling its statutory responsibility for safeguarding to ensure better outcomes for children and vulnerable adults. The committee leads the assurance process on behalf of the Trust for the following areas: Children's Act, Care Act (2014), counter terrorism legislation; providing a formal link to Safeguarding Children and Safeguarding Adults Boards and promotes a proactive and proactive and preventative approach to safeguarding.

From February 2016 a **People and Culture Committee** has been established. The committee will support the organisation to achieve a well-led, values driven positive culture. The committee is to provide assurance to the Board that the appropriate structures, processes and systems are in place to ensure an effective capable workforce to meet the Trust's current and future needs.



This will be achieved through: ensuring the development and implementation of an effective People Strategy; implementing a systematic approach to change management; ensuring workforce plans are fit for purpose; and driving a positive culture with high staff engagement.

In addition the **Executive Leadership Team**, as the most senior executive decision making body in the Trust, is responsible for ensuring that strategies and performance targets, approved by the Board of Directors, are implemented to timescale.

The group shares a fundamental responsibility to provide strategic leadership to the organisation, consistent with its values and principles. It also ensures that a culture of empowerment, inclusivity, and devolution of responsibility with accountability

Board oversight of Trust's performance

Our regulator Monitor (now called NHS Improvement) requires that we report quarterly on a limited number of access and outcomes metrics for which we have achieved full compliance during 2015/16.

The CQC produces an intelligent monitoring report quarterly which sets out our performance across a number of key indicators. Up to the end of quarter 3 no risks were recorded, but during quarter 4 some risks were highlighted as summarised in the table below.

Safe	Risk in relation to number of deaths of patients detained under the Mental Health Act Patients that die following injury or self-harm within three days of being admitted to acute hospital beds	Elevated Risk
Effective	Proportion of patient records checked that show evidence of discussions about rights on detention	Risk
Responsive	Bed occupancy Proportion of care spells where patients are discharged without a recorded crisis plan	Elevated Risk
Well Led	Monitor risk rating for governance Proportion of Mental Health Act and hospital inpatient episodes closed by the provider	Risk Elevated Risk

Although there is now a count of seven risks, there are 66 indicators with no evidence of risk. This gives an overall risk score in CQC Intelligent Monitoring of 11 compared to a maximum possible risk score of 144. We continue to monitor these.

The work of the Quality Committee and associated groups are active and their outputs are clearly evidenced in the Trust's Quality Report. The report's accuracy is subject to review by internal and external auditors as well as extensive consultation and feedback internally and externally on its contents.

The Board receives a monthly position statement on quality mapped to the CQC key lines of enquiry on how we are improving, providing assurance on performance and horizon scanning for changes to our clinical strategy. The Trust has an extensive annual quality visit programme, involving Board members, governors and stakeholders, which includes planned visits to every ward and team that provides a service.

All Board members take part in the programme completing over 85 visits during 2015/16. Performance for each team is considered at each visit and Board members are able to understand how teams function, gather local intelligence, see local innovations through showcases and seek soft intelligence to supplement the Board's regular data and feedback face to face about

compliance with key performance indicators and staff opinion on the services they lead.

During 2015/16 the Trust took a risk based 'deep dive' approach to the monthly integrated performance reports to the Board which incorporated quality indicators for specific service lines. Key quality indicators are also reported monthly to the Board, with a focus on exceptions.

The Trust publishes its key performance indicators onto the web daily. This supports the Trust's aims to ensure transparency of services to the public is maintained. This year the Trust has been redesigning its dashboard to encompass an integrated reporting dashboard, including additional service line reporting which will be launched during 2016/17.

Data security risks

The Trust recognises that it is trusted by patients with sensitive personal information; and the Trust's obligation is to handle that information as carefully as the patient would themselves, together with the legal obligations put in place by Schedule 3 of the Data Protection Act 1989.

The Board has put into place procedures to ensure that information is handled with appropriate regard to its sensitivity and confidentiality, which are available to all staff and which all staff are required to follow.

