Derbyshire Healthcare NHS
NHS Foundation Trust

Annual Report and Accounts 2015/16

Better together

Derbyshire Healthcare NHS Foundation Trust
Annual Report and Accounts 2015/16

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Chairman's foreword

Welcome to the 2015/16 Annual Report and Accounts.

The end of this financial year reflects my first full quarter as Interim Chairman for Derbyshire Healthcare NHS Foundation Trust. I have admired and respected the Trust and its services for many years prior to my appointment as Interim Chairman. Within the short time I have been involved with the Trust I am pleased to say that my perceptions of the quality of service delivery and the calibre and commitment of Trust staff has been confirmed.

This report is produced at a time when the needs of mental health services are increasingly being recognised publicly, through the publication of the recent mental health taskforce - the Five Year Forward View for Mental Health. The quality of the services provided by the Trust, alongside its financial stability, places Derbyshire Healthcare in a good position to respond to these national challenges, to focus on the services we provide, and to provide new and innovative services to the people of Derbyshire. Throughout the year we will be working to demonstrate the clinical needs of the communities we serve, to identify appropriate resource and develop new services and capacity accordingly.

It is clear that this report also reflects a challenging period for the Trust. A number of investigations have taken place throughout the year to look at governance processes in place across the Trust, how they are adhered to and the overall culture. There are many lessons to be learned regarding the events of the previous year, to ensure that we regain and maintain the confidence of our regulators, partners and communities.

To do this we need to improve our governance processes and culture, to ensure that the Trust is supportive to its staff and is a satisfying place to work. We need to make better use of the structures, policies and procedures that the organisation has in place; to follow due process, engage with our people and be clear about the decisions we take and why. The Trust has developed a governance improvement action plan and a key priority for 2016/17 is to ensure the prompt and effective delivery of this plan. I firmly believe that this is achievable within my time as Interim Chairman and I look forward to demonstrating an open governance approach alongside the Trust's refreshed progress and achievements during 2016/17.

Whilst this work is underway Monitor (now NHS Improvement), our regulator, has taken enforcement action to ensure the Trust improves in respect of its corporate governance, Board leadership, HR and culture processes. Monitor has taken this action to ensure the Trust meets with the conditions for its licence; in accordance with section 106 of the Health and Social Care Act 2012. Please see page 17 for further information on this and action taken by the Care Quality Commission (CQC) this year.

Despite this, the quality of our services remains high and I have been impressed by the dedication and passion of our staff, working in a variety of different services across Derbyshire. We are accountable to the communities we serve and this Annual Report reflects some of the achievements of our Trust services over the last year; the ways in which our services have developed and supported local people and the partnership work between our staff and service receivers.

I would like to thank our staff, partners, commissioners, service receivers, carers, volunteers, advocates and members of the Trust for their support and contribution to our work during 2015/16.

Of special note I would like to thank the Trust's governors, whose knowledge and experience strengthens the work that we do. I look forward to continuing to work with our governors, to

further develop the role of the Council of Governors, to welcome more members to the Council and to strengthen the relationship between the Council and the Board of Directors.

Richard Gregory
Interim Chairman

Acting Chief Executive's introduction

I am delighted to welcome you to this year's Annual Report and Accounts. I am pleased to say that during the year the Trust has maintained its strong reputation for quality, operational performance and for successfully managing our finances. This has been achieved despite it being a challenging year for Derbyshire Healthcare NHS Foundation Trust, which you will see reflected throughout the following pages and the introduction of our Interim Chairman. It is important that the challenges faced by the Trust this year do not define us as an organisation. There have been a number of positive developments and achievements throughout the year, and I have been impressed by the dedication of our staff who have worked hard to improve the quality of local health care services.

This year has continued our journey of transformation, working with partners and colleagues across the local health and social care economy to collaborate in our shared efforts to improve the health and wellbeing of people across Derbyshire. Locally we have achieved this through our programmes that develop the Trust's campus and neighbourhood services, and on a county-wide footprint the Trust has been a key partner in developments including 21c in North Derbyshire and Joined Up Care in the city and South Derbyshire. We have also partnered in the development of one of the national Vanguard sites – in Erewash, as one of the first MCPs (Multi-Speciality Community Providers), pioneering innovative ways of delivering health care locally.

We have seen our own services transform in response to innovations too. Notably this year has seen the development of a new dementia rapid response team (DRRT), which has significantly changed the profile of our inpatient dementia beds in Derby. The DRRT has supported people within their home environment, reducing the need for a hospital admission and the confusion that is often created by temporarily separating someone from their familiar surroundings. We are working with partners to share this expertise with those living across the north of the county and are exploring ways in which other client groups can benefit from the use of our specialist inpatient estate.

In our children's services, the Trust's health visitors received the prestigious Baby Friendly Initiative award from Unicef, for their efforts in supporting local mothers to breastfeed and building parent-infant relationships. The award was given to the Trust following a rigorous two-day assessment by a Unicef team which showed that global evidence-based best practice standards were in place.

This achievement within our children's services was further recognised when the Trust was confirmed as the preferred provider of children's services in the city, following a detailed tender process during the year (please see page 67 for more details of the new partnership arrangements of this service).

The Trust has much to do in the year ahead, and I look forward to 2016/17 reflecting a period where we build on the learning of 2015/16; building our governance processes and organisational culture, whilst retaining and further developing the quality of our services and the positive experiences we have supporting local people. I look forward to working with the Trust's staff, governors, Board, partners, service receivers and carers, to achieve these aims.

Ifti Majid
Acting Chief Executive

Performance report

Overview of performance

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 will all Monitor performance targets 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 Sustainability and Transformation Plan (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 page 20 for more information on clusters)?
- 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 on pages 117-186 and summarised later in this section on pages 24-25. 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 on pages 117-186.

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 on page 102. More detail on financial performance can be found in the analysis section page 25-26 and in the accounts from page 187.

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 Report.

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

About us

Purpose and activities of Derbyshire Healthcare NHS Foundation Trust
Derbyshire Healthcare NHS Foundation Trust (DHCFT) is a multi-specialty provider of community, learning disability, children's and mental health services across the city of Derby and wider county of Derbyshire. We also provide specialist services across the county including substance misuse and eating disorders services.

The Trust provides services to a diverse population, including areas of wealth alongside significant deprivation. The Trust's catchment includes both city and rural populations, with 71 languages being spoken.

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 voluntary and community sector organisations.

Our strapline, **'Better Together'** reflects the Trust's ethos of collaborative working, with our service users, carers, partners and staff to collectively improve health and wellbeing.

History of Derbyshire Healthcare NHS Foundation Trust
Previously Derbyshire Mental Health Services NHS Trust, the Trust was granted Foundation Trust status on 1 February 2011. Universal children and family services for Derby transferred to the Trust in 2011, following the dissolution of Derby City Primary Care Trust.

Our services
The Trust started to restructure its clinical services during 2015/16, following a large scale transformation programme that commenced in July 2013, when nearly 500 people took part in sessions to define how our services across Derbyshire might look in 2019. From there, a vision was developed:

- Services will be **wrapped around the needs of the patient** and their community; they will be easy to access and re-access. The way in which we deliver care will be in line with an individual's needs and not simply dictated by how the service pathway is designed. We will not 'discharge' patients but will support their transition between services based on the individual's needs.
- Models of care will be patient needs led, not simply diagnostically led. **Services will interconnect with other organisations** to ensure that care is delivered in a truly integrated co-produced way.
- We will have fewer beds and instead **care for patients within their communities as much as possible**; services will support and enable the development of community, family and patient resilience.
- Our **workforce will be flexible** to support the patient's journey.

To date, hundreds of staff, service users, carers and external partners have been involved in deciding how this vision could be achieved. This has resulted in the identification of:

- A **neighbourhood**-based, needs-led approach to our community mental health services, with neighbourhood team members working closely with each other and other local health professionals, and drawing on local community resources to help people rebuild their lives after an episode of mental ill health.
- A **campus** based approach where our inpatient mental health services and the wider teams that support inpatients will focus on delivering high-quality care, as well as support within the community to prevent hospital admissions.

- 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.

Neighbourhood services
The Trust's neighbourhood teams have been in operation during 2015/16 and will formally be launched on 1 April 2016. 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 currently eight neighbourhood areas within Derbyshire. The neighbourhoods are:

- Derby City
- Erewash
- Amber Valley
- South Derbyshire and South Dales
- High Peak and North Dales
- Bolsover and Clay Cross
- Killamarsh and North Chesterfield
- Chesterfield Central.

Within these neighbourhood areas, there is a single point of access (SPOA) for primary care health professionals such as GPs to refer people to our adult mental health teams; the services provided are needs-led rather than age defined. Neighbourhoods are based on GP populations, although small adjustments have been made to align them more effectively with Clinical Commissioning Groups (CCGs) and primary care teams.

Specialist services within our neighbourhood services include our memory assessment services, our physiotherapy services and our two day hospital services – at Dovedale Day Hospital on the London Road Community Hospital site and at Midway Day Hospital on the Ilkeston Community Hospital site.

Campus services
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.

Children's services
Our children and young people's services support individuals and families living across the city of Derby and south Derbyshire. We offer a range of services to support children and young people with their physical and mental health care needs.

Children's services include:

- Universal children's services across the city of Derby including health visiting and school nursing
- Specialist services for children within Derby and south Derbyshire – including children in care nurses, attention deficit hyperactivity disorder (ADHD) nurses, children's occupational therapy and physiotherapy, community paediatricians, continence nurses, and nurses based at The Lighthouse supporting children who have a diagnosed mild to severe learning disability and a complexity of health needs that cannot be met by a GP or school nurse
- Child and Adolescent Mental Health Services (CAMHS) within Derby and South Derbyshire including a hospital liaison service based at the Royal Derby Hospital
- Breakout – young people's substance misuse service
- Children's safeguarding service.

All the staff working in our children and young people's services share the same aim, which is: "With families and partner agencies, enable children and young people to achieve the best health outcomes they can, by promoting healthy lifestyles and providing early intervention for their health, wellbeing, and safeguarding needs."

Central services
The Trust's specialist services, which we call our central services, include:

- Learning disabilities services - delivered in community settings to those living in the south of the county (our Amber Valley, Derby City, Erewash and South Derbyshire & Derbyshire Dales South neighbourhoods)
- Substance misuse services, including specialist alcohol misuse services and hospital-based alcohol and substance misuse services within the liaison teams at the Royal Derby Hospital and Chesterfield Royal Hospital
- Eating disorders service

- Perinatal care including inpatient and community based services
- Early intervention service – for young people aged between 14 and 35 who experience psychosis for the first time
- Improving Access to Psychological therapies (IAPT) – our Talking Mental Health Derbyshire service, run in partnership with Derwent Rural Counselling Services and Relate
- Psychodynamic psychotherapy service
- Dietetics service
- Physiotherapy service.

All central services apart from learning disabilities services are delivered across Derby city and the whole of Derbyshire.

Vision and values

Our vision
To improve the health and wellbeing of all the communities we serve.

Strategic outcomes
This vision is supported by our strategic outcomes, which outline the experience we want our patients and their families to have.

These are that:

- People receive the best quality care
- People receive care that is joined up and easy to access
- The public have confidence in our healthcare and developments
- Care is delivered by empowered and compassionate teams.

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.

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:

- We put our patients at the centre of everything we do
- We focus on our people
- We involve our people in making decisions
- We deliver excellence.

As part of the development of a new Trust strategy (please see overleaf), the Trust values will be refreshed during 2016.

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.

The strategy includes a number of performance measures, structured alongside the Trust's pillars of improvement, which are programmes of work, designed to enable our vision and ensure our strategic outcomes are realised.

The pillars are:

- Quality of services
- Service delivery and design
- Promoting public confidence
- Relationships and partners
- Financial performance
- Workforce and leadership.

Updates on progress towards the performance measures associated with each of these pillars are reported to the Trust Board on a regular basis.

During the latter stages of 2015/16 work commenced on the development of a new Trust strategy, scheduled to commence from 1 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.

Significant governance and regulatory events during the year

On 24 July 2015 Monitor, 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 will continue 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.

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 swift progress is made in all of these areas.

During the year the Trust experienced a change in Chair and Chief Executive. The Trust's current Interim Chairman is Richard Gregory and the Acting Chief Executive is Ifti Majid. Substantive recruitment processes for these two positions will be undertaken in the 2016/17 financial year.

Going concern disclosure

The Trust accounts at page 187 have been prepared on a going concern basis. This means we expect to continue to operate for the foreseeable future and have the resources to enable us to do so. However risks and uncertainties change over time so every year our Audit Committee considers the detailed presentations from management that provide going concern evidence. After taking account of such evidence, we are able to make the following formal statement:

"*After making enquiries, the directors have a reasonable expectation that the NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts."*

Performance analysis

Measuring performance
As outlined in the earlier performance overview, the performance of the Trust is measured in a range of different ways and covers the diverse remit of the Trust's activities. Here we will consider the Trust's operational performance, alongside our financial and quality performance. Workforce performance is also an important component of our overall delivery. To avoid duplication, workforce performance will reported in the Staff Report, outlined on pages 81 – 97 of this Annual Report.

The Trust has a range of different performance measures in place, alongside processes that provide assurance that these are being met. These measures include:

- Monitor targets
- Local commissioning targets
- Locally agreed performance measures
- Financial plans
- Quality priorities.

Performance against contracted targets is managed at all levels through the Trust's operational structures; from team level to service line, through the senior operational management team and at the Trust's Performance and Contract Overview Group. Compliance with performance indicators is actively monitored and corrective actions are put in place where necessary.

There are two key forums for holding to account below committee level: the Performance Contracting and Oversight Group (PCOG) for finance and operations, and Quality Leadership Teams (QLTs) which focus on the clinical and quality aspects of our services.

The Board of Directors receive a performance report at their public meetings, which outlines the Trust's performance against key performance indicators, alongside any actions in place to ensure that performance is maintained. There is an ongoing focus on improving performance through the use of 'deep dives' and staff presentations to the Board and its sub-committees.

Externally the Trust's performance is monitored at contract management delivery groups (separately for adult services and children's services), which are chaired by the Trust's commissioners.

Performance is also monitored in other ways - for example by the Trust's regulators, Monitor and the Care Quality Commission (CQC).

Operational performance summary

Monitor targets

As a Foundation Trust we are required to comply with our provider licence, as set out in Monitor's risk assessment process. Performance this year has continued to be strong and the Trust has achieved its targets for all Monitor indicators.

Trust performance dashboard	Target	End of year March 2015	End of year March 2016
Monitor targets			
Care Programme Approach (CPA) 7 day follow-up	95.0%	97.49%	96.98%
CPA review in last 12 Months (on CPA > 12 months)	95.0%	96.50%	95.69%
Delayed transfers of care	7.5%	1.48%	1.26%
Data completeness: Identifiers	97.0%	99.19%	99.42%
Data completeness: Outcomes	50.0%	93.76%	94.84%
Community care data - activity information completeness	50.0%	91.47%	93.66%
Community care data - referral to treatment (RTT) information completeness	50.0%	92.31%	92.31%
Community care data - referral information completeness	50.0%	74.73%	78.85%
18 week referral to treatment (RTT) less than 18 weeks - incomplete	92.0%	96.03%	96.48%
Early Interventions new caseloads	95.0%	99.30%	100.70%
Clostridium Difficile incidents	7	0	0
Crisis gatekeeping	95.00%	100.00%	100.00%
Improving Access to Psychological Therapies RTT within 18 weeks	95.0%	98.52%	99.28%
Improving Access to Psychological Therapies RTT within 6 weeks	75.00%	85.47%	90.70%
Locally agreed targets			
Care Programme Approach (CPA) settled accommodation	90.0%	99.39%	97.76%
CPA employment status	90.0%	99.57%	98.32%
Data completeness: Identifiers	99.0%	99.19%	99.42%
Data completeness: Outcomes	90.0%	93.76%	94.84%
Patients clustered not breaching today	80.0%	83.59%	77.95%
Patients clustered regardless of review dates	96.0%	96.77%	95.04%
CPA Health of the Nation Outcome Scale assessment in last 12 months	90.0%	79.99%	87.98%
7 day follow-up – all inpatients	95.00%	96.79%	96.76%
Ethnicity coding	90.0%	93.02%	90.38%
NHS number	99.0%	99.94%	99.98%
NHS Standard Contract targets (Schedule 4 - quality requirements)			
Consultant outpatient appointments - Trust cancellations (within 6 weeks)	5.0%	5.17%	4.43%
Consultant outpatient appointments - 'did not attend' (DNAs)	15.0%	16.59%	15.68%
Under 18 admissions to adult inpatient facilities	0.0%	1	0
Outpatient letters sent in 10 working days	90.0%	68.42%	76.00%
Outpatient letters sent in 15 working days	100.0%	82.61%	89.67%
Inpatient 28 day readmissions	10.0%	8.00%	9.79%
MRSA - bloodstream infection	0	0	0
Mixed sex accommodation breaches	0	0	0
18 Week referral to treatment (RTT) greater than 52 weeks	0	0	0
Discharge fax sent in 2 working days	98.0%	98.08%	98.94%
Fixed submitted returns			
8 Week referral to treatment (RTT) greater than 52 weeks	0	0	0
18 Week RTT less than 18 weeks - incomplete	92.00%	95.32%	95.57%
Mixed sex accommodation breaches	0	0	0
Completion of IAPT data outcomes	90.00%	94.10%	96.58%
Ethnicity coding	90.00%	87.59%	93.75%
NHS number	99.00%	100.00%	100.00%
Care Programme Approach (CPA) 7 day follow-up	95.00%	96.11%	96.44%

Whilst some of our performance targets have presented a significant challenge, we have maintained our compliance with national targets.

Locally agreed targets
The Trust has a number of locally agreed targets and performance measures, as outlined below:

2015/16 Performance dashboard	Target	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
- Locally Agreed													
CPA (Care Programme Approach) Settled Accommodation	90.00%	99.28%	99.14%	98.98%	98.97%	98.90%	98.65%	98.39%	98.29%	98.06%	98.05%	97.84%	97.76%
CPA employment status	90.00%	99.43%	99.30%	99.30%	99.23%	99.12%	98.89%	98.74%	98.56%	98.43%	98.56%	98.29%	98.28%
Data completeness: Identifiers	99.00%	99.30%	99.29%	99.37%	99.38%	99.40%	99.41%	99.36%	99.36%	99.37%	99.37%	99.42%	99.41%
Data completeness: Outcomes	90.00%	94.17%	93.68%	93.43%	93.47%	93.59%	93.94%	94.87%	95.04%	95.22%	95.04%	94.94%	94.83%
Patients clustered not breaching today	80.00%	74.57%	74.90%	75.32%	75.61%	75.92%	76.65%	78.39%	80.58%	80.82%	81.21%	81.27%	79.73%
Patients clustered regardless of review dates	96.00%	95.65%	95.54%	95.17%	94.90%	94.88%	94.71%	94.88%	95.03%	95.00%	95.10%	94.87%	94.74%
CPA HoNOS Assessment in last 12 months	90.00%	81.80%	80.58%	80.04%	80.52%	81.18%	82.95%	86.64%	87.45%	88.51%	87.94%	87.85%	88.29%
7 day follow up – all inpatients	95.00%	95.90%	97.80%	98.55%	97.76%	97.35%	96.39%	98.43%	93.26%	94.50%	96.15%	98.75%	96.55%
Ethnicity coding	90.00%	94.79%	95.83%	96.37%	96.09%	95.92%	95.61%	95.06%	94.92%	94.41%	93.51%	92.23%	90.36%
NHS number	99.00%	99.82%	99.91%	99.94%	99.95%	99.96%	99.97%	99.97%	99.98%	99.98%	99.98%	99.98%	99.98%

This includes measuring:

- The number of patients who have been appropriately clustered, in line with Payment by Results clusters (this is a defined clinical grouping that reflects health care needs and diagnosis). Clustering is one of the ways that provisions of resource and levels of care provided can be standardised and will ultimately be the way our services are funded. Clustering also helps us identify the individual service user's needs and ensure they are on the best pathway to provide the best care and best chance of recovery.

- The number of Health of the Nation Outcome Score (HoNOS) assessments for people under the Care Programme Approach (CPA). Heath and social functioning scores are recorded at assessment, during treatment and at treatment end so that severity of problems can be managed and progress towards improvements can be routinely measured and monitored during the care pathway.

- Seven-day follow-ups for all inpatients. This is an important safety measure as evidence suggests that following people up within seven days of inpatient discharge reduces the risk of social exclusion, suicide and self-harm and improves care pathways.

- The recording of a number of items of demographic information such as accommodation status, employment status, marital status, gender, GP practice, address, postcode, ethnicity and NHS number. This information can then be used to ensure we are providing an equitable service and also to profile our service users against our local population profile to identify any groups of people who are not accessing our services. Items such as GP practice and address/postcode are also used to ensure we are identifying the correct commissioners responsible for our service users and match services to demand.

The Trust has introduced a number of new measures to ensure progress against these performance targets. For example, an e-learning package has been developed to ensure clinicians understand the process of clustering and associated payments and there are ongoing processes in place to ensure the accuracy of our data.

During the year performance has been extremely good with a small number of areas showing under-performance:

- Patients clustered not breaching today – was under-performing during the first half of the year but since November, has met its targets.
- Patients clustered regardless of review dates – has been under-performing all year but as mentioned above, measures have been put in place to improve this position.
- CPA HoNOS Assessment in last 12 months – is generally recorded at the same time as the PbR cluster and as the clustering compliance improves, this indicator will also
- Seven day follow up (all inpatients) – has dropped below target twice but each individual case has been reviewed and action plans put in place where appropriate to ensure the same situation does not happen again.
- Findings from the National Confidential Inquiry into Suicide and Homicide by People with Mental Illness suggested that patients who are at risk of self-harm or suicide are most vulnerable during the first week following discharge. As a result, seven day follow-up was introduced for all patients on CPA and is a national Monitor target. The Trust continues to achieve this objective. The Trust also took the decision to follow-up all patients post discharge, not just those on CPA. Whilst this is best practice, for patients not on CPA or with no mental illness and no history of self-harm or suicide, the risk is much lower if seven day follow-up is not successful.

Health visiting does not appear within the performance dashboard but is reported separately within the monthly Board Report.

2015/16 Health Visitor dashboard	Target	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
% 10-14 day breastfeeding coverage	95.00%	100.00%	99.40%	100.00%	100.00%	100.00%	100.00%	99.40%	99.70%	100.00%	100.00%	100.00%	97.30%
% 6-8 week breastfeeding coverage	95.00%	99.60%	100.00%	100.00%	99.40%	99.00%	100.00%	99.30%	99.70%	98.50%	98.70%	97.20%	97.00%
% still breastfeeding at 6-8 weeks	65.00%	65.20%	71.00%	71.90%	73.50%	66.30%	69.50%	73.00%	67.40%	75.00%	69.80%	75.50%	72.90%

Breastfeeding for babies is important as human milk provides the specific nutrients and antibodies that babies need to develop and grow. Health Visitors are qualified nurses who can provide guidance, help and support.

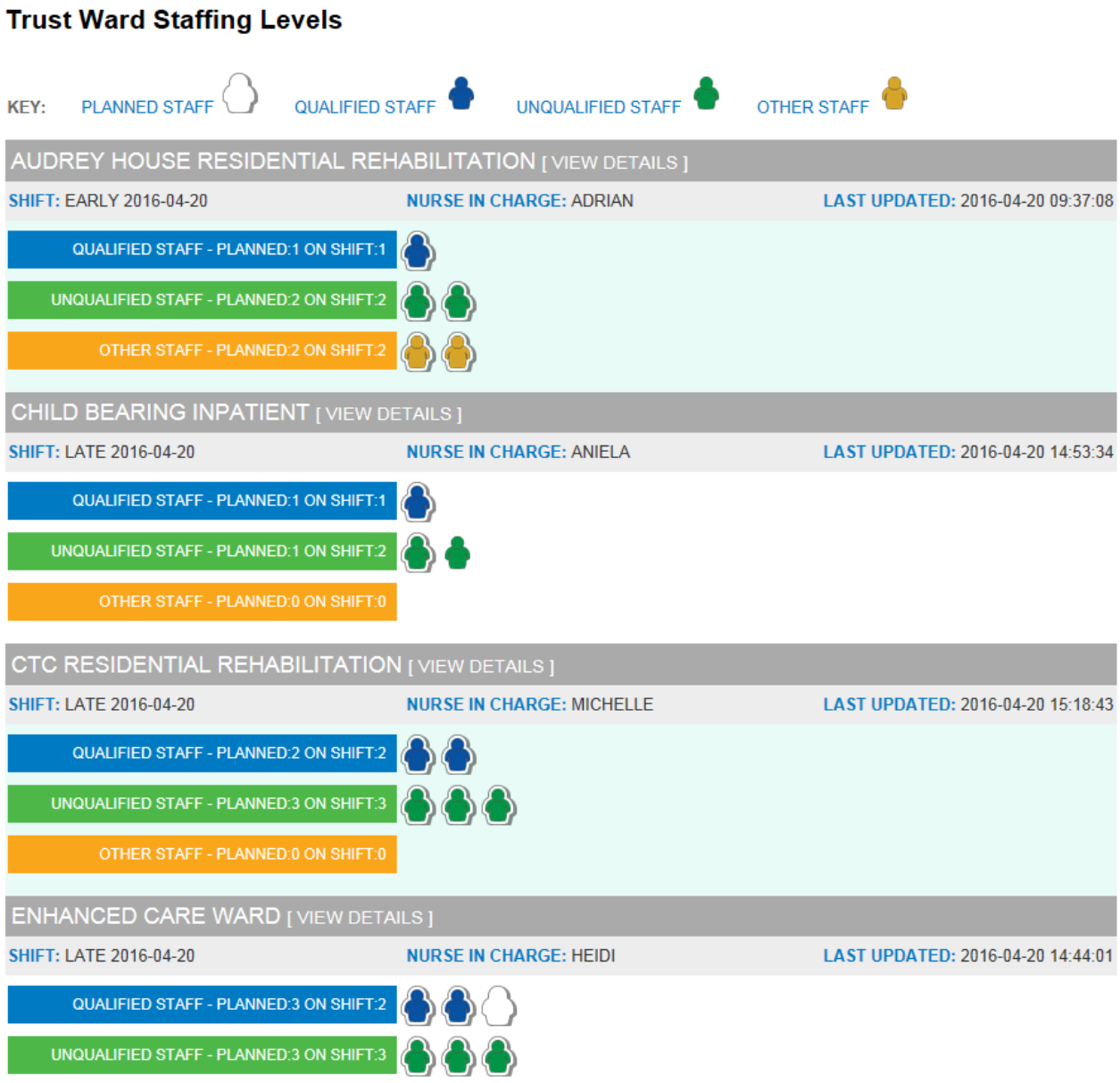
IAPT recovery rates do not appear within the performance dashboard but are reported separately within the monthly performance Board Report. However, the new Monitor IAPT 6 and 18 week waiting times indicators do appear within the Monitor section of the dashboard. The waiting times from referral to services are measured to ensure that no-one has to wait longer than necessary for a course of treatment and monitoring recovery rates helps to track improvement by comparing health scores over time.

Total Derbyshire CCGs AQP KPI and Activity Data 2015/16

Indicator no.	Indicator name	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	YTD
3a	The number of people who have been referred for Psychological Therapies (during the reporting quarter)	997	936	966	1132	931	1200	1173	1177	859	1122	1114	1060	12667
3b	The number of active referrals who have waited more than 28 days for treatment	427	384	352	266	251	274	336	499	562	631	553	537	
4	The number of people who have entered Psychological Therapies	817	733	855	861	753	882	762	890	743	765	929	855	9845
5	The number of people who have completed treatment (for any reason)	535	511	577	629	488	606	606	646	505	579	553	560	6795
6	The number of people who are "moving to recovery"	274	253	313	294	249	316	288	295	218	288	280	255	3323
6b	The number of people completing treatment who did not achieve caseness at the commencement of treatment	38	51	38	48	48	50	51	56	43	56	51	69	599
7	The number of people moving off sick pay and benefits	35	40	45	42	42	54	53	49	36	40	53	45	534
	Recovery Rates KPI 6 / (KPI 5 - KPI 6b)	**55.13%**	**55.00%**	**58.07%**	**50.60%**	**56.59%**	**56.83%**	**51.89%**	**50.00%**	**47.19%**	**55.07%**	**55.78%**	**51.93%**	**53.63%**
	Partial and Full Recovery Rates	**75.45%**	**72.17%**	**75.32%**	**68.50%**	**72.05%**	**74.64%**	**68.83%**	**67.97%**	**66.45%**	**73.04%**	**73.11%**	**74.34%**	**71.77%**

Safer staffing comments are collected a month at a time and reported in the performance Board Report and a six-month view of safer staffing levels is also reported to the Board. This is measured as we need to ensure our wards are staffed with the appropriate number and the relevant mix of clinical professionals. This will ensure that we are providing a high quality of care and keeping patients as safe as possible. Further development of e-rostering is enabling safer staffing information to be automated to support information dashboards and manager decision-making regarding staffing. Improved and timely information will enable local, area and organisational workforce planning to ensure staffing pressures are addressed in a sustainable way.

An example of how the Trust's inpatient staffing levels are publicly uploaded to the Trust's website can be seen below:



Quality performance

Community mental health survey
One of the ways we use to 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. At the start of 2015, a questionnaire was sent to 850 people who have received community mental health services. The sample for the survey was generated at random from all service receivers on the CPA and Non CPA Register seen between 1 September and 30 November 2014. The response rate was 31%.

The survey work took place during the period February 2015 to June 2015. The questions are set nationally. Responses were received from 252 people who had used our services and wanted to share with us their views on the care and treatment they had received. Based on the responses the CQC award a score out of 10 for each section based on a number of questions.

Scores (out of 10) awarded by CQC for 2015 were as follows:

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 community mental health 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. The committee meets quarterly with working groups taking place more frequently, through which service receivers and their carers contribute to actions agreed in response to the survey.

Inpatient 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.

The survey is conducted by an external provider called Quality Health who undertake surveys on behalf of the majority of trusts in England. As the inpatient survey is voluntary, not all trusts participate and consequently the benchmarking number of responses is lower (18 trusts fewer) than for the community survey. The number of respondents to the 2015 survey was 83 people and the final response was 26%. Areas of good progress include:

- 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.

Action planning has commenced through a working group which reports to the Patient Experience Committee on both patient surveys.

Performance against quality priorities
Below are details of our quality priorities and how we have performed against these:

- **Priority 1: Improving the physical healthcare of our service receivers**
  We have continued to improve the physical health of those using our mental health, learning disability and substance misuse services – such as through the wider use of assessments and tests by our staff to improve the detection of physical health conditions. We have more work to do to sustain improvement and increase our range of full compliance with meeting physical health care needs, although we significantly increased our level of communication with GPs around the physical health problems of people in our care. We still have more work to do to remain above average in terms of the number of inpatients on our mental health wards saying they have received support with physical health problems.

  We have expanded the number of dietitians employed by the Trust. We have also become a smoke-free Trust, which will have immediate impacts upon health outcomes of people in our care, resulting in better environments for everyone. We also continue to score highly in the patient-led assessments of the care environment (PLACE) survey, including in the new survey criteria about how well our hospitals are equipped to meet the needs of caring for people with dementia.

- **Priority 2: Suicide prevention through patient safety planning**
  All clinical staff are completing safety planning training to ensure a person-centred, partnership approach to the risk assessment process is embedded into practice. We have also conducted reviews to learn from others and from past incidents and our new model and training reflects our learning in this area. Complementing the new safety planning process is the implementation of a single electronic patient record (EPR) system to ensure that patient information is available 24 hours a day and is accessible in an emergency. This again is an important step forward in improving patient safety and learning from very serious incidents in our organisational history.

- **Priority 3: Minimising and reducing restrictive practices**
  We have fully implemented the Safewards model at the Radbourne Unit in order to minimise the need for staff to use restrictive practices and restrain people who are in our care. We are also in the post-assessment implementation phase of Safewards at the Hartington Unit across adult acute inpatient services, and implementation has begun across Older Adult and Forensics services. Several Trust staff attended a national conference and visited clinical services in Denmark to lead workshops on our Safewards work and this was so successful we have been invited back in 2016 to continue our collaborations and share our nursing knowledge across Europe.

- **Priority 4: Embedding Think! Family principles across the Trust**
  We have continued to further embed a Think! Family approach across all services, with all clinical staff undergoing Think! Family training. We will continue to prioritise this approach in the implementation of our safeguarding children and families strategies developed in 2016. The effectiveness of our health visiting services in supporting women to breastfeed has been recognised by the award of Unicef's Baby Friendly Initiative (stage 3).

- **Priority 5: Supporting service users to recover**
  As part of our neighbourhood model of delivering community mental health services, all neighbourhood teams have been looking at ways to aid people in their personalised care and, where appropriate, recovery journey and offer greater support to individuals and carers. We have been part of the successful Erewash Mental Health Innovation Project, a two-year scheme which seeks to develop an integrated approach to support people with mild, moderate and severe mental illness. We are developing a new Recovery and Wellbeing Centre online, which provides advice and information to service receivers and carers on planning to keep well and details of local support available to them. These are supplemented by a revised set of information focusing on your care, your neighbourhood and what to expect. We have also piloted 'hearing voices' support groups on some of our wards and in the community. Our CAMHS team, meanwhile, has successfully embedded the use of patient-reported outcome measures, and this success is being built on elsewhere in the Trust.

For further information, the Trust's Quality Report can be accessed on pages 117 – 186 of this Annual Report.

Workforce performance

A number of mechanisms are in place for leaders to support staff including:

- The 'Delivering Excellence' staff awards to celebrate performance in effectiveness, patient experience, patient safety, and team of the year
- 'Deep dives' are undertaken in areas of potential concern and include staff attending the Board to present key actions undertaken
- The Trust has recently started work on 'teams in distress', whereby quality and performance information is utilised to identify potential hotspots within the Trust, with support being provided
- Service areas identified as being 'platinum' during quality visits (please see page 51 for details on the quality visits programme) work alongside other lower scoring areas to provide support and insight.

For further details on workforce performance, including details of the responses received to the most recent staff survey, please see the Staff Report on pages 81 – 97.

Financial performance

Financial performance for the year has been strong despite a continuing challenging financial environment both locally and nationally. Performance is reported each month to the Trust Board describing the current and forecast position. For 2015/16 the Trust set a financial plan that would deliver a surplus of £1.3m. The actual surplus achieved was £1.8m. The surplus is shown on page194 in the statement of comprehensive income as £1.1m. This figure is then adjusted for impairments of £0.7m (see note 18 to the accounts) to become our £1.8m underlying surplus for the year.

Our most important financial performance measures are those that evidence achievement of the planned surplus and delivery of the planned level of financial sustainability risk rating (FSRR) as determined by Monitor (see regulatory performance section 102). Ongoing and forecast achievement against these financial key performance measures is checked through a wide range of activities: they range from meetings with individual budget holders to discuss performance against a single budget, to team and divisional reporting and service line reporting, culminating in reporting to Trust Board and Finance and Performance Committee on the aggregate performance of the Trust.

Additional key components contributing to the total surplus and the FSRR include the delivery of our cost improvement plan, our liquidity, net current assets/liabilities and cash levels (these can be found on the statement of financial position at page 195). It is clearly important to ensure we are able to continue to service our debts by delivering sufficient surplus. Our liabilities are included in the accounts at note 26.

Another important measure is our performance against our capital expenditure plan. We did not spend our full planned amount by year end. This was due to reprioritisation earlier in the year for clinical priorities along with some later delays in changes to service. However we have retained the unspent cash and expect to utilise it, according to priorities, in 2016/17.

In terms of long-term trends we have generally performed well financially, delivering a surplus (excluding impairments) every year since becoming a foundation trust, demonstrating that our operating profitability is generally strong. Indeed benchmarking shows that to be our strongest measure compared to our peer organisations. Our weakest comparative measure is our liquidity (although it is still sufficient to generate a satisfactory liquidity rating within FSRR) and so it is important for us to continue to improve this because it is a key indicator of short term financial resilience. Our liquidity measure has been improving in recent years, albeit gradually. We are still some way behind the average for our peer organisations however and therefore will continue to plan to improve our liquidity in our longer term planning.

Looking forward, we are developing a five year sustainability and transformation plan with commissioner and provider colleagues in the Derbyshire health system (as mentioned on page 69). It will become harder to maintain levels of profitability given the financial burden on the system but we are required to devise a plan that will enable us to deliver our required surplus. The delivery of this plan in the context of continuing financial restraint and rising demand in the NHS will be one of our key organisational-level risks we will need to manage.

The surplus we have achieved as demonstrated by the accounts incorporates all costs incurred in 2015/16, including those related to governance reviews, consultancy and legal costs (see operating expenditure note 7). Payments made as a result of employment tribunals are found in the memorandum note on exit payments found in the staff report at page 91-92.

The Trust has not undertaken any work overseas during 2015/16.

Environmental performance

The Trust acknowledges that its activity in delivering quality healthcare has an impact on the environment; the challenge we face is to reduce this impact whilst maintaining and improving our healthcare surroundings.

Travel and transport

Travel by staff, patients, visitors, and suppliers is a large contributor to carbon emissions and, where possible, needs to be reduced. This poses a major challenge as we operate over many sites county-wide.

The Trust has continued to introduce new technology and innovative ways of working such as agile-working, hot-desking and paperless record systems; this reduces the need for staff to travel to a fixed base. The Trust is also continuing to promote a cycle-to-work scheme and has installed a number of secure bike boxes and shelters which are well used.

Building energy – utilities

In line with the Trust's Estates Strategy, the number of buildings that we operate from has again reduced over the last year, which has in turn has reduced our carbon output. For

example, the previous Trust Headquarters at Bramble House have been vacated, with corporate staff being relocated to other existing buildings across the Kingsway campus.

There have also been several major schemes over the last year to reduce energy consumption and carbon emissions. New energy efficient condensing boilers have been installed at the Kedleston Unit; these replace the existing inefficient boilers securing heating and hot water for service users whilst reducing gas consumption.

We are also continuing to upgrade conventional lighting installations with the latest LED technology. These schemes will also reduce maintenance requirements due to the increased life expectancy of LEDs (light-emitting diodes) over conventional fluorescents.

Monitoring, control and training
Derbyshire Healthcare has again been awarded the Carbon Trust logo which recognises an organisation's on-going commitment to reduce their carbon footprint.

All Trust staff attend a yearly energy and carbon reduction training session where they are made aware of the benefits of switching off lighting and electrical appliances and turning down heating controls. This raises awareness and the understanding that, however small, everything counts and adds up to a real saving.

Environmental sustainability
Sustainability is not a different subject area but an integral part of the overall strategy of achieving a better environment. It will be a key part of maintaining the reduction we achieve and ensuring that in years to come the reductions we make now are continued.

Wherever possible the estates capital team routinely recycles and re-uses fixtures and fittings as part of capital refurbishment projects; these include shelving, notice boards, whiteboards and electrical fittings where safety is not compromised.

Waste management
The Trust continues to achieve a waste recycling rate of over 70% and in the past year has started to introduce recycling to its community properties in the High Peak area.

The estates grounds team continue to re-cycle our green waste, by turning it into bark chippings and mulch which is put back onto the planted areas of our sites.

Patients commend the cleanliness and condition of our hospitals
The Trust runs hospital facilities on three sites in Derby – the Radbourne Unit, London Road Community Hospital (wards 1 and 2) and the Kingsway Site – and at the Hartington Unit in Chesterfield. We have voluntarily taken part in the PLACE assessment process since its inception in 2013.

The aim of PLACE (patient-led assessment of the care environment) 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 representatives from 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. The information governance committee has met regularly throughout the year and the information governance policies have been consistently at 95% or above.

This year we have had two reportable level 2 serious incidents which have now been closed with no further action from the Information Commissioner's Office (ICO).

There were also three complaints against the Trust upheld by the ICO's office:

- One related to a staff request for information under the Data Protection Act.
- Two from service receivers related to the standard of records keeping under the Data Protection Act.

Again no further action has been taken by the ICO office and these complaints have been closed.

Social, community and human rights issues including information about Trust policies and effectiveness of those policies

The learning disability community teams, assessment and treatment team and strategic health facilitators have continued to support people to access physical and mental health care services with equity, to help address evidenced health inequalities and reduced life expectancy in our population. The development of our care pathways, including an integrated pathway for people with profound and multiple disabilities, has been a key objective in ensuring empowerment of social, community and human rights. The Trust is ensuring that clinical policies and standards are meeting the needs of our community in these areas and an ongoing audit of the impact of our pathways has and will be continually monitored. Our focus in this area is a key contribution to support our community in challenging inequality of access to health provision due to communication needs.

In line with national guidance, the Trust started to collect and submit data relating to female genital mutilation (FGM) from 1 October 2015. Promotional work has also been undertaken to raise awareness of FGM amongst our staff. Data is recorded at all antenatal contacts for women that are pregnant and each time FGM is identified (by a clinician or self-reported), not just the first time. This is a key contribution to support our community in challenging this practice that harms women. The Trust is committed to meeting its duty for all professionals to act to safeguard girls at risk of FGM under 'Working Together' 2015 and to meeting local Derbyshire Safeguarding Board procedures.

The Trust is also committed to meeting its responsibilities in relation to Prevent, which aims to prevent people becoming involved in violent extremism or supporting terrorism, in all its forms. It is essential that all Trust professionals do all they can to ensure that children, young people and adults are protected from harm. Prevent is covered within both adult and children safeguarding training internally and there are a number of external local training opportunities for staff to access. Both safeguarding adults and children's lead are members of the monthly CHANNEL panel meetings. This is a key contribution to support our community in challenging extremism in all forms, for children, adults and families.

Derbyshire Healthcare NHS Foundation Trust is committed to fairness and the delivery of personalised services and employment of the highest quality by enabling people to be the best they can be. We recognise how important it is to respect people's dignity and basic rights and we will act responsibly in fulfilling our obligations and pledges set out in the NHS Constitution and Equality Act 2010.

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with. This includes enabling cultural adaptation to meet the needs of our community.

Accountability report

The Trust's directors take responsibility for preparing the Annual Report and Accounts. We consider this information is fair, balanced and understandable and provides the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.

This accountability report is signed in my capacity as accounting officer.

Ifti Majid
Acting Chief Executive

Directors' report

During 2015/16 the Trust Board comprised the following members:

Richard Gregory, Interim Chairman (from 9 December 2015)
Term of office: up to 31 December 2016
Richard was formally appointed to the role of Interim Chairman by the Trust's Council of Governors on 8 December 2015. Richard is an experienced non-executive director, senior independent director and chairman with a successful record in both the private and public sectors. He has been a member of the strategic advisory board for the NHS Leadership Academy and he trains board directors and governors for NHS Providers. From 2006 until March 2015 he was Chairman of Chesterfield Royal Hospital NHS Foundation Trust. Richard has a particular interest in developing effective risk and quality governance systems and board accountability for customer experience. He is the chair of the Trust's new People and Culture Committee.

Ifti Majid, Acting Chief Executive (from 26 June 2015)
Ifti qualified as a Registered Mental Health Nurse in 1988, training at St George's Hospital in London. He has held a range of clinical posts in adult mental health services, both in acute inpatient and community settings, and has held operational management posts in Nottinghamshire and Derbyshire. Ifti became the Trust's Acting Chief Executive on 26 June 2015. In his substantive role as Chief Operating Officer/Deputy Chief Executive Ifti is responsible for the operational management of the divisions within the Trust and is the lead director for information technology, information management and patient records.

Maura Teager, Deputy Chair (up to 31 March 2016)
Term of office: 31 March 2014 – 30 March 2017
Maura worked in the NHS for 38 years up to her retirement in July 2009. She has significant experience in community and secondary care settings and gained her experience as a qualified nurse and midwife across Derbyshire. Maura has worked as Executive Nurse in Southern Derbyshire Community Health Services and a Primary Care Trust and has held the lead executive role in quality, patient safety, patient experience and safeguarding. Maura was also the vice chair of the Derby City Safeguarding Children's Board and has worked closely with multi-agency

partners including the voluntary sector. Maura chairs the Trust's Quality and Safeguarding Committee.

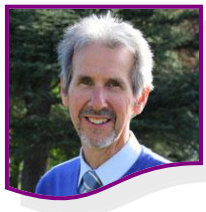
Mark Todd, Chairman (up to 8 December 2015)
Steve Trenchard, Chief Executive (up to 8 February 2016).

Other Non-Executive Directors:

Jim Dixon
Term of office: 10 September 2014 – 9 September 2017
Jim is the former Chief Executive of the Peak District National Park Authority. He has extensive experience of working with a range of diverse stakeholders and in recent years has led the partnership of 15 national parks. In February 2014, he was appointed by the Prime Minister as a National Trustee of the Heritage Lottery Fund. Jim has been appointed as the Trust's Deputy Chair for the period of one year, from 1 April 2016.

Phil Harris
Term of office: 1 November 2014 – 31 October 2017
Phil brings a significant level of experience to the boardroom in managing large organisational change, designing and implementing plans for the commercialisation of businesses and focusing on revenue-generating activities. In past roles, Phil has been responsible for managing national sales and estimating teams. He has also developed successful sales and marketing strategies as a sales director and as a managing director specialising in construction products, and more recently as Chief Executive of a Chamber of Commerce.

Caroline Maley (Senior Independent Director)
Term of office: 20 January 2014 – 19 January 2018
A qualified chartered accountant by background, Caroline brings to her role more than 30 years of experience across the NHS, private sector and education. Her most recent role was as Chief Operating Officer for the National College for School Leadership, where she oversaw all corporate services and was a member of the strategic leadership team. She was previously Chief Executive of Derbyshire Health United, the out-of-hours medical services provider in Derbyshire, and has held non-executive roles within higher education and the private sector. Caroline chairs the Trust's Audit Committee.



Tony Smith
Term of office: 31 March 2014 – 31 March 2016
Tony has over 20 years' experience in senior people management roles within the public sector.
Between 2005 and 2008, Tony was a member of the Chief Officer Team and Director of HR for Nottinghamshire Police, where he led on the development of a new people strategy and integration of learning and development, occupational health and personnel. Tony has also undertaken senior HR roles with Nottingham City NHS Trust and British Coal during periods of significant organisational and cultural change. Tony chaired the Trust's Mental Health Act Committee.

Other Executive Directors:

Carolyn Green, Executive Director of Nursing and Patient Experience
Carolyn has worked as a mental health nurse since 1995. Working in the west and south of London, she has spent the majority of her nursing career working in inpatient care. Throughout her career, Carolyn has taken a family-orientated approach to service design in her early intervention in psychosis, adult mental health and CAMHS roles. She is committed to personalised care recovery principles and seeks to involve people with lived experiences of mental health services in her service evaluation, education and quality improvement programmes. Carolyn was appointed to her first nursing director post in February 2014 with the Trust.

Ifti Majid, Director of Operations (up to 25 June 2016).

Dr John Sykes, Executive Medical Director
Dr John Sykes qualified at Sheffield University Medical School in 1981 and became a Member of the Royal College of Psychiatrists in 1985. He was previously a Lecturer in Psychiatry at Sheffield University and was appointed as consultant in old age psychiatry in 1989. John was Chair of the Medical Staff Committee of North Derbyshire's Community Health Care Services NHS Trust before being appointed to his first Medical Director post in 1999.

Claire Wright, Executive Director of Finance
Claire has been a fully qualified management accountant since 1999 and worked in the private sector before joining the NHS Graduate Training Scheme in 1995. During her time in the NHS, Claire has performed roles in both acute and mental health provider organisations, in finance and wider management roles. As Executive Director of Finance, Claire is also the Trust's lead director for estates and facilities.

Other Directors who attend the Trust Board:

Jenna Davies, Interim Director of Corporate and Legal Affairs
Jenna commenced in post on a part-time basis on 26 March 2015 and on a full time basis on 27 April 2015. Jenna has over eight years' experience within the NHS, working in a variety of sectors including mental health, acute and community. Previous responsibilities have included governance, communications and membership, and Jenna has served as an Interim Trust Secretary at a number of organisations and has a keen interest in law and governance models.

Carolyn Gilby, Acting Director of Operations (from 3 August 2015)
Carolyn qualified as an RNLD (Registered Nurse Learning Disabilities) in January 1981, having trained in Aberdeen. Carolyn has worked in a variety of clinical and operational roles across both children's and adult learning disability services in Scotland, Surrey and Nottingham before joining Derbyshire Healthcare NHS Foundation Trust in 2002 as an operational manager. Carolyn currently has responsibility for the operational management of all clinical services in the Trust and is the lead Director for information technology, information management and patient records.

Graham Gillham, Director of Corporate and Legal Affairs (up to 31 October 2015).

Mark Powell, Director of Business Development and Marketing
Mark has a breadth of NHS experience, developed over ten years working in numerous senior roles. He joined the Trust after serving as Executive Director of Operations at Burton Hospitals NHS Foundation Trust. Mark strengthens the Trust's business function and leads the Trust's wider partnership work across the city and county. Throughout the year Mark has worked with stakeholders to develop a new strategy for the Trust and has been identified as the responsible director for the Trust's governance improvement action plan. Between 25 June 2015 – 2 August 2015 Mark took the director lead for operations.

Jayne Storey, Director of Workforce, Organisational Development and Culture (from 25 January 2016). Director of Transformation (up to 24 January 2016).
Jayne previously worked at Lincolnshire Partnership NHS Foundation Trust, where she was Director of Organisational Development. Previously, she worked in HR and organisational development in the private sector, in industries including financial services and rail engineering. In many of these roles, Jayne has gained valuable experience of delivering large-scale change whilst supporting staff as they adapt to new ways of working.

The Board has considered the independence of the various Non-Executive Directors, taking into account the various criteria set out in the Code of Governance. After careful consideration, the Board has confirmed that all of the current Non-Executive Directors remain independent of management.