The Trust has in place the following arrangements to manage information governance risks:

- A Senior Information Risk Owner (SIRO) who is the Trust's Director of Corporate Affairs, and Caldicott Guardian (Medical Director) at Board Level
- Annually completed Information Governance Toolkit, with reported outcomes to the Quality Committee and Board of Directors
- Risks related to information governance reviewed by the Information Governance Committee
- High uptake of Information Governance compulsory training
- Information governance incidents reviewed monthly by the Information Governance Committee
- Compared to all other mental health trusts, the Trust has achieved the highest rating of compliance with the Information Governance Toolkit in each of the last three years.

Major risks

Major strategic risks identified in year as part of the Board Assurance Framework processes. As at 31 March 2016 these risks are as follows:

Major risks to achievement of Trusts strategic objectives, as of 31 March 2016	
Risk description	Residual risk rating
Failure to achieve clinical quality standards required by our regulators which may lead to harm to service users.	Moderate
Risk that potential changes instigated by commissioners or providers, may result in the Trust being required to meet any resulting unmet need without additional resource e.g. changes in social services provision	Moderate
Failure to deliver the agreed transformational change, at the required pace could result in reduced outcomes for service users, failure to deliver financial requirements and negative reputational risk	High
The high level of change within the organisation could lead to instability and a failure to meet contractual and regulatory key performance indicators	Moderate
There is a risk that the Trust will be unable to maintain its regulatory compliance due to identified gaps in its governance systems and processes	High
Risks to delivery of 2015/16 financial plan. If not delivered, this could result in regulatory action due to breach of Provider Licence with Monitor	Moderate
Risk to delivery of the Commercial Strategy, if not delivered it could cause the Trusts financial position to deteriorate resulting in regulatory action	Moderate
Failure to recruit, retain and engage capable and compassionate staff, leading to a risk that could impact on service receiver care	Moderate
Failure to have sufficient capability and capacity to deliver required standard of care resulting in a risk to our service receivers	Moderate

The full details of these risks, including controls and assurances in place, actions identified and progress made in mitigating the risk, are shown in the Board Assurance Framework which has been reported to the Audit Committee and Board three times during 2015/16.

The major risks identified in the Board Assurance Framework for 2016/17 are as follows:

Major risks to achievement of Trust's strategic objectives for 2016/17	
Risk description	Residual risk rating
Failure to achieve clinical quality standards required by our regulators which may lead to harm to service users and/or staff	Moderate
Failure to deliver the agreed transformational change, at the required pace could result in reduced outcomes for service users, failure to deliver financial requirements and negative reputational risk	High
Risk to delivery of national and local system wide change. If not delivered this could cause the Trust's financial position to deteriorate resulting in regulatory action	High
Failure to deliver short term and long term financial plans could adversely affect the financial viability and sustainability of the organisation	High
There is a risk that the Monitor enforcement actions and CQC requirement notice, coupled with adverse media attention may lead to significant loss of public confidence in our services and in the trust of staff as a place to work. Furthermore, failure to deliver the governance improvement action plan could lead to a risk of further breaches in licence regulations with Monitor and the CQC and further regulatory action	High
Risk of a fundamental loss of confidence by staff in the leadership of the organisation at all levels	High

Themes from major operational risks identified as at 31 March 2016 are as follows:

Major operational risks identified through risk register review and escalation processes, as of 31 March 2016

Staffing levels and capacity, especially in mental health community services

Paediatrician and paediatric service waiting times

Migration from paper/Care Notes to full EPR (PARIS)

Meeting medication standards

Car parking, particularly at St Andrew's House and the Radbourne Unit. This impacts on staff leaving and returning to base to visit patients and for patients arriving for appointments

Work related stress

The full detail of individual risks associated with these themes are shown in the operational risk registers, and are reviewed and updated by the senior operational leadership teams.

Risks to compliance with the NHS Foundation Trust licence condition 4 (FT governance) and actions to mitigate

The Trust is required to have continuous compliance with the conditions in the Licence issued by Monitor, including Condition FT4 related to ensure that the highest standards of corporate governance are operated in the Trust. During January 2016 an independent review of governance arrangements in the Trust was undertaken by Deloitte LLP, together with a CQC focused inspection. These reviews followed the findings from a high-profile employment tribunal (ET) in 2015. Two requirement notices have been issued by the CQC in response to gaps in

the Trust's regulatory requirements. These are: 1) the Trust must ensure HR policies and procedures are followed by all staff and 2) the Trust must ensure that a fit and proper person review is undertaken for all directors in light of the findings of the employment tribunal.