Details of the skills, expertise and experience of the individual directors can be found in the biography section above. A skill mix review was undertaken by the Remuneration Committee in March 2016.

Register of interests
It is a requirement that the Chairman, board members and board-level directors who have regularly attended the board during 2015/16, and current members, should declare any conflict of interest that arises in the course of conducting NHS business.

The Chairman and board members should declare any business interest, position of authority in a charity or voluntary body in the field of health and social care, and any connection with a voluntary or other body contracting for NHS services. These should be formally recorded in the minutes of the Board, and entered into a register, which is available to the public. Directorships and other significant interests held by NHS board members should be declared on appointment, kept up to date and set out in the annual report.

A register of interests is also maintained in relation to all governor members on the Council of Governors. This is available by application to the Director of Corporate Affairs.

The disclosure and statements referenced within this report are subject to the NHS Code of Conduct and Accountability which is binding upon Board Directors. Interests are disclosed as follows:

NAME	INTEREST DISCLOSED	TYPE
Jenna Davies	Nil	-
Jim Dixon	Director – Winster Village Shop Association Director – Jim Dixon Associates Director - UK Countryside Tours Limited Patron – Accessible Derbyshire	(a) (a) (a) (d)
Carolyn Gilby	Nil	-
Graham Gillham	Nil	-
Carolyn Green	Nil	-
Richard Gregory	Non-Executive Director - Clydesdale Bank Plc (including Yorkshire Bank) Director – CYBG Plc (holding company of Clydesdale) NHS Providers Trainer/Facilitator for Board/Governor Development Member of Governwell, NHS Providers Non-Executive Director at Sheffield Children's Hospital (resigned effective of 31 March 2016)	(a) (a) (e) (e)
Phil Harris	Director – Phormative Ltd	(a, b, c)
Ifti Majid	Nil	-
Caroline Maley	Director – C D Maley Ltd Trustee – Vocaleyes Ltd	(a) (a, d)
Mark Powell	Nil	-
Tony Smith	Panel Member (Assessor) – Judicial Appointments Commission (from 26 March 2010 to 31 March 2017)	(d)
Jayne Storey	Director of Workforce - Nottinghamshire Cricket Board Ltd (resigned January 2016)	(a)
John Sykes	Independent Deprivation of Liberty Mental Health Assessor undertaking assessment on patients at the request of Derbyshire County Council	(b)
Maura Teager	Non-Executive Director – Ripplez social enterprise and NHS provider of the Family Nurse Partnership	(a)
Mark Todd	Nil	
Steve Trenchard	Nil	-

Claire Wright	Nil	-

(a) Directorships, including non-executive directorships held in private companies or PLCs (with the exception of those dormant companies).
(b) Ownership or part ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the NHS.
(c) Majority or controlling shareholdings in organisations likely or possibly seeking to do business with the NHS.
(d) A position of authority in a charity or voluntary organisation in the field of health and social care.
(e) Any connection with a voluntary or other organisation contracting for NHS services.

Details of any political donations
Derbyshire Healthcare NHS Foundation Trust has made no political donations during 2015/16.

Better Payment Practice code
The Better Payment Practice Code requires the payment of undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later, for 95% of all invoices received by the Trust. The Trust has a policy of paying suppliers within 30 days of receipt of a valid invoice and has paid (by number) 95% of non-NHS invoices and 93% of NHS invoices within this target. This is detailed in note 11 to the accounts. The Trust did not pay any interest under the Late Payment of Commercial Debts (Interest) Act 1998.

Derbyshire Healthcare NHS Foundation Trust has complied with the cost allocation and charging guidance issued by HM Treasury.

Income disclosures
As an organisation we are required by the NHS Act 2006 (as amended by the Health and Social Care Act 2012) to state whether our income from the provision of goods and services for the purposes of healthcare in England is greater than our income from the provision of goods and services for any other purpose. We can confirm that this was the case, as evidenced by our accounts.

In addition we are required by the same Act to provide information on the impact that other income has had on our provision of healthcare. We can confirm that our other operating income has had no adverse impact on our provision of goods and services for the purposes of the health service in England.

Disclosure to auditors
On 24/05/16 the directors of Derbyshire Healthcare NHS Foundation Trust declare that, to their knowledge, there is no relevant information of which the NHS Foundation Trust's auditor is unaware and the directors have taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the NHS Foundation Trust's auditor is aware of that information.

How we are organised

Derbyshire Healthcare NHS Foundation Trust Board
The Trust Board of Directors has a responsibility to make the best use of financial resources and deliver the services people need, to standards of safety and quality which are agreed nationally.

The role of the Board of Directors is to manage the Trust by:

- Setting the overall strategic direction of the Trust within the context of NHS priorities
- Regularly monitoring our performance against objectives
- Providing effective financial stewardship through value for money, financial control and financial planning
- Ensuring that the Trust provides high quality, effective and patient focused services through clinical governance
- Ensuring high standards of corporate governance and personal conduct
- Promoting effective dialogue between the Trust and the local communities we serve.

Our Trust Board meets monthly to discuss the business of the organisation. This meeting is held in public and anyone is welcome to attend and hear about our latest developments and performance.

Responsibilities of the Board of Directors
The Board of Directors ensures that good business practice is followed and that the organisation is stable enough to respond to unexpected events, without jeopardising services, and confident enough to introduce changes where services need to be improved. Therefore the Board of Directors carries the final overall corporate accountability for its strategies, its policies and actions as set out in the Codes of Conduct and Accountability issued by the Secretary of State. In order to discharge its responsibilities for the governance of the Trust, the Board has established a number of Committees of the Board as described on page 38.

The Board of Directors ensure compliance with the principles, systems and standards of good corporate governance and has regard to guidance issued by Monitor and appropriate codes of conduct, accountability and openness applicable to foundation trusts. It is responsible for maintaining committees of the Trust Board with delegated powers as prescribed by the Trust's standing orders, scheme of delegation and/or by the Trust Board from time to time.

Performance of the Board of Directors
The Trust recognises that the evaluation of the performance of the Board, committees and individual Directors in the discharge of their responsibilities, is essential to ensuring the Trust is effectively governed.

The individual Directors are all subject to a process of objective setting, continuing management, and end-of-year evaluation; for Executive Directors, this is under the oversight of the Remuneration Committee, and the Nominations and Remunerations Committee of the Council of Governors for the Non-Executive Directors. Objectives are set within the context of the Trust's strategic plans and objectives, and include measurable indicators to measure progress.

The Board is held to account, and its performance is evaluated on an ongoing basis, by the Council of Governors discharging its statutory responsibilities; and regularly feeds back to the Board through the Chairman. The Board regularly reviews the performance of Committees, and is assisted by Audit Committee processes that seek to review the work of the other Board Committees to ensure that they have appropriate control systems for

supporting the Board's work and have appropriate mechanisms for managing and mitigating risks within their areas of responsibility.

The performance of the Board and the Board Committee has been reviewed in year by the Board as part of the well-led self-assessment. In addition the Board and its Committee have been reviewed by an external audit as part of a governance review. The recommendations from both the self-assessment and the external review have been incorporated into the governance improvement action plan.

Members of the Board of Directors are outlined in the Directors' report on page 30-33.

Meetings of the Board of Directors
The Board of Directors held 11 regular meetings during 2014/15:

	Possible attendance	Actual attendance
Jim Dixon	11	10
Carolyn Green	11	11
Richard Gregory (from 9 December 2015)	4	4
Phil Harris	11	9
Ifti Majid	11	11
Caroline Maley	11	11
Tony Smith	11	7
John Sykes	11	10
Maura Teager	11	11
Mark Todd (up to 8 December 2015)	7	7
Steve Trenchard (up to June 2015)	3	3
Claire Wright	11	11

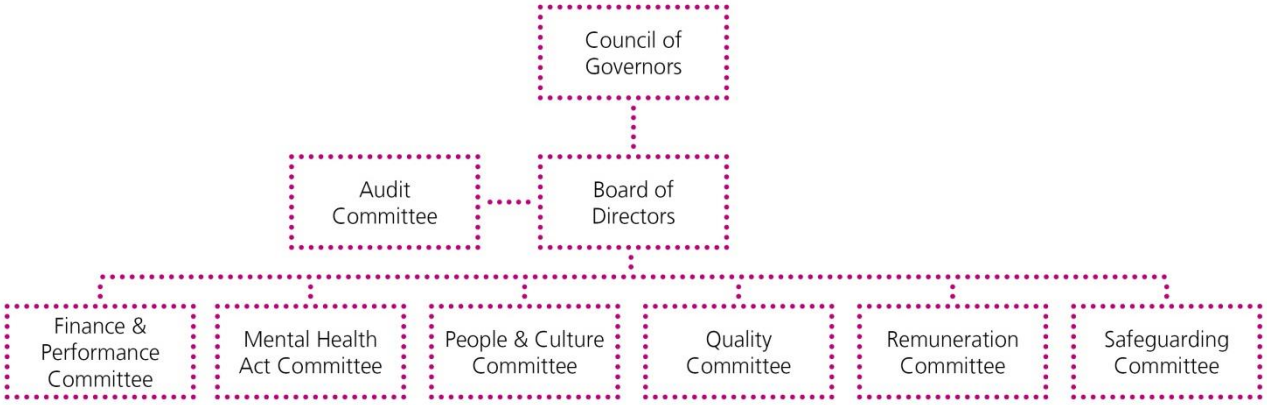
Also in regular attendance:
Jenna Davies
Carolyn Gilby
Graham Gillham
Mark Powell
Jayne Storey

Directors' expenses

	2015/2016	2014/2015
Number of directors	17	11
Number of directors receiving expenses for the year	16	8
Aggregate sum of expenses paid to directors in the year (to the nearest £00)	£18,000	£26,300

Committees of the Board of Directors

Trust governance structure



Non-Executive Directors are represented on all the Board Committees.

Audit Committee
This 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.

Introduction to the work of the committee
The Audit Committee is responsible for ensuring the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the organisation's activities in support of the organisation's objectives. It achieves this by:

- Ensuring that there is an effective internal audit function providing appropriate independent assurance to the Audit Committee, Chief Executive and Board
- Reviewing the work and findings of the external auditor
- Reviewing the findings of other significant assurance functions, both internal and external to the organisation
- Reviewing the work of other committees within the organisation, whose work can provide relevant assurance to the Audit Committee's own scope of work
- Requesting and reviewing reports and positive assurances from directors and managers on the overall arrangements for governance, risk management and internal control
- Reviewing the Annual Report and financial statements (as a delegated responsibility of the Board) and ensuring that the systems for financial reporting to the Board, including those of budgetary control, are subject to review as to the completeness and accuracy of the information provided.

The Audit Committee reports to the Board of Directors on an annual basis on its work in support of the Annual Governance Statement, specifically commenting on whether the Board Assurance Framework is fit for purpose and that governance arrangements are fully integrated.

The Audit Committee throughout the year considers external audit reports, internal audit reports, and counter fraud progress reports. All audit outcomes are overseen by monitoring the delivery of internal and external audit report recommendations. The Trust has an internal

audit function which is referenced in the terms of reference for the Audit Committee. A review of the effectiveness of internal and external audit took place this year, alongside assurance on counter fraud.

The committee considers the Board Assurance Framework, Annual Report, Quality Report, Annual Governance Statement and progress with internal and external audit plans. It also regularly receives updates on losses and compensation payments, exit payments, hospitality and sponsorship, tenders and waivers, debtors and clinical audit.

The Audit Committee reports to the public Trust Board after each meeting and covers significant issues, including assurance and any gaps in assurance.

During the year the committee received and considered various internal audit reports on areas including Mental Capacity Act, ICT infrastructure resilience and recovery, HR process and off-payroll arrangements.

The committee assesses the effectiveness of the external audit process by undertaking the self-assessment each year and by meeting with auditors in private. Auditors attend every meeting of the audit committee, and the Trust's compliance with the audit plan approved by the committee is monitored.

Our Audit Committee comprises:

Non-Executive Directors

- Caroline Maley – Non-Executive Director (Chair)
- Phil Harris – Non-Executive Director
- Tony Smith – Non-Executive Director

Non-Executive Directors' attendance at the Audit Committee during the year was as follows:

	Possible attendance	Actual attendance
Caroline Maley	7	7
Phil Harris	7	7
Tony Smith	7	6

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 and Culture 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 **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** 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. It is also responsible for the appointment of a Chief Executive Officer, with ratification from the Council of Governors. Further details on the Remuneration Committee can be found in the Annual Report on Remuneration on page 80.

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 the Safeguarding Children and Safeguarding Adults Boards and promotes a proactive and preventative approach to safeguarding.

From February 2016 a **People and Culture Committee** was 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 is strongly promoted.

Council of Governors

The Council of Governors performs an important role and is responsible for representing the interests of NHS Foundation Trust members, the public and partner organisations in the governance of the Trust.

The governors, the majority of whom must be elected from the Trust's membership, have a number of statutory responsibilities including Board-level appointments. They are consulted on the Trust's forward plan and ensure that the Trust operates in a way that fits with its purpose and authorisation; this is done via the full quarterly Council of Governors meeting where the directors report to governors on Trust performance.

Derbyshire Healthcare's Council of Governors is made up of elected governors across three constituencies, plus appointed governors from our partner organisations. The constituencies are:

- Public governors, elected by members of the public constituency
- Staff governors, elected from the staff body.

In addition, appointed governors represent stakeholder organisations.

Many governors support the Trust's Involvement team, assisting with member recruitment and engagement at events. They are a key link between the Trust and its members.

Governors add value to the Trust by contributing to a variety of committees and working groups, including (during 2015/16):

- Quality Working Group
- Membership Development Working Group
- Governor Development Working Group
- Finance and Strategy Working Group.

For 2016/17 these working groups have been replaced by a single governance committee, which meets on a regular basis and addresses the areas outlined by the previous working groups.

Over 2015 the Interim Director of Corporate and Legal Affairs, in consultation with governors, reviewed the Council of Governors governance arrangements. In December 2015 the Council agreed a revised structure which brought together the Nominations Committee and the Remunerations Committee into one committee. The first meeting of the Nomination and Remuneration Committee took place on 1 April 2016.

The Trust is committed to the continuing development of governors and encourages participation in the national GovernWell programme as well as East Midlands Leadership Academy events and workshops. Governors continue to form a key part of the quality visit groups and provide vital feedback about services.

An induction for newly appointed governors was held in June 2015 and a governor handbook has been developed to provide information about all aspects of the role. A new 'effective questioning' training session was introduced in November 2015, in partnership with governors at Derby Teaching Hospitals NHS Foundation Trust and Burton Hospitals NHS Foundation Trust.

The governors are canvassed for their opinion on the Trust's strategy and forward plan on an ongoing basis, with their feedback being shared with the Board of Directors. During 2015/16 the governors have had particular involvement with the development of a new Trust strategy, which was in its final stages of development as this report was going to print.

The Chief Executive/Acting Chief Executive attends all Council meetings with the Chairman/Interim Chairman (who is also the Chairman of the Council of Governors) to share the Board's current agenda and forthcoming issues. Other directors attend as required.

The Council of Governors have the right (under the NHS Act 2006) to request directors to attend a council meeting to discuss specific concerns regarding the Trust's performance. This power has not been exercised during 2015/16.

The Council of Governors and the Board of Directors are committed to developing and maintaining a constructive and positive relationship. The aim at all times is to resolve any potential or actual differences of opinion quickly, through discussion and negotiation. If the Chairman cannot achieve resolution of a disagreement through informal efforts the Chairman will follow the dispute resolution as laid out in the Trust's constitution.

During the year the Council of Governors and the Interim Chairman discussed a number of ways that the Council could improve their effectiveness and accountability going forward. It was agreed that the Council would increase the regularity of their meetings, introduce two joint Council to Board meetings each year and arrange separate meetings for the governors to meet informally with the Trust's Non-Executive Directors. The Council also approved an expanded role for the lead governor at their meeting in January 2016.

The Council of Governors met four times during 2015/16. Individual attendance by governors is shown in the table on page 43-44. There have been three exceptional meetings of the Council of Governors during 2015/16, following the outcome of the employment tribunal and associated investigations, as outlined earlier in this report.

The Lead Governor up until the 27 January 2016 was Victoria Cassidy. John Morrissey was appointed as Lead Governor by the Council of Governors in March 2016.

The Register of Interests of the Council of Governors is available at any time through the office of the Director of Corporate Affairs. Please contact Annah Swinscoe-Daniels, Telephone: 01332 623700 extension 31206, email: annah.swinscoe-daniels@derbyshcft.nhs.uk

Summary attendance by governors at meetings of the Council of Governors 2015/16

	First Name	Surname	Number of meetings attended (out of possible number of meetings)	Term of office
Constituency – Public				
Amber Valley North	Victoria	Cassidy	3/3	1/2/11 - 27/1/16
Amber Valley South	John	Morrissey	4/4	22/1/14 – 22/1/17
Bolsover	Susan John	Statter Jeffrey	0/3 0/0	17/10/12 - 14/2/16 21/3/16 – 21/3/19
Chesterfield North	Alan Eber Lynda	Smith Langley	2/3 0/0	1/2/11 - 14/2/16 21/3/16 – 21/3/19
Chesterfield South	VACANT			
Derby City East	Igor Gillian	Zupnik Hough	2/2 0/0	17/10/12 - 12/7/15 21/3/16 – 21/3/19
Derby City East	Annaf Carole	Khatoon Riley	1/2 0/0	2/6/15 - 10/12/15 21/3/16 – 21/3/19
Derby City West	Michael	Walsh	3/4	5/11/14 – 5/11/17
Derby City West	Moira	Kerr	4/4	1/2/11 – 1/2/17
Derbyshire Dales	Ruth L.	Greaves	4/4	22/1/14 – 22/1/17
Erewash North	Martin Shelley	Smith Comery	0/1 0/0	19/9/14 - 12/8/15 21/3/16 – 21/3/19
Erewash South	Amie	Elliott	1/3	2/6/15 – 2/6/18
North East Derbyshire	Robert	Quick	2/3	26/10/14 – 26/10/17
South Derbyshire	Barry	Appleby	1/4	1/2/11 – 1/2/17
High Peak	Mark	Serby	1/1	6/12/13 – 1/7/14
Surrounding Areas	Ruth Rosemary	Cringle Farkas	2/2 0/0	5/11/14 - 3/12/15 21/3/16 – 21/3/19
Constituency – Staff				
Medical and Dental	Nitesh	Painuly	4/4	6/12/13 – 6/12/16
Nursing and Allied Professions	Linda	Beresford	0/2	20/4/15 – 9/11/15
Nursing and Allied Professions	April	Saunders	3/4	26/9/14 – 26/9/17

Administration and Allied Support Staff	Jo Kelly	Slinn Simms	0/3 0/3	2/6/15 - 8/3/15 15/3/16 – 15/3/19
Constituency – Appointed				**Start date**
Derby City Council	Diane	Froggatt	0/1	17/2/16
Derbyshire Constabulary	VACANT			
Derbyshire County Council	Rob	Davison	4/4	4/3/14
North Derbyshire Voluntary Action	VACANT			
Southern Derbyshire Voluntary Sector MH Forum	VACANT			
University of Derby	Paula	Crick	4/4	31/12/12
University of Nottingham	Paul	Crawford	1/4	1/2/11

New governors were elected to the High Peak (public) and Nursing and Allied Professions (staff) constituencies in May 2016.

Attendance by Trust Directors and Non-Executive Directors

	First Name	**Surname**	**Number of meetings attended (out of possible number of meetings)**
Non-Executive Director			
	Jim	Dixon	2/4
	Richard	Gregory	1/1
	Phil	Harris	2/4
	Caroline	Maley	4/4
	Tony	Smith	0/4
	Maura	Teager	2/4
Director			
	Jenna	Davies	4/4
	Carolyn	Green	4/4
	Ifti	Majid	2/4
	Mark	Powell	2/4
	Jayne	Storey	1/4
	John	Sykes	0/4
	Mark	Todd	2/3
	Steve	Trenchard	1/1
	Claire	Wright	4/4

Governor expenses

	2015/2016	2014/2015
Number of governors	22	27
Number of governors receiving expenses for the year	9	8
Aggregate sum of expenses paid to governors in the year (to the nearest £00)	£3,800	£4,300

Membership review

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 reside 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.

Governors canvass the opinion of the Trust's members and the public and communicate their views to the Board of Directors. Appointed governors also canvass the opinion of the body they represent. The Trust takes steps to ensure that members of the Board of Directors develop an understanding of the views of members and governors though regular attendance at the Council of Governors and wider face-to-face contact.

Anyone over 16 years of age who is resident in Derbyshire or surrounding areas is eligible to become a public member of the Trust (subject to certain exclusions, which are contained in the Foundation Trust Constitution).

Governor elections
The Trust holds elections on an ongoing basis throughout the year, either when a number of vacancies arise, or annually when tenures come to an end. For 2015/2016 elections were held in Derby City East (one of two seats), Erewash South and Administration and Allied Support (staff). Each of these constituencies received interest from more than one candidate and members were invited to elect a chosen governor. Members of staff were invited to stand for the Nursing and Allied Professions (staff, one of two seats) seat and as one candidate stood, they were elected unopposed.

A number of methods and activities were used in order to recruit to these seats. This included targeted events within each constituency focusing on different services and therapies of interest to the local community. Each event was delivered in a community setting, by a clinician with the support of existing governors and the Chairman. The events were advertised to members in the local area, offering service and governor information, with the opportunity to ask questions directly to the chair and fellow governors.

Elections for governor positions to cover Amber Valley North, Bolsover, Chesterfield North, Chesterfield South, Derby City East (two seats), Erewash North, High Peak, Surrounding Areas and Nursing and Allied Professions (staff) commenced in February 2016. A number of seats were elected unopposed, and new governors commenced in March 2016, as outlined on page 43-44. Governor posts for the High Peak and Nursing and Allied Professions (staff) were open to election as this report went to print.

Governor engagement
Governors are actively encouraged to engage with their local community to increase governor/member contact. In 2015 a large piece of governor/public engagement activity commenced, which involved approaching all PPGs (patient participation groups) throughout Derbyshire offering a meeting between them, the Trust and their local governor. Visibility of local governors was also improved by providing a poster, with contact details, to display in GP surgery waiting areas. This dedicated activity led to a number of governors taking part in PPG meetings and an increase in membership across this sector. 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.

All newly elected governors receive an induction, which includes presentations from the Chairman, Executive Directors and wider members of staff. As part of this induction in 2015, the whole Council of Governors and Non-Executive Directors were invited to attend an afternoon workshop to meet the new governors and brainstorm ideas surrounding working groups and membership engagement. We recently held a joint training session with two neighbouring trusts, 'Effective questioning of NEDs', which was well received by the governors and also gave them the opportunity to network with other councils. Governors are also encouraged to take part in Governwell training.

Increasing our membership
The membership strategy (2014 – 2017) outlines an intention to know more about the membership of the Trust and target communication and engagement appropriately. This is supported through the use of a new membership database, which was introduced in 2015.

The public membership is broadly representative of the diverse communities in Derbyshire and our engagement events aim to reach all communities. Members can contact governors and via the Derbyshire Healthcare website, www.derbyshirehealthcareft.nhs.uk or email governors@derbyshcft.nhs.uk

Membership figures

Constituency	Number of members 2014/15	Number of members 2015/16
Public	6232	6277
Staff	2430	2352
Total	8662	8629

Membership highlights from our volunteers

"Our first event of the year was a public talk about children's mental health, held at Borrowash Methodist Church. The talk was very illuminating and those in attendance were very interested and we signed approximately eight new members."

"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".

"In June, Derby Live's 'The Big 1' event took place at Chaddesden Park. We were honoured to be accompanied by Balto, the pet therapy husky who attends hospitals and care homes to support and soothe patients. We secured 20 new members".

"We gained 24 new members at the carers forum open day at the Chesterfield Winding Wheel. This included signposting people for help and advice".

"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".

"We held a Time to Talk event with the LGBT (lesbian, gay, bisexual and transgender) community in February 2016. We supported eight new members and enjoyed the most amazing classical music".

"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".

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

Enhanced quality governance reporting

The quality standards for patient services are built into our organisational quality framework and our organisation has fully embraced the NHS Constitution and the fundamental standards of quality and safety published by Care Quality Commission (CQC). These quality standards continue to define the expectations of our services and, during our clinical and corporate Board, and governor and commissioners visits, these are the standards against which services showcase their clinical and service innovations.

Our Trust has defined its quality priorities, and these are connected to the needs of the local population and also reflect national priorities.

Our quality priorities for 2016/2017 are:

1. **Physical healthcare** – this continues into its third year in order to embed sustained change and focus on the mortality gap of those with severe and enduring mental ill health. This is in part due to the number of deaths we have due to physical health and long-term conditions and our wish to reduce all avoidable deaths. Our organisational move to a smoke-free organisation is a key aspect of this priority area.
2. **Preventing suicide** – through patient safety planning. Although our Trust has a lower-than-national-average suicide rate amongst individuals open to our services, our community suicide rate is rising and we need to support the wider system in their endeavours. The leading cause of death in some key age profiles is suicide and therefore we continue to see suicide prevention to be a key priority.
3. **Positive and Safe**, formally known as Force Free Futures – reducing the use of restrictive practice in services. Our service receiver community groups have fed back that they would like to see continued and on-going reductions in seclusion and restrictive practices. We believe this is a key component of a contemporary health service.
4. **Think! Family** – working with the whole family, and co-ordinating all aspects of support to address their full needs, is a learning action from a serious case review. Although we have made significant progress in key areas such as substance misuse, we want to fully embed this work in every aspect of our Trust. Our family liaison support and investigation team have been a key feature of our approach to family-inclusive practice.
5. To become and embed our Trust as **a person centred and recovery-focused organisation** – through our neighbourhood model of delivering community services to develop our new models of self-care and shared care, drawing upon clinical models such as patient activation to embed individualised personalised care.

We revise and review these priorities annually in partnership with our senior clinical leaders and through our Quality Assurance Group with commissioners to ensure our work is defined by the needs of the system and the population. This will inform the key areas of work for the Quality Committee and its sub-groups. These priorities are reflected and measured within our Commissioning for Quality and Innovation (CQUINs) programme and internal key performance indicators (KPIs).

There are a number of additional quality goals that have come through the NHS Standard Contract:

a) In mental health, access targets for **first episode psychosis** – requirements for an ageless service and NICE-informed interventions are also included, which we will be embedding in 2016.
b) **Individualised personalised care** which has been developed in a collaborative manner will be present for all of our service receivers, community service receivers

and our families in our care. There is still room for improvement in this area and this will be a key quality priority until we get it right in 2016. This will be evidenced in our in-patient survey, community survey, CQC Mental Health action visit reports and service receiver experience feedback and monitored by our Quality Committee.

c) We will strengthen and **re-define clinical leadership and clinical ownership of clinical performance management** through a consistent focus on quality, running from Board to service areas. We do this to enable the strength of all of our staff's clinical voices, working towards quality improvements and transparency in patient safety and in every aspect of care that we provide and in everything that we do. It will be demonstrated through an effective Quality Committee, and by Quality Leadership Teams and Clinical Reference Groups through their work plans and their ownership of, and demonstrable impact on, key clinical priorities.

The Trust has had a CQC safeguarding inspection and no serious concerns were noted. All recommendations and action plans for service improvements are in development, and the recommendations are in progress and are being achieved to date in 2016. We do not, at this time, envisage any blocks to delivery of these outcomes; we do accept however that the capacity of our community teams will be challenged if we continue to see an extensive rise in individuals accessing our neighbourhood services.

The national suicide rate has been increasing significantly since 2006, particularly in middle aged men. This is likely to be linked to economic factors often compounded by social isolation, with alcohol or substance misuse representing a "final pathway". Our initiatives with Chesterfield Football Club, our Angling 4 Health scheme and other community partnership models are key to reaching individuals who not may not be naturally psychologically minded and able to access help in a critical period in their lives.

We have seen these trends replicated in our patient population. The Trust has no more suicides than other similar organisations but the problem is increasing in Derbyshire as elsewhere in the country. We therefore need to do everything possible to address this public health concern with our partners and the people of Derbyshire and this remains a key priority for the Trust.

We are carefully monitoring all of our death rates and specifically our physical health care rates and sudden death rates. We are awaiting our new scorecard from the national homicide and suicide enquiry, to enable the Trust to benchmark its performance. We continue our full organisational commitment to the scrutiny of all deaths, along with learning and analysis, and our performance in submitting all questionnaires to the national inquiry remains high. We continue to have a strong focus upon physical health care. We are particularly looking at our pharmacological interventions, deaths in relation to new and novel psychoactive substances, and promoting smoking cessation options and opportunities. We are aware that some of our communities have a higher-than-average mortality rate and we are seeking to understand more about deaths resulting from physical healthcare causes through use of public health and population data.

Overview of arrangements in place to govern service quality

The Quality Committee is the principal committee for quality and at the end of each meeting issues to be escalated to Board are summarised by the Chair and recorded.

Quality visits programme
The quality of our services is a key focus for the Trust and we regularly monitor this through a series of quality visits. These visits involve every team within the Trust, clinical and non-clinical, and involve service users and carers or family members where appropriate. Each team is visited by a quality visit panel made up of Board members, governors, clinical and non-clinical staff and commissioners.

As part of the visits, teams have the opportunity to showcase three areas that they are most proud of, and to speak to a Board member and discuss how services are delivered. Patients and carers are often invited by the teams to feedback their experience of the service they have received. Teams are also required to show that they are compliant with performance, workforce and organisational development targets. The results of the quality visit are communicated to the team following a moderation week at the end of the season.

The teams are scored against the key areas of quality which determine whether they are to receive a bronze, silver or gold award. Platinum awards are given to teams who achieve a gold award for three consecutive years. At the end of each year the programme is reviewed by a focus group.

How the Trust has had regard to Monitor's quality governance framework
Monitor (now NHS Improvement) expects all trusts to use their quality governance framework as the basis for good governance arrangements. Monitor has set out ten key questions by which trusts should measure their governance arrangements. This best practice in health care delivery framework uses a self- assessment approach with trusts scoring their performance using the following bandings:

- Red
- Red/amber
- Amber/green
- Green

In late 2015 the Care Quality Commission and auditors Deloitte carried out a focused review of the 'well led' aspects of the quality governance framework. By 'well led' our regulators are looking at the leadership, management and governance of the Trust. The review specifically looked at:

- Capability and culture
- Process and structures.

The report was finalised and published in February 2016. A governance improvement action plan has been developed in response to the recommendations which is monitored by the Trust Board and Council of Governors.

Disclosures relating to quality governance
During the year we have undertaken work to understand the reasons for death rates and monitored suicide rates. Last year our death rate was higher than the national average in the National Reporting Learning System (NRLS) data and benchmark. It remains unclear whether our approach to report all physical healthcare deaths is impacting upon our benchmark or whether the Trust is an outlier. However new work announced by the Care Quality Commission in 2016 may bring greater clarity to the analysis of death rates and a refined national standard for reporting.

Our Quality Committee has overseen reviews of our serious incident reviews and learning processes and scrutinised both the NRLS and the homicide and suicide enquiry rates. We will continue to explore this data and embed our mortality review work until we can fully understand all data and establish any patterns for learning and service improvement. The Trust has also undertaken community engagement on suicide prevention and our physical health care improvement work has impacted upon mortality groups, rates and patterns.

Material inconsistencies are outlined in the Annual Governance Statement. We continue to require focus on our capacity to meet significant changes in demand and pressured services. The Trust has planned to mitigate significant changes in service requirements, performance in year is moderately assured but full assurance has not been achieved.

Arrangements for monitoring improvements in quality
As well as the key indicators on the performance dashboard (see page 19), the Trust has a number of agreed targets in place to monitor improvements in the quality of care. These are called Commissioning for Quality and Innovation agreements or CQUINs. They are set either nationally, in agreement with NHS England, or locally, in agreement with our CCG commissioners. CQUINs were introduced in 2009 to make a proportion of healthcare providers' income conditional on demonstrating improvements in quality and innovation in specified areas of patient care.

Our CQUINs for 2015/16 focused on:

- Improving the physical healthcare of our service receivers – monitored through the results of the National Audit of Schizophrenia and through an audit of the accuracy levels of communication with GPs

- Reducing the rate of mental health re-attendances at A&E (through our psychiatric liaison teams based within Royal Derby Hospital and Chesterfield Royal Hospital) – monitored through the development of plans to reduce rates of re-attendance at A&E within seven days following an attendance for an acute mental health condition

- Preventing suicide through patient safety planning – monitored through the implementation of a new safety planning process, delivered in partnership with service receivers

- Ensuring that all services apply the principles of Think! Family – monitored through levels of staff compliance with new strategies to ensure better outcomes for children; in the case of our Trust, this includes the roll-out of Think! Family training for all clinical staff

- Supporting the identification of patients with dementia and delirium – through the implementation of plans to ensure timely assessment, diagnosis and support for people with dementia and delirium, including improved communication with GPs in supporting our acute Trust colleagues through our teams.

Several of these CQUINs were also chosen by the Trust as clinical priorities for 2015/16. Read more about our achievement against these priorities in the Quality Report on pages 117 – 186.

For further information about the Trust's commitment and approach to quality, please see the performance report, quality report and the annual governance statement, included in this Annual Report.

Trust registration

The Trust registered with the CQC in 2010 to provide the following regulated activities:

- The treatment of disease, disorder or injury
- Assessment or medical treatment for persons detained under the Mental Health Act.
- Diagnostic and screening procedures.

The Trust provides services from four registered locations; Kingsway Hospital, the Radbourne Unit, and London Road Hospital in Derby and the Hartington Unit in Chesterfield.

The Trust has received three inspections following its registration and was found to be compliant with the standards reviewed.

Engagement with the CQC during 2015/16

The Trust has received notification that its next annual scheduled comprehensive inspection will take place between 6–10 June 2016.

The CQC visited the Trust as part of its 'safeguarding systems in Southern Derbyshire' review between 27 July – 31 July 2015 and published on 18 November 2015. This health system targeted review was a positive learning experience. Key aspects of safeguarding performance were both commended and areas for additional refinement were established, some of which are currently in development; a significant number of recommendations have been completed across all NHS bodies.

The CQC visited the Trust as part of its focused 'well led' review in January 2016. This followed Monitor's investigation into the Trust in July 2015 due to governance concerns identified at an employment tribunal and associated correspondence.

The CQC focused inspection specifically looked at the following areas:

- Vision, values and strategy
- Are recruitment and performance management processes objective and transparent?
- Are there clear roles and accountabilities in relation to board governance (including quality governance)?
- Does the Board actively and effectively engage patients, staff, governors and other key stakeholders on quality, operational and financial performance?

Two areas were identified as requiring improvement, as follows:

- Regulation 17: The Trust must ensure HR policies and procedures are followed and monitored for all staff
- Regulation 5: The Trust must ensure that a fit and proper person review is undertaken for all directors.

This resulted in two requirement notices being issued on 25 February 2016. The Trust has outlined its commitment to work with its regulators to ensure these concerns are promptly and effectively rectified.

The Trust's last annual scheduled inspection from the Care Quality Commission (CQC) took place from 29-31 January 2013 where the following two standards were identified as requiring further action:

- Regulation 9: Care and welfare of people who use services
- Regulation 20: Records.

In June 2015, the CQC Intelligent Monitoring report found no significant risks identified for the Trust. The Trust is regularly visited by the CQC as part of our Mental Health Act CQC visits (ten Mental Health Act monitoring visits were carried out in 2015 and the Trust provided action plans following each visit in order to address issues that were identified).

We have had feedback on areas to improve (which include care planning, capacity documentation, consent to treatment and redesign of inpatient seclusion rooms) alongside positive feedback on our services (in particular, praise for the attitude of staff and their level of care). We have no outstanding concerns at the time of writing this report.

Patient care activities
The feedback from our patient surveys and commissioners' visits have pointed to a number of areas about engagement and involvement of patients and families in how our care offer is experienced. In 2015 we established a service receiver and carer group to consider the patient experience in our transformation plans. This group has been a key 'expert by experience' group to advise and inform our clinical information and standards developments. We would like to express thanks to the group members from carers' groups in Southern Derbyshire including specific individuals, Derbyshire Voice (now the new Derbyshire Mental Health Alliance group), North Derbyshire Carers Forum and Mental Health Action Group who have fed back and represented their communities and challenged our team.

Their contributions have been essential in developing SBARD (Situation, Background, Assessment, Recommendation, Decision – see the Quality Report for more details) for families and carers. We have developed new 'my care' information leaflets, neighbourhood and campus approaches to Safewards, and we are developing a 'mutual expectations' model for our Trust. This work will continue in 2016 to redesign not only the structure of our services but reset the power imbalance that has so often been experienced in care services historically - something we will continue to challenge, until we are fully able to achieve the philosopy of 'no decision about me without me' in all services.

Monitoring improvements in the quality of healthcare
Clinical audit is a quality improvement process that seeks to improve patient care and outcomes through systematic review of care against explicit criteria and the implementation of change. The Trust's clinical audit activity enables services to provide evidence of effectiveness.

The Trust's clinical audit systems and processes are driven by a Clinical Audit Framework which is based on national guidance. In 2014/15 the Trust commissioned a review of its clinical audit function by PwC (Pricewaterhouse Coopers) and carried out a number of recommendations in response to that review to strengthen the way the function operated. In 2015/16 this progress was monitored by the Quality Committee (four times), the Audit Committee (three times) and the Trust Board (once). As a result, a follow-up review by PwC in March 2016 confirmed that all the recommendations had been implemented. Moreover, a new Clinical Audit & Research Coordinator commenced in post in December 2015, enabling more clinical audit projects to be reviewed and signed off. Between December 2015 and March 2016, the number of projects signed off increased by 100%. Where action plans are developed for a project, the Clinical Audit team ensures that those actions are delivered.

The outcome of clinical audit projects is to contribute to improvements in practice through a continuous practice improvement approach.

How we are using FT status to develop services and improve patient care
This year has seen our estates strategy fully entwined with our clinical requirements and our estates and capital expenditure plans. This redefinition of priorities to meet our statutory standards, community neighbourhood developments, inpatient requirements around seclusion and our extensive ligature minimisation programme, has focused our expenditure around patient care. This year we have completed a full mattress replacement programme in all required areas both for infection control and in line with our smoke-free strategy.

In March 2016 the Trust became smoke free in a phased approach to implementing a major public health improvement plan.

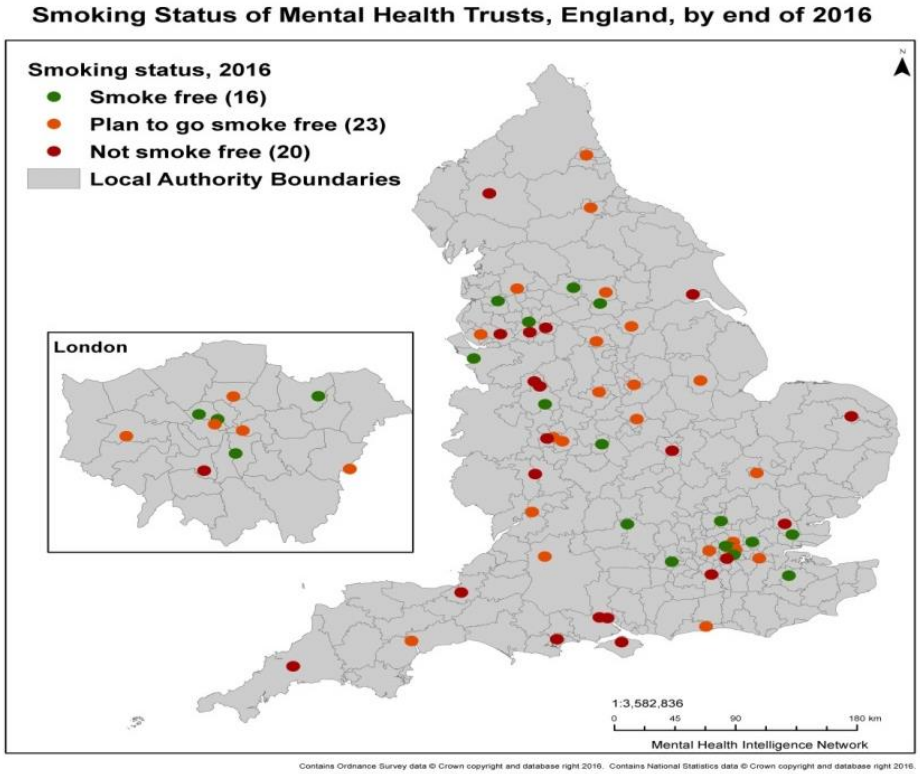
Trust goes smoke-free on 'no smoking day'
On Wednesday 9 March 2016, national 'no smoking day', Derbyshire Healthcare NHS Foundation Trust extended its smoke-free commitments and started to deliver healthcare services from smoke-free environments.

Using a phased approach to create cleaner and healthy environments for all, patients and visitors will no longer able to smoke or use e-cigarettes anywhere on Trust premises - including wards, grounds, doorways and car parks. Prior to a home visit, Derbyshire Healthcare staff are also requesting that patients provide a smoke-free room and refrain from smoking for up to one hour prior to an appointment.

Public health guidance published by the National Institute for Health and Care Excellence (NICE) has raised the need to implement truly 'tobacco smoke-free environments' because of clear evidence-based health rationales.

In Derbyshire, smoking remains the most preventable cause of premature death, ill health and health inequality. Also, for people with a mental health condition, the smoke from cigarettes and cigars reduces the effectiveness of some types of medication – meaning larger doses are required to reach a similar therapeutic effect compared to that of a non-smoker.

During the transition to a tobacco-free organisation, the Trust has provided training to its doctors and nurses so that they are equipped to offer smokers in their care with advice on smoking cessation and nicotine withdrawal. A full package of support will also be available to anyone admitted onto one of the Trust's mental health inpatient wards, including a range of nicotine replacement therapies (NRT) to help them cope with their cravings.



This map shows if mental health trusts are smoke free for 2013, 2015, 2016 and 2018. The data is also available in a spreadsheet. The Mental Health Taskforce has recommended that mental health trusts become smoke free by the end of 2018. Further information on reducing high smoking rates among patients in mental health units is available from Public Health England.

A focus on children

Early childhood development is considered to be the most important phase in life, determining the quality of health, wellbeing, learning and behaviour across the lifespan.

International recognition for making Derby more 'baby friendly'

The Trust's Health Visiting Service has been presented with the Baby Friendly Initiative Award for its clear efforts in supporting local mothers to breastfeed and, by doing so, building parent-infant relationships. The award was given to the Trust following a rigorous two day assessment by a Unicef team which showed that global evidence-based best practice standards were in place. The award will be re-assessed in April 2017.

The Baby Friendly Initiative, set up by Unicef, is a global programme which provides a practical and effective way for health services to improve the care provided for all mothers and babies. In the UK, the initiative works with maternity hospitals, health visiting services and universities to protect, promote, and support breastfeeding and to strengthen mother-baby and family relationships. Support for these relationships is important for all babies, not only those who are breastfed.

Derbyshire Healthcare joined forces with Unicef's Baby Friendly Initiative to increase breastfeeding rates in Derby, enabling mothers to continue for as long as they choose, and to improve care for all local mothers. As a result, during the last 12 months our health visitors have noticed a significant increase in the number of mothers breastfeeding in the city.

Ensuring physical health and wellbeing for children

The Trust's children's services recognise the importance of promoting physical health and wellbeing from early years right up to adulthood. The Trust's health visiting and school nursing teams have raised awareness of child obesity amongst Derby's population and campaigned to encourage good dental hygiene. The school nursing service has also actively participated in the National Child Measurement Programme (NCMP), measuring the height and weight of children in reception class (aged 4 to 5 years) and year 6 (aged 10 to 11 years) in order to assess levels of obesity in children within primary schools.

With their close links to our child and adolescent mental health service (CAMHS), all our teams supporting children and young people understand the benefits of good physical health on mental wellbeing.

Similarly our mental health teams supporting young people understand the importance of good physical health. For much of this year our Early Intervention Service (which helps young people aged between 14 and 35 who experience psychosis for the first time) worked with a boxing club to encourage service receivers to train every week. Participants noted that the training improved not only their fitness, balance and strength, but also their self-esteem.

Perinatal services

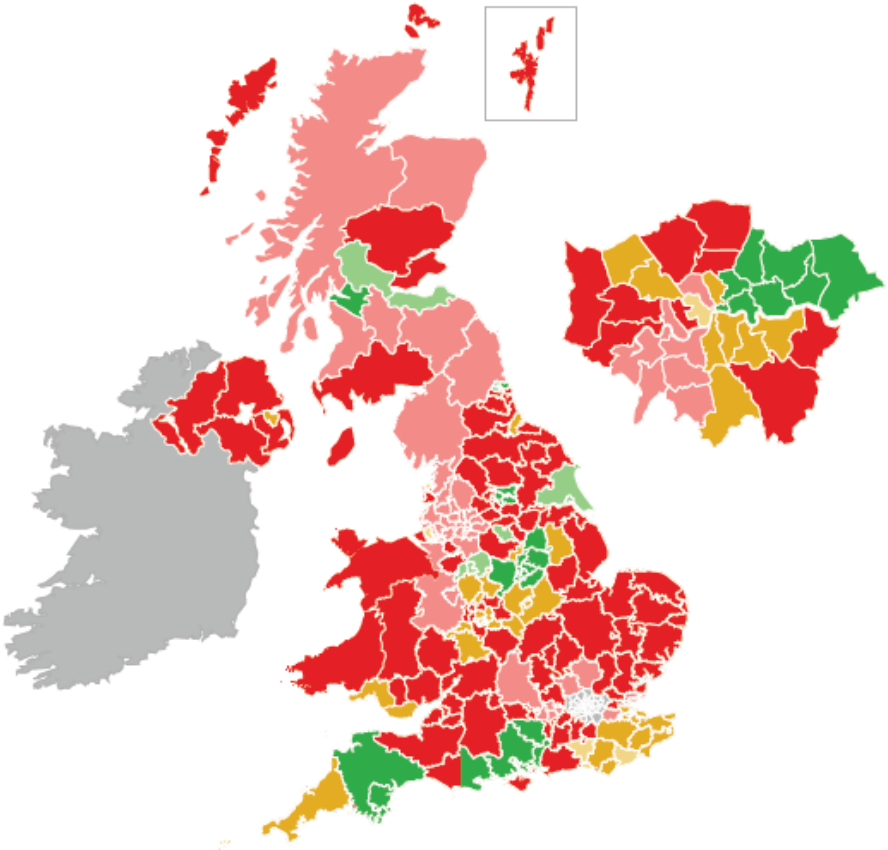
More than one in ten women develop a mental illness during pregnancy or within the first year after having a baby.

The UK map outlines the national benchmarking for access to a community perinatal specialist team. This year our service moved from being a long established Southern Derbyshire service to a full Derbyshire community service, linked closely to our specialist in-patient unit, which is nationally regarded and accredited.

This achievement has been led by our outstanding clinical leaders in this service who have advocated for this integrated pathway approach to our commissioners. Although a small specialised service, with significant demand, we are proud to offer a Derbyshire-wide service.

UK Specialist Community Perinatal Mental Health Teams (current provision)

MATERNAL MENTAL HEALTH
everyone's business



LEVEL	COLOUR	CRITERIA
5		Specialised perinatal community team that meets Perinatal Quality Network Standards Type 1 http://www.rcpsych.ac.uk/pdf/Perinatal%20Community%20Standards%201st%20edition.pdf
4		Specialised perinatal community team that meets Joint Commissioning Panel criteria http://www.rcpsych.ac.uk/pdf/perinatal_web.pdf
3		Perinatal community service operating throughout working hours with at least a specialist perinatal psychiatrist with dedicated time AND specialist perinatal mental health nurse with dedicated time, with access to a perinatal psychiatrist throughout working hours
2		Specialist perinatal psychiatrist AND specialist perinatal nurse with dedicated time
1		Specialist perinatal psychiatrist or specialist perinatal nurse with dedicated time only
0		No provision

Disclaimer Levels of provision in this map have been assessed using the best information available to us from local experts but have not been independently verified. Please contact info@everyonesbusiness.org.uk if you suspect any inaccuracy or know of recent developments that may alter the level of provision level in any area listed here.

www.everyonesbusiness.org.uk

More than 1 in 10 women develop a mental illness during pregnancy or within the first year after having a baby.

This map demonstrates the previous lack of provision for the service. This year we welcome the service expansion outlined above and anticipate that the green areas reflected here for Derby city will expand to the whole of Derbyshire in the future.

New and/or revised services

The Trust has worked with partners and commissioners to develop a range of new and/or revised services during the year, in order to ensure that the services available best meet the needs of local residents.

During 2015/16 the Trust has ceased to provide the following services:

- HPV (Human papilloma virus) services (ceased on 31 August 2015 following a competitive tendering process).

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).

In addition:

- We have supplemented our support services to inpatients by enhancing our dietetic provision.
- We have secured investment in MAS (memory assessment services) for the North Derbyshire CCG and Hardwick CCG areas – having previously secured funding from Southern Derbyshire CCG and Erewash CCG.
- Our community perinatal service in the north of Derbyshire has received recurrent funding, following funding for a pilot.

Derby City combined substance misuse services

The Trust entered into a partnership with two charitable organisations - Phoenix Futures and Aquarius - to provide a new combined drug and alcohol recovery service for the city of Derby from 1 April 2015.

Following a competitive tender process, the Trust and its partners were awarded the three-year contract by Derby City Council to deliver an integrated drug and alcohol treatment system, including both community and complex support. The service seeks to provide high-quality, personalised opportunities for people using drugs and/or alcohol to move towards sustained recovery and achieve a good standard of health.

Derbyshire Healthcare serves as the lead organisation, with ultimate responsibility for the service, and also delivers all clinical services such as medical assessments, specialist mental health support and specialist prescribing. Phoenix Futures and Aquarius provide the essential emotional and social elements of the service such as comprehensive assessment, and recovery-focused one-to-one counselling and outreach work, to ensure that people using the service have the best possible chance of building a drug- or alcohol-free future with new skills and confidence.

The initial contract period is three years commencing on 1 April 2015. There will be an option to extend the contract for a fourth year, subject to satisfactory performance, business needs and funding.

CAMHS RISE

Southern Derbyshire CCG and Erewash CCG have funded a new 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.

The service, called CAMHS RISE – rapid intervention, support and empowerment – will extend the work of the CAMHS hospital liaison service into the community. It will offer rapid intervention when young people present themselves at a GP surgery in acute distress – such as when they have seriously self-harmed or are experiencing suicidal feelings.

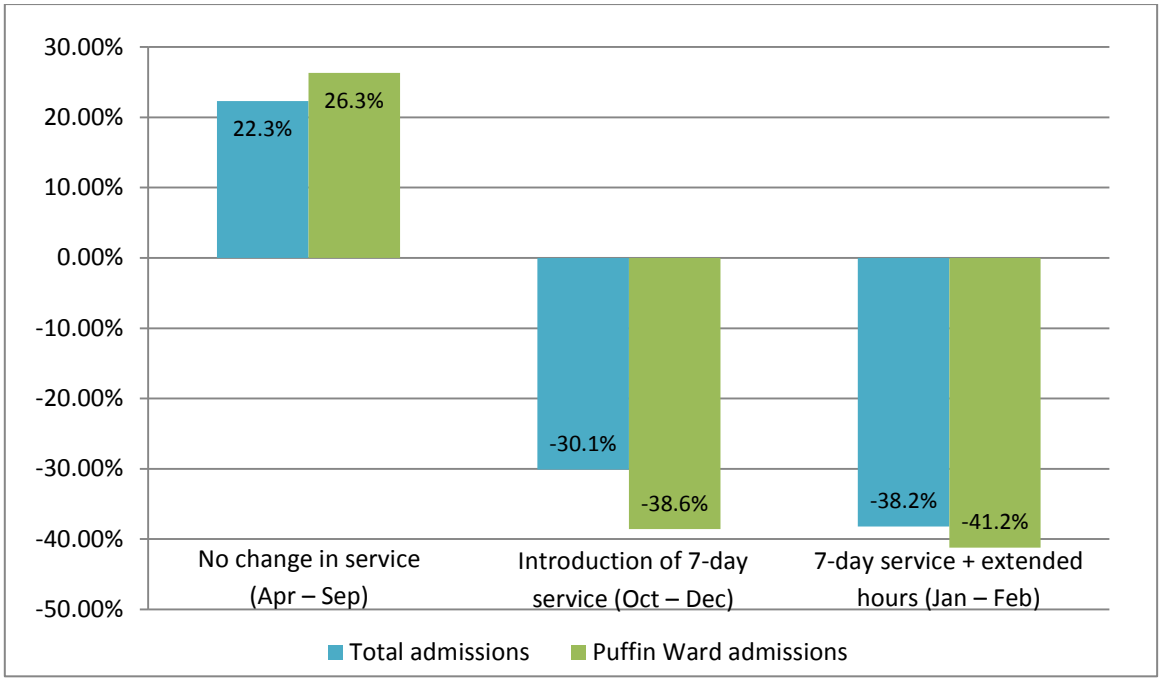
The new team, which will be fully operational later in spring 2016, is made up of experienced mental health nurses and occupational therapists from Derbyshire Healthcare, overseen by a consultant psychiatrist, and will be available to support GPs seven days a week, 365 days a year. It will be based at the Royal Derby Hospital, where it already offers seven-day-a-week support to staff in the Children's Emergency Department.

The end result should be that young people get the care and support that meets their needs – and there should be fewer young people being admitted unnecessarily to hospital. That reflects the key aims of the 'joined up care in the south of Derbyshire' programme – meeting the demand for quick access to complex care and for care 'close to home'.

"The CAMHS RISE team have revolutionised the way we can manage young people with mental health problems in the children's emergency department. We now have access to the team 7 days a week till 11 at night. It has empowered families and us into being more confident in sending patients home and managing as outpatients."
Derby Teaching Hospitals NHS Foundation Trust

Over the past 18 months there has been a steady growth in CAMHS-related attendances to Royal Derby Hospital Children's Emergency Department – 17 attendances in August 2014 rising to 60 in January 2016. At its highest point, 85% of ED attendances (April 2015) were admitted to a bed. At the commencement of the CAMHS RISE service in October 2015 the proportion conveyed to a bed reduced to 47% and this has further reduced to 31% of all attendances being admitted in February 2016 – a reduction of 50% when compared to the admission rate in February 2015, and 64% when compared to the highest rate seen in April 2015.

Over the period April-September 2015, Royal Derby Hospital saw an increase of 22% admissions in total and 26% onto Puffin Ward (children's ward), compared with the same period in 2014. At the commencement of a new, seven-days-a-week CAMHS RISE service, a reduction of 30% (total) and 39% (Puffin) has been seen between October to December 2015 compared to the same period in 2014. In January 2016 the service also extended the hours it is available to 11pm. This has further reduced the number of admissions by 38% (total) and 41% (Puffin) in January and February 2016 compared to the same months in 2015. These early figures indicate the added impact of not only the extended days, but also the hours that the service is available to children and young people.



Improvements in patient information

The quality of the information provided to our patients and service receivers is of great importance to the Trust. During the year the Trust has revised a significant proportion of its patient information, to ensure it is in keeping with the Trust's brand identity and that language is simple and accessible. We have started to develop a range of easy read materials, to ensure that our clients with learning disabilities and/or other access requirements have equal access to the corporate materials produced by the Trust.

The Trust is also working towards the requirements associated with the accessible information standard and is developing new ways for information online to be accessed by those who cannot access the current written information.

Involving and supporting our carers

The Trust values the carers and families who support the people we work with, and is a member of the 'Triangle of Care: carers included' national scheme. We have worked hard this year to implement its standards, achieving our first star to go with the kitemark. The standards are:

1. **Carers and the essential role they play are identified at first contact or as soon as possible thereafter.** We try to identify carers at an early stage and make sure they get help. We have distributed contact cards for family and carers that include key contacts for help and support.
2. **Staff are 'carer aware' and trained in carer engagement strategies.** We are working to make sure that our staff know the best way to work with families and carers. We are moving from a health provision model to a family inclusive model of care, where a shared partnership in planning and providing care is wrapped around the person and the family.
3. **Policy and practice protocols around confidentiality and the sharing of information are in place.** We want to make sure that we share the right information at the right time with the right people. This year we published a guide to sharing information with family and friends, which includes a self-carbonated advance statement that allows people using our services to decide how much and what information should be shared with family and friends.

4. **Defined post(s) responsible for carers are in place.** We have a network of carers champions to advise staff and carers, and have produced posters for all services so that carers can identify and contact their local carers champion (supporting the 'hello my name is...' initiative), and have published the list on www.corecarestandards.co.uk.
5. **A carer introduction to the service and staff is available, with a relevant range of information across the care pathway**. We have produced information packs for carers, and many services now have welcome letters for carers, giving an introduction to the service.
6. **A range of carer support services is available.** We work with carers' organisations to make sure carers have information about services they can use. We have this information in our Infolink booklet, and send out a newsletter to carers every three months called 'Who Cares?' We have also updated and improved the information we hold about carers on our electronic records system, and now send newsletters to over 2,000 carers. We have also supported and put on carers events where carers can make contact with services that can offer them support.

We are also publishing SBARD (Situation, Background, Assessment, Recommendation, and Decision) guides for carers, to help them access the right help when they need it. There are postcards they can use as a prompt, and to record decisions, as well as a new and updated edition of the contact cards and carers and families handbook.

Our carers sub-group continues to work to improve our support and partnership with carers, and has developed a carers strategy with the Trust, as well as updating the carers policy. The group is made up of carers' representatives, staff, and partner agencies including Derbyshire Carers Association, Think Carer, Making Space, Derbyshire County Council, and others. We continue to be represented at carers forums across the county and city, working in partnership with carers and commissioners to improve the quality of services.

Our carers champions network has continued to develop, and we have held two further development sessions to support them, bringing in carers and partners to work with us. Our Radbourne Unit carers support group goes from strength to strength, a group is beginning at the Hartington Unit, and our older people's services run an excellent series of events to support the carers of people with cognitive problems.

CPA and Core Care Standards

The Trust's Core Care Standards (CCS) and the website which supports them continue to be developed and improved with work having been done to rationalise and update both the Core Care Standards site and the corporate Trust website.

A new Recovery Centre is being developed and populated on the CCS website based on 'getting well, staying well and keeping well', which includes information on:

- Managing my own health
- Planning to keep well (including Wellness Recovery Action Planning)
- Support directories
- Knowing about my health
- Groups and courses to support recovery and wellbeing in neighbourhoods, linking to their service pages
- The five ways to wellbeing
- Hope and resilience
- Confidence to ask
- Carers and families.

The Trust has a contract to provide support for the national Care Co-ordination Association, membership of which brings benefits to the Trust including a quarterly journal, access to an

awards scheme, an art competition for service users, carers and families, access to national standards and the care standards handbook, audit tools, workshops, conferences, and a national network. We are producing a national guide to ‘writing good care plans’ in partnership with them.

Care planning continues to be a key focus, and the carbonated care plan pads have been re-printed, giving staff a flexible tool to encourage involvement of service users in planning their care.

Staff training continues to focus on the role of the care co-ordinator, carers, and care planning, including work to develop an e-learning for staff. We have also identified the need for carer awareness training for our staff.

The Trust’s Infolink resource directory continues to be used and valued by staff, service users, their families and our partner organisations. It has been updated and revised and a new edition is being published to complement the Families and Carers Infolink.

Compliments and complaints

The Patient Experience team is the central point of contact for people to provide feedback and raise concerns about the services provided by the Trust. The team sits within the Nursing and Patient Experience Directorate and is based at the Trust Headquarters. Staff have direct contact with the (Acting) Chief Executive and Executive Directors and liaise regularly with senior managers.

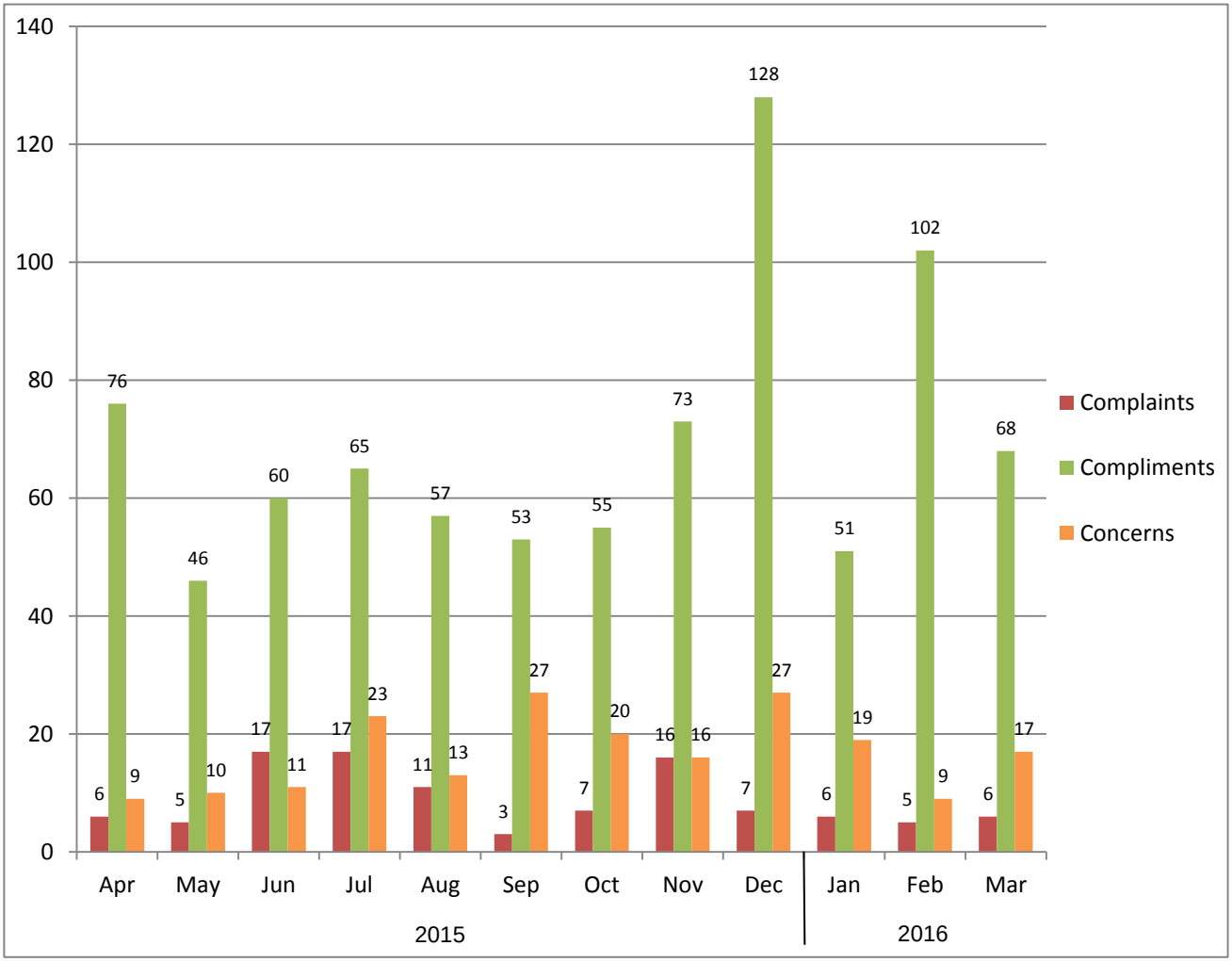
The team's aim is to provide a swift response to concerns or queries raised and to ensure a thorough investigation takes place when required, with complainants receiving comprehensive written responses including any actions taken.

Learning from the feedback the team receives is essential and this is shared with staff through the Trust's *Practice Matters* publication.

During 2015/16 the Trust logged:

- 834 compliments
- 201 concerns
- 106 complaints.

Complaints are issues that need investigating and require a formal response from the Trust. Investigations are coordinated through the Patient Experience team. Concerns can be resolved and require a less formal response; this can be through the Patient Experience team or directly by staff at ward or team level within our services.



Themes
During the year the Trust logged complaints, concerns and compliments by theme in order to use the information in a more meaningful way. Most of the issues commented upon in the compliments received were for the support/help provided (354), care (345) and general gratitude shown by staff (343) and (254) for the kindness shown by staff.

The top themes from complaints are as follows:

- Staff attitude – 39
- Availability of services/activities/therapies – 26
- Assessment – 17
- Care planning – 15
- Compassion – 14
- Medical care – 14
- Information provided – 13
- Engagement – 13
- Nursing care – 11
- Medication – 11.

The top issues raised in the concerns are reported below:

- Availability of services/activities/therapies – 62
- Staff attitude – 21
- Other care – 19
- Information provided – 18
- Care planning – 16
- Waiting times – 16
- Other – 15
- Medication – 15
- Engagement – 13
- Assessment – 11
- Medical care – 11.

During the year the Trust discussed five cases with the Health Service Ombudsman:

- Two investigations are underway
- One assessment is ongoing
- Two telephone discussions took place.

Stakeholder relations

Partnerships and alliances

Healthcare services are increasingly integrating across providers. Some of the integrations are driven by the commissioning of healthcare services. These require closer and more streamlined services with increased collaborative working between organisations, with a lead provider seeking partners to deliver the parts of healthcare that they do not.

Derby City children's and substance misuse services are examples where we have entered into partnerships to provide services as part of our bids:

Following a tender process, our children's services have partnered with a Family Nurse Partnership provider called Ripplez CIC who offer enhanced support to young vulnerable mothers for whom the support of universal children's (health visiting and school nursing) services may not be enough. This service is also provided with some clinical support from Derby Teaching Hospitals NHS Foundation Trust. The new model of service delivery places an emphasis on public health approaches, to be delivered through better partnerships between agencies providing services to children in the city. The new contract became effective on 1 April 2016.

In substance misuse services the Trust sought to utilise its expertise in clinical and specialist substance misuse (Tier 3) services through a new partnershipto bid for Tier 2 and Tier 3 services. Partners included Phoenix Futures and Aquarius and involved new working arrangements between the three organisations, working together with a common purpose to offer a full service to people with substance misuse problems, for both drugs and alcohol rather than one or the other as previously. This service commenced on 1 April 2015.

Due to this new partnership arrangement, commissioners for the service now contract manage, in effect, one organisation. The service users do not see any difference between organisations for provision of their care and information is shared on a common system, reducing duplication of information. There are opportunities across previously competing organisations to learn from one another to offer a more rounded service provision. This reinforced our Trust commitment to actively competing to retain contracts in this area and continue to unite our teams to challenge the stigma associated with substance addiction.

In Derbyshire, the Trust has mirrored the substance misuse service model that was successful in Derby City. In this instance our partners included Phoenix Futures, Derbyshire Alcohol Advice Service and Intuitive Recovery. Each partner brings added strengths to the service, for example Intuitive Recovery have a strong track record of building social capital and helping service users into employment as part of their road to recovery.

The Trust has a long term partnership 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.

Partnerships with our regulators

This year the Trust's relationships with its regulators, Monitor and the CQC, have been key as we have worked in partnership to ensure the Trust identifies key learning and recommendations outlined as part of the outcome of the employment tribunal, the 'well led' review and external investigations. The Trust is wholly committed to ensuring prompt and effective action is taken to implement the governance action plan and to update this plan on an ongoing basis, to identify concerns and introduce wider learning.

Partnerships with Healthwatch
The Derbyshire mental health 'question time' was a positive event where staff attended to support Healthwatch Derbyshire in their mental health and wellbeing focused event in the north of the county. The event highlighted and challenged our whole system community on issues including how we support individuals experiencing mental ill health, the impact of national policy on the transgender community, rapid access to psychological health in primary care and the GP contribution to mental healthcare and wellness.

Healthwatch Derby continues to work in partnership with the Trust. This follows last year's substantial survey where, with over 1000 pieces of evidence, over 75% per cent of those who gave feedback about the Trust said they had had a positive experience. Building upon this work, the Trust and Healthwatch Derby wanted to focus in on the 25% who had not had a positive experience. The Trust and Healthwatch targeted a full survey of individuals who had raised serious complaints and undertook a specialist review of these complaints, and a full survey of individuals who had experienced restrictive practice – specifically learning from restraint practices; these are very important pieces of work on which to continually reflect, as we must learn from our most difficult care experiences. As an organisation we are prepared to ask difficult question and respond, so that we can learn and continually strive to provide good services.

We continue to invest our time in our important multi-agency partnerships and in the local Safeguarding Children Board and Safeguarding Adults Board, and to contribute to our community. Our board attendance and partnership working remains solid and this year we have received feedback on the significant and sustained commitment to safeguarding by our organisation. We have not received our 'markers of good practice Section 11' audit and safeguarding adult inspections, which are scheduled for 2016; however informal feedback at our Safeguarding Committee from our CCG named professionals on our newly designed strategies and performance has been positive. This, coupled with positive feedback from our safeguarding inspection of some significant good practice in clinical areas, reinforces a picture of moderate assurance in this area.

Partnerships across the local health economy
In Derbyshire two strategic leadership groups and associated transformation programmes are in place to address the system-level financial pressures facing the health and care economy as a whole. As a Trust we span both these groups. In the north of the county, the 21C Board is composed of North Derbyshire and Hardwick CCGs (plus local authorities and NHS providers) and, in the south of the county, the Joined Up Care Board has representation from Southern Derbyshire and Erewash CCGs (plus local authorities and NHS providers).

In response to the 'Five Year Forward View', the Trust has been working closely with Erewash Clinical Commissioning Group (CCG), Derbyshire Community Health Services (DCHS), Erewash GP Provider Company and Derbyshire Health United after NHS England chose the Erewash area to be a 'vanguard' site for more integrated health services. Wellbeing Erewash was one of the 29 schemes across the country selected by NHS England to receive additional support as part of its national New Care Models programme. The aim is to develop an Erewash prevention team made up of health and care professionals including GPs, advanced nurse practitioners, mental health nurses, extended care support and therapy support. It delivers services to people who do not require hospital services and can be treated for their conditions in a community setting.

With regard to the requirement for a Sustainability and Transformation Plan (STP) to be developed, it has been agreed that the footprint for this will be across the whole of Derbyshire. Whilst this poses risks in terms of scope of alignment of planning, this is a very

positive step forwards for the Trust as a provider which delivers services across the county. It is evidently clear that there is work to do to align current plans across 21C, Joined Up Care and Erewash Vanguard, however we are of the belief that significant progress can be made and that risks in alignment of plans can managed.

Whilst this transition takes place, Derbyshire Healthcare continues to lead a number of specific developments on behalf of the wider health economy. These are focused on the significant changes around older people's mental health services, development of dementia rapid response teams and community and personal resilience.

We know that there is general agreement across the two Health and Wellbeing Boards (Derby City and Derbyshire County Council) about priorities for our communities, in line with what has become known locally as the 'Derbyshire Health and Care Wedge' (which demonstrates a triangular model, depicting a move to more specialist care at the narrow point of the wedge, with a larger proportion of people receiving local, community-based care or self-help at the wider end of the wedge) – for example:

- Children and families should get the best start in life
- People should enjoy good health and wellbeing
- People have aspirations and achieve their ambitions through education, training and lifelong-learning
- People in Derbyshire live in safe and sustainable communities and are protected from harm
- Sustainable economic growth for all our communities and businesses
- People can live independently and exercise control over their lives
- The resource and activity supporting acute care needs to focus equally on prevention, early detection and keeping people in their communities, avoiding hospital admission wherever possible.

Specifically with regard to mental health services, the four Derbyshire CCGs are committed to:

- A reduction in the number of people in residential care, spend on registered care, and also on supporting more people to live in their own homes
- A greater emphasis on community based care to avoid the use of institutional care
- A drive towards more personalised recovery focused services, where people have greater choice and control over the support they receive
- Engagement of service users in the co-design of services
- Improved support for carers, alongside a new statutory duty to provide more support to carers, as a result of the Care Act
- To address financial hardship and unemployment as contributors to ill health and early death in people with mental health issues
- Address health choices made by people with mental health problems, especially smoking
- Support strong parenting as key to a child's future mental wellbeing throughout its life
- Better support and management for people with dementia, their families and carers.

These remain the key focus of the developing STP.

Derbyshire County Council, Public Health and the four Derbyshire CCGs – Hardwick CCG, Southern Derbyshire CCG, North Derbyshire CCG, Erewash CCG – have produced a joint strategic 'direction of travel' for mental health, called the Joint Vision and Strategy for Mental Health in Derbyshire County 2014 – 2019.

The proposed strategic themes have been developed in response to key policy drivers, local consultation and engagement feedback, and the commissioning intentions of Derbyshire

CCGs (NHS) and Derbyshire County Council working to a joint strategy. All commissioning intentions will meet at least one of the six themes, with a strong focus on outcomes and agreed actions for each theme. Each action will have clearly identified work streams and governance arrangements, and progress and delivery of outcomes will be monitored by the Joint Mental Health Commissioning Board.

Theme 1 - Personalisation
Theme 2 - Promotion, prevention and early intervention
Theme 3 - Enablement and recovery
Theme 4 - Social Inclusion, fair access and equity
Theme 5 - Keeping people safe from avoidable harm
Theme 6 – Integration.

As referenced on page 16, the Trust is developing a new strategy for April 2016. This will be reflective of the 'Five Year Forward View' as well as being aligned to, and supportive of, the whole system STP.

Our development of services involving other local services/agencies and involvement in local initiatives

In response to the 'Five Year Forward View', we have been working closely with Erewash Clinical Commissioning Group (CCG), Derbyshire Community Health Services (DCHS), Erewash GP Provider Company and Derbyshire Health United after NHS England chose the Erewash area to be a vanguard site for more integrated health services.

We have a wide range of relationships with other organisations across the health and social care economy, including provider trusts, education and local authorities, third sector organisations and universities. Through these broad and wide reaching relationships we strive to ensure that the healthcare of our community is continually improved by the services we offer.

The Trust has developed an Individual Placement Programme service in partnership with Hardwick CCG with the objective of reducing out-of-area placements and reducing costs. This service has delivered savings in excess of £1m, enabling our commissioners to invest in other services and also significantly reduce the amount of travel required by service users and their families by providing care close to their home.

Community engagement

Showing the 'human face of mental health' on World Mental Health Day
A host of local organisations came together to champion World Mental Health Day by encouraging people to think about the human dimension of mental health.

The Trust, in partnership with the University of Derby and local charities, encouraged students and residents to listen to the personal stories of people who have experienced mental ill health at a 'human library' event in the university atrium on 9 October.

World Mental Health Day takes place every year on 10 October and is supported by organisations including the World Federation of Mental Health and the World Health Organisation. The theme for 2015 was 'dignity in mental health', and the day sought to raise awareness of what can be done to ensure that people with mental health problems can live with dignity.

The Trust's 'human library' event was part of an international movement to challenge prejudice through social contact. Just like in a real library, a visitor to a human library gets to choose from a range of stories – but rather than being on paper, the stories are the real-life stories of people, told by them in person. Visitors to the library are encouraged to engage with the stories by asking questions, in order to better understand them. Among those telling their mental health stories at the human library on 9 October was a publicly elected Derbyshire Healthcare governor and a Derbyshire Healthcare youth worker, both of whom have direct experience of living with mental ill health themselves.

Tackling stigma
During the year, the Trust's Involvement team attended many community events to have open conversations about the stigma of mental health and to raise awareness of the services available from the Trust. Mental health problems affect one in four people yet many are still afraid to talk about it.

Events attended by the team and the Trust's membership champions this year have included the 'do what you want' event with Disability Direct, The BIG 1 at Chaddesden Park, the Erewash mental health innovation project information day and the North Derbyshire Mental Health Carers Forum Open Day.

The Trust also celebrated the annual Time to Change 'Time to Talk' day on 4 and 5 February. For people with mental health problems, not being able to talk about it can be one of the worst parts of the illness. So by getting people talking about mental health we can break down stereotypes, improve relationships, aid recovery and take the stigma out of something that affects us all. The Trust teamed up with local partners including Rethink, Drawing for Wellbeing, Derby Teaching Hospitals NHS Foundation Trust and the Trust's Early Intervention Service to host a stand in the concourse of the Derby Royal Hospital and in the student union lounge. The Trust contributed towards the campaign's 86,747 conversations logged during that week.

Consultations
The Trust has not entered into any formal consultations regarding service change this year. During the year the Trust has seen changes to a number of services as a result of new and emerging models of care, which have had an impact on some of our historical services. For example, the introduction of a new Dementia Rapid Response Team (DRRT) has provided a greater level of support to individuals living in their home environment, thereby reducing the number of hospital admissions (and associated confusion that an individual with dementia often experiences when removed from their familiar home environment). As a result of the

success of the DRRT, the demand for inpatient dementia beds has reduced significantly during the year.

It is therefore likely that we will engage with local stakeholders regarding the most effective use of some of the Trust's estate over the forthcoming year.

Patient and Public Involvement (PPI) activities

A new service receiver and carer reference group was established in April 2015 with a clear remit to assure the Transformation Board of the impact of the Trust's proposals regarding service changes. The primary focus of this group is to review plans as they develop and to ensure that plans accurately reflect the perspective of people who use our services.

The group will do this by focusing and providing assurance on:

- What does the model need to address for me?
- What do we need to do differently to meet my needs?
- What changes must we drive forward to make 'good' a reality for me?
- To challenge and confirm programme and project delivery.

The committee intends to listen to the voice of service receivers and carers and discuss what works and what doesn't work for them, and how it feels, and to channel these experiences into the redesign of our neighbourhood and campus models.

The Trust's Patient Experience and Carer Committee is responsible for the following:

- Scrutinising and focusing on themes arising from Trust data and reports from incidents, complaints, compliments, service user and carer feedback.
- Receiving thematic reports from working groups set up to look at feedback from Healthwatch Derby and Healthwatch Derbyshire.
- Listening and responding to feedback from service user and carer representatives on the committee and from internal service user and carer groups via committee members. This will include for example the Triangle of Care.
- Receiving regular updates on core care standards, care planning, and volunteering.
- Considering local and national reports and investigations.
- Receiving results from annual patient surveys and recommending actions to improve areas identified as requiring improvement.
- Producing a quarterly patient experience report for the Quality Committee that includes themes and changes made to services as a result of feedback.

Remuneration report

This remuneration report is signed in my capacity as accounting officer.

Ifti Majid
Acting Chief Executive

Salary and allowances of Executive and Non-Executive Directors for the year 2015/16

Title	Name	2015/16						2014/15					
		Salary and Fees (in bands of £5,000)	All taxable benefits (to the nearest £100)	Annual performance-related bonuses (in bands of £5,000)	Long-term performance-related bonuses (in bands of £5,000)	All pension-related benefits (in bands of £2,500)	Total (in bands of £5,000)	Salary and Fees (in bands of £5,000)	All taxable benefits (to the nearest £100)	Annual performance-related bonuses (in bands of £5,000)	Long-term performance-related bonuses (in bands of £5,000)	All pension-related benefits (in bands of £2,500)	Total (in bands of £5,000) *[18]
Acting Chief Executive/ Chief Operating Officer	Ifti Majid *[1]	125-130				150-152.5	280-285	110-115				0-2.5	115-120
Chief Executive	Steve Trenchard *[2]	220-225	10,200			82.5-85	315-320	150-155	16,600			42.5-45	210-215
Executive Director of Finance	Claire Wright	110-115				25-27.5	140-145	110-115				10-12.5	125-130
Executive Medical Director	John Sykes *[3]	190-195	2,700			0	195-200	195-200	2,700			0	170-175
Executive Director of Nursing and Patient Experience	Carolyn Green	110-115				37.5-40	145-150	95-100				92.5-95	190-195
Acting Executive Director of Operations	Carolyn Gilby *[4]	50-55				112.5-115	165-170						
Interim Director of Workforce and OD	Lee O'Bryan *[5]							60-65					60-65
Director of Workforce and OD	Jayne Storey *[6]	110-115				42.5-45	155-160	45-50	800			102.5-105	150-155
Interim Director of Workforce and OD	Karen Herriman *[7]							5-10					5-10
Director of Business Development and Marketing	Mark Powell *[8]	100-105				47.5-50	150-155	0-5					0-5
Director of Corporate and Legal Affairs	Graham Gillham *[9]	55-60				5-7.5	60-65	80-85				17.5-20	100-105
Interim Director of Corporate and Legal Affairs	Jenna Davies *[10]	80-85				17.5-20	100-105	0-5					0-5
Chairman	Mark Todd *[11]	30-35					30-35	45-50					45-50
Chairman	Richard Gregory *[12]	15-20					15-20						
Non-Executive Director	Lesley Thompson *[13]							5-10					5-10
Non-Executive Director	Caroline Maley	15-20					15-20	15-20					15-20
Non-Executive Director	Anthony Smith *[14]	10-15					10-15	10-15					10-15

Non-Executive Director	Maura Teager *[15]	10-15					10-15	10-15					10-15
Non-Executive Director	Philip Harris *[16]	10-15					10-15	5-10					5-10
Non-Executive Director	James Dixon *[17]	10-15					10-15	5-10					5-10
Band of Highest Paid Director's Total Remuneration (£000)		230-235						195-200					
Median Total Remuneration		28,180						27,901					
Ratio		8.3						7.1					

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 Derbyshire Healthcare NHS Foundation Trust in the financial year 2015/16 was £230,000-£235,000 (2014/15 : £195,000-£200,000). This was 8.3 times (2014/15 : 7.1) the median remuneration of the workforce, which was £28,180 (2014/15 : £27,901).

In 2015/16, 0 (2014/15 : 0) employees received remuneration in excess of the highest-paid director.

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

In accordance with Monitor's Annual Reporting Manual the calculation for the Fair Pay Multiple disclosure is based on full-time equivalent staff of the Trust at the reporting period end date on an annualised basis.

It is therefore derived from staff costs of Derbyshire Healthcare NHS Foundation Trust as at 31 March 2016. It is calculated using costs for employed staff in post at that date (with any part time salaries grossed up to full time equivalent).

The resulting combined list of salary figures was sorted into ascending order of value to identify the middle (median) value in the range. The most highly paid director during 2015/16 was the Chief Executive, in part relating to the contractual payment in lieu of notice following resignation. This is a change from 2014/15 when the Medical Director was the highest paid director. Without this payment the fair pay multiple would have remained consistent with 2014/15.

In 2015/16 there were two senior managers paid more than the £142,500 threshold used in the Civil Service for approval by the Chief Secretary to the Treasury, as set out in guidance issued by the Cabinet Office. The Trust Remuneration Committee has reviewed these and considers

them reasonable. The Chief Executive salary is at this level to match market rate and the Medical Director payments cover both clinical and Board duties.

The Medical Director's remuneration includes both clinical and Board duties, of which £121,866 relates to their clinical role.

*1 Ifti Majid Acting Chief Executive from 26/06/15 acting up from Chief Operating Officer

*2 Steve Trenchard resigned from the post of Chief Executive on 08/02/16 following a period of suspension. Contractual pay to cover a notice period of six months from this date is included in the remuneration table outlined above.

*3 John Sykes pension frozen 31/05/12

*4 Carolyn Gilby acting up from 03/08/15

*5 Lee O'Bryan interim 01/11/13 – 31/10/14

*6 Jayne Storey started in the post of Director of Transformation on 01/11/14.
Jayne was appointed to the post of Director of Workforce, Organisational Development and Culture on 25/01/16.

*7 Karen Herriman Interim Director of Workforce and OD 01/08/13 – 31/10/13

*8 Mark Powell started in post 16/03/15

*9 Graham Gillham left 31/10/15

*10 Jenna Davies interim from 23/03/15 covering staff absence

*11 Mark Todd left 08/12/15

*12 Richard Gregory started in post 09/12/15

*13 Lesley Thompson left 31/10/14

*14 Anthony Smith left 31/03/16

*15 Maura Teager Deputy Chair from 09/12/14 to 31/03/16

*16 Philip Harris started in post 01/11/14

*17 James Dixon started in post 10/09/14

*18 Pension recalculated 2014/15 leading to banding changes

The total taxable benefits reported in the table above of £12.9k relate to lease car benefits (£6.7k) and accommodation allowance benefit (£6.2k).

The details included in the Remuneration Report (salary and allowances of Executive and Non-Executive Directors for the year 2015/16 and pension benefits) are subject to audit.

Pension benefits – 1 April 2015 to 31 March 2016

Title	Name	Real increase in pension at normal retirement age (bands of £2,500)	Real increase in pension lump sum at normal retirement age (bands of £2,500)	Total accrued pension at normal retirement age at 31 March 2016 (bands of £5,000)	Lump sum at normal retirement age related to accrued pension at 31 March 2015 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2016	Cash Equivalent Transfer Value at 01 April 2015	Real Increase in Cash Equivalent Transfer Value	Employers Contribution to Stakeholder pension (to nearest £00)
		£000	£000	£000	£000	£000	£000	£000	£000
Chief Executive	Steve Trenchard	102.5-105	0	15-20	0	210	154	56	0
Executive Director of Operations/Acting Chief Executive	Ifti Majid	170-172.5	15-17.5	50-55	145-150	887	763	124	0
Acting Executive Director of Operations	Carolyn Gilby	122.5-125	15-17.5	30-35	95-100	690	560	130	0
Executive Director of Finance	Claire Wright	42.5-45	0	30-35	80-85	464	441	23	0
Executive Medical Director	John Sykes	0	0	65-70	205-210	0	0	0	0
Executive Director of Nursing and Patient Experience	Carolyn Green	52.5-55	5-7.5	20-25	60-65	276	244	32	0
Executive Director of Transformation	Jayne Storey	60-62.5	0	5-10	0	99	65	34	0
Director of Business Development and Marketing	Mark Powell	62.5-65	2.5-5	20-25	60-65	287	257	30	0
Director of Corporate and Legal Affairs	Graham Gillham	12.5-15	0-2.5	40-45	125-130	0	0	0	0
Interim Director of Corporate and Legal Affairs	Jenna Davies	30-32.5	0	0-5	0	9	0	9	0

On 16 March 2016, the Chancellor of the Exchequer announced a change in the Superannuation Contributions Adjusted for Past Experience (SCAPE) discount rate from 3.0% to 2.8%. This rate affects the calculation of CETV figures in this report. Due to the lead time required to perform calculations and prepare annual reports, the CETV figures quoted in this report for members of the NHS Pension scheme are based on the previous discount rate and have not been recalculated.

Annual statement on remuneration

Major decisions on senior manager's remuneration
There were no remuneration changes following the introduction of a new Director of Workforce, Organisational Development and Culture in January 2016 (as outlined in the remuneration table on page 74-75 regarding the change of post of the Director of Transformation).

Future policy table:

Executive Directors

Component	How this operates	How this supports the short and long term strategic objectives of the Trust	Maximum that can be paid	Framework used to assess performance measures that apply	Provisions for recovery or withholding of payments
The Trust approved a new remuneration policy in July 2015. This outlines the terms and conditions of the Foundation Trust's Executive Directors and senior managers on locally-determined pay in accordance with all relevant Foundation Trust policies, including: basic salary, provisions for other benefits, including pensions and cars; and other allowances. These components are outlined in remuneration table on page 74-75.	The Terms of Reference of the remuneration committee outline their responsibility to decide on the level of remuneration for each appointment.	The strategy is against a key set of principles, including Board portfolios and composition, which together contribute to the short term and long term delivery of the Trust strategy.	Pay is outlined in the remuneration table outlined on page 74-75. This remains constant unless there is specific reason for review, as agreed with the remuneration committee, for example to reflect wider benchmarking, a change of portfolio or acting up arrangements. There were amendments in July 2015 to bring two posts in line with national benchmarks.	Performance is measured using appraisal processes. Remuneration is not normally linked to appraisal process.	Not applicable as we do not provide for the recovery of sums paid to a director or for withholding the payments of sums to senior managers.

Non-Executive Directors

Component	Additional fees	Other remuneration
Annual flat rate non-pensionable fee, with a higher rate payable for the Chair of the Trust, the Senior Independent Director and Vice Chair.	Not applicable	Not applicable

Statement on consideration of employment conditions elsewhere in the Trust
The pay and consideration of employees was not taken into account when setting the remuneration policy for senior managers and the Trust did not consult with its employees on this issue.

Senior managers' pay is based on the remuneration policy. Remuneration comparisons used included NHS Providers national benchmarking data, which was taken into account in setting the level of remuneration for senior manager posts in comparison to near equivalent roles in other, similar organisations.

Contract obligations
Directors are employed on contracts of service and are substantive employees of the Trust. Directors may participate in the Trust lease car scheme for which there is a Trust contribution. If appropriate, directors may receive relocation payments or other such recompense in line with Trust policy. The Committee considers that these are not necessary for the Board to undertake their roles in the Trust, and not required for recruitment or retention purposes.

The Remuneration Committee's approach to setting periods of notice is to ensure that the Trust has sufficient flexibility to make changes required to promote the interests of the Trust, whilst giving both the director and the Trust sufficient stability to promote their work. The Remuneration Committee also has regard to recognised good practice across the NHS, and the demands of the market.

Payments for loss of office are determined by reference to the contractual arrangements in place with the relevant Executive Director, as discussed above. The various components would be calculated as follows-

Salary for period of notice
The Committee will usually require Directors to serve their contractual notice period, in which case they will be paid base salary in the usual way. In the event that the Committee agreed to pay in lieu of notice, this would be calculated on the relevant base salary. If exercised, this would mean that the Director received payment without providing service in return. All Executive Directors are contracted to serve six months' notice, with the exception of the Director of Finance, who is contracted to serve three months' notice, as a result of arrangements in place at the time of appointment. The Trust's Constitution sets out the grounds on which a non-executive appointment may be terminated by the Council of Governors. A non-executive may resign before completion of their term, by giving written notice to the Director of Corporate Affairs/Trust Secretary.

Redundancy
Any redundancy payment would be calculated in accordance with the relevant parts of Agenda for Change, which apply through the relevant contracts and would be subject to any

statutory limits that may be imposed by the government or regulator ([i.e. the £95,000 cap that will be imposed].

Annual statement on remuneration
The Remuneration Committee has met six times throughout the year. In June 2015 the committee reviewed senior manager pay and also approved a remuneration policy, which ensures that the senior managers within the Trust are remunerated sufficiently in order to retain and motivate directors of quality, and with the skills and experience required to lead the Trust successfully, without paying more than is necessary for this purpose. In doing this the Remuneration Committee has considered all relevant documentation from external benchmarking data and also considers individual salaries to ensure they are set to reflect the role, skills and experience of the individual.

Remuneration Committee
The role of the Remuneration Committee is to ensure there is a formal and transparent procedure for developing policy on executive remuneration and for agreeing the remuneration packages of individual directors. The committee is also responsible for identifying and appointing candidates to fill all the executive director positions on the board.

	Possible attendance	**Actual attendance**
Jim Dixon	6	6
Richard Gregory (from 9 December 2015)	4	4
Phil Harris	6	5
Caroline Maley	6	6
Tony Smith	6	4
Maura Teager	6	6
Mark Todd (up to 8 December 2015)	2	2

Staff report

We could not deliver our services without the dedication, skill and professionalism of all our staff who manage and provide care for our service users, families and carers every day. The current pressures on the NHS affect all staff, whether at the front line or in management and support roles. We recognise the challenges and the required changes needed in the organisation and within our workforce; these changes need to be scoped, planned and acted upon now. We need to ensure we listen, involve and engage our staff, equip our leaders and look after our talent in order to build a better future together.

Workforce profile

Note 4.2 Average number of employees (WTE basis)	08K 2015/16 Total Number	08L 2015/16 Permanent Number	08M 2015/16 Other Number	08N 2014/15 Total Number	08O 2014/15 Permanent Number	08P 2014/15 Other Number	Maincode Subcode	Expected Sign
Medical and dental	147	147		142	142		100	+
Ambulance staff	0	0		0			105	+
Administration and estates	445	445		462	462		110	+
Healthcare assistants and other support staff	410	410		426	426		115	+
Nursing, midwifery and health visiting staff	823	823		825	825		120	+
Nursing, midwifery and health visiting learners	0	0		0			125	+
Scientific, therapeutic and technical staff	269	269		265	265		130	+
Healthcare science staff	0	0		0			131	+
Social care staff	0	0		0			135	+
Agency and contract staff	72		72	117		117	140	+
Bank staff	179	179		172		172	142	+
Other	0	0		0			145	+
Total average numbers	2,345	2,272	72	2,409	2,120	289	150	+
Of which								
Number of employees (WTE) engaged on capital projects	5	2	3	11	4	7	160	+

Workforce profile
31 March 2016

	Headcount	FTE	Workforce %
Trust			
Employees	2363	2064.01	
Staff group			
Add prof scientific and technic	179	153.69	7.58%
Additional clinical services	403	347.92	17.05%
Administrative and clerical	488	427.42	20.65%
Allied health professionals	136	109.71	5.76%
Estates and ancillary	133	104.08	5.63%
Medical and dental	140	120.31	5.92%
Nursing and midwifery registered	876	792.88	37.07%
Students	8	8.00	0.34%
Age			
16-20	4	4.00	0.17%
21-30	254	235.93	10.75%
31-40	536	462.93	22.68%
41-50	728	639.55	30.81%
51-60	693	605.19	29.33%
61-70	137	110.16	5.80%
71 & above	11	6.25	0.47%
Disability			
Declared disability	105	90.25	4.44%
No Declared disability	2258	1973.76	95.56%
Ethnicity			
White - British	1781	1549.47	75.37%
White - Irish	23	19.57	0.97%
White - Any other White background	50	45.47	2.12%
White Northern Irish	1	0.67	0.04%
White Unspecified	58	51.28	2.45%
White English	3	2.44	0.13%
White Italian	1	1.00	0.04%
White Other European	2	1.25	0.08%
Mixed - White & Black Caribbean	13	11.35	0.55%
Mixed - White & Black African	3	2.59	0.13%
Mixed - White & Asian	10	9.31	0.42%
Mixed - Any other mixed background	10	9.60	0.42%
Asian or Asian British - Indian	97	85.75	4.10%
Asian or Asian British - Pakistani	25	22.83	1.06%
Asian or Asian British - Bangladeshi	3	2.32	0.13%
Asian or Asian British - Any other Asian background	8	7.40	0.34%
Asian Mixed	1	0.80	0.04%
Asian Punjabi	4	2.61	0.17%
Black or Black British - Caribbean	50	45.72	2.12%
Black or Black British - African	36	33.26	1.52%
Black or Black British - Any other Black background	9	8.52	0.38%
Black Nigerian	1	0.80	0.04%
Chinese	1	0.80	0.04%
Any Other Ethnic Group	13	10.50	0.55%
Not Stated	160	138.70	6.77%

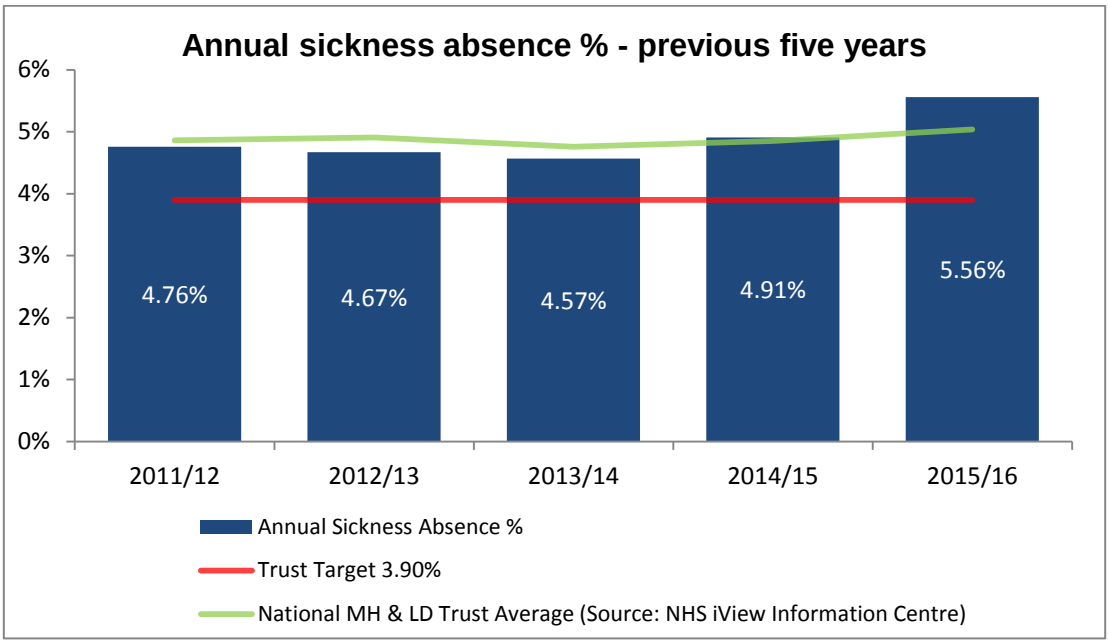
Workforce profile
31 March 2016 (continued)

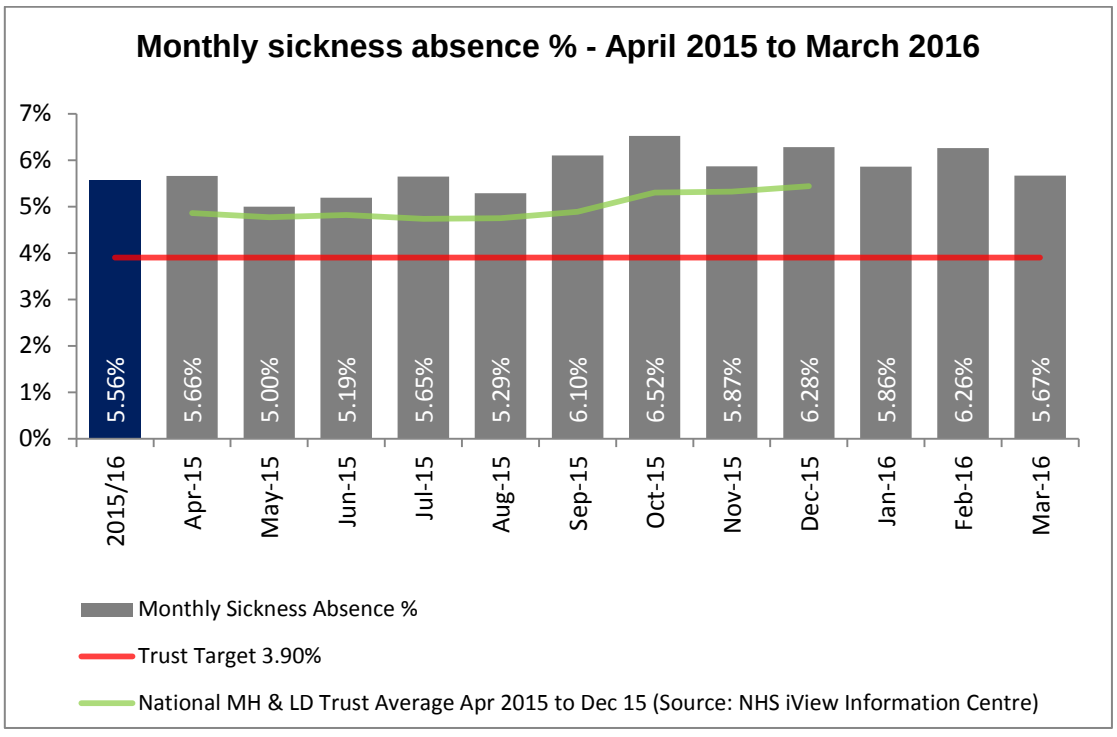
	Headcount	FTE	Workforce %
Gender			
Female	1863	1594.10	78.84%
Male	500	469.91	21.16%
Gender breakdown			
Female Director/CEO	5	5.00	62.50%
Male Director/CEO	3	3.00	37.50%
Female Senior Manager Band 8c & above	17	14.46	60.71%
Male Senior Manager Band 8c & above	11	10.10	39.29%
Female Employee other	1841	1574.63	79.11%
Male Employee other	486	456.82	20.89%
Religious belief			
Atheism	220	196.38	9.31%
Buddhism	11	10.40	0.47%
Christianity	852	751.99	36.06%
Hinduism	23	21.33	0.97%
Not stated	1001	854.96	42.36%
Islam	26	23.63	1.10%
Judaism	3	2.40	0.13%
Other	182	163.34	7.70%
Sikhism	45	39.58	1.90%
Sexual orientation			
Bisexual	8	7.67	0.34%
Gay	14	13.40	0.59%
Heterosexual	1381	1223.04	58.44%
Not stated	947	807.50	40.08%
Lesbian	13	12.40	0.55%

Sickness absence data

Number of days lost to sickness - January to December 2015
This data was provided by the Department of Health and covers January to December 2015. It is therefore not directly comparable to the annual and monthly sickness data below, which cover the full 2015/16 financial year.