On 23 July 2015 Monitor opened a formal investigation into the Trust to determine if it was in breach of its licence and, if so, whether any regulatory action should be taken. This investigation was launched due to governance concerns identified from the judgement of the employment tribunal dated 18 June 2015. Monitor also had concerns following related complaints raised by other parties including individuals who have approached Monitor in line with its whistle-blowing policy.

As part of Monitor's investigation they highlighted the following governance concerns;

- A lack of discipline in the observance of good governance and a general culture of informality at the Licensee
- A need to improve the effectiveness of the Licensee's Board, in particular to demonstrate greater leadership and momentum in implementing the changes required
- An urgent requirement to address the strategy, model and structures within the HR team
- A requirement to refresh the values and associated behaviours of the Licensee alongside a clear and comprehensive programme of work on culture.

On 24 February 2016 Monitor issued the Trust with a Notice of Enforcement Action under section 106 of the Health and Social Care Act 2012.

domains of Monitor's Well-led Governance Framework by Deloitte LLP on behalf of the Trust. Domains reviewed were: capability and culture; and processes and structures; and in addition a review of HR and related functions.

Risks were identified with respect to the need to: improve operation of committees to strengthen the effectiveness of the Trust's governance structures; address the strategy, model and structures within the HR team; refresh the values and improve the culture of the organisation; improve relationships with the Council of Governors; and clarify performance management processes.

A governance improvement action plan to address the gaps identified by the reviews is in place. This is being driven and monitored by the Board of Directors to ensure it is completed within the timescales required.

Ways in which the Trust assures the validity of its Corporate Governance Statement, required under NHS Foundation Trust condition 4(8)(b)

The Trust has in place a Local Operating Procedure (LOP), the purpose of which is to enable the completion of the template report for the in-year and annual financial and governance combined quarterly returns to Monitor. The LOP describes the data validation processes in place which ensure data quality and gives detailed step by step instruction of how to contribute to the completion of the template report. This process is co-ordinated by the Compliance team and information considered by the Chair of the Audit Committee prior to final sign off by the Board of Directors each quarter.

Embedding of risk management in the activity of the organisation

Risk management systems and processes are embedded throughout a wide range of activities of the Trust,

with significant risks reported through the risk register systems and processes. Examples include the transformational programme and work of the Project Assurance Board, decisions of which are risk based to ensure changes are made within timescale, to budget and without an impact on the clinical quality of the services provided

The EPR transformation reviews risk as part of its regular plan and update. Significant risks to achievement of projects and activities are included on the Trust Risk Register, and reported to the Board via the Board Assurance Framework.

The Trust is a learning organisation, whereby staff are encouraged to report incidents honestly and openly through an online incident reporting form, with incidents escalated and managed dependent upon their grade and subject category. Learning is evidenced at a team, service line and Trust-wide level through feedback on incident forms, serious incident investigation reports and 'Practice Matters'.



Public stakeholders

The key elements in which public stakeholders are involved in managing risks which impact on them include:

- Council of Governors meetings (six times a year) take the opportunity to hold the Board of Directors to account on its performance, including quality and risk.
- Trust commitment to the Strategic Commissioning Group, Quality Assurance Group, Chief Officer and CEO meetings and consultation as required with the Health and Wellbeing Boards, Overview and Scrutiny Committees and HealthWatch.
- Consultation for the Quality Report involving key stakeholders which is evidenced in our inclusion of their feedback
- Impact assessments for the Transformational Change Programme including a requirement for consultation with key stakeholders
- HealthWatch Derby and HealthWatch Derbyshire have been active over the financial year completing reviews of our services, providing feedback and undertaken independent surveys of patient views of such as our complaints process. Our Director of Nursing and Patient Experience has regular meetings to discuss our joined up working.
- CEO chairs the 4Es (Experience, Enablement, Empowerment and Equality) Group which meets bi-monthly and includes stakeholders from HealthWatch, CCGs, service user and carer groups and voluntary and community sectors.
- The Integrated Service Delivery Programme Board has commenced a Service Receiver and Carer Reference Group to support the transformational change agenda.