FTE days available	FTE days lost to sickness absence	Average sick days per FTE
768,805	41,859	12.3





Supporting disabled employees
The Trust has continued to develop its policies in order to support disabled people employed by or applying to work at the Trust, as well as employees who have become disabled during their time at the Trust.

All the Trust's policies go through an equality impact assessment process to ensure the Trust is offering equality of opportunity to all, and taking into account the protected characteristics of the Equality Act. A policy cannot be ratified unless it has been equality impact assessed.

The Trust's policies ensure that full and fair consideration is given to application for employment by disabled people with due regard to their particular aptitudes and abilities. These include the Trust's recruitment and selection, job share, new employee, volunteer and work experience placement policies.

In addition, the chronic health conditions, flexible working, supervision and training framework policies support the training, career development and promotion of disabled employees.

The Trust's Chronic Health Condition(S)/Disability Policy and Procedure has been revised during 2015/16 and now includes additional suggested adjustments for individuals that are affected by a health condition or disability to undertake their role. This includes the requirement to consider alternative employment, which could be at a higher band. The policy also includes a greater emphasis on the services available to staff through 'access to work'. The policy also supports the introduction of a 'reasonable adjustments passport' which is a document that any individual with a disability and/or health condition can complete as a way of recording any agreed special adjustments. It is hoped that the passport will minimise the need to re-negotiate reasonable adjustments each time the individual changes roles, is re-located or assigned a new manager within the Trust.

The Trust's Risk Assessment Policy has also been amended to include a new process for undertaking individual staff risk assessments, recognising that exceptions to team risk assessments may be required for some individual staff due to health considerations or disabilities.

Training, career development and promotion of disabled employees
The Trust is aware that many of the people it supports have health impairments that may have a substantial and long-term adverse effect on their ability to carry out normal day-to-day activities. The Trust is therefore developing new policies and ways to support these people to find work or return to work, knowing that this will most likely improve their chances of living full and meaningful lives.

This year, the Trust introduced volunteer internships. Through funding from the Trust's innovation fund, the volunteering team has been able to support a pilot project to provide time-limited volunteering opportunities for service receivers from our early interventions service who wish to access paid employment but who need experience of the workplace, or to build endurance, confidence and skills. This has been provided alongside specialist occupational therapy (OT) employment-focused assessment and intervention and job searching support, following the 'individual placement and support' model.

The first cohort of volunteer interns was four strong. Three have placements within the Trust, while one has an external placement. One of the cohort has accepted a paid apprenticeship within the Trust.

Engaging staff

The Trust is committed to creating an open culture and ensuring our values are adhered to at all times, by all staff. This means listening to our staff and taking action to address and improve in all areas. We will continue to engage with staff on quality, operational and financial performance wherever possible. However the Trust Board recognises that there is room for improvement, and is determined to make these improvements in the year ahead.

Staff engagement was one of the lines of enquiry of the CQC investigation of January 2016. The CQC noted that the Trust had made efforts to engage with staff, and recommended that the Trust "should continue to make improvements in staff engagement and communication."

Informing staff

The Trust continues to provide a weekly staff e-bulletin that goes out to all staff with email access. This was sent out 50 times in 2014/15. In addition, we have introduced a new monthly staff bulletin looking at wider health issues for the region and the national NHS, to ensure staff understand the challenges and initiatives impacting on the Trust and the local health economy.

Recognising different learning styles, the Trust has introduced a monthly video message for staff from directors called 'team talk'; the intention is that this is played and discussed at team meetings.

The Trust also produces regular (monthly) e-bulletins updating staff on new and revised policies and procedures, as well as 'blue light bulletins' with information on new and revised clinical standards and clinical practice.

The content described above is continuously added to the staff intranet to serve as a single key source of information for all employees.

The Trust is also developing a staff app for employees to use on their personal mobile phones if they wish. The app is free to download and there is no cost to the Trust. It is envisaged that the app will provide another channel through which staff can access information and tools such as the e-roster.

Involving staff

In addition to the annual NHS Staff Survey (see below), the Trust has conducted the Staff Friends and Family Test three times during 2015/16, asking employees to say whether they would recommend the Trust as a place to work or a place to receive treatment. Recent results of the Staff Friends and Family Test are discussed below in the 'staff survey' section.

Staff have been involved in the future transformation of the Trust. Staff engagement events and roadshows have been held throughout the year to give staff the opportunity to influence the principles and detail of future service delivery, particularly around the launch of the neighbourhood model of delivering community mental health services. As a result of staff concerns around the readiness of teams to adopt the new model, the launch of the model was delayed by several months until 1 April 2016.

Hundreds of staff were involved in a series of listening events to analyse the findings of the 2014 staff survey, which took place in spring 2015; similarly, hundreds of staff have been involved throughout the year in conferences to share good nursing practice and to contribute towards the Trust's nursing strategy. Through a series of leadership events between June 2015 and March 2016, staff have been involved in the development of a new Trust strategy.

The Trust has carried out Chief Executive and director visits across a range of Trust premises. During February and March 2016, directors also held five open staff sessions across the county and visited 15 team meetings to listen to employees' views and feedback on the culture of the Trust following the 'well led' review and the reports about the Trust produced by the CQC and Deloitte. Our efforts in listening to staff and acting on what we hear will continue and we welcome staff to join in the listening events or join the engagement group.

The Trust has worked closely during the year with Staffside (union) representatives, who have supported the listening events following the 2014 staff survey and been invited to attend the Trust's newly created Board People and Culture Committee, chaired by the Trust's Chairman. The Trust's JNCC has met six times during the year, allowing Staffside representatives to raise workforce issues and comment on workforce policies.

Involving staff in the performance of the Trust

All staff have access to information regarding the performance of the Trust. Performance data is shared and communicated in a number of ways – through the monthly video 'team talks', through the Trust Board papers and through staff events and conferences. This has enabled staff to understand the priorities and challenges, and better become involved in shaping the Trust's performance.

As noted above, hundreds of staff have been involved in events and conferences during the year, including a series of 'Nursing in our Trust' conferences looking at key clinical priorities such as suicide prevention, Safewards, personalised care, safe practice in novel and new substances (NPS) and the Trust's overall nursing strategy.

Clinically-led 'spotlight on leadership' events have included alternative views on hearing voices, the voice of the family in serious untoward incidents and learning from thematic analysis of homicides.

In addition, following staff feedback through the Staff Friends and Family Test, the Trust established safer staffing meetings to analyse and understand the pressures on staffing ratios, particularly in the Trust's inpatient mental health services. A range of employees have been involved in these meetings to understand and respond to the challenges involved and to ensure the Trust's staffing levels meet national NICE guidelines at all times. Safe staffing information is published on our website and is available to all to view.

The Trust's workforce are also given an opportunity to discuss operational performance issues with the Board. Every Trust Board meeting features a 'deep dive' into a particular service and staff from within the service are invited to attend the meeting and suggest possible changes and improvements.

Staff have also been involved in the financial performance of the Trust. They have been encouraged to submit to the Finance team their suggestions for ways to make the Trust more efficient and reduce waste. These ideas have been assessed and the best ideas have been put into practice.

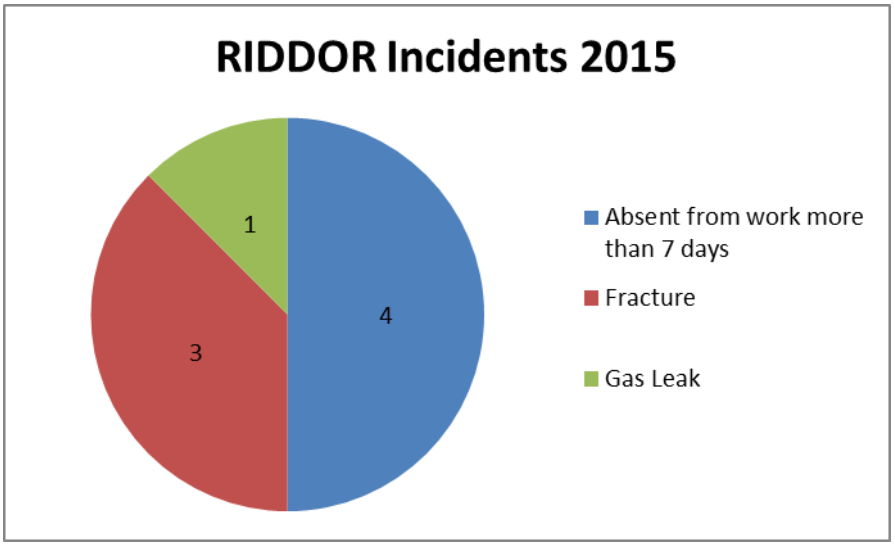
The managing of performance against targets is also delivered at all levels of the Trust; from team level to service line, though the senior operational management team and at two key forums below committee level: the Performance Contracting and Oversight Group (PCOG) for finance and operations, and Quality Leadership Teams (QLTs) which focus on the clinical and quality aspects of our services.

Protecting staff

Health and safety performance
The Trust demonstrated compliance with all relevant health and safety statutes, the Regulatory Reform (Fire Safety) Order 2005 together with the Health and Social Care Act 2010 during the year. This demonstrates that health and safety management systems are embedded across the organisation in accordance with HSG65, 'Successful Health and Safety Management'.

Eight incidents occurred during 2015/16 which were reported to the Health and Safety Executive under RIDDOR - Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013. These were:

- One gas leak
- Three fractures (two assaults and one slip/trip)
- Four injuries preventing the employee working over seven days.



This is a reduction on 2014/15 when there were ten RIDDOR incidents: two fractures and eight injuries preventing the employee working over seven days.

Health and safety training
The Trust's Health and Safety Training Framework (detailing compliance with training that supports the achievement of the corporate objectives) continues to be delivered to a high standard, ensuring that training as a control measure is effective and adequately reduces risk. Compliance is reported to the Trust's Health and Safety Committee on a six-monthly basis. This committee has continued to meet quarterly throughout the year and includes robust representation from recognised union bodies. The committee demonstrates effectively the requirement to consult and communicate on all health and safety-related matters. The committee has a detailed documented work plan to ensure effective business is undertaken and completed.

Our staff carried out a range of health and safety-related training during the year. Details of this, and compliance levels, can be found in the table overleaf.

Competence name	Target group	Compliant	Non-compliant	Compliant %	Non - compliant %
Fire safety (annual, all staff)	2368	1987	381	83.95%	16.10%
Health and safety awareness (three yearly, all staff)	2369	2052	317	86.66%	13.39%
Moving and handling and basic back level 1 (three yearly)	2320	2111	209	91.03%	9.01%

We will continue to promote this important training to ensure that as many staff as possible are compliant and can perform their role safely.

Occupational health
The Trust continues to provide a range of wellbeing and occupational health benefits to staff. These include the services of a staff liaison manager, 24/7 telephone support and access to counselling through an employee assistance scheme, health promotion, counselling and other support services. Through our occupational health contract the Trust provides immunisations and vaccinations, health screening, health surveillance, management referral, self-referral, support for inoculation injuries and health checks.

Countering fraud and corruption
The Trust's counter fraud service is provided by an external organisation, 360 Assurance. They provide our Local Counter Fraud Specialist (LCFS), who works with us to devise an operational counter fraud work plan for the year, which is agreed by the Trust's Audit Committee. The plan is designed to provide counter fraud, bribery and corruption work across generic areas of activity in compliance with NHS Protect guidance and provider standards.

The Trust has agreed to take all necessary steps to counter fraud affecting NHS-funded services and will maintain appropriate and adequate arrangements and policies to detect and prevent fraud and corruption. We have a Counter Fraud, Bribery and Corruption Policy and a Raising Concerns at Work (Whistleblowing) Policy and procedures in place which are communicated to staff – for example, through Trust information systems, newsletters and training.

During 2015/16 the Trust used 65 days of counter fraud activity, across the following areas:

- Strategic governance (assessment and reporting) – 15 days
- Inform and involve (awareness training, publicity, liaison)– 17 days
- Prevent and deter (issue alerts, review policies, provide guidance)– 24 days
- Hold to account (investigations) – 9 days
- Total – 65 days.

The Trust's Audit Committee receives regular updates from the Local Counter Fraud Specialist in order to gain appropriate assurance around our counter fraud work programme.

All staff are trained in countering fraud and corruption. Compliance details are shown in the table overleaf.

Competence name	Target group	Compliant	Non-compliant	Compliant %	Non-compliant %
Counter fraud and corruption in the NHS (three yearly)	2368	2133	235	90.11%	9.93%

Expenditure on consultancy
As shown in note 7 to the accounts, consultancy fees incurred in 2015/16 were £0.3m. The majority of these related to the costs of independent investigations and the 'well led' review that the Trust undertook as part of its governance reviews.

Off-payroll arrangements
Derbyshire Healthcare NHS Foundation Trust's policy on the use of off-payroll is to use by exception. During 2015/16 we commissioned an internal audit review of our high-cost off-payroll arrangements and we have introduced additional oversight and reporting to Executives and the Finance and Performance Committee on such engagements. There have been additional controls and actions taken during the second half of 2015/16 to drive reduced use of off-payroll engagements for 2016/17.

Table 1: All off-payroll engagements as of 31 March 2016, for more than £220 per day and last for longer than six months

Number of existing engagements as of 31 March 2016	8
Of which…	
Number that have existed for less than one year at the time of reporting	2
Number that have existed for between one and two years at the time of reporting	1
Number that have existed for between two and three years at the time of reporting	2
Number that have existed for between three and four years at the time of reporting	0
Number that have existed for four or more years at the time of reporting	3

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

Table 2: Number of new engagements, or those that reached 6 months in duration, between 1 April 2015 and 31st March 2016 for more than £220 per day and that last longer than six months

Number of new engagements, or those that reached six months in duration, between 1 April 2015 and 31 March 2016	7
Number of the above which include contractual clauses giving the Trust the right to request assurance in relation to income tax and national insurance obligations	7
Number for whom assurance has been requested	7
Of which…	
Number for whom assurance has been received	6
Number for whom assurance has not been received	1
Number that have been terminated as a result of assurance not being received	0

Table 3: For any off-payroll engagements of board members, and or senior officials with significant financial responsibility between 1st April 2015 and 31 March 2016

Number of off-payroll engagements of board members and/or senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed "board members and/or senior officials with significant financial responsibility" during the financial year. This figure includes both off-payroll and on-payroll engagements.	10*

* This figure reflects the number of individuals who served as part of the Trust Board during 2015/16.

Exit packages

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000			
£10,001 - £25,000			
£25,001 - £50,000	1		1
£50,001 - £100,000			
£100,001 - £150,000			
£150,001 - £200,000			
>£200,000		1	1
Total number of exit packages by type	1	1	2
Total resource cost (£000)	49	832	881

Exit packages: non-compulsory departure payments

	Agreements number	Total value of agreements £000
Voluntary redundancies including early retirement contractual costs		
Mutually agreed resignations (MARS) contractual costs		
Early retirements in the efficiency of the service contractual costs		
Contractual payments in lieu of notice		
Exit payments following employment tribunals or court orders	1	832
Non-contractual payments requiring HMT approval *		
Total	**1**	**832**
Of which: Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months of their annual salary	0	0

Staff survey

As noted above (see 'engaging with staff' on page 86) the Trust is committed to engaging with staff on quality, operational and financial performance and has several mechanisms in place to do this, but recognises that it must make improvements in this area.

The NHS Staff Survey results, together with the findings of the reviews by the CQC and Deloitte, give a strong indication of the areas where the Trust can improve. This information is triangulated with wider information, as one of a range of measures to identify and address keys issues within the organisation.

Response rate

As noted in the table below, the response rate marginally deteriorated in 2015 compared with 2014. However two different approaches were applied for these two surveys – the 2014 survey was sent to all staff, while the 2015 survey was sent to a sample. A sample was used in 2015 because the Trust's structure is undergoing significant transformation, particularly through the implementation of the neighbourhood model of delivering community mental health services, meaning that many staff would not be able to respond confidently to survey questions about their 'team' when that team was changing.

	2014		2015		Trust improvement/ deterioration
	Trust	National average	Trust	National average	
Response rate	45%	44%	41%	41%	-4% (deterioration)

Overall engagement

Using the results of a number of key findings from the survey, each NHS trust is given a score out of five which is an overall indicator of staff engagement. A score of one indicates that staff are poorly engaged – with their work, their team and their trust – and a score of five indicates that staff are highly engaged. As the table below shows, the Trust's score of 3.73 was marginally down on last year and below the average when compared with trusts of a similar type.

	2014		2015		Trust improvement/ deterioration
	Trust	National average	Trust	National average	
Engagement score (out of 5)	3.75	3.72	3.73	3.81	-0.02 (deterioration)

Top ranking scores

The table below shows the four areas of the staff survey for which the Trust compares most favourably with other combined mental health/learning disability and community trusts in England. It has not been possible to compare all 2015 scores with 2014 scores as some of the survey questions and/or methods of answering have changed.

	2014		2015		Trust improvement/ deterioration
Top four ranking scores	**Trust**	**National average**	**Trust**	**National average**	
% staff reporting errors, near misses or incidents witnessed in the last month (the higher the score the better)	92%	91%	96%	92%	4% improvement
% staff reporting the most recent experience of harassment, bullying or abuse (the higher the score the better)	N/A	N/A	57%	48%	N/A
% staff working extra hours (the lower the score the better)	69%	71%	67%	72%	2% improvement
% staff satisfied with the opportunities for flexible working patterns (the higher the score the better)	N/A	N/A	60%	56%	N/A

Bottom ranking scores

The table below shows the four areas of the staff survey for which the Trust compares least favourably with other combined mental health / learning disability and community trusts in England. Again, it has not been possible to compare all 2015 scores with 2014 scores as some of the survey questions and/or methods of answering have changed.

	2014		2015		Trust improvement/ deterioration
Bottom four ranking scores	**Trust**	**National average**	**Trust**	**National average**	
% staff agreeing that their role makes a difference to patients / service users (the higher the score the better)	91%	89%	87%	89%	4% deterioration
Quality of appraisals (score out of 5)	N/A	N/A	2.89	3.05	N/A
Effective use of patient / service user feedback (score out of 5)	N/A	N/A	3.37	3.69	N/A
Fairness and effectiveness of procedures for reporting errors, near misses and incidents (score out of 5)	3.58	3.53	3.64	3.72	0.06 improvement

Areas of concern

In addition to the bottom ranking scores, above, the largest local changes since the 2014 survey – where staff experiences have deteriorated most – are shown in the table below.

	2014	2015	Trust deterioration
Key finding	**Trust score**	**Trust score**	
% staff / colleagues reporting most recent experience of violence (the higher the score the better)	79%	67%	12%
% staff appraised in the last 12 months (the higher the score the better)	91%	83%	8%
Effective use of patient /service user feedback (score out of 5)	3.54	3.37	0.17

The Trust is also concerned about staff views about the organisation as a place to work. Only 46% of people agreed with the statement 'I would recommend my organisation as a place to work', as opposed to 54% last year. The national average for this statement this year was 57%.

This correlates with recent results from the Staff Friends and Family Test, where Trust staff are asked to say if they would recommend the Trust to friends and family as a place to work or as a place to receive care or treatment. The Trust ran the Staff Friends and Family Test in quarter 1, quarter 2 and quarter 4 of 2015/16 (with the national NHS Staff Survey in quarter 3). The results for quarters 1 and 2 were below the national average; at the time of writing the national average for quarter 4 was not available.

Action plans
The Trust's directors organised a series of open staff sessions at different venues across Derbyshire during March 2016, in part to discuss the NHS Staff Survey results. Directors have also arranged to attend team meetings during March and April 2016 where staff will be able to give more feedback about these results.

The newly formed, Board-level People and Culture Committee will be supported by a number of groups. A key group that will drive the actions from the survey is the Engagement Group; whilst having a core membership, any member of staff may attend. The results will be shared at the Spotlight on our Leaders event in May to ensure ownership of results and actions. The Trust will be introducing quarterly pulse checks from April to complement the annual NHS Staff Survey and the Staff Friends and Family Test results.

Key priorities to improve from staff feedback
The Trust has developed an action plan following the outcome of the 2015 staff survey, with a specific focus to address key areas of concern and the lowest ranking scores received.

Areas of focus include improving the experience our staff have as employees of the Trust, through more active engagement with our teams and demonstrating the impact they have on making changes to ways of working. We are confident in the quality of our services and wish to showcase this more, to champion the tremendous work of our staff and their commitment to patient care and experience.

We will review the Trust's current procedures for reporting errors, incidents and near misses and the appropriate ways to report these occurrences. We will also review training in this area.

A new Trust strategy is in the process of being developed, and has outlined a commitment to providing accessible content that will be meaningful to staff working across the different areas of the Trust. The strategy will underpin team and individual objectives, providing clarity about how staff roles contribute to the wider business of the Trust

A cultural change programme is in preparation for 2016/17 and intends to improve inclusivity and decision making at a local level. We will clarify and promote ways to raise concerns at work and positively recognise those who raise concerns.

Communication between senior managers and staff has been identified as an area for improvement and we will be working to ensure that it is a key responsibility for all management staff to keep themselves up to date with the information disseminated across the Trust and also for sharing this with their teams as appropriate. Internal communication mechanisms will be audited for their effectiveness and adapted as necessary.

We will re-establish a mindful health and wellbeing group as part of our programme on cultural change and will continue an open dialogue with our staff about the Trust values and expected behaviours. It is also expected that this group will address high levels of stress being reported across Trust employees.

The Trust will also review its recruitment processes and further implement e-rostering across the Trust to ensure the number of staff who report to be working additional hours is reduced.

The number of appraisals being completed and the quality of the appraisals being undertaken has been reported as an area of concern in the last two staff surveys. In response we will be looking to refresh the Trust's appraisal process and provide additional training in this area going forwards.

These actions will be reviewed on and ongoing basis, supplemented by regular surveys throughout the year to measure progress in this area.

Disclosures set out in the NHS Foundation Trust Code of Governance

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

The information in this report about our compliance or explanations for non-compliance, with the Code of Governance is subject to review by the external Auditors.

Requirements under the Code for disclosure

The Trust discloses compliance with the Code of Governance where annual disclosure in the Annual Report is required. Those marked 'additional' are not in the Code, but are added by the Annual Reporting Manual to supplement the requirements. The table below outlines reasons for the areas where the Trust does not fully comply. Additional information has also been included as appropriate, to provide further detail on the Trust's compliance with the code.

Reference	Requirement	Disclosure/additional information
A.1.1	How Board and Council operate, and which decisions they take; and what decisions are delegated to management.	The Trust's constitution, standing orders, standing financial instructions and a scheme of delegation outline how the Board and Council of Governors operate and make decisions. The Board and Council of Governors are in the process of agreeing a joint engagement policy which will outline an approach to further joined up working.
B.1.4	Description of each Director's skills, expertise and experience. Statement as to Board's balance, completeness and appropriateness for the FT.	At the Remuneration Committee in February 2016 members discussed a skill mix analysis of the Board of Directors and ensured that there was the appropriate balance of knowledge and expertise.
Additional	Brief description of length of NED appointments, and how they may be terminated.	Non-Executive Director appointments are made for a period of three years. It is outlined in the Trust's Constitution that NEDs (including the Chair) may be appointed or removed with the agreement of ¾ of the Council.
B.2.10	Separate section to describe work of Nominations Committee.	During the year the Nominations Committee and the Remuneration Committee of the Council of Governors were merged to form one committee. The Nominations and Remuneration Committee met once during the year to approve the recruitment of three new Non-Executive Directors. Please see the section on the work of the Remuneration Committee on page 80.

Reference	Requirement	Disclosure/additional information
Additional	Explanation if neither external search consultancy or open advert is used to appoint Chair or NED.	The Interim Chairman was appointed without the use of an external search consultancy or the use of an open advert. For further explanation please see point B.2.8 below.
B.3.1	Other significant commitments of the Chairman.	The Chairman has notified the following significant commitments - In March 2016 the Interim Chairman informed the Board that he had resigned as a Non-Executive Director of Sheffield Children's Hospital (effective of 31 March 2016).
D.1.3	Statement on whether Executive Directors released to other positions retain the fees/ earnings.	No Executive Directors are currently released to position where they receive fees for their contribution.
A.1.4	The Board should ensure that adequate systems and processes are in place to measure and monitor the FT's effectiveness, efficiency and economy as well as the quality of its healthcare delivery.	The Trust has a Constitution, scheme of delegation and governance processes in place as outlined in our Annual Governance Statement on pages 105-116. The Trust does comply with this requirement. However a specific issue arose during the year following the outcomes of an employment tribunal, which identified governance breaches and associated enforcement action undertaken by the Trust's regulators, as outlined previously in this report.
B2.2	Directors on the Board of Directors and governors on the Council should meet the fit and proper persons test described in the provider licence.	Each Director signed a fit and proper person's self-declaration at the Trust's Board meeting in March 2016. This process has not been undertaken for governors.
B2.7	Where considering the appointment of Non-Executive Directors, the Council should take into account the views of the Board and the Nominations Committee on the qualifications, skills and experience required for each position.	The only Non-Executive appointment made during 2015/16 was the Interim Chairman (See note 2.8 below). The Trust's Council of Governors ratified the appointment of a new Vice Chair (Jim Dixon) at their meeting in March 2016.

Reference	Requirement	Disclosure/additional information
B2.8	The annual report should describe the process followed by the Council in relation to appointments of the Chairperson and Non-Executive Directors.	The Interim Chairman was appointed in December 2015. As this was an interim appointment a full process was not undertaken. The Council of Governors were invited to meet with the prospective candidates before the appointment and the appointment was approved by the Council of Governors.
B6.3	The Senior Independent Director should lead the performance evaluation of the Chairperson.	The Senior Independent Director last undertook a performance evaluation of the Chairman in February 2015. Given the departure of the former Chairman in December 2015 and the commencement of a new Interim Chairman in December 2015, this process has not been undertaken during 2015/16.
B6.5	Led by the Chair, the Council should periodically assess their collective performance and they should regularly communicate to members and the public details on how they have discharged their responsibilities.	A focused 'well led' governance review took place during 2015/16 which incorporated aspects of how the Council of Governors functioned and the relationship between the Board of Directors and Council of Governors. Subsequently the terms of reference of the Council and its frequency of meetings were reviewed, in addition to an expanded role of the Lead Governor.
B8.1	The Remuneration Committee should agree to an Executive Director leaving save in compliance with contract, including full service of notice, without Board having first completed and reviewed full risk assessment.	During the year the Trust's Chief Executive was suspended, and during his suspension he resigned from post. After gaining external advice the Remuneration Committee of the Board agreed he was not required to attend for his notice period.
E1.2	The Board should clarify in writing how the public interests of patients and the local community will be represented, including its approach for addressing the overlap and interface between governors and any local consultative forums.	A new Community Engagement Strategy has been developed during the year, which outlines how the Trust will engage with local community. The overlap and interface between governors and local consultative forums will be addressed by the governance committee of the Council of Governors in 2016/17.

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The Trust complies with section 7 of the NHS Foundation Trust Code of Governance.

The Board of Directors confirms that in relation to those provisions within the Code of Governance for which the Trust is required to 'comply or explain', the Trust was compliant throughout the year to 31 March 2016 in respect of those provisions of the Code which had effect during that time, save exceptions and explanations outlined in the table above.

Regulatory ratings

Since 1 April 2013 all NHS foundation trusts have needed a licence from Monitor stipulating the specific conditions they must meet to operate, including financial sustainability and governance requirements. Monitor use a risk assessment framework to assess each NHS foundation trust's compliance with two specific aspects of its provider licence: the continuity of services and governance licence conditions.

Monitor's assessment of a foundation trust under the risk assessment framework aims to identify *significant risk to the financial sustainability of a provider of key NHS services that endangers the continuity of those services and/or poor governance at an NHS foundation trust, including poor financial governance and inefficiency.*

NHS foundation trusts are assigned a financial sustainability risk rating calculated using a capital service metric, liquidity metric, income and expenditure (I&E) margin metric and variance from plan metric.

A foundation trust's governance rating is determined using information from a range of sources including national outcome and access measures, outcomes of Care Quality Commission (CQC) inspections and aspects related to financial governance and delivering value for money.

The ratings indicate when there is a cause for concern at a provider.

Governance

Under the Risk Assessment Framework, the governance rating assigned to a trust reflects Monitor's views of the strength of its governance; there are three categories to the governance rating:

- "Green" rating – indicates no governance concern evident or no formal investigation being undertaken
- "Under review" – indicates that potential material concerns with the trust's governance have been identified in one or more of the following areas: CQC concerns; access and outcomes measures; third party reports; quality governance indicators or financial risk and efficiency.
- "Red" rating – indicates that enforcement action is being taken.

Finance

Trusts are assessed under the Risk Assessment Framework. For 2014/15 and the early part of 2015/16 this produced a "Continuity of Service Risk Rating (CoSRR)" which ranged from one to four.

From August 2015 foundation trusts have reported against updated performance metrics called the Financial Sustainability Risk Rating (ranging from one to four). As with CoSRR rating system, a rating of four indicates no evident concerns and no regulatory action whereas a rating of one indicates significant risk and results in regulatory activity.

The key difference between the two financial risk assessment approaches is that the Continuity of Services Risk Rating identified the level of risk to the ongoing availability of key services. The Financial Sustainability Risk Rating broadens the metrics being measured to include assessment of financial efficiency.

The change in regulatory regime has had no particular effect on our financial risk ratings.

Monitor updates foundation trusts' risk ratings each quarter. It also updates risk ratings in 'real time' to reflect, for example, a decision to find a trust in significant breach of its terms of authorisation or the Care Quality Commission's regulatory activities.

Below is a table, set out in the format required by the foundation trust Annual Reporting Manual 2015/16, summarising the regulatory ratings assigned to Derbyshire Healthcare NHS Foundation Trust.

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 elsewhere in this report and so our governance rating has been changed by Monitor to indicate formal intervention in 2015/16.

From 24 July 2015 our rating was classified as “under review” and then from 25 February 2016 the rating was reclassified to red, to indicate that the Trust is subject to enforcement action. The Q1 governance rating was then notified to us as being under review and Q3’s rating was confirmed as red, in line with the ‘real time’ adjustments.

In summary, the detail and actions from the formal intervention from Monitor are that: following the outcome of an employment tribunal last year, Monitor investigated the way the Trust is run and whether lessons could be learned from the serious issues identified during the tribunal and from other subsequent independent reviews.

With Monitor’s support the Trust appointed a new Interim Chair and has agreed to develop and implement a plan to improve the way the organisation is led and run on behalf of its patients. The Trust has also agreed to implement the recommendations of an independent review into its leadership, as well as the recommendations of its internal review following the tribunal.

The Trust has agreed to improve the effectiveness of its Board, ensure there is appropriate scrutiny of decisions by its leadership, and develop better HR processes and culture. It will also make sure there is better engagement with its Council of Governors who represent Foundation Trust members and the local community.

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

2014/15	Annual Plan	Q1	Q2	Q3	Q4
Continuity of service rating	3	4	4	4	3
Governance rating	Green	Green	Green	Green	Green

Statement of the Chief Executive's responsibilities as the accounting officer of Derbyshire Healthcare NHS Foundation Trust

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

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

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

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

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

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

Ifti Majid
Acting Chief Executive Date: 24 May 2016

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' 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.

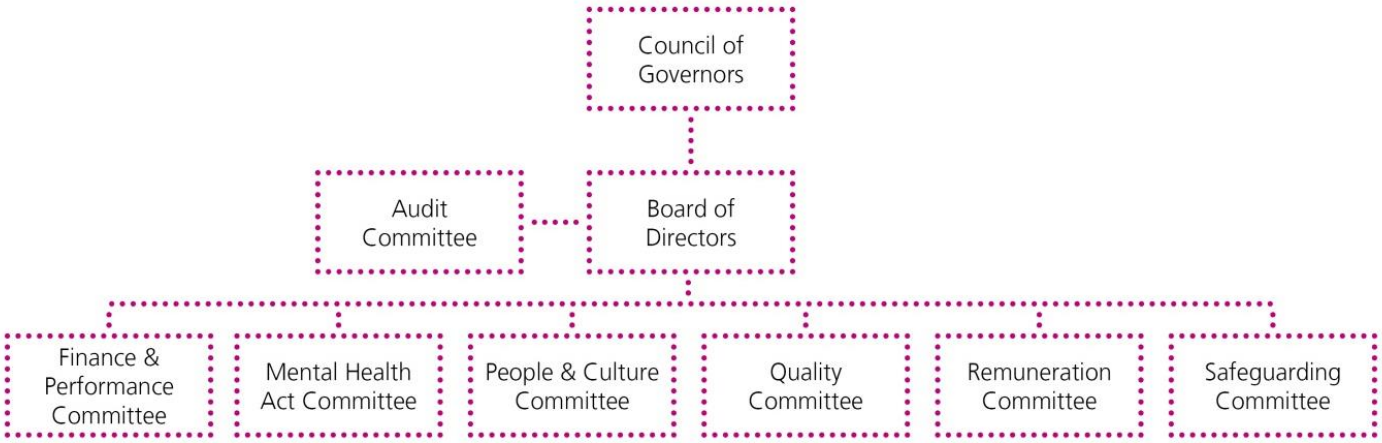
A ‘Blue Light’ system of alert notifications is used to rapidly communicate information on significant risks that required immediate action to be taken and a ‘Practice Matters’ newsletter is used to communicate good practice and actions that have been taken throughout the organisation. The monthly issued ‘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 Chair and with both Executive and Non-Executive Directors in membership.

Day-to-day oversight of quality governance is the responsibility of the Executive 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 and 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** 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** 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 Feb 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 is strongly promoted.

Board oversight of Trust's performance

Our regulator Monitor 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 Care Quality Commission produces an intelligent monitoring report quarterly which sets out our performance across a number of key indicators. Up to the end of Q3 no risks were recorded, but during Q4 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	Elevated Risk
	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	Risk
	Proportion of care spells where patients are discharged without a recorded crisis plan	Elevated Risk
Well Led	Monitor risk rating for governance	Risk
	Proportion of Mental Health Act and hospital inpatient episodes closed by the provider	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 regulators 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 and Legal 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, together with a Care Quality Commission focused inspection. These reviews followed the findings from a high profile employment tribunal (ET) in 2015. Two requirement notices have been issued by the Care Quality Commission 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 whistleblowing 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.

Alongside the CQC review, an independent review of governance arrangements was undertaken against two domains of Monitor's Well-led Governance Framework by Deloitte 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, CCG's, 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 Care Quality Commission 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.

The external auditors identified that the gaps in 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.
- 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

Quality report

PART ONE
STATEMENT BY OUR ACTING CHIEF EXECUTIVE

I am pleased to present our Quality Report for the financial year 2015/16. The report provides the opportunity for our Board to look back over the year, reflect on some of our key achievements, and to think about our goals for the next financial year. This Quality Report is an annual report on the quality of care delivered in the services we provide. This year in our Quality Report we note our formal regulatory requirements as well as examples that have made our organisation proud. Our Board is committed to continuous, evidence-based quality improvement. 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 this financial year. This Quality Report demonstrates our sustained commitment and focus on patient care.

This year we have asked our teams to embed the clinical regulations as outlined by the Care Quality Commission (CQC) into their everyday work. We have reviewed all services through our quality visit programme under the domains of our clinical regulator. The clinical regulator has key lines of enquiry and under one of these domains of 'safe services' we have made very good progress; we are continuing to improve not just the mental health of our service receivers but we are increasingly focusing on their physical health. We are committed to improving the detection and recording of physical health tests to ensure we quickly detect any signs which may indicate a detrimental effect on a person's physical health.

Our Safeguarding Unit and Children's Services have led the development of our Think! Family approaches to care and we were delighted with the areas of good practice noted in the system's safeguarding inspection in 2015. All clinical staff are currently completing safety planning training, which is a new person-centred approach to risk assessment introduced in 2015 and supports our service receivers to stay safe through a partnership approach.

We want to give staff the space to motivate and encourage each other to improve their own health and wellbeing by becoming fitter and healthier, and through sharing personal experiences of how they have managed to lose weight, reduce alcohol intake or quit smoking. In early 2016 'Inspire' was established. This digital platform provides staff with a place to go to feel supported and motivated to make changes to their health. Staff health and well-being is one of our national quality priorities for 2016/17 as agreed with our commissioners.

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. This is so important in reducing the mortality gap we see for people with substance misuse, mental ill health and those who have a learning disability. We keep our clinical areas clean and free from infection through our excellent cleaning standards and we have seen another solid year of performance in this domain.

The effectiveness of our health visiting services was recognised by the award of Unicef's '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. For 2016/17 we have chosen to prioritise Think! Family in order to fully embed learning in family-inclusive practice in all our services. We will build upon the strong foundations we have developed in substance misuse services and the newly designed Safeguarding Board Committee will lead the clinical strategies in this area.

The responsiveness of our services is an area of sustained challenge and as an organisation we need to ensure service receivers do not have to wait for an assessment or treatment. We have made strong progress in waiting times in our CAMHS services; we now need to model some of the learning in this area to other sections of our under-18 services and into our adult mental health provision. We were pleased when in July 2015 we received the report from Healthwatch

Derbyshire on their review of our Child and Adolescent services. A summary of their findings is set out in this report. We continue to work positively with Healthwatch Derby and Healthwatch Derbyshire and I would like to take this opportunity to thank them for their valuable work in providing us with intelligence and expert advice, which enables our organisation to improve the quality of our services.

Over the last 12 months all Board members, and some of our commissioners and governors, have taken part in quality visits. This programme provides the opportunity for us to hear first-hand from our staff about some of their challenges and to hear from services receivers, their carers and families about their experience of our services. Section 3 of this report sets out some examples of how they appreciated and recognised our caring staff. The Delivering Excellence Team Awards were held in December at the Trust's Centre for Research & Development, and recognised the outstanding work of our staff and the named teams who were shortlisted for the Patient Safety award, Patient Experience award, Effectiveness award and coveted Team of the Year award.

From July 2015 we have had some significant changes in our Board leadership following the outcome of the high profile employment tribunal of our former Director of Workforce and Organisational Development; this tribunal noted significant issues with aspects of our corporate governance systems. In addition further concerns were raised with our regulators that were in part linked to the employment tribunal outcome.

In December 2015 we received the outcome of an independent review into the events leading up to the employment tribunal as well as formal feedback from both Deloitte and the Care Quality Commission on their well led review, which was then formally reported during February 2016. We will learn from these unprecedented events and challenges and ensure that staff in our organisation that have faced difficult periods are supported in their roles. On behalf of the Board I would like to reaffirm to our communities and to our staff our commitment to ensure that that our governance systems are strengthened and improved. All reports were made public and discussed at both the Council of Governors and the Board of Directors.

Following the outcome of the investigations, Monitor announced they were taking enforcement action against the Trust for breaching our provider licence. In addition, following their well led visit we received two requirement notices from the Care Quality Commission in regard to specific named areas. In response to these actions, and all the recommendations from the various reports, we have implemented a governance improvement action plan. The plan focuses on how we will improve the effectiveness of the Board, develop a new organisational strategy, revise the model and structure of the HR team, refresh our values and improve relationships with the Council of Governors.

This quality report demonstrates our sustained commitment and focus on patient care through what has been a difficult year for our staff and those who use, or care for someone who uses our services. My thanks go to our staff at all levels in the organisation for the dedication, motivation and skill that has made this possible.

I confirm that to the best of my knowledge, the information contained in this document is accurate. It will be audited by Grant Thornton, in accordance with Monitor's audit guidelines.

Ifti Majid
Acting Chief Executive
1 April 2016

Independent Practitioner's Limited Assurance Report to the Council of Governors of Derbyshire Healthcare NHS Foundation Trust on the Quality Report

We have been engaged by the Council of Governors of Derbyshire Healthcare NHS Foundation Trust to perform an independent limited assurance engagement in respect of Derbyshire Healthcare NHS Foundation Trust's Quality Report for the year ended 31 March 2016 (the "Quality Report") and certain performance indicators contained therein against the criteria set out in Annex 2 to Chapter 7 of the 'NHS Foundation Trust Annual Reporting Manual 2015/16' (the 'Criteria').

Scope and subject matter

The indicators for the year ended 31 March 2016 subject to the limited assurance engagement consist of those national priority indicators as mandated by Monitor:

- admissions to inpatient services that had access to crisis resolution home treatment teams; and
- minimising delayed transfer of care.

We refer to these national priority indicators collectively as the 'Indicators'.

Respective responsibilities of the Council of Governors and Practitioner

The Council of Governors are responsible for the content and the preparation of the Quality Report covering the relevant indicators and in accordance with the criteria set out in the 'NHS Foundation Trust Annual Reporting Manual 2015/16' issued by Monitor and 'Detailed guidance for external assurance on quality reports 2015/16.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the Quality Report is not prepared in all material respects in line with the Criteria;
- the Quality Report is not consistent in all material respects with the sources specified in Monitor's 'Detailed guidance for external assurance on quality reports 2015/16; and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the 'NHS Foundation Trust Annual Reporting Manual 2015/16' and supporting guidance and the six dimensions of data quality set out in the 'Detailed guidance for external assurance on quality reports 2015/16'.

We read the Quality Report and consider whether it addresses the content requirements of the NHS Foundation Trust Annual Reporting Manual 2015/16, and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with:

- Board minutes for the period 1 April 2015 to 24 May 2016;
- Papers relating to quality reported to the Board over the period 1 April 2015 to 24 May 2016;
- Feedback from Commissioners dated 06/05/2016;
- Feedback from Governors dated 11/05/2016;
- Feedback from local Healthwatch organisations dated 29/04/2016 and 06/05/2016;
- Feedback from local authorities dated 12/04/2016 and 12/05/2016;
- The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 12/05/2016;

- The national patient survey dated 21/10/2015;
- The national staff survey dated 22/03/2016;
- Care Quality Commission quality and risk profiles dated 01/04/2015 to 31/03/2016; and
- The Head of Internal Audit's annual opinion over the Trust's control environment dated 2 May 2016.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively, the "documents"). Our responsibilities do not extend to any other information.

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Our team comprised assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for the Council of Governors of Derbyshire Healthcare NHS Foundation Trust as a body, to assist the Council of Governors in reporting Derbyshire Healthcare NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2016, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body, and Derbyshire Healthcare NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators
- making enquiries of management
- analytical procedures
- limited testing, on a selective basis, of the data used to calculate the indicators back to supporting documentation
- comparing the content requirements of the 'NHS Foundation Trust Annual Reporting Manual 2015/16' to the categories reported in the Quality Report; and
- reading the documents.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Limitations
Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Quality Report in the context of the criteria set out in the 'NHS Foundation Trust Annual Reporting Manual 2015/16'.

The scope of our limited assurance work has not included governance over quality or non-mandated indicators which have been determined locally by Derbyshire Healthcare NHS Foundation Trust.

Our audit work on the financial statements of Derbyshire Healthcare NHS Foundation Trust. is carried out in accordance with our statutory obligations and is subject to separate terms and conditions. This engagement will not be treated as having any effect on our separate duties and responsibilities as Derbyshire Healthcare NHS Foundation Trust's external auditors. Our audit reports on the financial statements are made solely to Derbyshire Healthcare NHS Foundation Trust's members, as a body, in accordance with paragraph 24(5) of Schedule 7 of the National Health Service Act 2006. Our audit work is undertaken so that we might state to Derbyshire Healthcare NHS Foundation Trust's members those matters we are required to state to them in an auditor's report and for no other purpose. Our audits of NHS Foundation Trust's financial statements are not planned or conducted to address or reflect matters in which anyone other than such members as a body may be interested for such purpose. In these circumstances, to the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than Derbyshire Healthcare NHS Foundation Trust and Derbyshire Healthcare NHS Foundation Trust's members as a body, for our audit work, for our audit reports, or for the opinions we have formed in respect of those audits.

Conclusion
Based on the work described in this report, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2016:

- the Quality Report is not prepared in all material respects in line with the Criteria;
- the Quality Report is not consistent in all material respects with the sources specified in Monitor's 'Detailed guidance for external assurance on quality reports 2015/16'; and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the 'NHS Foundation Trust Annual Reporting Manual 2015/16' and supporting guidance and the six dimensions of data quality set out in the 'Detailed guidance for external assurance on quality reports 2015/16'.

Grant Thornton UK LLP

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24 May 2016

PART TWO
OUR QUALITY PRIORITIES AND BOARD STATEMENTS

2.1 OUR QUALITIES FOR IMPROVEMENT IN 2016/17

Our quality priorities for 2016/17 are:

Quality priority	Why we have chosen this as a priority	How it will be monitored and reported
SAFE SERVICES This is a national Commissioning for Quality and Innovation agreement (CQUIN). Our priority is **to improve the physical healthcare care** of our service receivers through checking various aspects of their physical health	We have chosen this as a priority for the third year in succession. In section 3 we show our progress to date. Based on the results of our national inpatient survey, and from learning from serious incidents, we will continue to work to improve the quality of our care of the physical health of our service receivers	Our physical healthcare committee will monitor progress and a report will be presented to the Quality Committee six monthly. Service users with a serious mental illness (SMI) have comprehensive cardio metabolic risk assessments; the necessary treatments and the results are recorded and shared with the patient and treating clinical teams. We will report regularly to our commissioners at the Quality Assurance Group on our progress
SAFE SERVICES This is a local Commissioning for Quality and Innovation agreement (CQUIN). Our priority is to minimise **the risks of suicide** through the implementation of the safety plan approach. The approach is based on formulating a plan which is personalised and agreed with the service receiver on how to keep them safe	We have chosen this as a priority as a key element in our plans is to improve patient safety. The Trust has a Research Centre for the Prevention of Self Harm and Suicide recognised as an important contributor to the regional and national agenda in this field. The safety plan approach will help develop clinical practice and service user autonomy	Our Medical Director has overall lead for this work and our Quality Committee will continue to monitor and receive progress reports on our safety planning roll out throughout 2016/17 and will include audits of compliance
SAFE SERVICES Our **implementation of the Code of practice** and embedding contemporary mental health practice and specialist service CQUIN: Implementing our Positive and Safe Strategy to minimise and reduce restrictive practices	We have chosen this as a priority to create an open culture to minimise and substantially reduce restrictive practices in our Trust. We have a positive and safe strategy in place which sets out the direction of travel for our Trust and our proposed way forward on many issues under a collective heading of the Positive and Safe agenda	Regular update reports will be presented to the Quality Committee which measures our progress against our defined work plan

Quality priority	Why we have chosen this as a priority	How it will be monitored and reported
EFFECTIVE SERVICES This is a local CQUIN: **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	We have chosen this as a priority to embed learning in all our services from serious case reviews and serious incidents where Think! Family has emerged as a theme. In 2015 we established a Board-level committee, which includes executive leadership, whose responsibility is to monitor and receive reports on Think! Family. This new model introduces strategy setting and Board assurance level rather than an operational focus alone	Regular reports will be presented to our Safeguarding Children and Adults Committee whose role is to monitor progress against our work plan, to set the strategic direction for Think! Family and develop new models of family inclusive practice and a 'safeguarding families' approach in the Trust
EFFECTIVE SERVICES This is a quality priority and specialist service CQUIN: To become a **person centred and recovery-focused organisation.** The guiding principle is the belief that it is possible for someone to regain a meaningful life, despite mental illness	We have chosen this as a priority in line with the development of our neighbourhood models of care. Our work in 2016/17 will include: recovery education as one of our specialist CQUINs, establishing peer education work in our medical education provision, developing community resilience and implementing person-centred and wellbeing approaches in our campus and neighbourhood settings. We will endeavour to embed patient reported outcome measures, building on the success we have achieved in CAMHS	Regular update reports will be presented to the Quality Committee on our development of recovery education and use of outcome measures and our clinical performance in this area
EFFECTIVE SERVICES This is a quality priority for us in 2016/17. Developing and maintaining **personalised care planning**	We have chosen this as a priority in line with the development of our campus neighbourhood models of care. Our work in 2016/17 will include efforts to improve our performance in care planning in our practice, in our Care Quality Commission inspections and in our patient survey results	Regular update reports will be presented to the Quality Committee. At completion of the roll-out of full electronic patient record, care planning will be measured in our integrated performance dashboards
EFFECTIVE SERVICES This is a quality priority for 2016/17. Our aim is to ensure that clinical variation in the	We have chosen this as a priority in line with the development of our campus neighbourhood models of care. Our work in 2016/17 will include	Regular update reports will be presented to the Quality Committee. At roll-out of full patient record this measure will be included in our

assessment and recording of capacity and consent is minimised	efforts to improve our performance in this area in our full patient record roll-out and in our practice in our Care Quality Commission inspections. We have appointed a Mental Capacity Act technician who has commenced in post and is designing and refining operating standards	integrated performance dashboards with increasing trajectories for improvement

Quality priority	Why we have chosen this as a priority	How it will be monitored and reported
WELL LED SERVICES Our aim is **to develop clinical leadership** through our Quality Leadership Team (QLT) structures	We have chosen this as a priority in line with the development of our clinical voice in the workforce. We have made some headway this year, but we require more investment and coaching of the Quality Leadership Teams and some newly appointed staff to fully develop this key clinical governance system	Regular update reports will be presented to the Quality Committee, and a new in-reach model of Board members providing coaching sessions to Quality Leadership Teams and sub groups to support them in their key endeavours. A new Quality Governance Group will be established in 2016 to monitor performance of the QLTs
CARING SERVICES This is a new national CQUIN about staff well-being **The aim is to improve the health and wellbeing of NHS Staff**	**This is a new CQUIN** **Goal:** Improve the support available to NHS Staff to help promote their health and wellbeing in order for them to remain healthy and well. **Rationale:** Estimates from Public Health England put the cost to the NHS of staff absence due to poor health at £2.4bn a year – around £1 in every £40 of the total budget. Evidence from the staff survey and elsewhere shows that improving staff health and wellbeing will lead to higher staff engagement, better staff retention and better clinical outcomes for patients	Regular reports will be presented to the People and Culture Committee. We have developed staff engagement settings as part of other developments and we will focus on this key area as well as the requirements of the national CQUIN

2.2 BOARD STATEMENTS

This section is a series of statements from the Board for which the format and information required is set out in regulations and therefore it is set out verbatim.

2.2.1. Review of services

"During 2015/16 Derbyshire Healthcare NHS Foundation Trust provided NHS services to children, young people and families, people with learning disabilities, people experiencing mental health problems, and people with substance misuse problems. The Derbyshire Healthcare NHS Foundation Trust has reviewed all the data available to them on the quality of care in all of these NHS services."

"The income generated by the NHS services reviewed in 2015/16 represents 92% per cent of the total income generated from the provision of NHS services by the Derbyshire Healthcare NHS Foundation Trust for 2015/16. "

2.2.2. Participation in clinical audits and national confidential enquiries

"During 2015/2016, five national clinical audits and one national confidential enquiry covered relevant Health Services that the Derbyshire Healthcare Foundation Trust provides."

"During 2015/2016 Derbyshire Healthcare Foundation Trust participated in five (100%) national clinical audits and 100% of national confidential enquiries of the national clinical audits and national confidential enquiries, which it was eligible to participate in."

"The national clinical audits and national confidential enquiries that Derbyshire Healthcare NHS Foundation Trust was eligible to participate in during 2015/2016 are as follows:"

National clinical audits

1. Mental Health Commissioning for quality and innovation (CQUIN) 2015/2016 National Audit: Improving Physical Healthcare
2. Royal College of Psychiatrists' Centre for Quality Improvement (CCQI) Early Interventions in Psychosis Audit 2015/2016
3. *POMH-UK* (Prescribing Observatory for Mental Health-UK Topic 13b: Prescribing for ADHD in children, adolescents and adults
4. *POMH-UK* (Prescribing Observatory for Mental Health-UK)*:* Topic 14b: Prescribing for substance misuse: alcohol detoxification
5. *POMH-UK* (Prescribing Observatory for Mental Health-UK Topic 15a: Prescribing for bipolar disorder

National confidential enquiries:

1. National confidential inquiry into suicide and homicide by people with mental illness.

"The national clinical audits and national confidential enquiries that Derbyshire Healthcare NHS Foundation Trust participated in during 2015/2016 are as follows**:**"

National clinical audits

"The national clinical audits and national confidential enquiries that the Trust participated in, and for which data collection was completed during 2015/2016, are listed below alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry."

Title	Cases required	Cases submitted	%
Mental Health CQUIN 2015/16: Improving Physical Healthcare	100	100	100%
Early Interventions in Psychosis Audit 2015/16	100	42	42%
13b: Prescribing for ADHD in children, adolescents and adults	N/A	95	N/A
14b: Prescribing for substance misuse: alcohol detoxification	N/A	16	N/A
15a: Prescribing for bipolar disorder	N/A	19	N/A
National confidential inquiry into suicide and homicide by people with mental illness	29	29	100%

"The reports of three national clinical audits were reviewed by Derbyshire Healthcare NHS Foundation Trust in 2015/2016 and it intends to take actions to improve the quality of healthcare provided including the following:"

Topic 9c: Antipsychotic prescribing in people with a learning disability

This national audit-based quality improvement programme aimed to help mental health services improve prescribing practice in anti-psychotic medication use in people with a learning disability.

As a result of our participation in this audit and review of the report, an action plan is being implemented to improve the quality of care provided to our patients. Changes made will ensure improved patient involvement so that all antipsychotic prescribing will be made, wherever possible, with the individual's personal preference through the use of easy read choice sheets and medication side effect spider diagrams - both of which have been included as standard within clinic packs. Changes in clinical documentation including the development of standard clinic letters will also improve the review and recording of the required standards for assessment of extra-pyramidal side-effects and monitoring of side effects as specified in NICE guidelines for recording weight, blood pressure, blood glucose, and lipid profile in clinical notes and/or out-patient letter (or that they have been requested through primary care).

Topic 12b: Prescribing for people with personality disorder

Following review of the report for this national quality improvement programme, actions are being developed for implementation in order to continue to improve prescribing practice for people with a personality disorder.

Our results showed that we are complying well compared with the national results, to the standards on written crisis plans in clinical records and patient involvement in the development of the crisis plan. An area for improvement is on documentation in clinical records of the clinician's reasons for prescribing antipsychotic medication. In order to support clinicians to improve prescribing practice, a key action will be to set up feedback processes that help clinicians to achieve treatment targets for not prescribing anti-psychotic drugs, Z-hypnotics and benzodiazepines for more than four consecutive weeks (unless clinically indicated). Reviews will be undertaken and documented where medication is prescribed for more than four consecutive weeks. The recommended change intervention leaflet titled 'Prescribing for people with borderline personality disorder (PD)' (POMH-UK, 2012) contains a list of practical practice points complied by expert advisors and is being used to feedback to clinicians.

Topic 13b: Prescribing for ADHD in children, adolescents and adults

We participated in this re-audit of prescribing practice for ADHD in children, adolescents and adults which measured compliance with specific NICE recommended standards for initiating and maintaining drug treatment.

The results showed that on a national and local level there have been marked improvements in the recording of heart rate, blood pressure, weight and height on centile and growth charts, but areas for improvement remained, particularly for longer-term monitoring.

For Community Paediatric services and Child and Adolescent Mental Health Services (CAMHS), improved compliance is evident. However there is a continued need for improvements in particular areas relating to cardiovascular risk and substance misuse recording, and compliance for monitoring over the past year as part of maintenance treatment. For adult Mental Health services, the audit sub-sample is small, but there is a continued need for improvements generally in all standards.

As a result, we will implement an action plan to address the areas for further improvements in order to achieve increasing compliance with these practice standards. Changes we will implement will include the implementation of standardised rating scales to support the review of all patients at least annually, and reminder sheets to improve physical health and side effects monitoring. We will

also consider the recording of severity classification as some key NICE recommendations depend on whether ADHD is mild, moderate or severe.

"The reports of 33 local clinical audits were reviewed by the Derbyshire Healthcare NHS Foundation Trust provider in 2015/2016 and as a result, it intends to take actions to improve the quality of healthcare".

The actions we intend to take to improve the quality of healthcare provided result from the following clinical audits reviewed in 2015/16:

Nutrition risk

Following this audit, the action plan being implemented is around improving care for our patients by ensuring that anyone admitted to an inpatient ward has a nutritional risk screen completed using the validated tool - Malnutrition Universal Screening Tool; that screening is repeated as appropriate; and that nutrition support is offered to anyone identified as at medium or high risk of malnutrition. Changes implemented have included a programme of staff training on nutrition risk screening and the inclusion of the validated screening tool within admission packs to ensure this is implemented into routine practice.

On-call response time

This audit reviewed out of hours response times of on-call doctors covering older adult wards at the Kingsway Site. It also reviewed the requirement for escalation by nursing staff to a consultant psychiatrist if there is delayed or non-response by the on–call doctor within the expected timeframe of 20 minutes. As a result, changes have been implemented which include interim arrangements for on-call doctors to carry both a bleep and mobile phone to maximise 'contact-ability' and to also notify switchboard of their location when off-site due to unreliable bleep and mobile reception at certain sites. Ward managers for old age psychiatry wards were also required to discuss the results of the audit in ward meetings and reiterate the policy of escalation to on-call consultants when necessary. With the interim measures in place, other more permanent solutions are being explored for future implementation.

Consent to treatment: Section 58 of Mental Health Act (T2/T3 forms)

A second cycle of re-audit was completed on compliance with the process of consent to treatment under section 58 of the Mental Health Act (MHA) 2007. As a result of the audits and actions taken, significant improvements in practice have been demonstrated. For example, higher levels of compliance are being achieved in the documentation of responsible clinician discussion with patients – such as the recording of patient's capacity, and their consent or refusal to treatment. Improvements are also being achieved in the documentation of responsible clinician explanation of treatment options such as benefits, side effects, alternatives and consequences of no treatments. Improvements in completion of T2 and T3 forms have also been achieved with particularly good compliance in the review of forms when there has been a change in treatment or responsible clinician.

Improvements in practice have been achieved through implementation of a Section 58 flow-chart providing a prompt, attached to the front of the reminder letters sent to responsible clinicians by the Trust's MHA Office when Section 58 needs to be considered. Some doctors have taken on the role of 'MHA supporters'" to remind others of their responsibilities when this process is initiated for their patients and to encourage them to complete all the appropriate documentation. Whilst these changes have proved effective and continue to be embedded along with awareness raising

amongst relevant staff, in order to improve and achieve further compliance additional actions are planned. These include the potential of electronic alerts on PARIS and review of existing MHA paper forms which can act simultaneously as prompts and records of the requirements of the process.

ECT (Electro-Convulsive Therapy) audit - assessment and preparation by ward doctor

This audit was undertaken to identify our level of compliance to ECT Accreditation Service (ECTAS) standards and the Trust ECT care pathway. The audit demonstrated the team were achieving high levels of compliance in most standards. The areas for improvement included completing and recording of post-treatment mental state assessments and monitoring clinical response using a validated depression rating scale after treatment. Changes implemented to improve practice have included the adoption of the Montreal Cognitive Assessment (MoCA) tool for use and these are routinely being included in ECT folders along with the Montgomery–Åsberg Depression Rating Scale (MADRS**)**. Improvements in post-treatment assessments are being achieved through training and induction processes for responsible doctors and also exploration of electronic flagging to highlight patients for review after ECT treatments in order to ensure their MADRS and MOCA assessments are recorded.

Safeguarding: contribution of adult services to the child safeguarding systems and services for potentially vulnerable children and families

This audit was completed to ascertain whether recommendations from a serious case review (BDS10) were being put into practice. The focus was to review how comprehensive the recording of child details are in adult services when an adult has been identified as having access to, or responsibility for, children. If a risk is identified, has the information been shared with the relevant services, advice sought as appropriate and action taken? The audit identified some areas for improvement and a comprehensive plan of changes are being implemented to increase awareness and support compliance with the relevant policies and expected standards. “Think! Family” training is included as mandatory training for relevant staff in order to promote a family-focused approach to practice. Recording tools are being reviewed to facilitate recording of family details and to prompt recording of children’s details during admission to services and at subsequent reviews. This includes the revision of Multi-Disciplinary Meeting recording tools so that they are more family-centred. The involvement of family services and the appropriate sharing of information with them is also being emphasised through training and supervision for staff.

All 33 reports of local clinical audits which have been reviewed in order to improve the quality of healthcare are listed below:

1. Misuse of substances: CG51 CG52 NICE guidance
2. Infection control standards: community bases
3. Infection control standards: child health clinics (CHCs)
4. Assessment, care planning and transfer of discharge of patients under the Derby Crisis Resolution Home Treatment team (CRHT)
5. Continued compliance with MRSA screening policy 2013
6. ECT audit - assessment and preparation by ward doctor
7. Resuscitation audit: Derbyshire Early Warning System (DEWS)
8. On-call response time
9. Resuscitation audit: (DNAR)
10. Nutrition risk re-audit
11. Sharing of information between midwife and health visitor where there are parents with mental health needs
12. Parenting assessment of father/father figure

13. Mental capacity assessment – inpatients
14. Consent to treatment: Section 58 of Mental Health Act (T2/T3 forms)
15. Documentation audit - Liaison team (South)
16. Failure to bring/attend audit in CAMHS following a serious case review (SCR)
17. Eating disorders in CAMHS
18. Quality and effectiveness of safeguarding children supervision and advice
19. Patient transfer to recovery
20. Deprivation of Liberty Safeguards (DoLs) procedure in an older persons' dementia ward setting
21. Diagnostic criteria of ICD10
22. Professional involvement in S117 aftercare meetings for inpatients who have been detained under Section 3 of the Mental Health Act
23. Communication of Section 136 outcomes
24. Audit of IP clerking proforma
25. Pre-diagnostic investigations for suspected dementia patients
26. Psychiatrists' access to electronic laboratory results
27. Oral health of in-patients in low secure unit
28. Medical record keeping in outpatients
29. Contribution of adult services to the child safeguarding systems and services for potentially vulnerable children and families
30. Crisis team, north Derbyshire: audit on admission standards
31. Persistent cohort in community paediatric clinics between 2010 to 2013
32. Medical record keeping - medical case notes older adult psychiatry: standard of clinical entries
33. Audit of referrals for Multi-Agency Public Protection Arrangements (MAPPA)

2.2.3. Participation in clinical research

This section is based on information received up till 30 March 2016.

"The number of patients receiving relevant NHS health services provided or sub-contracted by Derbyshire Healthcare NHS Foundation Trust in 2015/2016 that were recruited during that period to participate in research approved by a research ethics committee was 1,180."

Some of the National Institute of Health Research (NIHR) portfolio studies we have hosted in 2015/2016 include:

Number	Project title
01	The use of guided self-help in Anorexia Nervosa
02	Randomised controlled trial of the clinical and cost effectiveness of NICE recommended problem solving cognitive behaviour therapy delivered remotely versus treatment as usual in adolescents and young adults with depression who repeatedly self-harm (e-DASH – Depression And Self Harm)
03	The London Down Syndrome Consortium (LonDownS): an integrated study of cognition and risk for Alzheimer's Disease in Down Syndrome
04	Minocycline in Alzheimer's Disease Efficacy (MADE) trial
05	CBT vs Standardised Medical Care to treat Dissociative Seizures (CODES)
06	Improving the experience of dementia and enhancing active life: living well with dementia (the IDEAL study)
07	Enhancing The Quality Of User Involved Care Planning In Mental Health Services (Equip): Clinical Cluster Randomised Controlled Trial And Process Evaluation
08	Managing Agitation and Raising Quality of Life in dementia (MARQUE) - A naturalistic two-year cohort study of agitation and quality of life in care homes
09	Evaluation of the Schwartz Centre Rounds

10	An online randomised controlled trial to evaluate the clinical and cost effectiveness of a peer supported self-management intervention for relatives of people with psychosis or bipolar disorder: Relatives Education And Coping Toolkit (REACT)

2.2.4 Use of the CQUIN payment framework

"A proportion of Derbyshire Healthcare NHS Foundation Trust income – £2,612,598 in 2015/16 and £2,607,902 in 2014/15 – was conditional on achieving quality improvement and innovation goals agreed between Derbyshire Healthcare NHS Foundation Trust and Hardwick Clinical Commissioning Group which they entered into a contract, agreement or arrangement with for the provision of NHS services, through the Commissioning for Quality and Innovation payment framework. Further details of the agreed goals for 2015/16 and for the following 12 month period are reported in the annual report and section 3 of this report."

2.2.5. What others say about Derbyshire Healthcare NHS Foundation Trust?

Statements from the Care Quality Commission (CQC)

"Derbyshire Healthcare NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is with conditions. Derbyshire Healthcare NHS Foundation Trust has the following conditions on registration."

We provide services from four registered locations:

- Kingsway Hospital
- Radbourne Unit
- London Road Hospital in Derby
- Hartington Unit in Chesterfield.

"Derbyshire Healthcare NHS Foundation Trust has participated in special reviews or investigations by the Care Quality Commission relating to the following areas during 2015/16: governance and well led."

The Care Quality Commission carried out an announced visit to our Trust from 6-8 January 2016 and a further follow up unannounced visit on 12 January 2016 following concerns that were raised by whistleblowers and an employment tribunal involving the Trust that took place in April 2015. The focused inspection looked specifically at the following:-

- The Trust's vision, values and strategy
- Recruitment and performance management processes
- The roles and accountabilities in relation to board governance (including quality governance)
- Board activity and if it effectively engaged patients, staff, governors and other key stakeholders on quality, operational and financial performance.

The Care Quality Commission worked collaboratively with Deloitte and Monitor during the inspection.

Previous to this focussed inspection in 2015/16 we had received three inspections following our registration and were found to be compliant with the standards reviewed. As part of the Care Quality Commission routine comprehensive inspection programme of the NHS, we will have an announced inspection of the core services we provide week commencing 6 June 2016.

"Derbyshire Healthcare NHS Foundation Trust intends to take the following action to address the conclusions or requirements reported by the CQC."

The report published in February 2016 requested the following actions:

The actions we must take: (taken directly from report from Care Quality Commission published 2016)

- The Trust must ensure HR policies and procedures are followed and monitored for all staff
- 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

Actions we should take to improve: taken directly from report from Care Quality Commission)

- The Trust should ensure that all board members and the council of governors undertake a robust development plan
- The chairman should ensure that a unitary board culture is achieved by focusing on positive working relationships between board members and the council of governors
- The Trust should ensure that the outcome of this focussed inspection impacts directly upon the organisational strategy
- The Trust should monitor the adherence to the grievance, disciplinary, whistle-blowing policies and the current backlog of cases concluded
- The Trust should ensure that training passports for directors reflect development required for their corporate roles
- The Trust should introduce and effectively monitor 360 degree feedback all senior managers and directors
- The Trust should ensure that recruitment processes for all staff are transparent, open and adhere to relevant trust policies
- The Trust should continue to proactively recruit staff to fill operational vacancies
- The Trust should continue to make improvements in staff engagement and communication.

We received two requirement notices as a result of these findings in respect of Regulation 17 HSCA (RA) Regulations 2014 (Good governance) and Regulation 5 HSCA (RA) Regulations 2014 (Fit and proper persons: Directors). We received an enforcement notice in response to these concerns from our regulator Monitor.

"Derbyshire Healthcare NHS Foundation Trust has made the following progress by 31 March 2016 in taking such action."

We have incorporated this wider feedback from the Care Quality Commission into our governance action plan for delivery. Many of the actions outlined in the governance improvement action plan have already started to develop. Actions include initiatives to improve the effectiveness of our Board, to address strategy, models and structure within the HR team, to refresh our values, improve relationships with the Council of Governors and to provide greater clarity in performance management processes during this period of transition.

2.2.6 Statement on relevance of data quality and our actions to improve your data quality

"Derbyshire Healthcare NHS Foundation Trust will be taking the following actions to improve data quality"

The Trust's Data Quality Policy will continue to be implemented, with the following aims:

- To ensure that there is a shared understanding of the value of high-quality data on improving service delivery and quality and outcomes of care
- To ensure that the focus of improving data quality is on preventing errors being made wherever possible
- To ensure that regular validation, feedback and monitoring processes are in place to identify, investigate and correct data errors when they occur.

2.2.7. NHS Number and General Medical Practice Code validity

"Derbyshire Healthcare NHS Foundation Trust submitted records during 2015/2016 to the secondary uses service for inclusion in the hospital episode statistics, which are included in the latest published data."

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

- 99.9% for admitted patient care (based on April 2015 – February 2016 published dashboard draft figure)
- 100% for outpatient care (based on April 2015 – February 2016 published dashboard draft figure).

The percentage of records in the published data which included the patients' valid general practitioner (GP) registration code was:

- 98.5% for admitted patient care (based on April 2015 – February 2016 published dashboard draft figure)
- 99.2% for outpatient care (based on April 2015 – February 2016 published dashboard draft figure).

2.2.8 Information Governance Toolkit attainment levels

"Derbyshire Healthcare NHS Foundation Trust's Information Governance Assessment Report overall score for 2015/2016 was **97%** and was graded '**Green – Satisfactory."**

2.2.9. Clinical coding error rate

"Derbyshire Healthcare NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during the reporting period by the Audit Commission."

2.2.10 Core set of indicators

The following indicators have been included in line with the requirements of the regulations.

2.2.10.1 Seven-day follow up

Derbyshire Healthcare NHS Foundation Trust considers that this data is as described for the following reasons: It calculates the seven-day follow up indicator based on the national guidance / descriptors:

Numerator: Number of patients on the care programme approach (CPA) who were followed up within seven days after discharge from psychiatric inpatient care.

Denominator: Total number of patients on CPA discharged from psychiatric inpatient care.

The Derbyshire Healthcare NHS Foundation Trust intends to take the following action to improve this, and so improve the quality of its services by:

Continuing to work to maintain our performance and ensure that all patients discharged from our inpatient care on CPA are followed up within seven days.

Indicator	End of 2014/2015	End of 2015/2016	National average	Highest and lowest scores
The percentage of patients on Care Programme Approach who were followed up within seven days after discharge from psychiatric in-patient care during the reporting period	97.49%	96.98% (as at 19/04/16)	96.9% (as at 19/04/16)	100% and 90.9% (as at 19/04/16)

2.2.10.2 Crisis gatekeeping

The Derbyshire Healthcare NHS Foundation Trust considers that this data is as described for the following reasons: It calculates the Crisis Gatekeeping indicator based on the national guidance / descriptors:

Numerator: Number of admissions to acute wards that were 'gate kept' by the Crisis Resolution and Home Treatment teams.

Denominator: Total number of admissions to acute wards.
The Derbyshire Healthcare NHS Foundation Trust has taken the following actions to improve this percentage, and so improve the quality of its services:

- By continuous monitoring to maintain the high performance against this indicator.

Indicator	End of 2014/2015	End of 2015/2016	National average	Highest and lowest scores
The percentage of admissions to acute wards for which the Crisis Resolution Home Treatment Team acted as a gatekeeper during the reporting period.	100%	100% (as at 19/04/16)	96.9% (as at 19/04/16)	100% and 61.9% (as at 19/04/16)

2.2.10.3. Twenty eight day re-admission rates (aged 16 and over)

Derbyshire Healthcare NHS Foundation Trust considers that this data is as described for the following reasons: It calculates the re-admission rates based on the national guidance / descriptors:

Numerator: Number of re-admissions to a Trust hospital ward within 28 days from their previous discharge from hospital.

Denominator: Total number of finished continuous inpatient spells within the period.

Derbyshire Healthcare NHS Foundation Trust has taken the following actions to improve this percentage, and so the quality of its services, by:

- Monitoring and reporting pathways of care.

Indicator	End of 2014/2015	End of 2015/2016	National average	Highest and lowest scores
28 day re-admission rates for patients aged 16 and over	8.00%	9.79% (as at 19/04/16)	Not available	Not available

2.2.10.4 Staff recommending the Trust as a place to work or receive treatment

Our staff survey results for 2015 have seen no change in how staff perceive the Trust as a place to receive care. In 2015, 68% of respondents felt that patient care was our top priority; although this shows no change from 2014, it is 5% lower than the national average in response to this question.

The majority of our staff continue to say they would be happy for their friends or relatives to receive care from us, which clearly continues to be an excellent reflection of the quality of care and values we hold as an organisation. Our score in this area was higher than the responses received to the same question last year but is still below the national average.

The percentage of staff that, in the 2015 survey, said they would recommend us as a place to work is 8% lower than 2014. Similarly a lower percentage of staff indicated that we always act on concerns raised by our service users. Both of these are below the national average.

The Trust will continue to strive to develop a highly engaged, compassionate and skilled workforce, focused on recovery. Our leaders will be empowered with the best tools to ensure the best delivery of patient care. In line with our values, our people development and organisation transformational work will always ensure that our people are at the centre of all changes.

As with all Trusts, there are areas where improvements can be made:

- The percentage of staff agreeing that their role makes a difference to patients/ service users, whilst at 87%, is still 2% below the national average
- On the quality of appraisals, the Trust score of 2.89 is below the national average for combined mental health/learning disabilities and community trusts of 3.05
- The effective use of patient /service user feedback score for 2015 is 3.37 against a national average of 3.69. This is lower than the Trust score for 2014 of 3.54
- On the fairness and effectiveness of procedures for reporting errors, near misses and incidents, the Trust score for 2015 is 3.64 against a national average of 3.72
- The percentage of staff/colleagues reporting their most recent experience of violence was 67% against the national average of 74% though this was lower than the Trust score for 2014.

Generally speaking there has been has been a marginal decline from the 2014 survey and it is recognised that there are significant actions to be completed in a number of areas which are reflected in the governance improvement action plan. The Trust-wide position over a longer period is a stable picture and even with a marginal decline, the low levels of performance in the organisation's history have not returned.

Proactive work will be undertaken to explore the results further and analyse by service line, occupational groups, and Workforce Race Equality Standard (WRES). This detail will be shared with the People and Culture Committee in March 2016, and the senior leadership team, and will be supported by a specific action plan.

'We focus on our people' is a core value for our Trust. The annual staff survey is one indicator of how our staff feel in their day to day working environment – our future strategy and activities will be informed by the results of the annual survey to ensure we are listening and learning form this feedback.

We will continue to encourage as many staff as possible to take part in the 2016 national NHS Staff Survey later this year.

Indicator	Trust score 2014	Trust score 2015	All mental health/learning disabilities and community trusts – average 2015	All mental health/learning disabilities and community trusts – best score 2015
Staff recommending the Trust as a place to work or receive treatment	3.59	3.54	3.70	4.06

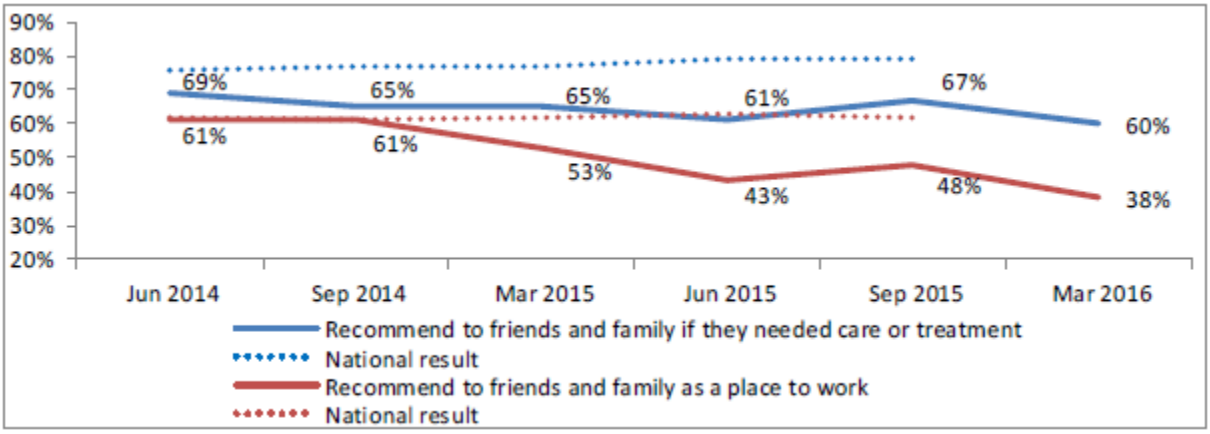
Staff Friends and Family Test

From April 2014 the Staff Friends and Family Test (Staff FFT) was introduced to allow staff feedback on NHS services based on recent experience. Unlike the annual staff survey, the Staff FFT is designed to 'take the temperature' of an organisation periodically throughout the year. Staff FFT is currently conducted on a quarterly basis (excluding Quarter 3 when the existing NHS Staff Survey takes place). Staff are asked to respond to two questions. The 'care' question asks how likely staff are to recommend the NHS services they work in to friends and family who need similar treatment or care. The 'work' question asks how likely staff would be to recommend the NHS service they work in to friends and family as a place to work.

Response rates Q4 March 2016 – **259** responses, **11%** of the workforce

60% of respondents said they would recommend the Trust to friends and family if they needed care or treatment and 38% would recommend to friends and family as a place to work. Responses were received from various staff groups with Registered Nursing representing 36% of all responses, followed by Admin and Clerical with 32%. Specialist Services represented 33% of all responses followed by Urgent Planned Care with 25%.

Reviewing the results from the launch of the Staff FFT, June 2014 to June 2015 showed a decline in staff recommending the Trust to friends and family if they needed care or treatment and as a place to work. In September 2015 it showed for the first time an improvement in results; however March 2016 has seen a further decline to the lowest results so far for recommending the Trust to friends and family if they needed care or treatment and as a place to work. Compared to the national picture, the Trust has been running below the national average result for staff recommending friends and family if they needed care or treatment and as a place to work.



2.2.10.5 Percentage of staff believing that the organisation provides equal opportunities for career progression or promotion (question 21)

Indicator	Trust score 2014	Trust score 2015	All mental health/learning disabilities and community trusts – average	All mental health/learning disabilities and community trusts – best score
Percentage of staff believing that the organisation provides equal opportunities for career progression or promotion**	White 87% BME 71%	White 84% BME 80%	White 91% BME 78%	Not available in the survey

** Key Findings 25, 26, and 21, split between White and Black and Minority Ethnic (BME) staff, as required for the Workforce Race Equality Standard.

2.2.10.6. Most recent staff survey results for percentage of staff experiencing harassment, bullying or abuse from staff in the last 12 months (question KF26)

Indicator	Trust score 2014	Trust score 2015	All mental health/learning disabilities and community trusts – average 2015	All mental health/learning disabilities and community trusts – best score 2015
Percentage of staff experiencing harassment, bullying or abuse from staff in the last 12 months**	White 23% BME 23%	White 23% BME 18%	White 20% BME 23%	Not available in the survey

** Key Findings 25, 26, and 21, split between White and Black and Minority Ethnic (BME) staff, as required for the Workforce Race Equality Standard

2.2.10.7 Patient experience of community mental health service indicator score with regard to a patient's experience of contact with a health or social care worker during the reporting period

The Derbyshire Healthcare NHS Foundation Trust considers that this data is as described for the following reason: it is taken directly from the National Community Mental Health Patient Survey of 2015.

The Derbyshire Healthcare NHS Foundation Trust has taken the following actions to improve this score: to ensure care planning is one of our quality priorities once again in 2016/17 with particular focus on personalised care planning, ensuring service receivers know who to contact, and how to contact them, if they have any concerns; and to review how information and support in other areas of life can be addressed considering the links to improved personal goals and outcomes.

Indicator	Trust score 2014	Trust score 2015	All mental health/learning disabilities and community trusts – highest and lowest score
Patient experience of community mental health service indicator score with regard to a patient's experience of contact with a health or social care worker during the reporting period.	7.9	7.8	8.2 6.8

2.2.10.8 Patient safety incidents and the percentage that resulted in severe harm or death

"The Trust considers that this data is as described for the following reason: it is taken directly from the Health and Social Care Information Centre.

Derbyshire Healthcare NHS Foundation Trust data for the number and rate of patient safety incidents reported within the trust during the reporting period, and the number and percentage of such patient safety incidents that resulted in severe harm or death."

Patient Safety Incidents reported by Derbyshire Healthcare NHS Foundation Trust to the National Reporting and Learning System (NRLS) between 1 April 2015 and 30 September 2015		Median rate
Patient Safety Incidents per 1,000 bed days	1,506 incident reported during this period = reporting rate of 28.1 incidents per 1,000 bed days	Median rate for the 56 organisations in the cluster is: 38.62 incidents per 1,000 bed days (organisations that report more incidents generally have a better and more effective safety culture)

Degree of harm of the patient safety incidents reported to the NRLS between 1 April 2015 and 30 September 2015.				
Degree of harm indicated as a percentage of the total number of incidents reported.				
None	**Low**	**Moderate**	**Severe**	**Death**
65% (979)	26.2% (395)	5.4% (81)	2.5% (38)	0.9% (13)

We have reported our national benchmarks in suicide, sudden death and homicide rates. At this time we have no new data to produce to question or invalidate the National Homicide and Suicide Inquiry. We are awaiting their final validation of their data to include in our quality account.

This information does not change our quality priorities, which aim to:

- continue to improve patient safety planning for suicide and wider clinical safety planning
- continue to focus on physical healthcare and the mortality gap
- concentrate service improvements on clinical interventions such as annual health checks, side effect knowledge and medicines optimisation, the Green Light Toolkit and the minimizing of diagnostic overshadowing and key risks in learning disability, substance misuse, the employing of registered general nurses (RGNs), moving to a smoke free environment, and exploring patient activation opportunities in health and well-being in nursing and occupational health driven activities to promote both symptom and social recovery.

The Trust has taken the following actions in relation to patient safety:

- Development through a multi-disciplinary and service receiver approach of a person-centred safety plan, to replace current risk assessments. This is currently being piloted in Low Secure Inpatient services. Clinical staff are completing e-learning, and the roll-out of face-to-face training is due to commence imminently. This will mean service receivers will have one safety plan which will remain 'live' and be used across all teams involved in their care.

- Embedding of Duty of Candour; the Family Liaison team continue to work and support families and service receivers.

- Development of new terms of reference for our Mortality Committee, in response to the recommendations from the Mazars/Southern Health report. Alongside the Mortality Committee, a technician is being recruited to facilitate the collection of data.

- The Patient Safety team have become actively involved in the East Midlands Mental Health Network, and are sharing our learning and good practice at quarterly events.

- We continue to work towards improving this score, and so improve the quality of services, by ensuring we have an effective safety culture, which shares learning from incidents throughout the Trust.

2.2.10.9. How we are implementing the Duty of Candour

- The Duty of Candour was introduced in April 2014. Last year we reported about two new roles created, Family Liaison Coordinator and Family Liaison Facilitator, specifically to analyse serious incidents and complaints in order to ensure families' concerns are heard and they are fully supported during the process.

- The Medical Director is responsible for monitoring the management of serious incidents in the Trust. Incidents are reviewed and are only closed on the electronic reporting system by the staff from the clinical commissioning group when they are satisfied that they have been appropriately managed by the Trust.

- A narrative on how we deliver our Duty of Candour, in relation to serious untoward incidents, is included in the monthly Serious Incident Report which is reviewed by the Quality Committee and Trust Board. Over 900 incidents have been reviewed and considered in line with the Duty of candour requirement.

- An additional field has been added to the Datix electronic information management system to record actions taken in response to the Trust's Duty of Candour, requirements and an auditable trail of all reviews of incidents, involvement of families and letters sent to families in line with Being Open and Duty of candour requirements and regulations.

- In addition in 2016, we will be asking our internal auditors to review the Duty of Candour and Being Open policy following its first 12 months of operation. The review will ask questions such as: is the service providing and discharging its duty of candour? Is the Trust policy being implemented and can the internal auditors give independent assurance that the systems are in place and are being effectively used? Is there any learning or adjustments to the system that can be recommended from any national learning?

Never events

We did not have any ‘never events’ in 2015/16.

In early 2016 a presentation in the form of a video podcast was presented at the Midlands & East Region Learning from Experience Conference, as an example of good practice. It was very well received by the audience. The Trust also shared its duty of candour policy and process with the Mental Health and Learning Disability Director of Nursing National network.

2.2.10.10. Friends and Family Test (FFT)

The FFT asks people if they would recommend the services they have used and offers a range of responses. When combined with supplementary follow-up questions, the FFT provides a mechanism to highlight both good and poor patient experience. The results of the Friends and Family Test are published each month by NHS England.

When someone is discharged from any of our services staff are encouraged to ask them the following question: *"How likely are you to recommend our service to friends and family if they needed similar care or treatment?"* People will be invited to respond by choosing one of the options, ranging from "extremely likely" to "extremely unlikely". They will also have the opportunity to explain why they have given their answer.

Patient Friends and Family Survey Results	Extremely Likely or Likely	Neither, Unlikely or Extremely Unlikely	Total Number of Surveys Completed	Extremely Likely or Likely Compliance
Apr-15	109	13	122	89.34%
May-15	56	4	60	93.33%
Jun-15	107	11	118	90.68%
Jul-15	68	7	75	90.67%
Aug-15	56	5	61	91.80%
Sep-15	74	11	85	87.06%
Oct-15	93	13	106	87.74%
Nov-15	52	8	60	86.67%
Dec-15	49	3	52	94.23%
Jan-16	71	9	80	88.75%
Feb-16	40	10	50	80.00%
Mar-16	81	4	85	95.29%
Total 15/16	856	98	954	89.73%

PART 3
REVIEW OF THE QUALITY OF OUR SERVICES

This section looks back over the last 12 months and reports on the quality improvements we have made. At the time of writing our inspection by the Care Quality Commission has not taken place. Therefore we will set out our own view on the five key questions used by the Care Quality Commission in their inspections of services:

1. Are they safe?
2. Are they effective?
3. Are they caring?
4. Are they responsive to people's needs?
5. Are they well-led?

3.1 SAFE SERVICES

3.1.1. QUALITY PRIORITY

How we are improving the physical healthcare of our service receivers

This was a priority for us last year and will remain so in the next financial year. In 2015/16 this was one of the national priorities mandated for mental health trusts and was agreed with our commissioners as part of our quality and innovation agreements.

Our commitment

To improve the detection and recording of physical health parameters which may indicate a detrimental effect on a person's physical health.

Work completed

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 to everyone involved with the Trust. Staff have been helping service receivers who want to stop smoking for a period of time, or quit for good, working with the individual to identify an alternative that works best for them.

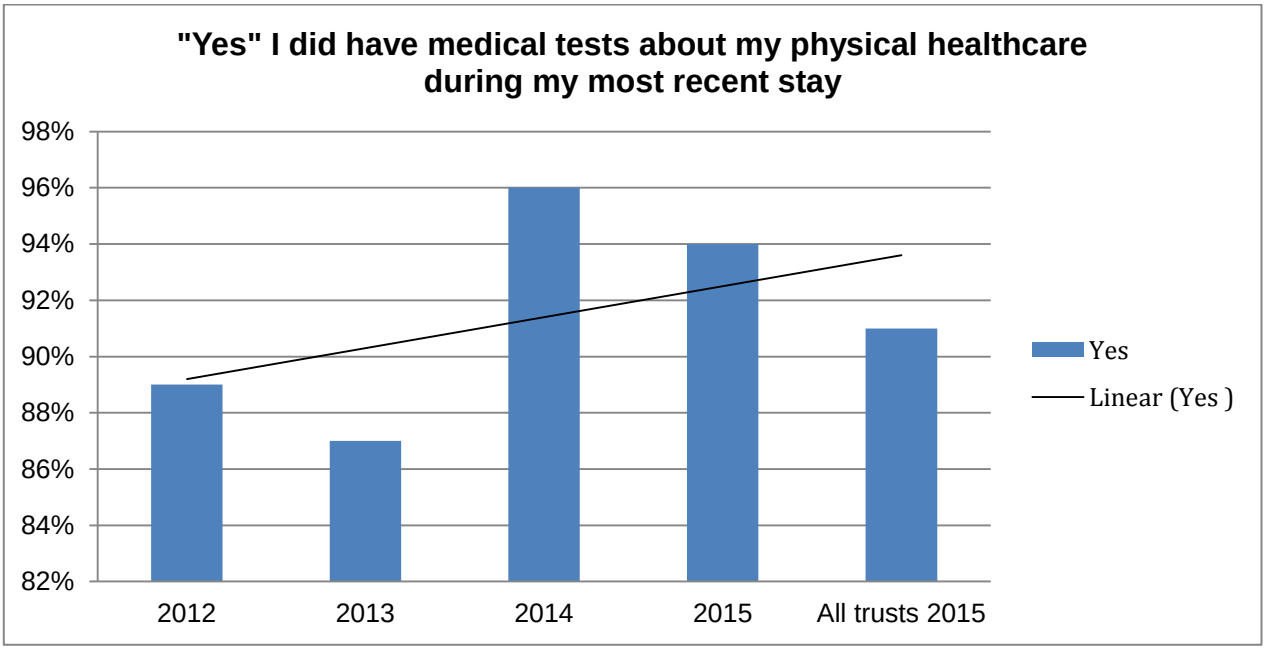
- We have completed a comprehensive training programme for staff on assessing the physical health of our service receivers
- We have raised awareness of the importance of assessing the physical health of our service receivers on admission at junior doctor's sessions and at induction. We have included it in the revised doctor's handbook
- We have completed the national CQUIN-related audit and are waiting for the results; this will enable us to compare our progress with that of other trusts
- We have provided new medical equipment for checking and monitoring physical health – for example, new blood pressure and ECG machines.

Progress so far

As reported in the last year's quality report, audits over the last two years, including from the National Audit of Schizophrenia, demonstrate inconsistent implementation and recording of physical healthcare checks. This is why we are continuing to focus on this as a priority.

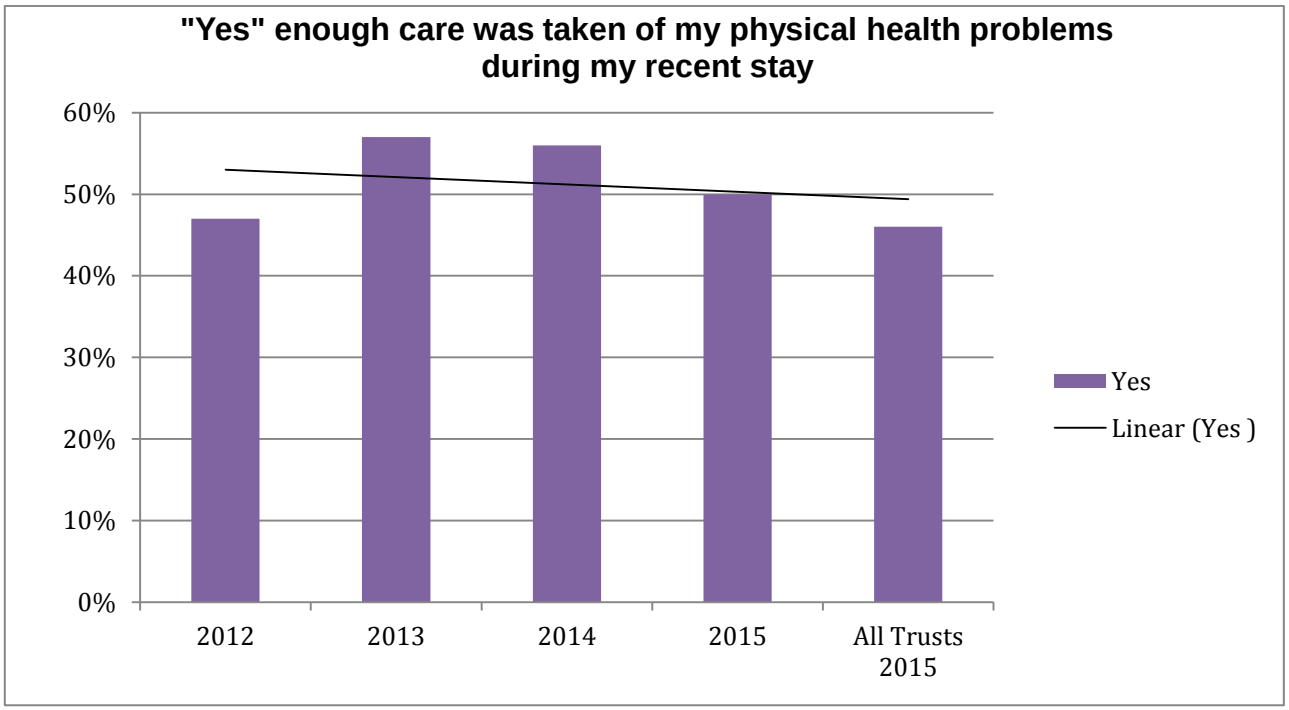
In order to get feedback from our service receivers we voluntarily take part in the national inpatient survey. The results on physical healthcare question D33 show that we were above average when compared to other trusts in 2015; our result was 94% against the comparator for all trusts of 91%, but we have shown a decrease compared to 2014 when 96% said "yes". Overall the trend for this question is improving as outlined in the chart below.

Question D33 During your most recent stay did you have any medical tests about your physical health care such as blood pressure measured?



Q34 During your most recent stay, do you feel that enough care was taken of any physical health problems you had (e.g. diabetes, asthma, heart disease)? Percentage stating "Yes, definitely".

The results on physical healthcare question D34 show that we are above the average when compared to other trusts in 2015; our result was 50% against the comparator for all trusts of 46% but we have shown a decrease compared to 2014 when 56% said "yes". Overall the trend for this question is decreasing as outlined in the chart below.



We will continue to make 'improving the physical healthcare of our service receivers' a priority in 2016/17.

Working in partnership with GPs to improve physical healthcare

Significant improvements in audit of physical health assessments and GP communications

The following audit was undertaken during September 2015 as a requirement of the national Commissioning for Quality and Innovation Agreements (CQUIN) programme, focussing on the improvement of physical health in those with a severe / enduring mental health condition.

This audit measured the number of patients in the audit sample for whom we have provided to their GP an up-to-date copy of the patient's care plan or a discharge summary which sets out appropriate details of all of the following:

- NHS number
- All primary and secondary mental and physical health diagnosis, including ICD codes
- Medications prescribed and monitoring requirements
- Physical health condition and on-going monitoring and treatment needs
- Recovery-focused healthy lifestyle plans.

The audit was conducted using four teams based in the neighbourhood settings – namely High Peak & Dales Recovery Team, Derby City 2 Recovery Team, Chesterfield Recovery Team and Erewash Recovery Team. A total of 125 case notes were reviewed. All 125 records contained an NHS number on the records but there were improvements needed in other areas.

In October 2014, although with a small sample, we saw that in only 25% of cases was there evidence of communication with a GP around the aspects required with regards to physical healthcare; this has now increased from a low level to 93%. It is encouraging that information is being collected and is featuring as part of a plan, or part of reviews and communication. This is a significant improvement in the level of service we offer see table below after the service improvement work.

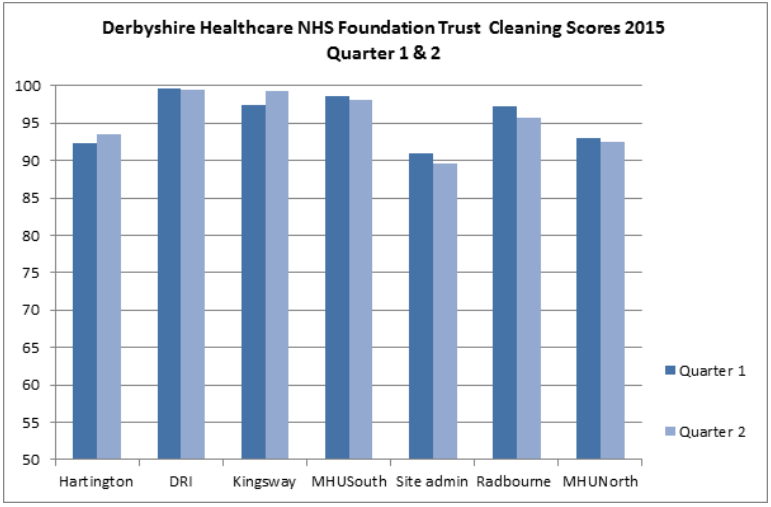
Table: Showing results of audit of Physical Health Assessments and GP communications

All 125 records contained an NHS number on the records.

Discharge plan content included	Yes	No	Not applicable
Mental health diagnosis	119	6	0
Medications prescribed and monitoring requirements	119	6	0
Physical health condition	111	3	10
Physical health on-going monitoring and treatment needs	108	5	12
Recovery-focused healthy lifestyle plans	94	12	4
Letter to GP	117	8	0

Other ways we keep our service receivers, staff and public safe

Graph: Audits of our cleaning scores April 2015 to September 2015



We keep our clinical areas clean and free from infection through our excellent cleaning standards

For the first time ever, the 2015 patient-led assessments of the care environment (PLACE) were extended to include criteria on how well hospitals are equipped to meet the needs of caring for patients with dementia. Here, our 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%. We believe this is contributing to our lower levels of infection control incidents, though we would need more evidence before we could prove this. It is noted that this would be at least a contributory factor in our Trust performance.

On our mental health wards, satisfaction levels were particularly high around the cleanliness of the wards, with ratings ranging from 98.56% to 99.35%.

In 2015/16 we completed a self-assessment of our emergency response and public protection assurance process Trust. The self-assessment was undertaken on the 10 September 2015; Hardwick Clinical Commissioning Group has confirmed that the panel evaluated our organisation's level of compliance as '**substantial'** using the following levels:

Compliance Level	Evaluation and Testing Conclusion
Full	The plans and work programme in place appropriately address all the core standards that the organisation is expected to achieve.
Substantial	The plans and work programme in place do not appropriately address one or more the core standard that the organisation is expected to achieve.
Partial	The plans and work programme in place do not adequately address multiple core standard that the organisation is expected to achieve.
Non-compliant	The plans and work programme in place do not appropriately address several core standard that the organisation is expected to achieve.

The panel reviewing our emergency response plans stated that ***"the trust has a number of effective mechanisms in place and an accurate self-awareness of areas requiring further attention, which included a Lockdown Plan and further Training and Exercising".*** We have a work plan to address the areas where further attention is required. The Health and Safety Committee will continue to monitor progress.