The Foundation Trust is not fully compliant with the registration requirements of the CQC with two restrictions on our registration applied in February 2016. The Financial Sustainability Risk Rating of the Trust remains at four for the year 2015/16, with the

governance rating currently showing as red, due to the Trust being subject to the enforcement actions in place.

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

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

The Foundation 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.

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

The Board of Directors carries the final overall corporate accountability for its strategies, policies and actions as set out in the Codes of Conduct and Accountability issued by the Secretary of State.

Internal audit services provide the Trust with an independent and objective opinion on the effectiveness of the systems in place for risk management, control and governance. The Audit Committee approves the annual audit plan, informed by risk assessment. The annual clinical audit plan is approved by the Quality Committee.

Monitor's quarterly year-to-date financial risk rating has been either three or four for each quarter during 2016/17. The governance rating changed to red in the last quarter, as the Trust is now subject to enforcement action.



governance and the enforcement action and red governance risk rating indicated a "significant" risk of impact on their value for money opinion, with particular regard to the informed-decision making aspects.

However, the auditors reported that, with the exception of these specific governance issues, they were satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Information governance

During 2015/16 four incidents were reported to the Information Commissioner's Office (ICO). Two incidents were at level 2, one at level 1 and the other transpired at a later date to be a 0 (near miss). Of the two level 2 incidents one incident involved personal confidential information being found in a public place. This was related to service receiver information being lost by medical staff and ICO wished to ensure our confidential waste

procedures were sufficient. The other incident again involved junior medical staff whereby in patient notes were left unattended and accessed by another patient. The incidents were investigated as serious incidents by the Trust. Both have been closed by the ICO with no sanction. The Trust has also received two concerns from service receivers which have been accepted by the ICO. These concerns have been responded to as required and no sanctions have been issued by the ICO

Annual Quality Report

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS Foundation Trust Boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual. The Trust publishes a Quality Report as part of the Trust's Annual Report. The Executive Director of Nursing and Patient Experience is the Director lead for

the overall report. Clinical leads responsible for key areas of improvement contribute to the report and the data included is based on the national descriptors in the guidance and is subject to the routine Trust data quality checks. Individual Directors take responsibility for signing off their areas of accountability.

Stakeholders receive a draft copy for comment including the Governor Working Group for Quality and our Lead Commissioning Team, and feedback is responded to within the final draft. The full Council of Governors selects a further indicator to be reviewed by the auditor. Policies and plans to ensure the quality of care provided are referenced within the document. The Quality Committee has a key role in monitoring the content of the report. The completed quality report, including two mandatory indicators and comments from our stakeholders, is subject to review by internal and external auditors.

Review of effectiveness

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

The Board Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed.

My review is also informed by:

- Outcomes from the reviews undertaken by the CQC and Deloitte LLP
- Independent investigation reports into corporate governance
- Monitor's Compliance Return and Governance Statements therein
- Registration with the Care Quality Commission
- Compliance with Monitor's Quality Framework
- Audit reports received during year following on from the Internal Audit and External Audit Plans agreed by the Trust's Audit Committee
- Regular visits from the Mental Health Act arm of the CQC.

The following gaps in control were identified:

- **HR strategy, model and structures.** The following of **HR policies and procedures** by all staff and timely update of policies.
- Compliance with the **fit and proper person** requirements for Board members and Governors
- Effectiveness of the **Trust's governance structures**
- The culture of the organisation and of governance informality
- Relationships with the **Council of Governors** and relationship with Staffside.
- **Performance management** processes.

Mitigation of these gaps in control is evidenced though the implementation of the Trust's governance improvement action plan. The processes applied in reviewing and maintaining the effectiveness of internal control are described above. In summary:

The Board of Directors:

- Is responsible for approving and monitoring the systems in place to ensure there are proper and independent assurances given on the soundness and effectiveness of internal control.