Safe Staffing - We publish our in-patient safer staffing levels on our website

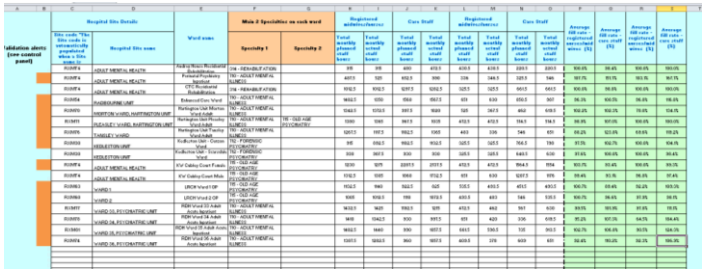


Figure 1 Our weekly and monthly safer staffing figures, which are contained in our monthly performance report to the Board and with additional 6 month analysis

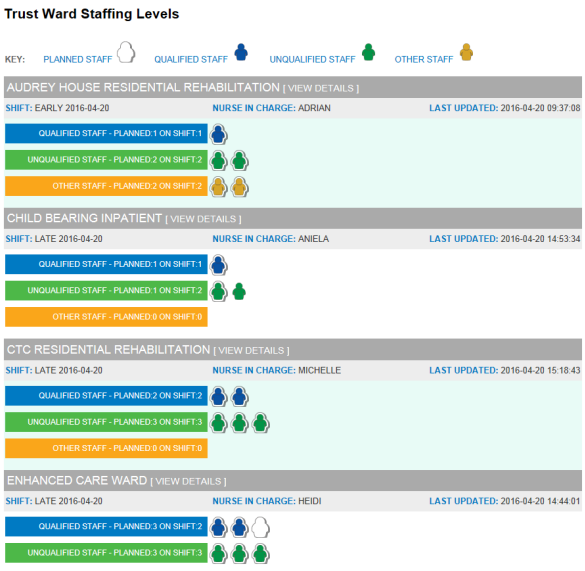


Figure 2 Our live safer staffing data that we report for every shift. This is available on our website and we are working to implement this to go live on ward TVs for individuals and for family members.

We are a national 'flu fighter'

We support the national 'flu fighter' campaign to increase uptake of staff seasonal flu vaccinations throughout the NHS in England. In total 540 staff were vaccinated against influenza between 1 October 2015 and 30 November 2015, of which 470 were health care workers that were involved in direct patient care. We will continue to promote the health and wellbeing benefits to our staff of managing their own wellbeing and their personal contribution to the public health agenda.

Nutrition and dietetics

We raised concerns in 2014 that we wanted to improve our focus on physical healthcare through an expansion of our dieticians' resource. Previously, this resource was limited.

As a result of the increased funding secured from our commissioners, we now have three Mental Health Dieticians in place (in addition to our two Specialist Dieticians already in post), and will recruit to the final Dietetics Assistant post soon. The team will then be at full strength, and are working on planning the delivery of training for relevant staff, assisting our catering team with menu review and targeted NICE-informed interventions in the Campus settings. This has been a significant development in 2015, and we have fed back to commissioners our thanks for investing in the healthcare offer that we provide to our service receivers.

Our allied health professionals have led on the following initiatives:

Nutrition and Hydration Week: a global campaign that we supported as a Trust with a number of awareness raising events. The campaign runs from 14 to 20 March each year and exists to create a global movement that will raise awareness and improve understanding of the vital importance of good nutrition and hydration across social and health care settings.

Throughout the week, the Trust's dieticians hosted a number of events including:

- Information stalls at the Radboune Unit and Kingsway campus and at the Hartington unit; there was an opportunity for all staff, patients and visitors to ask any questions
- At London Road Community Hospital, information boards were produced and the dietitians visited the wards
- With support from the Trust's catering department, each inpatient received a free bottle of water to encourage healthy hydration levels, in addition to the range of drinks they typically receive throughout the day
- All wards in the south of the county caring for adult inpatients were provided with a fruit platter to promote healthy snack options and the role of food in hydration
- Cubley and London Road wards hosted a special Nutrition and Hydration Week afternoon tea party for patients and their carers.

In the Ashbourne Centre restaurant on the Kingsway Site a dieticians' choice was offered; this was a healthy menu option each day – it is hoped this could continue as a contribution towards supporting the health and well-being of our staff.

Young person's substance misuse services

Our young person's substance misuse service for Derby, Breakout, worked closely with Derby City Council during December 2015 to make sure young people know the truth about new psychoactive substances. A number of posters were displayed across key areas throughout the city emphasising the 'lethal lows' of 'legal highs' and the team engaged in social media activity to help raise awareness. We believe our Trust contribution to the system's response to this expanding public health risk is key to our Trust offering well-rounded Children's Services and CAMHS core services.

3.1.2 QUALITY PRIORITY

Our work to prevent suicide through patient safety planning

We chose this as a priority and reported on it in our 2014/15 quality report, and agreed to continue this work in 2015/16 as part of our quality and innovation agreements with our commissioners.

Our commitment

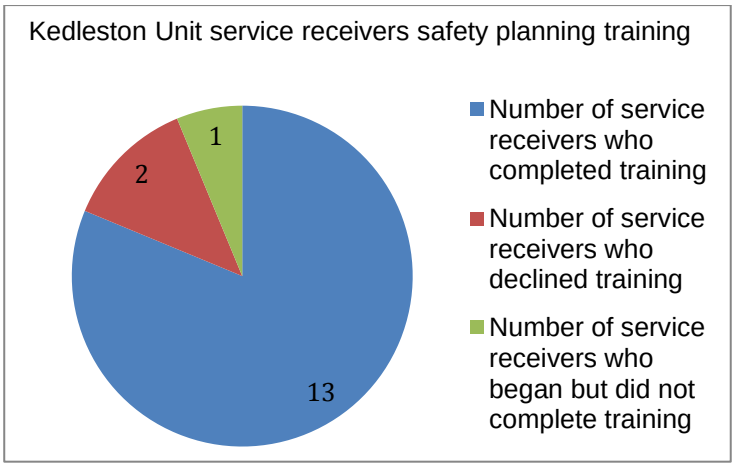
The Trust's serious incident investigations and the national inquiry into suicides and homicides have highlighted the limitations of quantitative risk assessments. It is crucial that the risk is appreciated through the individual service receiver's eyes and that they own the risk as far as mental capacity and insight allows. Our commitment is that clinicians work in partnership with service receivers to mitigate the potential risks and hence a safety plan approach has been developed.

What we have done

- Pilots of the 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 been obtained and has informed the development of the plan
- Documents have been agreed and the associated policy ratified
- An e-learning package and PowerPoint presentation has been developed. This became live in December 2015 and has been completed by over 50 staff in a 'road test'. It is now included in the Electronic Service Record system and has been included on the staff clinical passport.

Low secure services – Kedleston Unit

A training package for low secure patients and staff on collaborative risk assessment and management was developed by Dr Bethan Davies in Quarter 2 of this financial year.

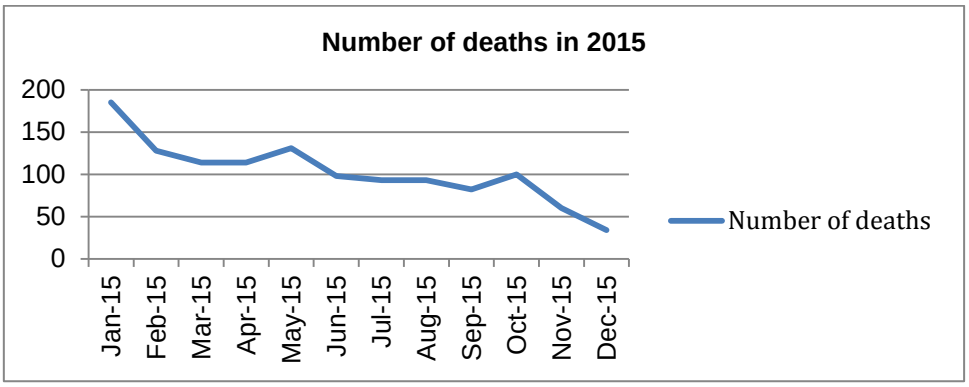


Our Medical Director attended the Derbyshire-wide stakeholders meeting for suicide prevention, and reported that positive feedback about the new safety assessment was received.

Learning from others

Review of our reporting of deaths following publication of Southern Health report

Following on from the publication of the Mazars / Southern Health NHS Foundation Trust report, we have undertaken a review of how we report deaths within the Trust. We completed a review of all deaths over the period January 2015 to December 2015.



There have been 1,232 deaths of patients who have been in receipt of care (this is from all Trust services and includes patients who have had single contacts such as outpatients). By far the majority were in our Older Adult care services and were expected deaths or deaths of adults who were over the local county wide expected mortality rate. These are independently reviewed by our Family Liaison/ Duty of Candour team and shared with our commissioners.

The largest group by far have been deaths in the Older Adults service line (61%). These deaths will be considered by the Trust's mortality group and proactively through the design of a screening panel to explore whether the death was higher or lower than the city and county chronological expected age of death, and whether there were any adverse signs or patterns that would warrant additional screening and learning.

Moving forward, we are going to pilot the reporting of deaths within the Trust and take a practical solutions-focused approach both to serious untoward incident management and to how we ensure good governance in this area, as well as ensuring purposeful learning.

The Mazars Report made recommendations around the investigating and reporting of deaths. One of the recommendations was for trusts to have a mortality review group, to support learning from unexpected deaths. Mortality review meetings will be a core component of our service quality plan. They will focus on the analysis of mortality data to identify patterns and opportunities for further investigation and improvement. There will also be a focus on systems and processes used by our services, cross-referenced with the conclusions of the Serious Incident Group and action plans produced as a result of incident investigation.

World Suicide Prevention Day

On 10 September 2015 the Trust teamed up with local charities and councils on World Suicide Prevention Day to encourage people to check on the well-being of those around them.

Staff from the Trust spent the morning in Chesterfield town centre with members of the Samaritans to urge people to reach out to friends and neighbours who seem isolated or lonely. The chair of the Trust's suicide prevention strategy group, Dr Allan Johnston, spoke on both BBC Radio Derby and Peak FM.

In Derby city, the Trust also worked with Derby City Council to raise awareness amongst staff of the importance of identifying residents who may be isolated and vulnerable, and helping them to engage with their community and build a support network around them.

Learning themes from incidents

As a learning organisation we analyse the themes from our incidents and make changes in practice as a result of that learning. Lessons learnt from performance issues are shared across the Trust on a regular basis through the publication of the 'Practice Matters' newsletter, identifying learning from incidents and complaints.

We have a system of all-staff alerts called the ‘Blue Light' bulletins which draw attention to serious and urgent risks, and monthly all-staff 'Policy Bulletins' summarising changes to policies.

The following themes are a selection that has emerged from investigations concluded in 2015.

Improvement issues

1. Reflective sessions in neighbourhood services to enhance formulation of clinical need
2. More structured approach to debriefing staff after serious incidents
3. Temporary staff to have full induction and training needs identified and met
4. Trainees being aware of information governance requirements
5. Information sharing with trainee doctors
6. Communication between neighbouring services and reflecting upon human factors in our learning
7. Change in service provision for Liaison team
8. Documentation of mental capacity in patients who have overdosed and how we can continually improve
9. Crisis Team reviewing assessments offered and how they operate to prevent harm
10. Community treatment orders and Mental Health Act assessments - learning from our experiences.

Improving safety through the implementation of the Electronic Patient Record

In 2015 we commenced our move to a fully functioning electronic patient record (EPR) to ensure that patient information is recorded in one place. The absence of a single EPR across all mental health care settings has been raised as a learning point for our organisation in a number of incidents and serious care reviews and, most recently, was identified as a recommendation from the CQC during a recent visit to the Trust.

3.1.3 QUALITY PRIORITY

Focussing on our work to minimise the need for staff to use restrictive practices and restrain people who are in our care

In 2015 we agreed our positive and safe strategy, and an action plan was developed in response to the strategy to assure against the priorities identified and agreed. This work will continue to be a quality priority for 2016/17.

Our commitment

Our commitment is to minimise the need for staff to restrain people who are in our care.

What we have done

- We have reviewed our policies that may impact on restrictive behaviours in line with the code of practice
- We have implemented fully safe wards 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 Forensics 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. The Radbourne Unit nursing staff and our visiting lecturer Niki Simbani from Keele University were a credit to our organisation.

The Danish health team said:

"I would like to thank you for your letting your staff members Angela Griffin, Linda Johnson, Niki Simbani, Hannah Norman and Laura Walters visit and work for us here in Denmark.

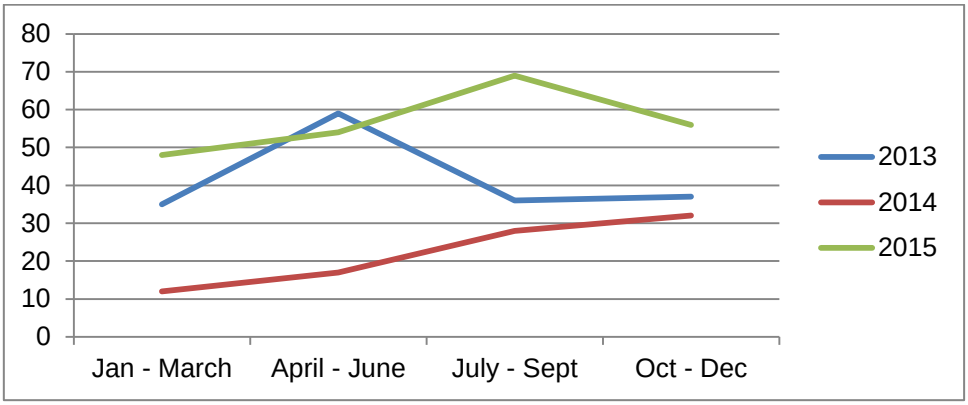
"We had an interesting and inspiring week and all of your staff members were very motivated and worked hard the entire week. I had the fortune to be their liaison here in Denmark. I have met five very competent and inspiring nurses and nursing assistants from Derbyshire NHS and they have made a very positive impression among staff members at the psychiatric hospitals here in the region of Southern Denmark. They all participated as facilitators at a national congress here in Denmark during their stay here and they were excellent Safewards role models.

"Thank you once again and I look forward to our further collaboration towards better and safer psychiatric wards."

Anne-Mette Nørregaard

- We have delivered training to Derbyshire police to raise awareness.
- We have collected baseline data from which to monitor our progress.

Graph: number of periods of seclusion 2013 to 2015



We still have more work to do to fully implement our positive and safe strategy; this will remain a priority for us in 2016/17 to examine patterns of use of seclusion and how we reduce length and occurrences.

In 2015/16 we reported on our levels of restrictive practices, namely restraint, based on national benchmarking data which showed that we were a low user of this practice. In 2015 our wards have struggled at times to maintain these gains in all restrictive practices due to an increase in violence on admission. This is in keeping with increases in levels of community violent crime in our communities and in violence from individuals using alcohol and substances including new and novel psychoactive substances. Our substance misuse and nursing teams are working on clinical practice guidelines and on policy revisions to help our staff manage this patient need effectively. In 2015, we saw the release of the NICE guideline NG10 which changed the clinical practice of restraint to recommend that seclusion is used as an alternative to prolonged holding.

Our results show that our use of seclusion has risen, not reduced, and this is in part due to increases in violence and the change in the clinical practice guideline. This does not mean we change our improvement plan seeking to reduce restrictive practices; early gains in 2014 need to be revisited to look at improvements as well as continued monitoring of seclusion use.

The seclusion group members representing the service receiver organisations Mental Health Action Group and Derbyshire Voice lobbied for an improved service during debrief for those who have been placed in seclusion. A new service has been commissioned to provide debriefs through an independent advocacy service commencing in early April 2016.

We were incredibly proud of our psychiatric liaison teams. As well as presenting at our clinically driven nurses conference on new and novel psychoactive substances, the Liaison team (South) also won an award for their work:

Liaison team (South) wins award at national psychiatry conference

Congratulations to the Liaison team (South), located within Royal Derby Hospital, which has won an award for its approach to new psychoactive substances (NPS).

The team, which provides comprehensive support at the Royal Derby to adult patients where potential mental health and/or drug and alcohol issues are identified, received the

award for their pathway work on NPS at the RCPsych PLAN conference – the Royal College of Psychiatry Psychiatric Liaison Accreditation Network conference. This work was spearheaded by Denise Garton (Clinical Lead Substance Misuse, pictured right), Dr Kripa Chakravarthy (Consultant Psychiatrist, Liaison team) and Muzamal Rehman (Research Assistant).

It was acknowledged at the conference that this is a challenging area of work for all liaison services. This year both Liaison teams (North and South) are working towards accreditation with the Royal College of Psychiatry.

Examples from our quality visits of how teams demonstrated safe services

Substance misuse services at Chesterfield shared their best practice in nurse prescribing. Working with their partner agency Phoenix Futures they have standardised procedures across all sites delivering substance misuse services including Ilkeston, Ripley, Chesterfield and Swadlincote. They use one electronic recording system with standardised templates to record safeguarding, storage of medicines and physical health issues.

Our ECT department have very low incidents of patient safety issues for what is a medium risk clinical intervention, and achieved external accreditation for their excellent standards.

Opportunities to discuss service receivers' physical health whilst in our care is maximised by our Enhanced Care Ward with the introduction of drop-in sessions. On a Thursday afternoon on the ward, drop-in sessions give service receivers the chance to discuss routine physical issues, as they would do via a GP whilst at home. This is very well received and shows a very proactive approach to reducing health inequality and ensuring that issues are picked up and addressed whilst patients are in our care.

Our School Nursing Services in Derby City have an important part to play in keeping our children safe. They talked about their work on Child Sexual Exploitation, highlighting the inter agency, multi-disciplinary working of the team. Areas developed this year include 'say something If you see something,' the Derbyshire wide campaign. Two school nurses are champions for the delivery of this campaign. Workshops have been developed for schools in co-production with the Nursing team and school staff.

3.2 EFFECTIVE SERVICES

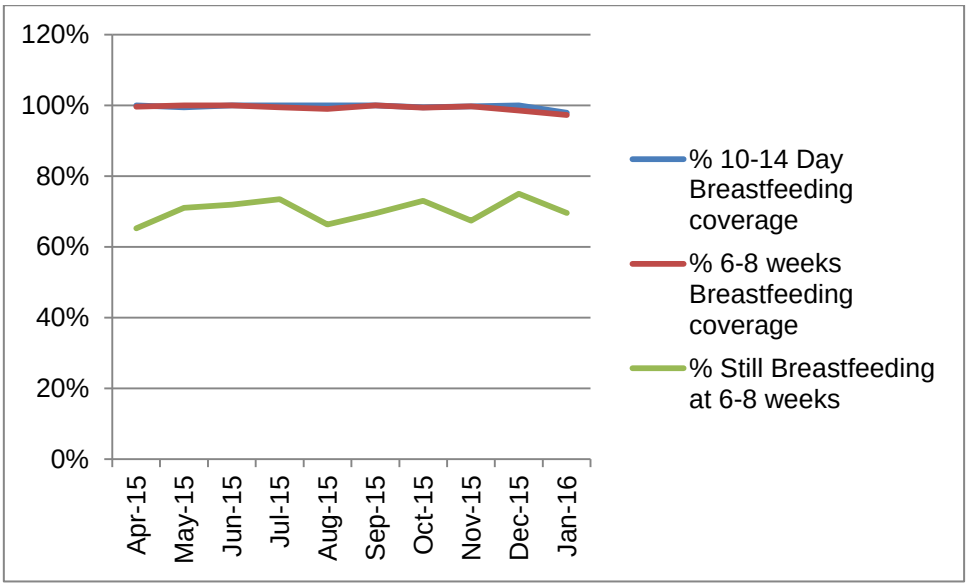
3.2.1 QUALITY PRIORITY

Think! Family

Examples of Think! Family from our services

The 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.

Graph: To show breastfeeding coverage



How it is measured

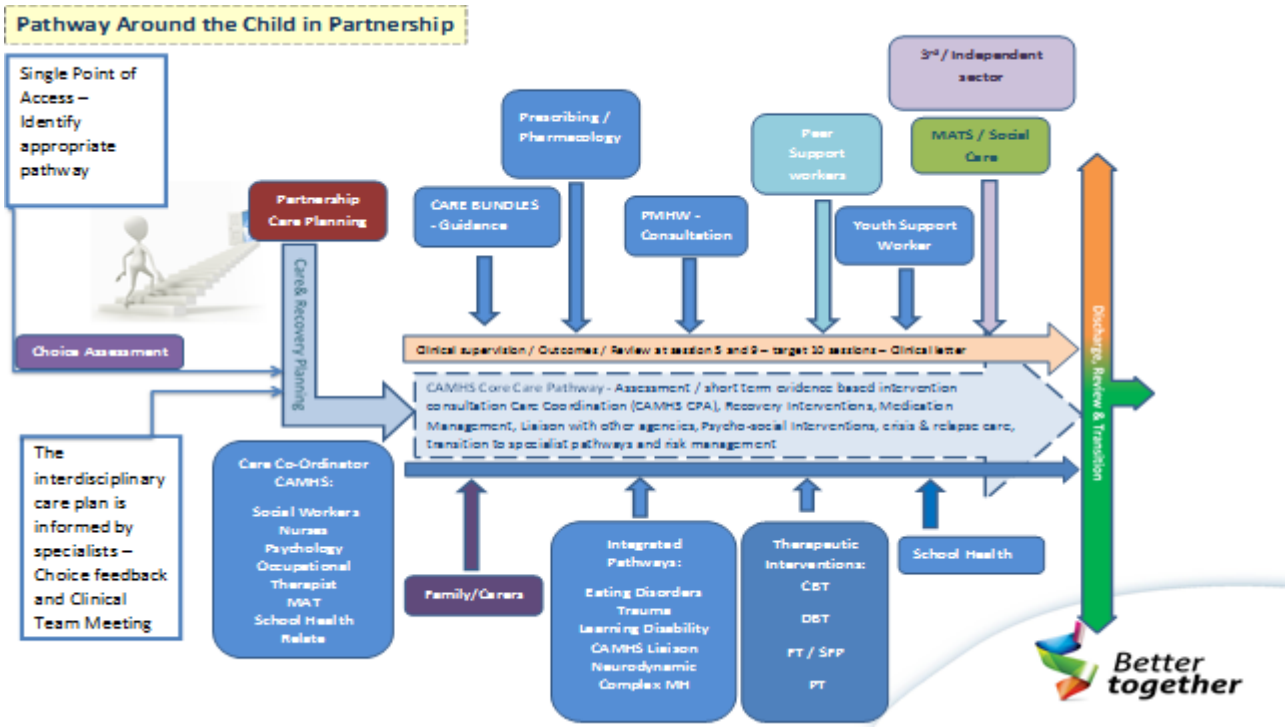
Breastfeeding 10-14 Day
Numerator – number of babies recorded as breastfeeding or mixed breastfeeding / bottle feeding at their 10-14 day check
Denominator – number of babies who are 14 days old in the reporting period

Breastfeeding 6-8 Weeks
Numerator – number of babies recorded as breastfeeding or mixed breastfeeding / bottle feeding at their 6-8 week check
Denominator – number of babies who are 8 weeks old in the reporting period

Still Breastfeeding 6-8 Weeks
Numerator – number of babies recorded as breastfeeding or mixed breastfeeding / bottle feeding at their 10-14 day check who are still recorded as breastfeeding or mixed breastfeeding / bottle feeding at their 6-8 week check
Denominator – number of babies who are 8 weeks old in the reporting period

Parenting groups and outcomes

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 are NICE compliant and focus on the family outcomes and goals. The teams have videos from parents developed this year, discussing how they felt about their support and what they achieved. The diagram below describes our CAMHS care pathway and how the CAMHS single point of access and parenting work enables rapid and responsive care.



Future in Mind

'Future in mind – promoting, protecting and improving our children and young people's mental health and wellbeing', the report of the government's Children and Young People's Mental Health Taskforce, was launched this year at the King's Fund by Norman Lamb MP, Minister for Care and Support.

It provides a broad set of recommendations that, if implemented fully, would facilitate greater access and standards for CAMHS services and promote positive mental health and wellbeing for children and young people, greater system co-ordination and a significant improvement in meeting the mental health needs of children and young people from vulnerable backgrounds.

Our Trust is rolling out an extensive training programme to our clinical staff

A part time (two days per week) safeguarding children trainer on a two-year contract has undertaken training on safeguarding children (level 2) and Think! Family for DHCFT staff.

Think! Family has been delivered since January 2015. An additional resource was also commissioned and invested to deliver Think! Family training (January – March 2016) to augment the current availability of training.

We have trained over 709 staff and we continue to target our key clinical staff. We have achieved 40 per cent compliance amongst our eligible group and we will continue to train our staff into 2016.

The training and focus on Think! Family has paid dividends as our Substance Misuse services were noted as having fully embedded Think! Family in their audited practices when we contributed to the Derbyshire system's safeguarding inspection by CQC in 2015.

3.2.2 QUALITY PRIORITY

Our work on supporting our service receivers to recover

This was a priority for us in 2014/15 and we reported on it in last year's quality report. Since then our service transformation has commenced with new ways of working. Our neighbourhood model of delivering community mental health services have placed a greater focus on recovery through social inclusion.

Core Care Standards
We have worked to integrate our two Trust websites, the Derbyshire Healthcare site and the Core Care Standards site, and expanded the information on care planning and recovery on our Core Care Standards site. We have added information to our 'need help' section, including extensive information on help with finance, food banks, social care, winter fuel, safety and other issues including help for carers.

Recovery and Wellbeing Centre
We have developed a new Recovery and Wellbeing Centre online, which includes information on:

- **Planning to Keep Well** – all the tools that people can use to plan to keep well, such as 'my recovery plan' and a wellness recovery action plan (WRAP)
- **Local groups and activities to help** – linking to information about courses that people can access on things like anger control, life skills, skills to recovery, equine therapy, active confidence, mindfulness, and groups such as the Spireites Active for Life programme (delivered by the Spireites Trust) as well as music and art groups
- **Support directories** – including Infolink resource directory and the community directory
- **5 ways to wellbeing** – connect, give, take notice, keep learning, and be active
- **Involvement in care** – how to be involved in your own care and services
- **Knowing about my health** – how to find out about health conditions
- **Carers and families** – support for carers and families' wellbeing
- **Confidence to ask** – how to ask about your care
- **Managing my own health** – how to manage your own health issues.

We will be providing more information on this portal over 2016/17 to support individuals with accessible information.

Examples from our neighbourhoods of recovery-focused practice

Hearing Voices groups led by peer supporters

In 2015 we piloted hearing voices support groups on some of our wards and in the community. The groups are based on work in the Netherlands by psychiatrist Marius Romme and researcher Sandra Escher. They developed a new approach to hearing voices, which we will call the 'Maastricht' approach that emphasises accepting and making sense of voices as part of a model of self-care and self-help. Comments from our service receivers have been positive and have included:

"I attend the voices group and find it very beneficial to my way through life. The people there are very helpful and considerate."

"Now I go to the group and meet others I feel I can live with my voices, I am not afraid anymore".

"I attend the voices group and it has really helped me by listening to other people's experience of voices".

Derby City Recovery Team

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.

The Derby City neighbourhood team offer the following groups:

- Skills for health
- Recovery through activity
- Allotment group – including activities on the team's own micro allotment
- Positive living
- Mr Grundy's - an evening group held in a private room at a Derby pub.

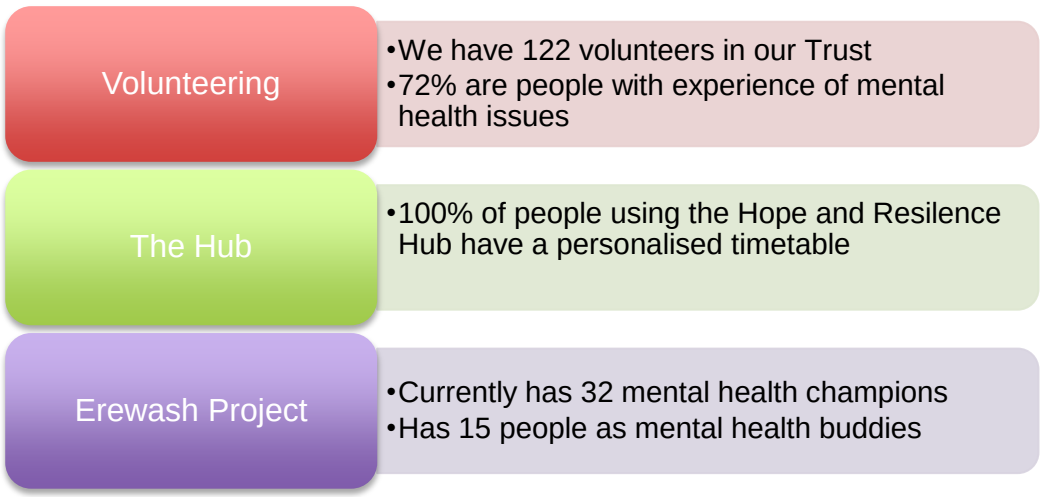
All these groups include peer support volunteers as well as occupational therapy staff.
All teams are offering different groups according to the need presented and as far as is possible are utilising peer support volunteers.

Mr Grundy's Group was set up as a result of service receiver feedback on how they felt.

The team listened to what service receivers were saying and the group is running successfully to focus on social as well as symptom recovery.

Work within our communities

The Erewash Mental Health Innovation Project is a good example of where we have been involved in a very successful partnership. The aim of this two-year funded project is to develop an integrated approach to support people with mild, moderate and severe mental illness. It will ensure services in Long Eaton and Ilkeston are co-ordinated so that people with long term conditions can access them seamlessly.



Feedback from one of our volunteers

"I have been volunteering with the NHS for more than a year now and I have gained a lot during this time. I was suffering with mental health issues when initially I started, but now even my doctor says I need to congratulate myself for the confidence and motivation I have achieved while working in the Trust. This Trust not only gives confidence for my personal growth but my growth in the outside world as well. I am thankful to the volunteer manager and my work colleagues who made it possible to help me make the future bright."

Promoting mental wellbeing at local events

In September 2015, working in partnership with Derbyshire County Council and Chesterfield College, the Trust hosted the Connect 5 event for anyone recovering from mental ill health. Connect 5 was designed to show how doing five things in everyday life and in the local community can support mental health and wellbeing.

At Connect 5, there was a chance to try a wide range of free workshops, looking at everything from creative arts to how diet can affect mood. There were also sporting activities, performances and much more. North Derbyshire Voluntary Action, Walking for Health, Rethink, Village Games, Chesterfield FC Community Trust, Live Life Better and other organisations from across Chesterfield and Derbyshire were in attendance to give people a unique insight into things they can do in their local community to help improve their mental wellbeing.

Derbyshire Healthwatch mental health 'question time' was held on 8 October 2015. This event gave people the opportunity to question key mental health leads about the services available in Derbyshire. Carolyn Green, the Trust's Director of Nursing and Patient Experience, headed the panel. She was supported by additional colleagues from the Trust, along with representatives from Hardwick Clinical Commissioning Group and other key partners.

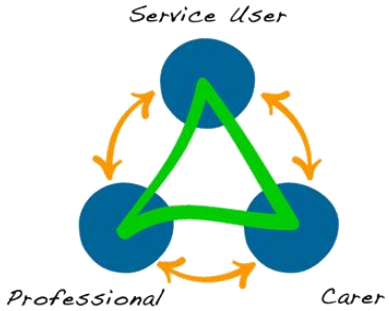
John Simmons, Chairman of Healthwatch Derbyshire, said at the time: "I encourage people to go along and attend the event in Chesterfield. It's a chance to question the people responsible for

running Derbyshire's mental health services and provides a great opportunity to find out what support is available to people with a mental health condition."

The event included talks from inspirational speaker, Pam Burrows, on how to boost your mood and was also used by Healthwatch Derbyshire to hold their Annual General Meeting and launch their new website.

3.2.3 QUALITY PRIORITY

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.

Working with Carers and the Triangle of Care

Our continued membership of the national 'Triangle of Care: Carers included' scheme has helped us to work with carers and our partner agencies to improve how we work with and support the carers and families of the people we serve. We want to help and support carers as part of the 'Triangle of Care', which is a therapeutic alliance between service user, staff member and carer that promotes safety, supports recovery and sustains wellbeing.

We have achieved the first year's review as part of the national membership scheme, and been awarded a star by the Carers Trust, which appears on our Triangle of Care kitemark (pictured). Our key priorities are to develop and implement training for staff in carer awareness and engagement, and to involve carers more in evaluating our services. Our inpatient services are reviewing their self-assessments and our community mental health services are about to start their self-assessment process against the 39 standards shortly.

Our Carers Champions networks continues to be developed and supported, with two Trust-wide events being held during the year, looking at the support available for young carers, and the changes to carers assessment and social care.

Our quarterly carers' newsletter 'Who Cares?' has been sent to over 2,200 carers (an increase of about a third following work to improve our recording of carers' information). It has included updates on our transformation work, our improved medication websites, the Derby Dementia Action Forum, the Live Life Better service, our smoke-free initiative, the Carers Breaks scheme, new services and events, flu jabs, accessible toilets, safe and legal driving for people taking medication, and the Learning Disability Partnership Boards.

Families and carers sometimes say that they don't have the information they need to be able to help, because staff can't share important information. We have produced and distributed the award-winning booklet we piloted with support from our Innovations Fund last year 'Sharing information with families and carers'. This includes a self-carbonated advance statement that families and people who use our services can use to agree together about what information can and should be shared, both routinely and in an emergency.

The Trust manages its work to develop support for carers through the 4Es Carers Sub-Group, which includes representatives of carers forums, staff, and partner organisations including Making Space, Derbyshire Carers Association and Think Carer. We have developed a Carers Strategy over the last year focussed on 'recognition, respect and respite', and have updated and improved our Carers Policy, to recognise the changes brought in by the Carers Act 2014. We have worked

with the Trust Records Manager on copying letters to carers, alerts of appointments, and access to records.

Our 'mutual expectations' work is about developing family-inclusive practice, and a way of agreeing the expectations that carers have about their interaction with the Trust, and what expectations we can have about carers, in supporting the person they care for. Family-inclusive practice means that staff understand the benefits of family and social networks; consider families' perspectives and the challenges of caring for someone with health problems; share information appropriately; and engage with them collaboratively.

SBARD for carers

When you're worried about the person you're looking after, it can sometimes be difficult making people understand what's wrong and why you're concerned. The SBARD structure helps carers to organise their thoughts before they call so that they can get the help they need. We have worked on SBARD for carers with the support of the East Midlands Academic Health Science Network.

East Midlands Academic Health Science Network
Igniting Innovation

SBARD stands for:

- **Situation:** Explain who is calling and why? Be clear about the situation.
- **Background**: How has this come about? What's the history?
- **Assessment**: What are the problems that you and the person you're calling identify together?
- **Recommendation:** What do both you and the person you're calling feel would help?
- **Decision:** What has been agreed, and who will do what?

We have produced postcards for carers to use to record any discussions they have, which are being posted out with the next copy of the carers' newsletter to over 2,000 carers. We have also included SBARD information in our new edition of the Family and Carers Handbook.

During the year we produced an updated and revised Carers and Families Handbook which includes SBARD, as well as improved information about the Care Act 2014 and changes to the rights of carers and carer's assessments, carers having a voice, planning for emergencies, and becoming a member of the Trust.

Carers groups

Following on from our 'carers and cake' initiatives, our Radbourne Unit carers group has held a successful open day for carers in partnership with Derbyshire Carers Association, which included pampering, massages, information, advice, and friendship.

At the Hartington Unit we have held a series of carer's sessions, encouraging carers to use recovery techniques to look after their own wellbeing, and linking them to carers support sessions.

Our older people's memory services have held a number of popular events for carers of people with dementia, about issues relevant for them.

We continue to be represented at carer's forums across the county and city, working in partnership to improve the quality of services.

A key part of our work is listening to the voice of our service receivers and carers about their views of the care we deliver. We begin every monthly Board meeting with a testimony from a service receiver or carer.

We use the nationally recognised Friends and Family Test question 'How likely are you to recommend our service to friends and family if they needed similar care or treatment?' to acquire feedback from both staff and service users.

We complete the annual patient survey of community patients which is mandatory and in addition take part in the mental health inpatient survey. We also have a 4Es group which has a number of workstreams. Our 4Es group is a stakeholder alliance. It acts as a central point to work together in the community.

We have an established quality visit programme where Board members, governors, commissioners, clinical and non-clinical staff spend two hours with a team. Service receivers and carers are increasingly part of the quality visit programme and provide valuable, timely and valuable first hand feedback on their views of the service they have experienced.

In our transformational planning there has been wide engagement with patients and carer representatives as well as staff in the planning days to devise the new care pathways and processes which resulted in the neighbourhood and campus delivery model. Our service receiver and carer involvement group continue to meet and are designing the transfer of the inpatient-based mutual expectations model to community settings. They are also redesigning and developing a charter for mutual expectations for campus and neighbourhood services and for Trust side use of family inclusive practice.

Examples from our quality visits of how teams demonstrated effective services

Staff in the Hartington Unit outpatients and reception team introduced courtesy calls to remind patients of their appointments in 2015. This has reduced the number of last-minute cancellations and 'did not attends' (DNAs) and provided a lighter human touch for some individuals who often do not receive much contact in their lives.

Erewash Community Learning Disability Team plan to roll out their work on dementia in people with a learning disability within Derbyshire and beyond.

Occupational Therapy and Recreational Services, Hartington Unit showcased the work of their peer volunteer who has developed 'your service, your say'. The volunteer works with the team and follows up comments raised by service receivers as another way to ensure concerns and compliments are heard, supporting the comment cards and boxes already available for them to use.

The Safeguarding Children's Team have improved processes for child protection medicals through the effective use of the administrative team and the multi-skilling of the team. Improvements have been made in the recording of information and there is good evidence of information-sharing across agencies as relevant, with a clear focus on keeping the child at the centre and securing confidentiality. The team is looking at safe ways to store the information electronically and to continue to improve the application of technology to support improvements in practice. Staff are supported informally and formally to ensure a level of emotional resilience when dealing with such sensitive and emotive information relating to child protection investigations.

3.3 CARING SERVICES

Ensuring compassion

Although the Trust didn't win the overall 'organisation' award, Kate Granger herself presented the Trust with a certificate, collected by our Medical Director Dr John Sykes and our Research & Clinical Audit Manager, Rubina Reza.

On 3 September 2015 the Trust was invited to attend the NHS Expo in Manchester after being chosen as a finalist in the 'organisation' category at the Kate Granger Awards for Compassionate Care.

The Kate Granger Awards, run by NHS England and NHS Employers, were born out of Kate's #hellomynameis campaign calling for more compassion in care. We were recognised for our efforts in building on the research of Professor Paul Gilbert and ensuring that compassion is present in the way we care for our service receivers.

Examples from our quality visits of how teams demonstrated caring services

Service receivers and carers who took part in Amber Valley and Erewash Older Adult team quality visit commended the team on 'going the extra mile'. The team have worked with carers and service receivers of working age with dementia; this has led to carers setting up their own support group and website.

A North East Derbyshire Older People's Team service receiver gave a testimony about the care they had received. The service receiver was also was a carer. During the time that he was involved with the team, he couldn't praise the team enough regarding how he got a 'hospital at home' standard of care. He praised the team for how they supported him in producing a care plan and

supported him to understand and identify his own needs in relation to the caring he was undertaking for his wife at the time.

Our Eating Disorders Team were praised by a service receiver's family. They expressed their confidence in the team and wanted to thank them for their honesty and responsiveness. The service receiver described how the team made them feel safe and had supported their family through a difficult time.

Our DEED recognition scheme, which showcases our staff dedication, is flooded with inspiring stories by our staff and by those who use our services, of our team's commitment to those we serve.

This experience is shared in particular as it embraces our commitment to supporting individuals and families with Autism and underpins our approach to work in partnership with families:

Lisa Jackson, Community Nursery Nurse, Derwent Child and Family Health Team (Revive Healthy Living Centre)

External nomination

"I cannot explain all the help and support I have received from Lisa Jackson over the last three (almost four) years. She has helped and given me so much support with my son C who has just been diagnosed with autism. Whenever I needed her she was always at the other end of the phone or would return my call. She has sorted out groups to help me deal with C's behaviour and pushed and pushed for him to be seen at the Ronnie Macbeth Centre. I really don't know what I would have done without Lisa. She has always been amazing, always letting me know if I need her help just to call. It has been so tough with C but thanks to Lisa and all her support she has got me and my family through. She always would call me just to check how things are going or to let me know she has sorted out some more help/support for us. I could go on forever but all I will say is Lisa Jackson is a one-off amazing lady and I can't thank her enough for everything."

3.4 RESPONSIVE SERVICES

Healthwatch Derbyshire report on Child and Adolescent Mental Health Services

In July 2015 we received the report from Healthwatch Derbyshire on their review of our child and adolescent services (CAMHS). Healthwatch Derbyshire is one of our local consumer champions. In the period January 2015 to March 2015 they chose CAMHS as an area of priority for them. During this time four engagement officers from Healthwatch Derbyshire spent their time out and about in the community, at groups and in CAMHS clinics listening to what people had to say about CAMHS. The views of young people, parents, carer and professionals were collected in a series of 17 interviews.

Positive Feedback

'Fantastic, I don't know how we would have got through without it. Five stars.'
'I have good relations with all the CAMHS team … They text me regularly.'
'A weight has been lifted and I can see light at the end of the tunnel - someone is willing to listen.'

Negative Feedback

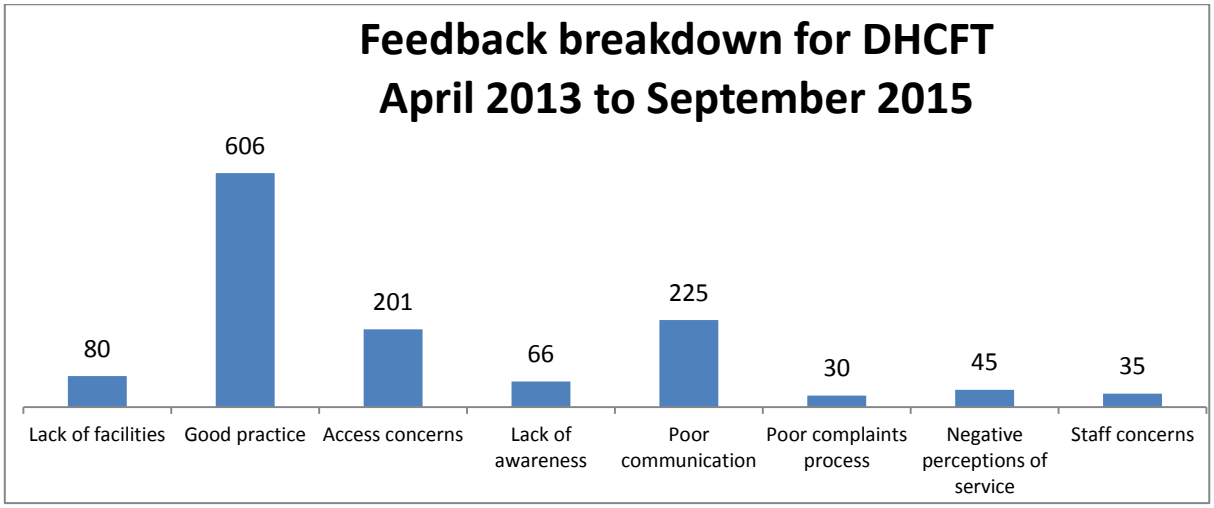
'Not good at getting back to the parents with information.'
'The whole team are incredibly stretched.'
'A sense of being rushed off their feet.'

We were able to comment on the report and thanked Healthwatch Derbyshire for this valuable piece of work which will inform our drive to continually improve our services. Some of the key improvements we are implementing as a result of the recommendations are as follows:

- We will continue to roll out the single point of entry for child and adolescent services and the benefits that bring, including more timely access to services which should improve length of time to diagnosis
- We are in the process of developing a more centralised specialist care pathways structure to achieve standardisation, equality of access and more effective evidence-based interventions and outcomes for our young people
- We have asked one of our service receivers with the support of GIFT, Great Involvement Future Thinking, and the Department of Health, to review and support us to improve the quality of our information
- We acknowledge that there is an inconsistency across the teams with regard to out-of-school-hours appointments and we will review and improve our out of school hour's access.

Helpful feedback from Healthwatch Derby to enable us to continually improve

Healthwatch Derby has undertaken a trend analysis based on all the feedback they received between April 2013, when they were first established, and September 2015. They analysed the themes and our results were as follows:



Key:

- Lack of facilities includes feedback about funding cuts, as well as a lack of inpatient beds and culturally sensitive services
- Good practice includes several different services such as the day hospitals, Radbourne Unit, Counselling services, children's services, Kingsway inpatient services, drugs and alcohol service, substance misuse service, and dementia services
- Access concerns relate to waiting times for assessments, between assessment and treatment, and follow-on care
- Lack of awareness relates to staff attitude and lack of adequate support for carers
- Poor communications include verbal and written communications and through other means such as telephones. Poor complaints relate to waiting time and the lack of timely updates around complaint investigations
- Negative perceptions of service include cultural taboos and historic misconceptions
- Staff concerns relate to lack of communication, lack of support, and lack of adequate staffing levels.

The Trust is working in partnership with Healthwatch to undertake this work in partnership and learn from this process to embed any learning into our organisational learning as part of a service improvement project. The opportunity for individual scrutiny and support to reflect on our service is welcomed and gives the Trust and the team additional opportunity to learn. We also recognise that our teams are under pressure, and we are taking this into account in our community skill mix review work; we share this feedback with our commissioners and look at joint solutions to manage our capacity and demand pressures, including through our annual contracting round.

In 2015 commissioners asked Healthwatch Derby, as an independent organisation, to review our complaints handling. Healthwatch Derby developed a survey and a process to sample individuals who have used the Trust complaints process to review how their experience was and whether it was helpful. Initial analytic reporting has been received and we are considering the patient feedback and concerns highlighted.

In addition in 2015 Healthwatch Derby undertook a consultation 'Little Voices' looking at services during pregnancy, maternity and children's services for 0-11 years. Healthwatch engaged the teams and liaised with service professionals acquiring feedback about the service from a staff point of view. We continue to work positively with Healthwatch to look at what we can learn and improve.

Rapid Assessment Interface and Discharge (RAID) model of liaison psychiatry

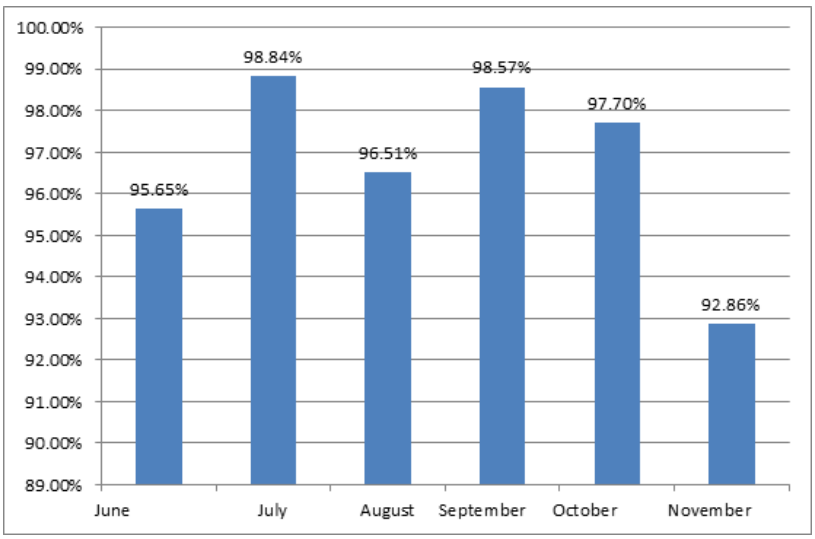
This team was commissioned in April 2014. Based in Chesterfield Royal Hospital the aim of the liaison team is to be a rapid response, 24/7, age inclusive service for those over the age of 16 that provides a comprehensive range of specialist knowledge (mental health, substance misuse, self-harm, suicidal ideation, old age) for patients and staff within Chesterfield Royal Hospital. The service has a one-hour target for becoming involved in the care of patients with mental health or substance misuse care needs presenting to the Emergency Department, and a 24-hour target for seeing patients who are on a hospital ward.

A recent evaluation report of the first six months of operation has confirmed that response times are being met as follows:

Response times
Reliable data for this calculation is available from May 2015 onwards. The team aims to begin work with a patient who is located in Emergency Department within one hour of the team becoming aware of them. This was achieved in 94.9% of cases. The team aims to begin work with patients located on wards within 24 hours; this was achieved in 82% of cases.

The one-hour response time

Graph: The following graph sets out the one-hour response time by month.



The full evaluation was discussed with our commissioners. The report includes results of service receiver, carer and family satisfaction with the service, based on 32 responses over two months. Examples have included:

A further evaluation will be completed following 12 months of operation. A full evaluation report is available and these early findings are ensuring improved parity of esteem for mental health patients presenting at Chesterfield Royal Hospital.

Compliments and complaints

The Patient Experience team is the central point of contact for people to provide feedback and raise concerns about the services provided by the Trust. The team sits within the Nursing and Patient Experience directorate and is based at the Trust headquarters. Staff have direct contact with the (Acting) Chief Executive and executive directors and liaise regularly with senior managers.

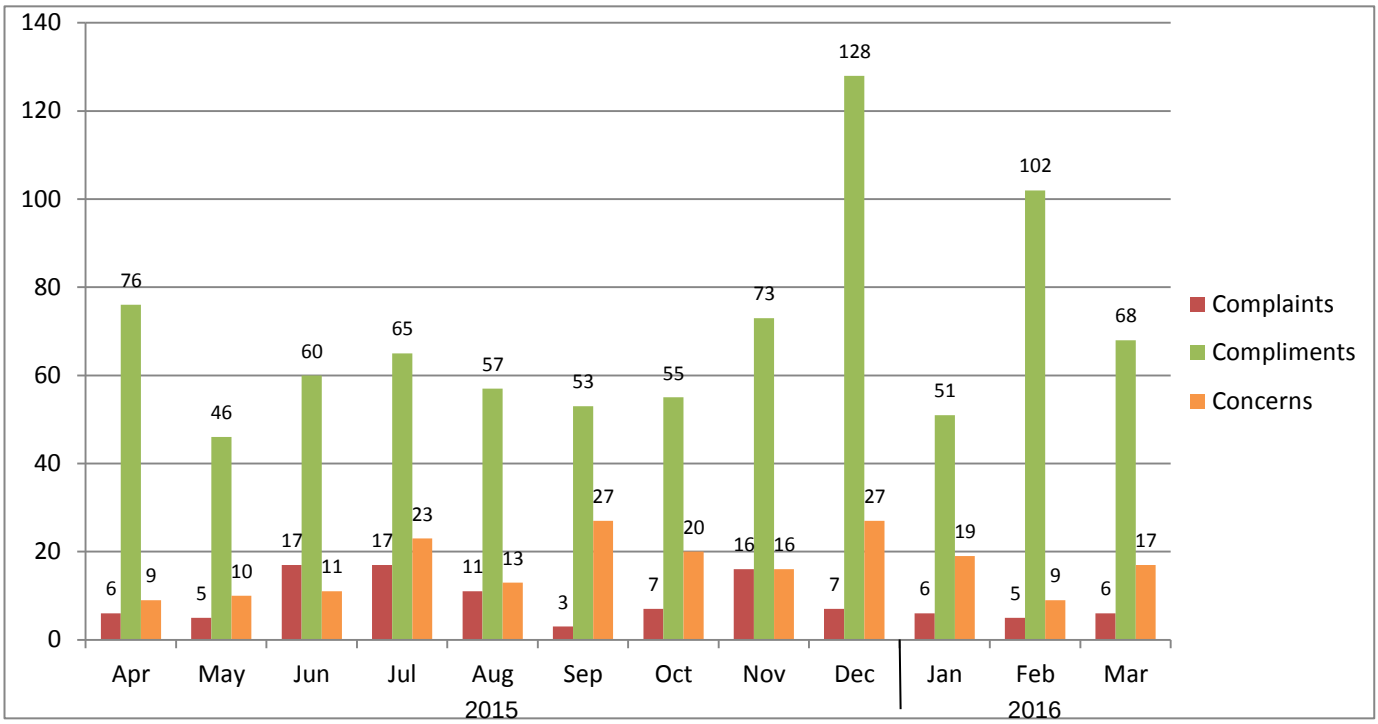
The team's aim is to provide a swift response to concerns or queries raised and to ensure a thorough investigation takes place when required, with complainants receiving comprehensive written responses including any actions taken.

Learning from the feedback the team receives is essential and this is shared with staff through the Trust's *Practice Matters* publication.

During 2015/16 the Trust logged:

- 834 compliments
- 201 concerns
- 106 complaints.

Complaints are issues that need investigating and require a formal response from the Trust. Investigations are coordinated through the Patient Experience Team. Concerns can be resolved and require a less formal response; this can be through the patient experience team or directly by staff at ward or team level within our services.



Themes

During the year the Trust logged complaints, concerns and compliments by theme in order to use the information in a more meaningful way. Most of the issues commented upon in the compliments received were for the support/help provided 354, care 345 and general gratitude shown by staff 343 and 254 for the kindness shown by staff.

The top themes from complaints are as follows:

- Staff attitude – 39
- Availability of services/activities/therapies – 26
- Assessment – 17
- Care planning – 15
- Compassion – 14
- Medical care – 14
- Information provided – 13
- Engagement – 13
- Nursing care – 11
- Medication – 11.

The top issues raised in the concerns are reported below:

- Availability of services/activities/therapies – 62
- Staff attitude – 21
- Other care – 19
- Information provided – 18
- Care planning – 16
- Waiting times – 16
- Other – 15
- Medication – 15
- Engagement – 13
- Assessment – 11
- Medical care – 11.

During the year the Trust discussed five cases with the Health Service Ombudsman:

- Two investigations are underway
- One assessment is ongoing
- Two telephone discussions took place.

Examples from our quality visits of how teams demonstrated responsive services

Talking Mental Health Derbyshire service has piloted a treatment path for NEAD (Non-Epileptic Attack Disorder) and other functional disorders in conjunction with neurologists from Royal Derby Hospital. This path adds to the help available for people who have medically unexplained symptoms and extends psychological therapies services to a group of people who have little access to them. In another pilot, more services are being provided outside normal working hours using online resources to provide treatment via webcams. There is also a specific care pathway for veterans which increases access for this group of patients. This looks at providing more services outside of normal hours, providing online resources and contracts for service receivers and the accessibility of the service for veterans.

Early interventions team in the north of the county showcased their work with schools to promote better understanding of psychosis and reduce stigma. This has been aimed at Year 9 pupils and teachers. So far the team have spoken to around 500 pupils and teachers on the subject. They have evaluated their impact, finding 93% of pupils found the talk useful and 98% described now having a better understanding of psychosis.

The Disabled Children's Specialist Nursing Team working with children and their families have provided disability awareness sessions for schools. This is a new development, reaching local schools to ensure that children gain an experiential understanding of living with a disability and how children can offer help and support. This also raises awareness amongst school staff, and is based on life experience.

3.5 WELL LED SERVICES

Providing a safe and effective learning environment.

Every three years Health Education England completes a review of the quality of services provided through education contracts with higher education institutions. The review is in addition to the normal contracting reviews which are held throughout the year. The areas covered in the review are:

- Improving practice learning
- Improving retention in the East Midlands
- Innovating the curriculum.

The review of the contract with the University of Derby took place in May 2015. A stakeholder event was held on 22 May where students, service users, representatives from the University of Derby and staff from our organisation had the opportunity to contribute to the review. The action plan includes actions around improving the support and communication with supervisors and mentors, developing more community placements, preparing students for employability, using more 'cross professional' modules, and looking at how patient feedback during placement can be recorded and utilised in a meaningful way as part of the healthcare programmes.

Examples from our quality visits of how teams demonstrated well led services

The quality panel recognised the outstanding leadership of the Specialist Behaviour and ADHD service. This is 'one team pulling together,' the panel concluded. Their work on improving the provision of education for parents, reducing waiting times and development outcome measures were just a few of the outstanding initiatives the team should be proud of.

Chesterfield Older People's Community Team was commended by the quality panel on their team work and their effective multi-disciplinary working. The team has excellent leadership and, when asked, the team said they would have no hesitation if they needed to raise any concerns.

We still have more to do in this area and we have designed a new board-level committee this year, the People and Culture Committee, to ensure that all levels of our organisation are well led and that we focus on learning from our staff survey and develop new ways to focus on our culture, such as pulse checks.

3.6 Measuring Quality

As well as our internally set quality priorities, there are a number of performance indicators that we have to meet as set down by our regulators and commissioners. The full detailed tables tracking our performance over the year against these indicators is included in our annual report. A table of some of the areas is set out below:

Trust performance dashboard	Target	End of year March 2015	End of year March 2016
Monitor targets			
Care Programme Approach (CPA) 7 day follow-up	95.0%	97.49%	96.98%
CPA review in last 12 Months (on CPA > 12 months)	95.0%	96.50%	95.69%
Delayed transfers of care	7.5%	1.48%	1.26%
Data completeness: Identifiers	97.0%	99.19%	99.42%
Data completeness: Outcomes	50.0%	93.76%	94.84%
Community care data - activity information completeness	50.0%	91.47%	93.66%
Community care data - referral to treatment (RTT) information completeness	50.0%	92.31%	92.31%
Community care data - referral information completeness	50.0%	74.73%	78.85%
18 week referral to treatment (RTT) less than 18 weeks - incomplete	92.0%	96.03%	96.48%
Early Interventions new caseloads	95.0%	99.30%	100.70%
Clostridium Difficile incidents	7	0	0
Crisis gatekeeping	95.00%	100.00%	100.00%
Improving Access to Psychological Therapies RTT within 18 weeks	95.0%	98.52%	99.28%
Improving Access to Psychological Therapies RTT within 6 weeks	75.00%	85.47%	90.70%
Locally agreed targets			
Care Programme Approach (CPA) settled accommodation	90.0%	99.39%	97.76%
CPA employment status	90.0%	99.57%	98.32%
Data completeness: Identifiers	99.0%	99.19%	99.42%
Data completeness: Outcomes	90.0%	93.76%	94.84%
Patients clustered not breaching today	80.0%	83.59%	77.95%
Patients clustered regardless of review dates	96.0%	96.77%	95.04%
CPA Health of the Nation Outcome Scale assessment in last 12 months	90.0%	79.99%	87.98%
7 day follow-up – all inpatients	95.00%	96.79%	96.76%
Ethnicity coding	90.0%	93.02%	90.38%
NHS number	99.0%	99.94%	99.98%
NHS Standard Contract targets (Schedule 4 - quality requirements)			
Consultant outpatient appointments - Trust cancellations (within 6 weeks)	5.0%	5.17%	4.43%
Consultant outpatient appointments - 'did not attend' (DNAs)	15.0%	16.59%	15.68%
Under 18 admissions to adult inpatient facilities	0.0%	1	0
Outpatient letters sent in 10 working days	90.0%	68.42%	76.00%
Outpatient letters sent in 15 working days	100.0%	82.61%	89.67%
Inpatient 28 day readmissions	10.0%	8.00%	9.79%
MRSA - bloodstream infection	0	0	0
Mixed sex accommodation breaches	0	0	0
18 Week referral to treatment (RTT) greater than 52 weeks	0	0	0
Discharge fax sent in 2 working days	98.0%	98.08%	98.94%
Fixed submitted returns			
8 Week referral to treatment (RTT) greater than 52 weeks	0	0	0
18 Week RTT less than 18 weeks - incomplete	92.00%	95.32%	95.57%
Mixed sex accommodation breaches	0	0	0
Completion of IAPT data outcomes	90.00%	94.10%	96.58%
Ethnicity coding	90.00%	87.59%	93.75%
NHS number	99.00%	100.00%	100.00%
Care Programme Approach (CPA) 7 day follow-up	95.00%	96.11%	96.44%

Comments on performance

Generally the Trust has continued performing highly during 2015/16, with all Monitor targets achieved throughout the year and with 35 of the 41 indicators exceeding target levels at year end. A data quality strategy based on active monitoring and exception reporting supports the Trust in maintaining these levels.

CPA seven day follow-up

The Trust attempted to follow-up all patients discharged from our wards within seven days of discharge and over the course of 2015/16 we successfully followed up 97% of patients on CPA within seven days.

Crisis gatekeeping

Every admission to our adult acute wards was gate-kept by our crisis teams prior to admission. This ensured that all admissions were appropriate throughout the year.

Discharge correspondence to GPs within two working days

In over 99% of cases GPs were sent key information within two working days of a patient being discharged from our wards.

There are several areas where the Trust is focused on improving our performance:

Consultant outpatient appointment 'did not attends' (DNAs)

In October 2015 the Trust switched from an 'opt-in' to an 'opt out' approach to receiving text message reminders for outpatient appointments. As a result we have seen a reduction in the level of DNAs (at the time of writing) to 12.8% against the threshold of 15%.

Outpatient letters

Progress continues to be made on improving the speed of sending outpatient letters to GPs. An action plan and improvement trajectory was agreed with our commissioners in November 2015 and to date performance has exceeded trajectory.

3.7 Benchmarking

3.7.1 Results of our community patient survey

We use national surveys to find out about the experiences of people who receive care and treatment.

The 2015 survey of people who use community mental health services involved 55 NHS Trusts in England (including combined mental health and social care trusts, foundation trusts and community healthcare social enterprises that provide mental health services). The results provide valuable benchmarking information for trusts to compare.

For each question in the survey, the individual responses are converted into scores on a scale from 0 to 10. A score of 10 represents the best possible response and a score of zero the worst. The higher the score for each question, the better the trust is performing.

A 'section' score is also provided, where the scores for each question are grouped according to the sections of the questionnaire - for example, 'health and social care workers' and 'organising care'. Set out in the table below is our score for each section and the highest and lowest score that trusts achieved.

Section Title	Our score	Lowest trust score achieved	Highest trust score achieved
Health and social care workers	7.8	6.8	8.2
Organising care	8.4	7.9	9.1
Planning care	7.0	6.1	7.6
Reviewing care	7.5	6.8	8.2
Changes in who people see	6.4	4.7	7.5
Crisis care	6.1	5.1	7.2
Treatments	7.4	6.3	7.9
Other areas of life	5.4	3.9	5.8
Overall views of care and services	7.2	6.4	7.7
Overall experience	7.0	6.2	7.4

Key:
Amber = about the same: the trust is performing about the same for those particular questions in that section as most other trusts that took part in the survey.
Red = worse: the trust did not perform as well for those particular questions in that section compared to most other trusts that took part in the survey.
Green = better: the trust is better for those particular questions in that section compared to most other trusts that took part in the survey.

Comments on our results

Each trust received a rating of better, about the same or worse on how it performs for each question, compared with most other trusts. For each of the questions we achieved amber when benchmarked, indicating we are about the same as other Trusts. There was only one question which had significantly worsened when compared to the results of 2014 and that was:

“Has someone from NHS mental health services supported you in taking part in an activity locally?” In 2014 we scored 5.9 out of 10 and in 2015 we scored 4.5.

In summary we had an average performance across the board, with one worsening area. One significant improvement was in response to the question:

“Other treatments and therapies for those who received treatments or therapies other than medicine, being involved as much as they wanted in deciding what treatments or therapies to use.” In 2014 we scored 7.0 out of 10 and in 2015 we scored 7.9.

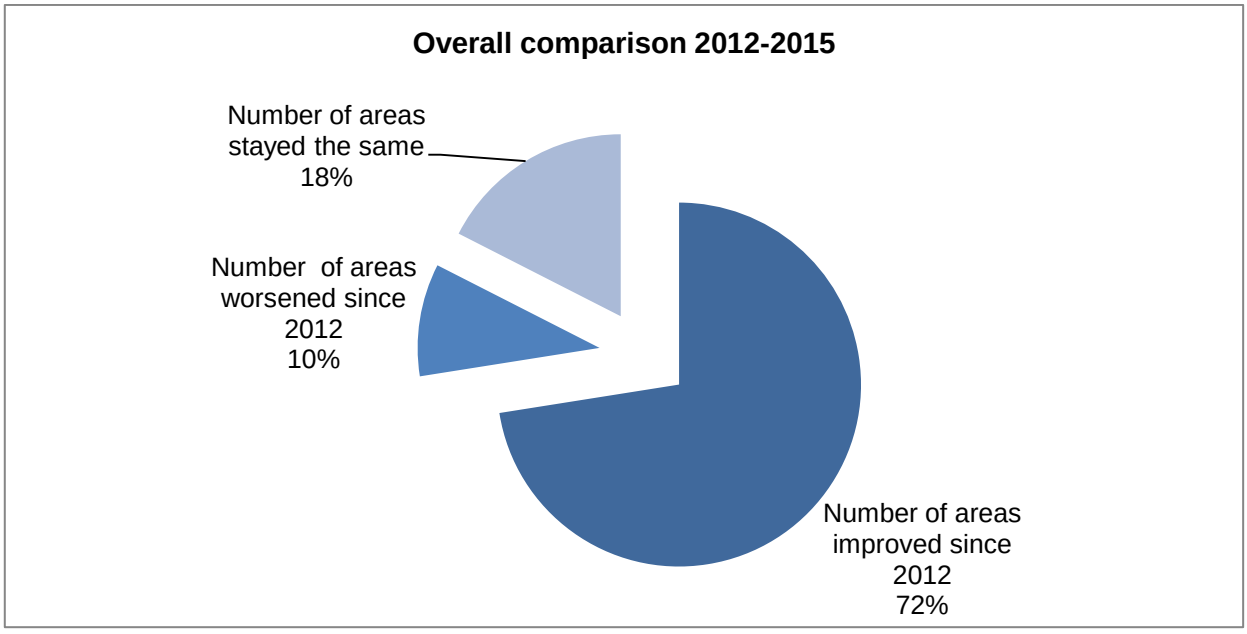
Our Patient Experience Committee, which has service receiver and carer membership, has completed action plans for both the community and inpatient survey and progress is monitored by our Quality Committee.

3.7.2. Results of our 2015 inpatient survey

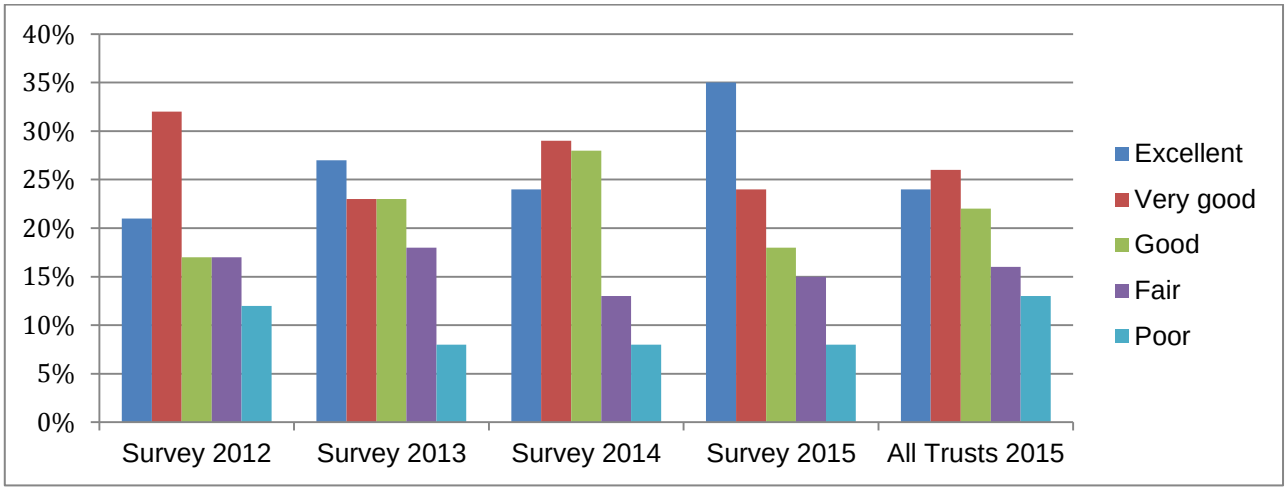
This survey is conducted voluntarily by the Trust in addition to the Community Survey, which is conducted and published by the CQC annually. The survey is conducted by an external provider who undertakes the surveys on behalf of trusts in England. As the inpatient survey is voluntary, not all trusts continue to conduct it and consequently the benchmarking number of responses is lower (18 Trusts) than for the Community Survey. The number of respondents to our 2015 survey was 83 people.

The final response rate was 26%. 41% of respondents were male and 59% female. Ages of respondents ranged from 16 to ‘over 65’ but the number of respondents over 65 was only two people. 87% of respondents stated their ethnic background as ’British’.

We compared the results to our 2012 survey results. Of the 40 questions analysed in this report 29 (72%) have improved results compared to the 2012 Inpatient Survey, 4 (10%) have worse results, 7 (18%) have remained static to within 1%, and 5 (16%) are not applicable to measure.



The chart below shows the results for overall care year on year:



Areas of positive feedback

Overall our inpatient survey demonstrates significant improvements in the last three years. Staff working in these areas should be proud of these results and we thank them for their hard work and commitment to improving the quality of care they provide to our service receivers and their families.

- Patients have felt welcomed onto the ward. Their views on the quality of hospital food have improved to above the benchmarks of other trusts by 9% in 2015. This confirms the accuracy for our patient led assessment of the care environment (PLACE) results for 2015, where the Hartington Unit scored 92.01% for food and the Radbourne Unit 95.05%. More patients required help with their home situation and received this help from staff

- Overall, over the period, patients have felt satisfied with our staff. For both psychiatrists and nurses in 2015 all the scores are higher than for comparable trusts. All the areas have either improved or stayed the same when compared to 2012; no area has worsened in terms of patient satisfaction. The areas with the biggest improvement since 2012 were 'nurses listening to patients' and 'patients having confidence in the nursing staff'

- There has been a big improvement in explanations about medicines, with a 19% increase in patient satisfaction, but there is more work to do on explaining the side effects. The availability of activities in the evening and weekends has improved by 11%. Physical healthcare shows an improvement since 2012 but a decrease of 6% since the 2014 survey. This survey may be slightly early for the effects of the commissioning for quality and innovation (CQUIN) agreements to be fully realised.

We are pleased with the positive results but we know we have more work to do.

Areas of priority for action planning are:
- Noise on the ward at night and ensuring patients feel safe on the ward. Although above the benchmark for other trusts by 7%, results for 2015 are 2% lower than in 2012
- Physical healthcare
- Explaining the side effects of medications
- Having the telephone number of someone from our services that patients can phone out of office hours – although this has improved since 2012, it is 10% below our comparators.

3.8 Maintaining quality

3.8.1 Measuring the impact of efficiency savings

As the services develop, and continually strive to provide an improved service within a decreasing envelope, and as efficiency savings are incorporated, it is essential that we measure the impact on quality.

Using a IT system called Project Vision we evaluate each service change project to ensure that the changes are not detrimental to service quality, or at the very least that no aspect of service drops below acceptable standards, whether in clinical or in support services. We have reviewed the process this year to reconsider what metrics we use and how we measure them and we report this information to our Trust Board and our commissioners. In 2016 our new dashboards will be measuring our community capacity against demand and this will include our waiting list pressures.

3.9 Rewarding quality

3.9.1 Delivering Excellence Awards 2015 - winners announced

The Trust held its Delivering Excellence Awards ceremony (16 November 2015) to celebrate some of the outstanding achievements of our staff and volunteers, who were nominated by their colleagues and the public for their amazing work over the last year.

The shortlisted individuals were invited to attend a 1940s-themed afternoon tea ceremony at the Centre for Research & Development on the Kingsway Site, with a spread laid on by our Catering team. The inspiring and heart-warming stories about the efforts of the winners to deliver the Trust values were shared on camera by those who had taken the time to nominate them.

And the winners were…

Compassion in practice award

Laura Boyle, Nursing Assistant - Cubley Court

Nominated by the daughter of a service user for being "a great support to mum and the family as a whole… She always has time to talk about what mum has been like when she has been on shift. She is always smiling and bubbly. Nothing is too much trouble, no matter what the question or task. It is obvious she cares very much for the patients and I feel that when she is around my mum I know she is well looked after."

Efficiency award

Alison Reynolds, Clinical Team Manager - Derby City CAMHS

For leading on the development of a 'single point of access' for the child and adolescent mental health service (CAMHS) in the city, which has significantly reduced inappropriate referrals for specialist assessments and ensured a more integrated way of working, with a focus on prevention.

Innovation Award

Claire England, Lead Nurse - Crisis Team (North)

For developing physical healthcare services for patients with severe mental health problems, achieved by securing a £62,000 Innovations Bid from the East Midlands Innovation Centre to implement physical health screening for patients being treated at home following an initial crisis assessment.

Inspirational leader award

Claire Biernacki, Service Manager - Derby City

For her "outstanding leadership" within the Trust's older adult mental health services, including her "exceptional" people skills and compassionate and supportive approach to her colleagues.

Rising star award

Louise Haywood, Lead Nurse - LD Assessment, Treatment & Support team

A qualified learning disability (LD) nurse for three years, Louise has developed links with the county-wide dental service to ensure improvements for LD patients and worked on a national research project to reduce anti-psychotic medication for patients with a learning disability. She has also acted as the on-call LD nurse.

Stigma/social inclusion award

Jackie Fleeman, Lead Strategic Health Facilitator - Learning Disabilities

For developing a system that allows commissioners to compare the health of people with a learning disability (LD) alongside the rest of the population, and then lobbying commissioners, GPs and public health services to improve access to weight management services for people with LD.

Unsung hero award

Liz Edward & Rachel Robinson, Cashier/Welfare Officers, Finance

For providing vital 'banking' services for patients, ensuring payments are received from family members or pension schemes, keeping patients informed of their balances and arranging for patients' monies and valuables to be returned to families in the sad event that someone passes away in our care.

Volunteer award

Kate Smith, Volunteer - Derbyshire Early Intervention Service

Kate has committed her time to lead the All Being Well art group, which encourages young people to use art as a form of self-expression. In addition she has supported the recreation team at the Hope & Resilience Hub at the Radbourne Unit, offering art workshops there. She also designed the hub's logo and is involved in other projects within the Trust and at QUAD in Derby.

Delivering Excellence Every Day (DEED) of the year award

Craig Neesham, Community Psychiatric Nurse

Winner of our DEED colleague of the month award for February 2015, Craig was put forward for the DEED of the year award. Craig walked through the snow to ensure a service user had the change in medication he needed. A couple of days later, he took an urgent referral from a GP and, as there were no medics available for a domestic visit, visited and made the assessment. The service user required an in-patient assessment and Craig arranged this, working four hours beyond the end of his shift.

3.9.2 Quality Visit Team Awards 2015:

Delivering Excellence Awards 2015

Following a series of internal quality visits, a judging panel shortlisted 12 teams for the Trust's Delivering Excellence Team Awards 2015. The winners were announced on 7 December 2015 at a ceremony held in-house at the Centre for Research & Development on the Kingsway Site in Derby.

And the results were...

Effectiveness award

Joint winners:

- Finance department – for their outstanding service to our operational staff.
- I.M. &T & Records department – for innovations including the health rostering and the PARIS electronic patient record systems, and the quality of their records management.

Runner up:

- Early Intervention Service North – for their anti-stigma work in schools, discharge audits and for supporting staff to develop.

Patient experience award

Winner:

Derby City Recovery Teams 1 and 2 – for setting up a Connect for Wellbeing group that offers additional support, works within evidence-based practice and operates in a multi-disciplinary way; a 'Managing me' group, to help people cope emotionally; and a psycho-education group led by the consultant psychiatrist for patients, carers and families.

Runners up:

- ECT department, Radbourne Unit – for being well led, for having low numbers of incidents or patient safety issues, excellent infection control and external accreditation, and for achieving excellent standards.
- South Derbyshire Community Learning Disabilities Team – for their goal attainment scaling and their mindfulness training for staff.

Patient safety award

Winner:

Specialist Behaviour & ADHD Service – for their waiting list management and exceptional leadership, and for being a very proud team pulling in one direction.

Runners up:

- CAMHS Derby City – for developing a single point of access, for tackling social inclusion and for empowering parents.
- Enhanced Care Ward, Radbourne Unit – for their high quality level of supervision, and their focus on physical healthcare and multi-disciplinary working.

Team of the year award

Winner:

Chesterfield Central Locality Pathfinder and Recovery Team – for their Clozapine clinic, flexible approach to appointments and work with Chesterfield Football Club

Runners up:

- CAMHS Liaison Service at Royal Derby Hospital – for their consistent high quality care, team working and multi-agency working
- Derby City Substance Misuse Service – for their East European clinic harm reduction work, their embedding of Think! Family and their innovative approach to prescribing.

Long service award

At the same ceremony, the Trust honoured staff that have recently completed 40 years' service. Present to collect their awards were:

- Carole Clay, senior nurse
- Clive Moore, maintenance technician.

Annex statements from commissioners, local Healthwatch organisations, Health and Wellbeing Boards and Overview and Scrutiny Committees

As part of the process for developing this document, we were required to share the initial draft with a range of third parties and publish their responses. Below are the comments we received:

Chesterfield Central Locality Pathfinder and Recovery Team

Healthwatch Derby
The Council House
Corporation Street
Derby
DE1 2FS

Telephone: 01332 643989
Email:Samragi.Madden@healthwatchderby.co.uk

Ms Carolyn Green
Director of Nursing & Patient Experience
Derbyshire Healthcare NHS Foundation Trust
Kingsway
Derby
DE22 3LZ

6th May 2016

Dear Carolyn

Re Quality Report 2015/2016

On behalf of Healthwatch Derby, I would like to present our formal response to Derbyshire Healthcare NHS Foundation Trust's Quality Report 2015/2016.

I would like to commend the Trust on its commitments to improve services having faced a challenging period, and we take note of all your key achievements despite these difficulties. It is difficult in an age of trial by media to remain positive and keep morale high, we are pleased the Trust is listening, adapting, changing and improving.

At Healthwatch Derby we are proud of our partnership work with the Trust, and are delighted to see our feedback, especially our Trend Analysis Overview Report feature as part of the Quality Report. A few observations about the report from us:

- We would like to formally note the positive working relationship between Healthwatch Derby & the Trust. We have always been welcomed, and the Trust has requested Healthwatch Derby to undertake further exercises in 2015/2016 to review services such as the Use of Restraint, and the Complaints Audit.

- It is important to note that the Trust has time and again demonstrated a willingness to listen and improve with input directly from patients and carers, as reported to Healthwatch Derby.

- We would like the Trust to consider making some amendments in a passage of the report, which has some factual inaccuracies quoted below:

  "In 2014 Commissioners asked Healthwatch Derby, as an independent organisation to review our complaints handling. Healthwatch Derby is developing a survey and a review process to sample individuals who have used the Trust complaints process to review how was their experience and was it helpful. We continue to work positively with them and look forward to receiving this result of work, putting in places immediate response and looking at what we can learn and where we can improve"

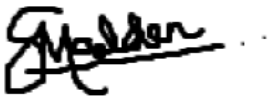
Please note it was in 2015 that Healthwatch Derby was commissioned to undertake two specific audits of Trust services - Complaints & Use of Restraint. Initial analytic reporting for the Complaints audit was completed and conveyed to the Trust in 2016, prior to the publication of the Quality Report. Healthwatch Derby alerted the Trust to early indicators, and is confident the Trust will take on board patient feedback to address any concerns that have been highlighted. Following the publication of the Quality Report, Healthwatch Derby has now submitted a full report into the Complaints Audit and is now awaiting responses. The Use of Restraint report is due.

In addition to the above, we feel some work we have done together is missing from the Quality Report. We have involved the Trust fully in our 'Little Voices' consultation into pregnancy, maternity, children's services 0 to 11 years. Our engagement team visited CAMHS and liaised with service professionals acquiring feedback about the service from a staff point of view - this was included in the full report for 'Little Voices'. The Trust was given an opportunity to respond to the report, however we have not received any responses. It is disappointing that this piece of work has not been included. If possible, we would like to see this work mentioned, as we feel it was a good partnership work opportunity, where the Trust made its services open and available for Healthwatch Derby to visit.

The above are some key observations from the Quality Report, and we are pleased to advise you that this year we received the full 30 day consultation period to respond. We look forward to another year of continued successful partnership, with work already underway to complete the Use of Restraint audit.

If you would like any further information about this response or wish to have a further discussion please do not hesitate to contact me directly.

Yours Sincerely



Samragi Madden
Quality Assurance & Compliance Officer
Healthwatch Derby

Healthwatch Derbyshire

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Foundry Lane, Milford

Derbyshire, DE56 0RN

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“Healthwatch Derbyshire collects experiences of health and social care services, as told by patients, their families and carers. These genuine thoughts, feelings and issues that have been conveyed to Healthwatch Derbyshire form the basis of this response.

“During this period, Healthwatch Derbyshire has heard about services delivered by Derbyshire Healthcare NHS Foundation Trust in a number of different ways. We have carried out several pieces of themed engagement to explore specific topics, collecting the experience of people with learning disabilities when using health services, and hearing experiences of using Child and Adolescent Mental Health Services (CAMHS). This engagement has been drawn together into reports, published on the Healthwatch Derbyshire website. Derbyshire Healthcare NHS Foundation Trust has responded to the recommendations made in each report, and these responses can be found in all the reports published.

“Additionally, Healthwatch Derbyshire has drawn together the individual comments received about the Trust into an annual information summary, which can be found on the Healthwatch Derbyshire website under the ‘Our Work’ section.

“The Annual Information Summary covers the 45 comments received by Healthwatch Derbyshire about the Trust, collected from either general engagement activity or volunteered to us by people calling, emailing or using the Healthwatch Derbyshire website to share their experiences.

“Out of the 45 comments received, 28 were negative, 9 were positive and 8 had a mixed sentiment, i.e. had both a positive and negative element.

“The comments received cover a range of services with 22 comments relating to adult mental health, 10 relating to Child and Adolescent Mental Health Services (CAMHS) and 5 relating to gaps in service. This flags occasions when people have spoken about services that have perceived gaps either within them, or between services.

“The most recurrent negative themes were access to a service, waiting times and involvement and engagement. The most recurrent positive themes were staff attitudes and quality of treatment.

“It should be remembered that this information contains comments from a relatively small number of patients and so should be seen in the wider context of patient experience at the Trust as reported in this Quality Account.

“Healthwatch Derbyshire would like to thank Derbyshire Healthcare NHS Foundation Trust for their timely and thorough responses to comments which are then, when possible, fed back to patients.”

Derby City Health and Wellbeing Board

"*On behalf of the Derby City Health and Well Being Board, Derby City Public Health acknowledges the progress that has been made within each of the quality improvement priorities during the period 2015/16. We welcome the Trust's commitment to embed the clinical regulations as outlined by the CQC into the everyday work of their clinical teams. We acknowledge that this has been a difficult year for the staff and those who use or care for someone who uses the Trusts services. Going forward we are assured that the Trust will ensure its governance systems are strengthened and improved*."

Comments from Chair of the Health Scrutiny Committee

"The Health Scrutiny Committee is pleased to receive the Quality Report for Derbyshire Healthcare NHS Foundation Trust for 2015/16 and Members have noted the information it imparts. The Committee will take the opportunity, over the coming year, to monitor the activities and progress of the Trust and both support and challenge the Trust as appropriate."

GOVERNORS' RESPONSE TO QUALITY REPORT 2015/16

11 May 2016

"The Governors were pleased to be involved in the review of the draft quality report 2015/16. The views of the governors were collected by responses to five questions. The answers to each question have been collated and used as the basis for this collective response by governors.

Question 1
We have identified our priorities for 2016/17 in part two of the quality report. Have we got the priorities right as the ones that have the biggest impact in driving up quality within the Trust?

"Our response:

Overall, we thought that the priorities were right. We would also recommend:

- *Including waiting times to measure responsiveness and*
- *A priority to inspire our staff to be more healthy and active.*

Question 2
Are there any other things do you think we should measure to demonstrate quality improvements in 2016/17?

"Our response:

We would like to recommend that future reports should measure:

- *Focusing on the quality of places and processes and how these impact on the health and wellbeing of patients and staff.*
- *Health checks for our staff*
- *Waiting times on referrals to other departments/clinicians/organisations*
- *Quality improvements in 'out-lying' departments*

Question 3
What do you think of the overall content of the report?

"Our response:

The overall content of the report is good in that it not only provides statistics, but also includes the details of our 'Excellence Awards', and our Research involvement. These sections give a better 'flavour'.

We would welcome more co-construction of plans for quality with people with experience and their contribution more clearly indicated from the start. Also more focus of staff wellbeing and health, especially obesity and physical activity.

Question 4
What areas or subjects do you feel we should include more information on?

"Our response:

It would be good to see the Trust consider more forthrightly how the Trust's environments and processes can be enhanced and improved to promote staff wellbeing, not least reducing stress or threat culture.

We recommend future reports include embedding prevention through strong partnership working especially primary care within the neighbourhoods. In addition we would like to see more information around support for staff engagement and development.

Question 5
Do you have any other comments regarding the content of the Quality Report?

"Our response:

We considered that the overall content provides a decent report. In future reports we would like to see improvements in the performance on outpatient letters. We noted positively that the report is clear, well written and offers good examples of excellent practice.

John Morrissey
On behalf of the Governors

Comments from NHS Hardwick Clinical Commissioning Group

"Thank you for inviting us to comment on the Derbyshire Healthcare NHS Foundation Trust's Quality Account for 2015/16. Hardwick Clinical Commissioning Group (HCCG) welcomes the opportunity to provide the narrative on behalf of all local Commissioning Groups in Derbyshire. We have reviewed the account and would like to offer the following comment:

NHS Hardwick CCG has completed its review statement in accordance with the National Health Service (Quality Accounts) Amendment Regulations 2012 and is pleased to confirm that the necessary data requirements have been included and as far as can be determined the commentary and data presented are an accurate and honest reflection of progress made at Derbyshire Healthcare NHS Foundation Trust in improved service delivery and patient outcomes. This is a clear and well- structured Quality Account and outlines the key service areas and achievements and developments across the year.

We note that the Trust has identified a number of areas which require further work and will be carried across into 2015/16. Following the outcome of external reviews by independent and regulatory bodies there are a number of recommendations which have been combined into the governance improvement plan. The plan focuses on the improvement of the effectiveness of the Board, development of a new organisational strategy and HR structure and will be monitored through the Commissioners Quality Assurance Group meeting and Quality Committee.

During 2015/16 the trust continued to implement changes as a result of engagement and learning from others. Suicide prevention and the continued reduction wherever possible have led to the organisational improvements such as the implementation of Electronic Patient Records, co-hosting a World Suicide Prevention Day and 'Blue Light' staff alerts. This key piece of work remains a key commitment for the Trust and commissioners in 2016/17.
Overall there has been a decline in the NHS Staff survey results with recognised areas of improvement. Whilst the majority of staff continue to say they would be happy for their friends or relatives to receive care from the trust there has been a 8% drop in staff who would recommend the trust as a place to work.

The development of key work streams within the community has seen a number of positive outcomes including the Erewash Mental Health Innovation Project and DEED scheme developing an integrated approach to caring.

There are well established mechanisms to review and monitor performance, governance arrangements and standards of quality including bi-monthly quality and contract review meetings, on-going dialogue as issues and visits to services as required for further assurance of the quality of services provided to patients.

We believe that we have a highly positive relationship with the Trust, and we look forward to further developing this in the pursuit of high quality mental health services for the people of Derbyshire. We will continue to work with the Trust in the monitoring of progress against the priorities outlined in this Account.

Statement of Directors' responsibilities in respect of the quality report

The Directors are required under the Health Act 2009 and the National Health Service Quality Accounts Regulations to prepare Quality Accounts for each financial year.
Monitor has issued guidance to NHS foundation trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that foundation trust boards should put in place to support the data quality for the preparation of the quality report.

In preparing the Quality Report, directors are required to take steps to satisfy themselves that:

- the content of the Quality Report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2015/16;
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
    - Board minutes and papers for the period April 2015 to June 2016
    - Papers relating to Quality reported to the Board over the period April 2015 to June 2016
    - Feedback from the commissioners dated 06/05/16
    - Feedback from governors dated 11/05/16
    - Feedback from Local Healthwatch organisations dated 29/04/16 and 06/05/16
    - Feedback from local authorities dated 12/04/16 and 12/05/16
    - The trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 12/05/16
    - The [latest] national patient survey 21/10/15
    - The [latest] national staff survey 22/03/16
    - The Head of Internal Audit's annual opinion over the trust's control environment dated 24/05/2016
    - CQC quality and risk profiles dated 01/04/15 to 31/03/16.
- the Quality Report presents a balanced picture of the NHS foundation trust's performance over the period covered;
- the performance information reported in the Quality Report is reliable and accurate;
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice;
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review; and the Quality Report has been prepared in accordance with Monitor's annual reporting guidance (which incorporates the Quality Accounts regulations) (published at www.monitor-nhsft.gov.uk/annualreportingmanual) as well as the standards to support data quality for the preparation of the Quality Report (available at www.monitor-nhsft.gov.uk/annualreportingmanual).

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the Quality Report.
By order of the Board

Richard Gregory, Interim Chairman
24/05/16

Ifti Majid, Acting Chief Executive
24/05/16

Annual Accounts

Independent auditor's report to the Council of Governors of Derbyshire Healthcare NHS Foundation Trust

Independent auditor's report to the Council of Governors of Derbyshire Healthcare NHS Foundation Trust

Our opinion on the financial statements is unmodified

In our opinion the financial statements of Derbyshire Healthcare NHS Foundation Trust (the 'Trust'):

- give a true and fair view of the state of the financial position of the Trust's affairs as at 31 March 2016 and of the Trust's expenditure and income for the year then ended; and
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, as interpreted and adapted by the 2015/16 FReM as contained in the NHS Foundation Trust Annual Reporting Manual and the Directions under paragraph 25(2) of Schedule 7 of the National Health Service Act 2006.

Who we are reporting to

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with paragraph 24(5) of Schedule 7 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Trust's Council of Governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's Council of Governors as a body, for our audit work, for this report, or for the opinions we have formed.

What we have audited

We have audited the financial statements of Derbyshire Healthcare NHS Foundation Trust for the year ended 31 March 2016 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in taxpayers' equity, the statement of cash flows and the related notes.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union, and as interpreted and adapted by the 2015/16 Government Financial Reporting Manual (the 2015/16 FReM) as contained in the NHS Foundation Trust Annual Reporting Manual (ARM) and the Directions under paragraph 25(2) of Schedule 7 of the National Health Service Act 2006 issued by Monitor, the Independent Regulator of NHS Foundation Trusts.

Overview of our audit approach

- Overall materiality: £2,507,000, which represents 2% of the Trust's budgeted gross revenue expenditure;
- Key audit risks were identified as:
  - Valuation of healthcare income and associated receivable balances
  - Occurrence of other operating income and the existence of associated receivable balances
  - Completeness of operating expenditure on employees
  - Completeness of operating expenditure on goods and services

Our assessment of risk

In arriving at our opinions set out in this report, we highlight the following risks that, in our judgement, had the greatest effect on our audit:

Audit risk	How we responded to the risk
Valuation of healthcare income and associated receivable balances 92% of the Trust's income is from contracts with NHS commissioners of healthcare services. The Trust invoices its commissioners throughout the year for services provided, and at the year-end estimates and accrues for activity not yet invoiced. Invoices for the final quarter of the year are not finalised and agreed until after the year-end and after the deadline for the production of the financial statements.. We therefore identified the occurrence and valuation of healthcare income and the existence of associated receivables as a significant risk requiring special audit consideration.	Our audit work included, but was not restricted to: • evaluating the Trust's accounting policy for revenue recognition of healthcare income for appropriateness and consistency with the prior year; • gaining an understanding of the Trust's system for accounting for healthcare income and evaluating the design of the associated controls; • using a summary of expenditure with the Trust and payables to the Trust accounted for by other NHS bodies provided by the Department of Health to identify any significant differences in income and any associated receivable balances with contracting bodies; • agreeing, on a sample basis, amounts recognised as healthcare income in the financial statements to signed contracts and invoices, and associated receivables to subsequent cash receipts, • agreeing, on a sample basis, income variations to signed contract variations and non-contractual income adjustments to supporting documentation; and • testing a sample of receivable balances to supporting information, for example subsequent cash receipts. The Trust's accounting policy on healthcare income, including its recognition, is shown in note 1.6 to the financial statements and related disclosures are included in note 4. The Trust's accounting policy on healthcare receivables is shown in note 1.15 to the financial statements and related disclosures are included in note 21.
Occurrence of other operating income and the existence of associated receivable balances 8% of the Trust's income is from non-healthcare sources such as pharmacy sales and Education and Training. Income is recognised when the service has been performed. At the year-end income is accrued for services that have been performed not yet invoiced. We therefore identified the occurrence of non-healthcare income and the existence of the associated receivable balances, as a	Our audit work included, but was not restricted to: • evaluating the Trust's accounting policy for revenue recognition of other operating income for appropriateness and consistency with the prior year; • gaining an understanding of the Trust's system for accounting for non-healthcare income and evaluating the design of the associated controls; • agreeing, on a sample basis, amounts recognised as other operating income in the financial statements to invoices and other supporting documentation; and • agreeing, on a sample basis, year-end receivables to, supporting documentation and evidence of receipt of payment.

Audit risk	How we responded to the risk
significant risk requiring special audit consideration.	The Trust's accounting policy for other operating income, including its recognition, is shown in note 1.6 to the financial statements and related disclosures are included in note 5. The trust's accounting policy on non-healthcare receivables is shown in note 1;15 to the financial statements and related disclosures are included in note 21.
Completeness of operating expenditure on employees Expenditure on employees represents the largest single area of expense for the Trust, at 76% of total expenditure. The Trust accrues at year end using estimates for employee-related services. We therefore identified completeness of expenditure on employees as a risk requiring particular audit attention.	Our audit work included, but was not restricted to: • gaining an understanding of the systems used to recognise payroll expenditure and evaluating the design of the associated controls; • reconciling expenditure on employees recorded in the general ledger to the payroll system reports for each month to ensure that all transactions from the payroll system are reflected in the financial statements; • testing on a sample basis, payments made after year-end to confirm the completeness of accruals. The Trust's accounting policy for expenditure on employee benefits is shown in note 1.7 to the financial statements and related disclosures are included in notes 9.1 to 9.5.
Completeness of operating expenditure on goods and services Expenditure on goods and services represents 21% of the Trust's total expenditure. Management uses judgement to estimate accruals of expenditure for amounts that have not been invoiced at the year end. We therefore identified completeness of operating expenditure on goods and services as a risk requiring particular audit attention.	Our audit work included, but was not restricted to: • gaining an understanding of the systems used to recognise expenditure on goods and services and year-end accruals, and evaluating the design of the associated controls; • testing, on a sample basis, payments made after the year end to 30 April 2016 to confirm the completeness of year-end payables and accruals; • reviewing the year-end reconciliation of the subsidiary system interface and general ledger control accounts to ensure that all transactions from the subsidiary system are reflected in the financial statements; and • considering the completeness of reported accruals and provisions by review of Trust Board and Committee minutes and papers for events subsequent to the year end. The Trust's accounting policy for expenditure on goods and services is shown in note 1.8 to the financial statements and related disclosures are included in note 7.

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

Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use

materiality in determining the nature, timing and extent of our audit work and in evaluating the results of that work.

We determined materiality for the audit of the Trust's financial statements as a whole to be £2,507,000, which is 2% of the Trust's gross revenue expenditure charged to the statement of comprehensive income. This benchmark is considered the most appropriate because we consider users of the Trust's financial statements to be most interested in how it has expended its revenue and other funding.

Materiality for the current year is at the same percentage level of gross revenue expenditure as we determined for the year ended 31 March 2015, to reflect our view that we had not identified any reason for users of the accounts to change their view of the appropriate level of materiality.

We use a different level of materiality, performance materiality, to drive the extent of our testing and this was set at 75% of financial statement materiality for the audit of the financial statements.

We also determined a lower level of specific materiality for certain areas such as senior manager remuneration disclosed in the Remuneration Report and cash.

We determined the threshold at which we would communicate misstatements to the Audit Committee to be £125,350. In addition we communicated misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

Overview of the scope of our audit

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Chief Executive as Accounting Officer; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

We conducted our audit in accordance with ISAs (UK and Ireland) having regard to the Financial Reporting Council's Practice Note 10 'Audit of Financial Statements of Public Bodies in the UK (Revised)'. Our responsibilities under the Code of Audit Practice published by the National Audit Office on behalf of the Comptroller and Auditor General (the Code) and those standards are further described in the 'Responsibilities for the financial statements and the audit' section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Trust in accordance with the Auditing Practices Board's Ethical Standards for Auditors, and we have fulfilled our other ethical responsibilities in accordance with those Ethical Standards.

Our audit approach was based on a thorough understanding of the Trust's business and is risk based, and in particular, included an interim visit to evaluate the Trust's internal control environment including its IT systems and controls over key financial systems.

Overview of the scope of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criteria issued by the Comptroller and Auditor General in November 2015, as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined these criteria as those necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and

effectiveness in its use of resources for the year ended 31 March 2016 and to report by exception where we are not satisfied.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Trust had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Other reporting required by regulations

Our opinion on other matters required by the Code is unmodified

In our opinion:

- the part of the Remuneration Report and Staff Report subject to audit have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2015/16 FReM as contained in the NHS Foundation Trust Annual Reporting Manual; and
- the other information published together with the audited financial statements in the annual report is consistent with the audited financial statements.

Matters on which we are required to report by exception

Under the ISAs (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Trust acquired in the course of performing our audit; or
- otherwise misleading.

In particular, we are required to report to you if:

- we have identified any inconsistencies between our knowledge acquired during the audit and the Directors' statement that they consider the annual report is fair, balanced and understandable; or
- the annual report does not appropriately disclose those matters that were communicated to the Audit Committee which we consider should have been disclosed.

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

- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust ARM or is misleading or inconsistent with the information of which we are aware from our audit.

We have nothing to report in respect of the above matters.
We have the following to report under the Code of Audit Practice:

- except for the matter described in the basis for qualified value for money conclusion paragraph, we are satisfied that the Trust has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Basis for qualified value for money conclusion

In June 2015 the Trust was subject to an Employment Tribunal judgement involving members of the Trust Board. The matters considered related to the actions of Trust Board members in 2013. The Tribunal concluded that there had been governance breaches with regard to their actions. Following the tribunal the Trust commissioned two independent investigations covering different aspects of its governance arrangements. In addition, a focussed "well-led" review was undertaken jointly by the Care Quality Commission and Deloitte who published separate reports.

The reviews identified a number of areas where action was needed to strengthen governance arrangements. These were:

- the application of governance procedures
- the formality of board decision making
- leadership and momentum in implementing changes
- the strategy, models and structures of the human resources team
- the values and behaviours within the Trust.

On 25 February 2016, Monitor placed the Trust under specific enforcement action as a result of governance breaches.

These issues are evidence of weaknesses in proper arrangements for demonstrating and applying the principles and values of sound governance.

Qualified value for money conclusion

On the basis of our work under the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in November 2015, except for the effects of the matters described in the Basis for qualified value for money conclusion paragraph we are satisfied that, in all significant respects, Derbyshire Healthcare NHS Foundation Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2016.