The Audit Committee:

- Is responsible for independently overseeing the effectiveness of the Trust's systems for internal control and for reviewing the structures and processes for identifying and managing key risks.
- Is responsible for reviewing the establishment and maintenance of effective systems of internal control.
- Is responsible for reviewing the adequacy of all risk- and control-related statements prior to endorsement by the Board.
- In discharging its responsibilities takes independent advice from the Trust's internal auditor and Grant Thornton (external auditors)

Internal Audit:

- The Internal Audit Annual Report 2015/16 has offered the following Head of Internal Audit Opinion:

Satisfactory

Generally satisfactory with some improvements required

Major improvements required

Unsatisfactory

Governance, risk management and control in relation to business critical areas is generally satisfactory. However, there are some areas of weakness and noncompliance in the framework of governance, risk management and control which potentially put the achievement of objectives at risk. Some improvements are required in those areas to enhance the adequacy and effectiveness of the framework of governance, risk management and control.

- Two high risk audit findings were raised and reported to the Audit committee during the

2015/16 internal audit programme and are reported here:

ICT infrastructure resilience and recovery

(Recovery Requirements within the GEM Contract). Approximately 95% of the Trust's IT systems are outsourced to the third party Greater East Midlands Commissioning Support Unit (GEM). Within the GEM contract, for the highest priority incidents, there are no Service Level Agreements (SLAs) for recovery of key IT systems. For major incidents affecting critical systems, the GEM contract does not include specified recovery time objectives (RTO), and no recovery points objectives (RPO). Without agreed SLAs for the recovery of the Trust's critical IT systems, there is a risk that those IT systems will not be recovered in time to prevent significant impact to the Trust's key operations and stakeholders.

HR processes (data quality - safe staffing)

We reviewed whether safe staffing data was correct for 25 shifts. Six shifts were incorrectly stated and therefore reported incorrectly to NHS England and the

Board of Directors. The majority of errors occurred as the ward manager did not understand that bank and agency staff should be presented in the data submitted. Consequently, in the majority of cases, the Trust under-reported their performance. No other high risk findings were identified.

External audit:

- The Trust's external auditors, Grant Thornton, provide the Trust with external audit services which include the review of the Annual Report and Accounts and a review of the value for money achieved by the Trust.
- As described in the efficiency, effectiveness and economy section and in Grant Thornton's Audit Findings Report the external auditors have reported that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources, except for the specific governance issues described elsewhere.

Their opinion on the financial statements is unmodified and auditors have reported that the

financial statement give a true and fair view of the state of the financial position of Derbyshire Healthcare NHS Foundation Trust as at 31 March 2016 and of its income and expenditure for the year then ended; and that they have been properly prepared.

Conclusion

Although some significant internal control issues relating to governance have been identified, as outlined in the summary above, my review confirms that with the exception of those control gaps, Derbyshire Healthcare NHS Foundation Trust has internal controls that support the achievement of its objectives and that those internal control issues identified have been or are being addressed.



Ifti Majid
Acting Chief Executive
Date: 24 May 2016

This document is available in other languages, formats and large font. Please ask for a translation.

Dostupno u drugim jezicima i formatima. Molimo, zatražite prevod.

可翻譯為其他語言或用其他格式顯示。請要求獲得翻譯本。

Disponible dans d'autres langues et dans d'autres formats. Veuillez demander une traduction.

अन्य भाषाओं और अन्य प्रारूपों में उपलब्ध, कृपया अनुवाद के लिए पूछें।

可翻译为其他语言或用其他格式显示。请要求获得翻译本。

Informacje dostępne w innych językach i formatach. Prosimy zapytać o tłumaczenie.

ਦੂਜੀਆਂ ਭਾਸ਼ਾਵਾਂ ਅਤੇ ਦੂਜੇ ਫਾਰਮੈਟਾਂ ਵਿੱਚ ਉਪਲਬਧ ਹੈ। ਕ੍ਰਿਪਾ ਕਰਕੇ ਅਨੁਵਾਦ ਲਈ ਕਹੋ।

Dostupno na drugim jezicima i u drugim formatima. Molimo pitajte za prevod.

دیگر زبانوں اور صورتوں میں دستیاب ہے۔ براہ کرم ترجمے کے لیے کہیں۔

Derbyshire Healthcare NHS Foundation Trust
Trust HQ, Ashbourne Centre, Kingsway Site, Derby, Derbyshire, DE22 3LZ
www.derbyshirehealthcareft.nhs.uk Tel. 01332 623700