Responsibilities for the financial statements and the audit

What the Chief Executive, as Accounting Officer, is responsible for:

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Chief Executive, as Accounting Officer, is responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Direction issued by Monitor and for being satisfied that they give a true and fair view. The Accounting Officer is also responsible for the arrangements to secure economy, efficiency and effectiveness in the use of the Trust's resources.

What we are responsible for:
Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law, the Code of Audit Practice and ISAs (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

We are also required under Section 1 of Schedule 10 of the National Health Service Act 2006 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Certificate

We certify that we have completed the audit of the financial statements of Derbyshire Healthcare NHS Foundation Trust in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Mark Stocks
Partner
for and on behalf of Grant Thornton UK LLP
Birmingham

24 May 2016

Statement of comprehensive income for the period ended 31 March 2016

	NOTE	**2015/16** **£000**	2014/15 £000
Operating income from continuing operations	4 & 5	**130,949**	131,433
Operating expenses of continuing operations	7	**(126,082)**	(127,720)
Operating surplus/(deficit)		**4,867**	3,713
Finance costs			
Finance income	13	**35**	29
Finance expense - financial liabilities	15	**(2,130)**	(2,489)
Finance expense - unwinding of discount on provisions		**(38)**	(50)
PDC dividends payable		**(1,605)**	(1,369)
Net finance costs		**(3,738)**	(3,879)
Surplus/(deficit) for the year		**1,129**	(166)
Surplus/(deficit) of discontinued operations and then the gain/(loss) on disposal of discontinued operations		**0**	0
Retained surplus/(deficit) for the year		**1,129**	(166)
Other comprehensive income		**6,585**	6,162
Total comprehensive income(expense) for the year		**7,714**	5,996

The notes on pages 199-243 form part of these accounts.

Statement of financial position as at 31 March 2016

	NOTE	31 March 2016 £000	31 March 2015 £000
Non-current assets:			
Intangible assets	17	**3,074**	**3,481**
Property, plant and equipment	16	**85,844**	**84,627**
Trade and other receivables	21	**334**	**280**
Total non-current assets		**89,252**	**88,388**
Current assets:			
Inventories	20	**161**	**165**
Trade and other receivables	21	**3,243**	**3,213**
Non-current assets for sale	25	**4,795**	**210**
Cash and cash equivalents	24	**12,198**	**11,642**
Total current assets		**20,397**	**15,230**
Current liabilities			
Trade and other payables	26	**(11,806)**	**(12,341)**
Borrowings	27	**(824)**	**(866)**
Provisions	36	**(1,022)**	**(1,852)**
Other liabilities	28	**(1,473)**	**(828)**
Total current liabilities		**(15,125)**	**(15,887)**
Total assets less current liabilities		**94,524**	**87,731**
Non-current liabilities			
Borrowings	27	**(27,888)**	**(28,652)**
Provisions	33	**(2,596)**	**(2,754)**
Total non-current liabilities		**(30,484)**	**(31,406)**
Total assets employed:		**64,040**	**56,326**

Financed by:		
Taxpayers' equity		
Public Dividend Capital	**16,085**	**16,085**
Revaluation reserve	**40,451**	**34,069**
Merger reserve	**8,680**	**8,680**
Income and expenditure reserve	**(1,176)**	**(2,508)**
Total taxpayers' equity:	**64,040**	**56,326**

The notes on pages 199-243 form part of these accounts.

The financial statements on pages 193-198 were approved by the Audit Committee on behalf of the Board on 24 May 2016 and signed on its behalf by:

Ifti Majid
Acting Chief Executive

Statement of changes in taxpayers' equity for the period ended 31 March 2016

	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Total reserves
	£000	£000	£000	£000	£000
Taxpayers' equity at 1 April 2015	**16,085**	**34,069**	**8,680**	**(2,508)**	**56,326**
Surplus/(deficit) for the year	**0**	**0**	**0**	**1,129**	**1,129**
Revaluations	**0**	**6,585**	**0**	**0**	**6,585**
Asset disposals	**0**	**(203)**	**0**	**203**	**0**
Taxpayers' equity at 31 March 2016	**16,085**	**40,451**	**8,680**	**(1,176)**	**64,040**

Statement of changes in taxpayers' equity for the period ended 31 March 2015

	Public dividend capital	Revaluation reserve	Other reserves	Income and expenditure reserve	Total reserves
	£000	£000	£000	£000	£000
Taxpayers equity at 1 April 2014	16,085	28,090	8,680	(2,525)	50,330
Surplus/(deficit) for the year	0	0	0	(166)	(166)
Impairments	0	(146)	0	0	(146)
Revaluations	0	6,308	0	0	6,308
Asset disposals	0	(88)	0	88	0
Other reserve movements	0	(95)	0	95	0
Taxpayers equity at 31 March 2015	16,085	34,069	8,680	(2,508)	56,326

Statement of cash flows for the period ended 31 March 2016

	NOTE	**2015/16 £000**	2014/15 £000
Cash flows from operating activities			
Operating surplus/deficit from continuing operations		**4,867**	3,713
Operating surplus/deficit		**4,867**	3,713
Non cash income and expenses			
Depreciation and amortisation		**3,610**	3,336
Impairments		**713**	2,244
Reversal of impairments		**0**	(260)
Gains and losses on asset disposals		**(31)**	(348)
(Increase)/decrease in inventories		**4**	7
(Increase)/decrease in trade and other receivables		**(144)**	2,493
(Increase)/decrease in other assets		**267**	(928)
Increase/(decrease) in trade and other payables		**(502)**	169
(Increase)/decrease in other current liabilities		**644**	335
Increase/(decrease) in provisions		**(1,026)**	1,202
Net cash inflow/(outflow) from operating activities		**8,402**	11,963
Cash flows from investing activities			
Interest received		**35**	29
Purchase of financial assets		**0**	(375)
Purchase of intangible assets		**(427)**	(1,157)
Purchase of property, plant and equipment		**(2,864)**	(1,945)
Sales of property, plant and equipment		**154**	860
PFI lifecycle prepayments (cash outflow)		**(209)**	(132)
Net cash inflow/(outflow) from investing activities		**(3,311)**	(2,720)
Cash flows from financing activities			
Capital element of private finance lease obligations		**(866)**	(902)
Interest element of private finance lease obligations		**(1,902)**	(1,918)
Interest element of finance lease obligations		**(228)**	(206)
PDC dividend paid		**(1,539)**	(1,423)
Net cash inflow/(outflow) from financing activities		**(4,535)**	(4,449)
Net increase/(decrease) in cash and cash equivalents		**556**	4,794
Cash and cash equivalents at beginning of the period		**11,642**	6,848
Cash and cash equivalents at year end	24	**12,198**	11,642

Notes to the accounts

1. Accounting policies and other information

Monitor has directed that the financial statements of NHS Foundation Trusts shall meet the accounting requirements of the FT ARM, which shall be agreed with the Secretary of State. Consequently, the following financial statements have been prepared in accordance with the FT ARM 2015/16 issued by Monitor. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) and HM Treasury's FReM to the extent that they are meaningful and appropriate to NHS Foundation Trusts. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Accounting convention

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

These accounts have been prepared using the going concern convention.

1.2 Consolidation

Subsidiaries

The NHS Foundation Trust does not have any subsidiary arrangements. Charitable funds are managed by Derbyshire Community Health Services NHS Foundation Trust on behalf of the Trust and do not have to be consolidated into the accounts.

Associates

The Trust is not involved in any associate company arrangements.

Joint ventures

The Trust is not involved in any joint venture arrangements.

Joint operations

The Trust is not involved in any joint operation arrangements.

1.3 Pooled budgets

The Trust does not have any pooled budget arrangements.

1.4 Critical judgments in applying accounting policies

The following are the critical judgments, 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.

Asset lives

The Trust has to make assumptions and judgments when determining the length of an asset's estimated useful life. This will take into account the view provided during the professional valuation and also the Trust's assessment of the period over which it will obtain service potential from the asset.

In determining the estimated useful lives of assets the Trust has taken into consideration any future lifecycle replacement that will enhance and prolong the life of the asset; specifically in relation to assets capitalised under PFI contract arrangements.

Intangible assets are amortised over their expected useful economic lives on a straight line basis in a manner consistent with the consumption of economic or service delivery benefits.

PFI
The PFI scheme has been reviewed under IFRIC 12 and it is deemed to meet the criteria to include the scheme on balance sheet.

1.5 Key sources of estimation uncertainty
The following are the key assumptions concerning the future, and other key sources of estimating uncertainty at the end of the reporting period, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Property valuation estimation
Assets relating to land and buildings were subject to a formal valuation during the financial year ending 31 March 2015. This resulted in an increase in asset valuations, reflecting the trend in market prices. The valuation was based on prospective market values at 31 March 2015, which has been localised for the Trust's estate. The Trust has formal valuations where assets have been classified as "available for sale" during the period, note 25. In years where there is not a formal valuation, an indexation factor is applied based on the BICS indices supplied by DVS Property Services.

Intangible assets estimation
The Trust has two types of intangible assets:

- Smaller projects which involve the development of exiting systems, which is spent and capitalised in year.
- Intangible assets with a significant carrying value which have been developed over several years and accounted for in assets under construction. When the system goes live, a full fair value review is undertaken and only the costs directly attributable to the development are capitalised, all other costs are impaired or allocated to revenue.

Provisions estimation
The Trust holds a provision for pensions and by its nature this includes a degree of uncertainty in respect of timings and amount, due to the uncertainty over life expectancy. Future liability is calculated using actuarial values, note 34.

1.6 Income
Income in respect of services provided is recognised when, and to the extent that, performance occurs, and is measured at the fair value of the consideration received. The main source of income for the Trust is from contracts with commissioners for healthcare services.

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

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

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 to the extent that employees are permitted to carry forward leave into the following period.

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.

Employers pension cost contributions are charged to operating expenses as and when they become due.

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 Expenditure on other goods and services
Other operating expenses are recognised when, and to the extent that, the goods or services have been received. They are measured at the fair value of the consideration payable for those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property plant and equipment.

1.9 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 an individual cost of at least £5,000 or collectively, a number of items have a cost of at least £5,000 and individually have cost more than £250, where the assets are functionally interdependent, they have 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.

Assets are capitalised in the month following the completion of the project, allowing time for final invoices to be received and accurate costs to be capitalised.

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

All assets are measured subsequently at valuation. An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirement of IAS40 of IFRS 5 Assets Held for Sale.

Land and buildings used for the Trust's services or for administrative purposes are stated in the Statement of Financial Position at their re-valued 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, in years where a revaluation does not take place, an indexation factor is applied.

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 re-valued and depreciation commences when they are brought into use.

New fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value, their useful economic life is evaluated on purchase and the asset is written off over their remaining useful lives on a straight line basis.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses 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.

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 checks 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 all impairments were taken to the revaluation 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.

Revaluation gains and losses
Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the “Statement of Comprehensive Income” as an item of “other comprehensive income”.

De-recognition
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 the income and expenditure reserve. Following reclassification, the assets are measured at the lower of their existing carrying amount and their “fair value less costs to sell”. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment that is due 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.

1.10 Donated, government grant and other grant funded assets
Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor imposes a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred

within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

1.11 Private Finance Initiative (PFI) transactions
PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as "on-Statement of Financial Position" by the Trust. In accordance with IAS17, the underlying assets are recognised as property, plant and equipment at their fair value, together with an equivalent finance lease liability. Subsequently, the assets are accounted for as property, plant and equipment.

The annual contract payments are apportioned between the repayment of the liability, a finance cost and the charges for services.

Services received
The service charge is recognised in operating expenses and the finance cost is charged to finance costs in the Statement of Comprehensive Income.

PFI asset
The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the Trust's approach for each relevant class of asset in accordance with the principles of IAS 16.

PFI liability
A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to "finance costs" within the Statement of Comprehensive Income.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Income.

Lifecycle replacement
Components of the asset replaced by the operator during the contract ("lifecycle replacement") are capitalised where they meet the Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

The above is a change to previous years where the Trust accounted for lifecycle using a smoothed method where a prepayment was placed in the accounts and released to capital or revenue when works have been completed.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a “free” asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

Assets contributed by the Trust to the operator for use in the scheme
Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the Trust’s Statement of Financial Position.

Other assets contributed by the Trust to the operator
Assets contributed (e.g. cash payments, surplus property) by the Trust to the operator before the asset is brought into use, which are intended to defray the operator’s capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the Trust, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

1.12 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 cost. 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.

Assets are capitalised in the month following the completion of the project, allowing time for final invoices to be received and accurate costs to be capitalised.

Measurement
Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market, intangible assets are valued at the lower of depreciated replacement costs and value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS13, if it does not meet the requirement of IAS 40 of IFRS 5 Assets Held for Sale.

Intangible assets held for sale are measured at the lower of their carrying amount or "fair value less costs to sell".

Amortisation
Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

1.13 Inventories
Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the First In, First Out cost formula. This is considered to be a reasonable approximation due to the high turnover of inventories.

1.14 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 three 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. Cash deposits held by the Trust are available without notice or penalty.

1.15 Financial instruments and financial liabilities
Recognition
Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-Financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs i.e. when receipt or delivery of the goods or services is made.

De-recognition
All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership. Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification and measurement
Financial assets are categorised as "loans and receivables".
Financial liabilities are classified as "other financial liabilities".

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets. The

Trust's loans and receivables comprise: cash and cash equivalents, NHS debtors, accrued income and "other debtors".

Loans and receivables are recognised initially at fair value, net of transactions costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset. Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

Other financial liabilities
All other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities. Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to "Finance Costs". Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

Impairment of financial assets
At the Statement of Financial Position date, the Trust assesses whether any financial assets, other than those held at "fair value through income and expenditure" are impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced through the use of an allowance account/bad debt provision.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through expenditure to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

1.16 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.

1.17 Provisions
The NHS Foundation Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rate of 2.2% in real terms, except for early retirement provisions and injury benefit provisions which both use the HM Treasury's pension discount rate of 1.37% (2014/15: 1.3%) in real terms.

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.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the Trust has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

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 on-going activities of the entity.

Clinical negligence costs
The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the NHS Foundation Trust pays an annual contribution to the NHSLA, which, in return, settles all clinical negligence claims. Although the NHSLA is administratively responsible for all clinical negligence cases, the legal liability remains with the NHS Foundation Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the NHS Foundation Trust is disclosed in note 34 to the NHS Foundation Trust accounts, however is not recognised.

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

1.18 Contingencies
Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the Trust's control) are not recognised as assets, but are disclosed in note 35.2 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 35.1, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- Possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- Present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

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

1.19 Public dividend capital
Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS Trust. HM treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

A Charge, reflecting the cost of capital utilised by the NHS foundation trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the NHS foundation Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities except for

(i) Donated assets (including lottery funded assets)
(ii) Average daily cash balances held with the Government Banking Services and National Loan Fund (NLF) deposits, excluding cash balances held in GBS accounts that relates to short-term working capital facility
(iii) PDC dividend receivable or payable.

In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre audit" version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occurs as a result of the audit of the annual accounts.

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

1.21 Corporation Tax
The NHS Foundation Trust has determined that it has no corporation tax liability, based on the NHS Foundation Trust undertaking no business activities.

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

1.23 Third party assets
Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS Foundation Trust has no beneficial interest in them. However, they are disclosed in note 40 to the accounts in accordance with the requirements of HM Treasury's FReM.

1.24 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 Foundation Trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

1.25 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.

1.26 Research and development
Research and development expenditure is charged against income in the year in which it is incurred, except insofar as development expenditure relates to a clearly defined project and the benefits of it can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the Statement of Comprehensive Income on a systematic basis over the period expected to benefit from the project. It should be re-valued on the basis of current cost. The amortisation is calculated on the same basis as depreciation, on a quarterly basis.

1.27 Accounting standards that have been issued and have not yet been adopted
The Treasury FReM does not require the following standards and interpretations to be applied in 2015/16. The application of the standards as revised would not have a material impact on the accounts for 2015/16, were they applied in that year:

IFRS 9 Financial instruments
IFRS 15 Revenue from contracts with customers

2. Operating segments

The Trust has only one operating segment; that is the provision of healthcare services.

The total amount of income from the provision of healthcare services during the accounting period is £120,611k, including £109,177k from Clinical Commissioning Groups (CCGs).

	2015/6 £000	2014/15 £000
Clinical income	120,611	119,634
Non clinical income	10,338	11,799
Pay	(95,371)	(95,079)
Non pay	(34,449)	(36,520)
Surplus/(deficit)	**1,129**	**(166)**

The Trust generated over 10% of income from the following organisations:

	2015/16 £000	2014/15 £000
Southern Derbyshire CCG	**61,196**	62,081
North Derbyshire CCG	**22,196**	21,965

3. Income generation activities

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

The Trust undertakes income generation activities with an aim of achieving profit, which is then used in patient care, although those activities do not provide material sources of income or have a full cost of over £1m.

4. Income

4.1 Income from patient care activities (by type)

	2015/16 £000	2014/15 £000
NHS Trusts	**0**	0
Clinical Commissioning Groups	**109,177**	111,223
NHS other	**0**	56
Foundation Trusts	**95**	236
Local Authorities	**11,258**	7,688
Non-NHS other	**81**	431
	120,611	119,634

4.2 Income from patient care activities (class)

	2015/16	2014/15
	£000	£000
Cost and volume contract income	**5,398**	6,689
Block contract income	**110,858**	108,179
Other clinical income from mandatory services	**4,355**	4,766
	120,611	119,634

As part of the NHS provider licence and the Continuity of Services Condition the Trust has a significant proportion of patient care activities designated as commissioner requested services. The total income from commissioner requested services is contained in note 4.3.

4.3 Income from commissioner requested services

Out of the services provided by the Trust through the main commissioner contract for mental health including Child and Adolescent Mental Health Services (CAMHS), learning disabilities, prisons and children's services a significant proportion (98%) are deemed through the contract to be commissioner requested services. The value of the income for those commissioner requested services is £104m. All other income stated in the accounts is generated from non-commissioner requested services.

	2015/16	2014/15
	£000	£000
Commissioner requested services	**103,867**	103,246
Non-commissioner requested services	**27,082**	28,187
Total income	**130,949**	131,433

4.4 Overseas visitors

The Trust has not received any income from overseas visitors.

5. Other operating income

	2015/16	2014/15
	£000	£000
Research and development	**307**	347
Education and training	**3,763**	3,875
Staff costs	**421**	2,151
Reversal of Impairment	**0**	260
Profit on disposal of land and buildings	**31**	348
Other revenue	**5,816**	4,818
	10,338	11,799
Other revenue includes:		
Estates recharges	**174**	82
PFI land contract	**60**	60
Property services facilities contract	**430**	537
Catering	**215**	198
Property rentals	**19**	27
Pharmacy sales	**2,281**	2,443
Services to specialist schools*	**745**	340
Services to other NHS providers	**1,242**	0
Other income elements	**650**	1,131
	5,816	4,818

Income from the sale of goods is nil.

* Part of this income was previously included in clinical income

6. Income

	2015/16	2014/15
	£000	£000
From rendering of services	**130,949**	131,433

7. Operating expenses	**2015/16**	2014/15
	£000	£000
Services from NHS Foundation Trusts	**3,371**	2,788
Services from other NHS bodies	**0**	826
Services from CCGs and NHS England	**198**	96
Purchase of healthcare from non-NHS bodies	**5,332**	4,796
Employee expenses - Executive Directors	**1,231**	871
Employee expenses - Non-Executive Directors	**126**	117
Employee expenses - staff	**93,965**	94,048
Drug costs	**3,831**	3,647
Supplies and services - clinical (excluding drug costs)	**210**	226
Supplies and services - general	**820**	916
Establishment	**2,803**	2,921
Transport	**1,405**	1,517
Premises - business rates payable to local authorities	**599**	603
Premises	**3,342**	3,496
Rentals from operating leases	**1,756**	1,599
Increase/(decrease) provision	**207**	1,420
Depreciation on property, plant and equipment	**3,022**	2,797
Amortisation of intangible assets	**588**	539
Impairments of property, plant and equipment	**113**	747
Impairments of intangibles	**600**	907
Impairment of financial assets	**0**	544
Impairments of assets held for sale	**0**	46
Audit services- statutory audit	**45**	48
Internal audit including counter fraud	**75**	75
Clinical negligence costs	**286**	316
Legal fees	**97**	243
Professional fees*	**306**	0
Consultancy costs	**300**	70
Training, courses and conferences	**473**	521
Patient travel	**14**	15
Car parking and security	**23**	0
Redundancy	**49**	43
Hospitality	**29**	28
Insurance	**22**	19
Other services, e.g. external payroll	**434**	467
Losses, ex gratia and special payments	**14**	10
Publishing	**63**	92
Other	**333**	306
	126,082	127,720

* Professional fees were included in the legal fees comparator in 2014/15.

8. Operating leases

8.1 As lessee

Operating lease commitments relate to properties rented by the Trust and also leased car arrangements.

Payments recognised as an expense	**2015/16**	2014/15
	£000	£000
Minimum lease payments	**1,756**	1,599
	1,756	1,599

The figures above include lease car payment and are reflected net, during the period the Trust has received employee contributions equating to £351k (2014/15 £386k).

	2015/16			2014/15
Total future minimum lease payments	**Buildings**	**Other**	**Total**	Total
	£000	**£000**	**£000**	£000
Payable:				
Not later than one year	**1,090**	**77**	**1,167**	1,174
Between one and five years	**3,863**	**829**	**4,692**	4,377
After five years	**13,592**	**0**	**13,592**	14,180
Total	**18,545**	**906**	**19,451**	19,731

Total future sublease payments expected to be received: £nil

8.2 As lessor

The Trust does not have any operating lease arrangements relating to property that the Trust owns and leases to a third party.

9. Employee costs and numbers

9.1 Employee costs

	Total	**31 March 2016 permanently employed**	**Other**	Total	31 March 2015 permanently employed	Other
	£000	**£000**	**£000**	£000	£000	£000
Salaries and wages	**71,440**	**66,173**	**5,267**	73,060	67,960	5,100
Social Security costs	**5,309**	**4,960**	**349**	5,230	4,896	334
Employer contributions to NHS Pension Scheme	**9,445**	**8,824**	**621**	9,230	8,641	589
Other employment benefits	**-**	**-**	**-**	43	43	-
Temporary staffing(bank/locums)*	**5,030**	**-**	**5,030**	-	-	-
Temporary staffing(agency/contract)	**4,384**	**-**	**4,384**	8,139	-	8,139
Termination benefits	**49**	**49**	**-**	-	-	-
Employee benefits expense	**95,657**	**80,006**	**15,651**	95,702	81,540	14,162
Of the total above:						
Charged to capital	**412**			740		
Employee benefits charged to revenue	**95,245**			94,962		
	95,657			95,702		

There have been two cases of early retirements due to ill health in year at a value of £189k (2014/15 – 1 cases at £61k).
*In 2014/15 Bank and Locum staff were included in the agency/contract line.

9.2 Average number of people employed	Total	31 March 2016 permanently employed	Other	Total	31 March 2015 permanently employed	Other
	Number	**Number**	**Number**	Number	Number	Number
Medical and dental	**147**	**147**		142	142	-
Administration and estates	**445**	**445**		462	462	-
Healthcare assistants and other support staff	**410**	**410**		426	426	-
Nursing, midwifery and health visiting staff	**823**	**823**		825	825	-
Scientific, therapeutic and technical staff	**269**	**269**		265	265	-
Other – Agency/Bank	**251**	**-**	**251**	289	-	289
Total	**2,344**	**2,272**	**72**	2,409	2,120	289
Of the above:						
Number of whole time equivalent staff engaged on capital projects	**5**			11		

9.3 Management costs

	2015/16 £000	2014/15 £000
Management costs	**7,837**	7,696
Income	**130,949**	131,433
Management costs as a percentage of total Trust income is	**5.98%**	5.86%

9.4 Directors' remuneration and other benefits

The aggregate of remuneration and other benefits receivable by Executive and Non-Executive Directors from 1 April 2015 to 31 March 2016 is £1,357k (2014/15 £988k).

Included in the above costs are employer pension contributions of £139k (2014/15 £100k).

9.5 Exit packages

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Guidance. Exit costs are accounted for in full in the year the Trust has legally committed to or appropriately provided for the 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.

During the period Derbyshire Healthcare NHS Foundation Trust incurred exit costs for employees and these are reported in the Trust's Annual Report in accordance with updated annual reporting requirements.

10. Pension costs

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

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31 March 2016, is based on valuation data as 31 March 2015, updated to 31 March 2016 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account their recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012.

The scheme regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

11. Better Payment Practice Code

	31 March 2016		31 March 2015	
	Number	**£000**	Number	£000
Total Non-NHS trade invoices paid in the year	**19,422**	**29,543**	21,985	27,227
Total Non NHS trade invoices paid within target	**18,522**	**25,284**	20,035	23,536
Percentage of Non-NHS trade invoices paid within target	**95%**	**86%**	91%	86%
Total NHS trade invoices paid in the year	**877**	**13,603**	1,088	14,225
Total NHS trade invoices paid within target	**813**	**12,790**	789	10,394
Percentage of NHS trade invoices paid within target	**93%**	**94%**	73%	73%

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

12. The Late Payment of Commercial Debts (Interest) Act 1998

No payments were made in respect of the Late Payment of Commercial Debt (Interest) Act 1998.

13. Finance income

Finance income was received in the form of bank interest receivables totalling £35k (2014/15 £29k).

14. Other gains and losses

The Trust made no other gains or losses during the period of account.

15. Finance costs

	2015/16	2014/15
	£000	£000
Finance lease costs	**229**	**296**
Interest on obligations under PFI contracts:		
- main finance cost	**1,419**	**1,722**
- contingent finance cost	**482**	**471**
Total interest expense	**2,130**	**2,489**

16. Property, plant and equipment

2015/16	Land	Buildings excluding dwellings	Assets under construction	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	**Total**
	£000	£000	£000	£000	£000	£000	£000	**£000**
Cost or valuation:								
At 31 March 2015	16,095	66,152	1,758	1,639	108	5,021	2,302	**93,075**
Absorption costing	0	0	0	0	0	0	0	**0**
Additions	0	556	1,686	70	0	264	100	**2,676**
Impairments	0	0	0	0	0	0	0	**0**
Reclassifications	0	685	(1,666)	127	0	485	12	**(357)**
Revaluations	0	6,675	0	0	0	0	0	**6,675**
Transferred to disposal group as asset held for sale	(1,336)	(3,459)	0	0	0	0	0	**(4,795)**
Disposals	0	0	0	(256)	(45)	(3)	(218)	**(522)**
At 31 March 2016	**14,759**	**70,609**	**1,778**	**1,580**	**63**	**5,767**	**2,196**	**96,752**

Depreciation

At 31 March 2015	0	1,586	104	1,231	87	4,208	1,232	**8,448**
Provided during the year	0	2,334	0	118	14	346	210	**3,022**
Impairments	0	0	49	0	0	0	64	**113**
Reclassifications	0	0	(153)	0	0	0	0	**(153)**
Revaluations	0	90	0	0	0	0	0	**90**
Transferred to disposal group as asset held for sale	0	(90)	0	0	0	0	0	**(90)**
Disposals	0	0	0	(256)	(45)	(3)	(218)	**(522)**
At 31 March 2016	**0**	**3,920**	**0**	**1,093**	**56**	**4,551**	**1,288**	**10,908**
Net book value at 31 March 2016	14,759	66,689	1,778	487	7	1,216	908	**85,844**

	Land	Buildings excluding dwellings	Assets under construction and payments on account	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	**Total**
Net book value	£000	£000	£000	£000	£000	£000	£000	**£000**
Owned	14,759	30,911	1,778	487	7	1,216	908	**50,066**
Finance lease	0	950	0	0	0	0	0	**950**
PFI	0	34,828	0	0	0	0	0	**34,828**
Total at 31 March 2016	**14,759**	**66,689**	**1,778**	**487**	**7**	**1,216**	**908**	**85,844**

16.1 Revaluation reserve balance for property, plant and equipment

	Land	Buildings	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	Total
	£000	£000	£000	£000	£000	£000	£000
At 31 March 2015	**12,780**	**21,288**	**0**	**0**	**0**	**0**	**34,068**
Movements	0	6,383	0	0	0	0	**6,383**
At 31 March 2016	**12,780**	**27,671**	**0**	**0**	**0**	**0**	**40,451**

16.2 Property, plant and equipment

2014/15	Land	Buildings excluding dwellings	Assets under construction	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	**Total**
	£000	£000	£000	£000	£000	£000	£000	**£000**
Cost or valuation:								
At 31 March 2014	16,290	68,983	801	1,650	108	6,245	1,949	**96,026**
Additions	0	947	1,522	0	0	129	53	**2,651**
Impairments	0	(146)	0	0	0	0	0	**(146)**
Reclassifications	0	162	(565)	0	0	103	300	**0**
Reclassifications - Write back of depreciation on revaluation	0	(9,490)	0	0	0	0	0	**(9,490)**
Revaluations	155	6,153	0	0	0	0	0	**6,308**
Transferred to disposal group as asset held for sale	0	(90)	0	0	0	0	0	**(90)**
Disposals	(350)	(367)	0	(11)	0	(1,456)	0	**(2,184)**
At 31 March 2015	**16,095**	**66,152**	**1,758**	**1,639**	**108**	**5,021**	**2,302**	**93,075**
Depreciation								
At 31 March 2014	0	8,491	16	1,127	72	5,336	1,027	**16,069**
Provided during the year	0	2,134	0	115	15	328	205	**2,797**
Impairments	0	659	88	0	0	0	0	**747**
Reclassifications - Write back of depreciation on revaluation	0	(9,490)	0	0	0	0	0	**(9,490)**
Disposals	0	(208)	0	(11)	0	(1,456)	0	**(1,675)**
At 31 March 2015	**0**	**1,586**	**104**	**1,231**	**87**	**4,208**	**1,232**	**8,448**
Net book value at 31 March 2015	16,095	64,566	1,654	408	21	813	1,070	**84,627**

	Land	Buildings excluding dwellings	Assets under construction and payments on account	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	**Total**
Net book value	£000	£000	£000	£000	£000	£000	£000	**£000**
Owned	16,095	28,086	1,654	408	21	813	1,070	**48,147**
Finance lease	0	700	0	0	0	0	0	**700**
PFI	0	35,780	0	0	0	0	0	**35,780**
Total at 31 March 2015	**16,095**	**64,566**	**1,654**	**408**	**21**	**813**	**1,070**	**84,627**

16.3 Revaluation reserve balance for property, plant and equipment

	Land	**Buildings**	**Plant and machinery**	**Transport equipment**	**Information technology**	**Furniture and fittings**	**Total**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
At 31 March 2014	**12,653**	**15,405**	**11**	**0**	**1**	**20**	**28,090**
Movements	127	5,883	(11)	0	(1)	(20)	**5,978**
At 31 March 2015	**12,780**	**21,288**	**0**	**0**	**0**	**0**	**34,068**

16.4 Valuation
A full valuation was performed on the Trust's land and buildings by the DVS Property Specialists in 2014/15. Assets were valued at market value for land and non-specialised buildings or at depreciated replacement cost for specialised buildings. In year the BICS indices which were also supplied by DVS Property Specialists have been applied to these valuations to reach a fair value for 2015/16.

In 2015/16 indexation has been applied to the trusts owned buildings and this has led to an increase in value of £4,530k, approximately 7.39% of the value.

Assets made surplus in 2015/16 have been revalued in line with market values and this has led to an increase of £2,105k.

16.5 Economic life of property, plant and equipment
The following table shows the range of estimated useful lives for property, plant and equipment assets

	Min life years	**Max life years**
Land	5	95
Buildings excluding dwellings	5	95
Assets under construction and POA	5	95
Plant and machinery	5	25
Transport equipment	7	7
Information technology	5	15
Furniture and fittings	5	25

16.6 Property plant and equipment: Commissioner requested services
One building has been sold in year which commissioner requested services were provided from. The service provision has continued and the service is being delivered from another existing Trust property which was previously under-utilised. The Trust's obligation to provide the Commissioner Requested Service has not been affected through the disposal of this property. This property had been declared surplus in 2012/13 and was shown in assets held for sale. The property was sold for £154k and had a NBV of £120k, this was revalued at the beginning of the year under IFRS 13 to market value. Note 5 shows a profit of £31k, the £3k adjustment relates to legal fees of the sale.

17. Intangible assets

2015/16	Software licences (purchased)	Information technology (internally generated)	Assets under construction	Total
	£000	£000	£000	£000
Cost or valuation:				
At 1 April 2015	955	3,646	95	**4,696**
Additions purchased	54	190	333	**577**
Impairments	0	0	0	**0**
Reclassifications	401	0	(197)	**204**
Revaluations	0	0	0	**0**
Disposals	0	(1,019)	0	**(1,019)**
At 31 March 2016	**1,410**	**2,817**	**231**	**4,458**
Amortisation				
At 1 April 2015	239	976	0	**1,215**
Provided during the year	212	376	0	**588**
Impairments	0	600	0	**600**
Reclassifications	0	0	0	**0**
Reversal of impairments	0	0	0	**0**
Disposals	0	(1,019)	0	**(1,019)**
At 31 March 2016	**451**	**933**	**0**	**1,384**
Net book value at 31 March 2016	**959**	**1,884**	**231**	**3,074**
Net book value				
Owned	959	1,884	231	**3,074**
Finance lease	0	0	0	**0**
PFI	0	0	0	**0**
Total at 31 March 2016	**959**	**1,884**	**231**	**3,074**

17.1 Intangible assets

2014/15	Software licences (purchased)	Information technology (internally generated)	Assets under construction	Total
	£000	£000	£000	£000
Cost or valuation:				
At 1 April 2014	484	2,158	2,701	**5,343**
Additions purchased	354	468	174	**996**
Reclassifications	117	1,470	(1,587)	**0**
Reclassification of amortisation	0	0	(1,193)	**(1,193)**
Disposals	0	(450)	0	**(450)**
At 31 March 2015	**955**	**3,646**	**95**	**4,696**
Amortisation				
At 1 April 2014	138	988	286	**1,412**
Provided during the year	101	438	0	**539**
Impairments	0	0	907	**907**
Reclassification to cost	0	0	(1,193)	**(1,193)**
Disposals	0	(450)	0	**(450)**
At 31 March 2015	**239**	**976**	**0**	**1,215**
Net book value at 31 March 2015	**716**	**2,670**	**95**	**3,481**
Net book value				
Owned	**716**	**2,670**	**95**	**3,481**
Finance lease	**0**	**0**	**0**	**0**
PFI	**0**	**0**	**0**	**0**
Total at 31 March 2015	**716**	**2,670**	**95**	**3,481**

All intangible assets both those internally developed and purchased have an economic life of five years except the development of the electronic patient records system which is amortised over ten years.

18. Impairments

Impairments have arisen in year due to several factors, the main charge was due to an evaluation of intangibles assets and writing them down to fair value. The remainder was de-recognition of replaced assets and writes offs through asset verification. In year there have been impairments of £713k, all have been charged to income and expenditure.

	£000	£000
	2015/16	2014/15
Impairments for land and buildings classified as held for sale	**0**	46
Impairments for property, plant and equipment	**113**	747
Impairments for intangibles	**600**	907
Impairments of Financial Assets (PFI)	**0**	544
Reversal of impairments on financial assets (finance lease)	**0**	(260)
Impairments written to income and expenditure	**713**	1,984
Impairments for property, plant and equipment to revaluation reserve	**0**	146
Total impairments	**713**	2,130

19. Commitments

19.1 Capital commitments

The Trust does not have any capital commitments as at 31 March 2016.

20. Inventories

20.1 Inventories

	2015/16 £000	2014/15 £000
Finished goods	**161**	165
Total	**161**	165
Of which held at net realisable value:	**0**	0

20.2 Inventories recognised in expenses

	2015/16 £000	2014/15 £000
Inventories recognised as an expense in the period	**2,501**	2,477
Write-down of inventories (including losses)	**0**	0
Reversal of write-downs that reduced the expense	**0**	0
Total	**2,501**	2,477

21. Trade and other receivables

21.1 Trade and other receivables

	Current 2015/16 £000	**Non-current 2015/16 £000**	Current 2014/15 £000	Non-current 2014/15 £000
NHS receivables-revenue	**1,349**	**0**	1,190	0
Related party receivables	**1,038**	**0**	685	0
Provision for the impairment of receivables	**(51)**	**0**	(131)	0
Prepayments and accrued income	**700**	**334**	806	280
VAT receivables	**95**	**0**	138	0
Other receivables	**112**	**0**	525	0
Total	**3,243**	**334**	3,213	280

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.

21.2 Receivables past their due date but not impaired

	2015/16	2014/15
	£000	£000
By up to three months	**2,998**	2,598
By three to six months	**88**	46
By more than six months	**35**	61
Total	**3,121**	2,705

Invoices are raised on a 30 day payment term basis.

21.3 Provision for impairment of receivables

	2015/16	2014/15
	£000	£000
Opening balance	**(131)**	(306)
Amount utilised	**1**	67
(Increase)/decrease in receivables impaired	**79**	108
Balance at 31 March	**(51)**	(131)

22. Other financial assets

There are no other financial assets as at 31 March 2016.

23. Other current assets

There are no other current assets as at 31 March 2016.

24. Cash and cash equivalents

	31 March 2016	31 March 2015
	£000	£000
Balance at 31 March	**11,642**	6,848
Net change in period	**556**	4,794
Balance at period end	**12,198**	11,642
Made up of		
Cash with Government banking services	**12,167**	11,613
Commercial banks and cash in hand	**31**	29
Cash and cash equivalents as in statement of cash flows	**12,198**	11,642

25. Non-current assets held for sale	Land	Buildings	Total
	£000	**£000**	**£000**
Balance at 31 March 2015	**80**	**130**	**210**
Plus assets classified as held for sale in the year	**1,336**	**3,369**	**4,705**
Disposal of assets held for sale	**(80)**	**(40)**	**(120)**
Balance at 31 March 2016	**1,336**	**3,459**	**4,795**

	Land	Buildings	Total
	£000	£000	£000
Balance at 31 March 2014	80	86	**166**
Plus assets classified as held for sale in the year	0	90	**90**
Less impairments of assets held for sale	0	(46)	**(46)**
Balance at 31 March 2015	**80**	**130**	**210**

Assets have been declared as available for sale because they have been considered as part of the Trusts overall review of its estate, the operating requirements have been deemed surplus to the Trust Board. Only two buildings are included as held for sale.

26. Trade and other payables

	2015/16	2014/15
	£000	£000
NHS payables	**2,783**	2,386
Trade payables - capital	**735**	773
Other trade payables	**3,137**	3,168
Payables with related parties	**1,273**	2,440
Taxes payables	**775**	820
Other payables	**88**	111
Social Security costs	**810**	848
Accruals	**2,205**	1,794
Total	**11,806**	**12,340**

The Trust does not have any non-current liabilities.

Related parties include:

£1,273k outstanding pensions contributions at 31 March 2016, last year these were included in other payables (31 March 2015 £1,296k). These were paid in April 2016.

27. Borrowings

	Current 2015/16 £000	**Non-current 2015/16 £000**	Current 2014/15 £000	Non-current 2014/15 £000
Finance lease	**0**	**1,159**	0	1,098
PFI liabilities	**824**	**26,729**	866	27,554
Total	**824**	**27,888**	866	28,652

The Trust has a PFI contract with Arden Partnership to operate and service buildings to provide patient care and clinical support services. The contract is due to expire during 2039. The finance lease relates to St Andrew's House, the contract is due to expire during 2037.

28. Other liabilities

	Current 2015/16 £000	Current 2014/15 £000
Deferred income	**1,473**	828
	1,473	828

The Trust has no other liabilities.

29. Finance lease obligations

The Trust has one finance lease, this is St Andrew's House in Derby which is used to provide clinical and administrative services.

Details of the lease charges are below:

	2015/16 £000	2014/15 £000
Not later than one year	**168**	168
Later than one year, not later than five years	**672**	672
Later than five years	**2,739**	2,907
Sub total	**3,579**	3,747
Less: interest element	**(2,420)**	(2,649)
Total	**1,159**	1,098

The Trust is committed to pay per the above table.

30. Finance lease receivables

The Trust does not have any finance lease arrangements as a lessor.

31. Private Finance Initiative contracts

31.1 PFI schemes on-Statement of Financial Position

The Trust has a PFI contract with Arden Partnership to operate and service buildings to provide patient care and clinical support services. The contract is due to expire in 2039.

Under IFRIC 12, the asset is treated as an asset of the Trust; that the substance of the contract is that the Trust has a finance lease and payments comprise two elements - imputed finance lease charges and service charges.

Details of the imputed finance lease charges are shown in the table below:

Total obligations for on-statement of financial position PFI contracts due also below:

	2015/16	2014/15
	£000	£000
Not later than one year	**2,200**	2,285
Later than one year, not later than five years	**8,493**	8,725
Later than five years	**36,130**	38,099
Sub total	**46,823**	49,109
Less: interest element	**(19,270)**	(20,690)
Total	**27,553**	28,419

31.2 Charges to expenditure

The total charged in the period to expenditure in respect of the service element of on-statement of financial position PFI contracts was £974k which includes £30k release from Lifecycle prepayments (prior year £900k).

At present value the Trust is committed to the following charges:

	2015/16	2014/15
	£000	£000
Not later than one year	**953**	939
Later than one year, not later than five years	**3,861**	3,804
Later than five years	**18,334**	19,115
Total	**23,148**	23,858

The Trust's PFI model is updated for inflation each year, the 2015/16 figures below shows the Trust's commitments if a 2.5% RPI increase is applied each year:

	2015/16	2014/15
	£000	£000
Not later than one year	**972**	958
Later than one year, not later than five years	**4,189**	4,127

Later than five years	**26,380**	27,882
Total	**31,541**	32,967

31.3 Future unitary payments
The table below shows the Trust's total commitments for the PFI scheme until 2039.

2015/16	Within 1 year £000	2-5 years £000	Over 5 years £000	**Total £000**
Operating costs	972	4,189	26,380	**31,541**
Financing expenses	1,907	7,777	40,241	**49,925**
Capital repayments	824	3,427	23,303	**27,554**
Lifecycle costs	315	1,708	12,490	**14,513**
Total	**4,018**	**17,101**	**102,414**	**123,532**

2014/15	Within 1 year £000	2-5 years £000	Over 5 years £000	**Total £000**
Operating costs	958	4,127	27,882	**32,967**
Financing expenses	1,942	7,921	43,154	**53,017**
Capital repayments	866	3,484	24,070	**28,420**
Lifecycle costs	212	1,399	13,329	**14,940**
Total	**3,978**	**16,931**	**108,435**	**129,344**

32. Other financial liabilities
The Trust has no other financial liabilities.

33. Provisions

	Current 2015/16 £000	**Non-current 2015/16 £000**	Current 2014/15 £000	Non-current 2014/15 £000
Pensions relating to other staff	**192**	**2,596**	190	2,754
Legal claims	**89**	**0**	89	0

Redundancy	**182**	**0**	209	0
Other	**559**	**0**	1,364	0
Total	**1,022**	**2,596**	1,852	2,754

	Pensions relating to other staff	Legal claims	Redundancy	Other	Total
	£000	£000	£000	£000	£000
At 1 April 2015	**2,944**	**89**	**209**	**1,364**	**4,606**
Arising during the period	**30**	**64**	**182**	**280**	**556**
Change in discount rate	**(33)**	**0**	**0**	**0**	**(33)**
Used during the period	**(191)**	**(10)**	**(150)**	**(971)**	**(1,322)**
Reversed unused	**0**	**(54)**	**(59)**	**(114)**	**(227)**
Unwinding of discount	**38**	**0**	**0**	**0**	**38**
At 31 March 2016	**2,788**	**89**	**182**	**559**	**3,618**
Expected timing of cash flows:					
Within one year	**192**	**89**	**182**	**559**	**1,022**
Between one and five years	**766**	**0**	**0**	**0**	**766**
After five years	**1,830**	**0**	**0**	**0**	**1,830**
	2,788	**89**	**182**	**559**	**3,618**

The Trust holds a provision for pensions and by its nature this includes a degree of uncertainty in respect of timings and amount, due to the uncertainty of life expectancy. Future liability is calculated using actuarial values.

Other provisions – This includes provision for the working time directive and other general Trust provisions.

£139k is included in the provisions of the NHS Litigation Authority at 31 March 2016 in respect of clinical negligence liabilities of the Trust (31 March 2015 £191k).

34. Contingencies

34.1 Contingent liabilities

There are no contingent liabilities as at 31 March 2016.

34.2 Contingent assets

Contingent assets are disclosed where a possible asset exists as a result of past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Trust's control. Contingent assets are disclosed only where the future inflow of economic benefit is considered to be probable. The Trust has one contingent asset that relates to a contract clause in a sale of land, the timing is currently unknown.

35. Financial instruments

35.1 Financial assets

	2015/16	2014/15
	Loans and receivables	Loans and receivables
	£000	£000
Trade receivables	**3,243**	2,340
Cash at bank and in hand	**12,198**	11,642
Total at 31 March	**15,441**	13,982

35.2 Financial liabilities

	2015/16	2014/15
	Other	Other
	£000	£000
Trade payables	**11,806**	8,105
PFI and finance lease obligations	**28,712**	29,517
Total at 31 March	**40,518**	37,622

IFRS 7 requires the Foundation Trust to disclose the fair value of financial liabilities. The PFI scheme is a non-current financial liability where the fair value is likely to differ from the carrying value. The Trust has reviewed the current interest rates available on the market and if these were used as the implicit interest rate for the scheme the fair value of the liability would range from £27,970k to £32,425k

35.3 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 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. Financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the board of directors. Trust treasury activity is subject to review by the 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

100% of the Trust's financial assets and 100% of its financial liabilities carry nil or fixed rates of interest. Derbyshire Healthcare NHS FT is not, therefore, exposed to significant interest rate risk.

Credit risk

Because the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2015 are in receivables from customers, as disclosed in the trade and other receivables note.

Liquidity risk

The Trust's cash flows are mainly stable and predictable. Operating costs are incurred under contracts with clinical commissioning groups, which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from internally generated sources. The Trust has access to a working capital facility of £9.3m which is available as and when required, although it has not used this facility in the accounting period. The Trust is not, therefore, exposed to significant liquidity risks.

36. Events after the reporting period

There were no post balance sheet events for the period ending 31 March 2016.

37. Audit fees

The analysis below shows the total fees paid or payable for the period in accordance with the Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) Regulations 2008 (SI 2008/489).

	2015/16	2014/15
	£000	£000
External audit fees		
Statutory audit services	45	48
Other professional fees	0	4
Other audit fees		
Internal audit services	57	55
Counter fraud	18	20
Total	**75**	75

38. Related party transactions

Derbyshire Healthcare NHS Foundation Trust is a public benefit corporation authorised by Monitor - the Independent Regulator for NHS Foundation Trusts. All NHS Foundation Trusts are independent bodies which are not controlled by the Secretary of State. The Trust has considered whether or not the working relationships it has with any NHS bodies and Government departments and agencies meet the definition of a related part under IAS 24.

The value of transactions with government bodies and other related parties with which the Trust has had material dealings and which therefore require disclosure are:

2015/16	**Income £000**	**Expenditure £000**	**Receivables £000**	**Payables £000**
Related parties with other NHS bodies	117,424	12,334	1,621	3,862
2014/15				
Related parties with other NHS bodies	120,739	8,743	1,569	3,443

During the financial period no Board Members of Derbyshire Healthcare NHS Foundation Trust have had related party relationships with organisation where we have material transactions and could have a controlling interest.

The Department of Health is regarded as a related party. During the period Derbyshire Healthcare NHS Foundation 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. These entities are listed below:

Southern Derbyshire Clinical Commissioning Group
North Derbyshire Clinical Commissioning Group
Hardwick Clinical Commissioning Group
Erewash Clinical Commissioning Group
Derby Teaching Hospitals NHS Foundation Trust
Derbyshire Community Health Services NHS Foundation Trust
NHS England
Health Education England
Chesterfield Royal Hospital NHS Foundation Trust
Sheffield Health and Social Care NHS Foundation Trust
NHS Purchasing and Supply Agency
East Midlands Ambulance Service NHS Trust
NHS Business Authority
NHS Shared Business Services

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 Derby City Council and Derbyshire County Council.

The Trust has also received payments from a number of charitable funds. The members of the NHS Trust Board are also the Trustees for the Charitable Funds held in trust for Derbyshire Healthcare which is managed by Derbyshire Community Health Services NHS Foundation Trust. The audited accounts for the Funds Held on Trust are available from the Communications Department. The Register of Interests is available from the Legal Department.

39. Third party assets

The Trust held £64k cash and cash equivalents at 31 March 2016 (£72k 31 March 2015) which relates to monies held by the NHS Trust on behalf of patients. This has been excluded from the cash and cash equivalents figure reported in the accounts.

The Trust administers deposit accounts on behalf of the patients. These are held in external accounts in the patient's names at a value of £28k (£28k 31 March 2015).

40. Losses and special payments

There were 24 cases of losses and special payments worth £24k (2014/15 - there were 30 cases totalling £29k).

	2015/16 Total number of cases Number	**2015/16 Total value of cases £000's**	2014/15 Total number of cases Number	2014/15 Total value of cases £000's
Cash losses	**6**	**0**	4	1
Bad debts and claims abandoned	**2**	**1**	3	1
Loss of stock	**2**	**10**	1	0
Special payments				
- compensation payments	**2**	**9**	8	24
- loss of personal effects	**12**	**4**	14	3
	24	**24**	30	29

Compensation payments relate to NHS Litigation Authority insurance excess paid on legal claims.

There were no clinical negligence, fraud, personal injury, compensation under legal obligation or fruitless payment cases accounted for in 2015/16 period where the net payment exceeded £300,000.

The above have been reported on an accruals basis and exclude provisions for future losses.

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